

SOSNA Board Meeting, July 26, 2006

Notes from Mark Scott as amended by the recollections of several others

Proposals for an Economic Development Plan for the SOSNA Service Area

Intro: Les: Introduced Peter Ehrenkranz of the Economic Development Committee. Peter explained that the 3 consultants would be presenting their proposals for the board. They would each have 10 minutes to present, and 5 minutes for Q&A. The groups would wait in the hall while they were not presenting. Peter pointed out that the written proposals had been distributed to the board prior to the meeting.

Presentations:

1. E-Consult- Peter Mullen:

E-Consult is just an economic consultant, and was not presenting a full planning document, just an economic development plan. I will refer to E-Consult as “They”, however it was just Peter presenting. If my notes seem a bit disjointed, that reflects how the presentation came across. There were no exhibits.

They praised the other two groups, but pointed out that they would be working off of the city’s planning plans and using this info to do things “quickly”. They also said that they could work with other firms to provide planning and renderings.

Their plan was broken into four points per the request for proposal:

1. Create a planning process that includes everyone, residents, businesses...
They admitted that it is very difficult to get unanimity, but they were familiar with working with different groups to build consensus.
2. Market Strengths/Areas for Improvements. They recognize that there are finite locations and would work to identify uses for those locations. He pointed out the “residentialfication of the nodes” of our neighborhood, and said that we need to establish what we can do to help along economic development and investment into these properties at node locations.
3. Develop a strategic 5 year plan with a step by step implementation. They would identify what things could happen quickly, and what from the city plan could be adopted. Develop an informal marketing plan that identifies what types of uses/businesses are needed. They stated that the entire market is changing, and said that while they don’t think it’s a bust, it is no longer a flipper’s market. They said this is not a negative, but a chance to build upon what we have. The neighborhood is structurally different then it was 5 years ago, and that services need to adjust and catch up.
4. Best ways to make use of planning is to influence change upfront instead of just “squashing projects in the 7th inning”. They said that we need to use our existing funds to help property owners seek available funds/grants.

Questions:

Les asked what scale of funds could we could expect to attract and how could we make the maximum impact with the available funds we have. They answered that a relatively small amount should be spent on planning (did I get that right, that a planner

would say that a small amount should be spent on planning?) and that it should be used as seed money for other funds. We could run programs with our funds, but that requires high overheads.

Someone asked about their experience getting funds. They answered that they had experience “dishing it out” for the city commerce department (whatever that means), and that they had experience securing state funds, but gave no examples.

2. Kise Straw & Kolodner Inc.-Marian Hull, PP, and several other presenters who’s names I did not catch, but who had interesting ties and accents. They had a nice PowerPoint presentation that they handed out in full color, here is the text from their presentation:

Why Plan:

- Change is happening and we can influence it
- Confirm community vision
- Understand how to use market opportunities to meet community needs
- Provide direction for ongoing plans/efforts
 - Walkability study
 - Pathmark tax credit program
- Identify specific strategies, tools and resources for implementation
- A plan bolsters grant applications

Critical Issues: Managing Success:

- Design of new development
- Appropriate commercial development (South & Washington & in between, and how they interact with residential development)
- Maintain diversity as development pressures increase
- Maintain affordability (be proactive to protect diversity)
- Preserve cultural and historic resources (Royal Theater)

Critical Issues: Continued Improvement:

- Access to open space (river access, community gardens and parks)
- Addressing vacancy in residential and commercial
- Public safety
- Cleanliness
- Future of Graduate Hospital (approach to community if it remains a hospital or not. Apparently there is lots of interest from other hospitals in the site)
- Traffic and Parking

KSK & Urban Partners:

- Extensive neighborhood planning experience
- Established relationships with potential partners:
 - SRDC (lots of work with design of connections to the river)
 - Streets Department
 - CCRA (opportunities to work with neighboring neighborhoods)
 - LISC (affordable housing)
- Strong track record of getting projects done.

The pointed out lots of past projects and the funds they have helped to secure for each:

Avenue of the Arts: \$1.1 Billion spent since 1999.

Chinatown Neighborhood Plan: \$980K PennDot Grant, \$450K Wachovia grant.

West Powelton Neighborhood Plan: \$750K construction funding for affordable homeownership.

East Falls/Ridge Ave: \$600K for lighting and gateways

Fox Chase: \$1.2M for streetscape.

Logan Circle \$1.5M for streetscape.

Project Approach:

Public education and exchange of ideas

Full integration with SOSNA Board

Stakeholder interviews that inform and engage

Hands-on community workshops

Recommendations based on market and technical realities

Create the tools to make it happen

Phase 1: Needs Assessment

Products:

Graphic analysis of existing conditions and opportunities

Market Analysis

Retail

Housing

Estimated cost: \$24,000

Phase 2: Recommendations

Identify community priorities

Recommend projects

Develop detailed implementation strategy, including:

Priorities

Cost estimates and funding

Staffing needs

Strategic partnerships

Estimated cost: \$37,600

Why Select the KSK Team?

We bring the diverse skills needed to make this project a success

Commitment to public involvement builds community and stakeholder ownership

Community-oriented approach ensures solutions unique to this neighborhood

Established relationships with future project implementers

Proven track record in developing plans that get implemented

Question and Answers:

Q: How key is the walkability study?

A: It is important early in the design phase to identify parking and transportation needs, establish sidewalk widths, lighting needs, trees...

Q. What might market analysis do to help fill vacant retail?

A. Looking at “community serving goods and services”, look at needs as growth happens. Conduct interviews of existing businesses to see where customers come from. They pointed out that Washington Ave. getting priced out, and that it may not be the right place for light industrial going forward. They said we should develop “hubs” around existing businesses, find complimentary businesses that will bring people to these hubs. They also suggested that smaller professional offices could be established throughout the neighborhood and that these are important aspects of other neighborhoods.

Q. Why come up with another plan when we have the 5 year plan from the planning commission?

A. The 5 year plan does not provide the tools to move forward. Having a professional plan demonstrates credibility for negotiating for funding, and KSK works as a strong advocate for the neighborhood.

Q. How specific are implementation plans, and how can we use what funds we have.

A. Pathmark funds should be used as match money, it will allow us to be more competitive for other funds. We also need to articulate to developers and businesses that we are giving them the opportunity to make money in our neighborhood, and that we anticipate something in return for that.

Q. How to handle Mom and Pop businesses, and undesirable businesses?

A. They are very interested in seeing local neighborhood businesses succeed. We can also use zoning to dictate where we do and don't want businesses.

3. Wallace Roberts & Todd, LLC – Richard Huffman and others (including Nancy Tempelton, who “owns a home in the neighborhood”)

Presented in three points:

1. WRT is a large national firm that can bring experience from Philly as well as what they have learned from other cities.
2. They are very familiar with area, they performed the South Street Study for the Royal Theater for Universal in 2000, they have done work on South Broad, and they are the architect for the developer of the North East Corner of Broad and Washington (they said South, but meant Washington. I later found they are working for K. Hov, who actually told me they are still the second choice behind Pitcairn, but believe that the project won't get built based on the new market conditions and construction costs, but that's another story). They displayed the map of the neighborhood that they had prepared, which identified large project areas, such as Naval Square, 2400 Bainbridge, properties on South Street and Washington Ave. They discussed the changing market for light industrial in this area. They emphasized connections between parks, open space, schools and

- churches. They identified Christian Street as a major corridor with lots of nodes for retail. They also emphasized the need for a connection to the river. They discussed the need for parking and lighting improvements, and how zoning can be reexamined to drive development. Their project would be a list of projects that are prioritized by how likely they are to get accomplished based on time, cost, obstacles, and partnerships.
3. Determine which projects will help us leverage our investment to get additional investment. They also emphasized how they have access to Penn Grad Student Workshops that would be able to have design teams of students working on smaller projects within the neighborhood.

Q&A:

Q: How do we use the vacant commercial spaces throughout the neighborhood?

A: Identify why they are vacant, it is due to changing populations, as new residents have displaced old residents the needs of the community have changed, we need to encourage businesses that serve the new makeup of the community. We can do this by providing commercial incentives to get the right kind of retail in the right locations. As the population and income increase businesses will follow.

Q: What have you learned from working on the proposal for The Royal Theater?

A: They worked both the Royal and Naval Square (18 years ago). The proposal for Naval Square included reestablishing the grid network through the property. The problem with both proposals was finding end users. They stand behind the work they did for The Royal, but said that Universal has been unable to find an end user interested in the project.

Q: How do we as a community take on the identified projects?

A: They propose a study from Nov-Dec to establish neighborhood goals and needs. This will include the positives and negatives of each project and it's likelihood to get accomplished. This info will be used to start workshops at Penn from Jan-May.

Q: How will traffic Calming and pedestrian access be worked into the plan?

A: They are committed to both and point to their work with the Great Streets program in DC and that they are members of The Congress for New Urbanism, which strongly supports traffic calming methods.

End of Presentations

Board Meeting:

The board considered the minutes of the past 3 board meetings but tabled approval of all the minutes until August when they will approve the last 4 meeting minutes.

Les suggests some discussion of the presentations and a straw vote.

Richard states that he is not ready to vote since he has not had a chance to review the third proposal because he could not open it on his computer. It is suggested that before money is spent that the board should have a better idea of what is in the pot to spend. He points out that there was a motion in March to get a small group together to review finances.

Matt states that while he was impressed with the presentations that he is unwilling to commit funds until the lawsuit is resolved or the bylaw proposals are addressed.

Larry states that they will not be spending money or signing a contract at this time, just determining who they would prefer.

Les states that choosing a firm commits us to spending money, but is not a conflict with the lawsuit or bylaw proposals.

Matt suggests that we pick a firm, and present the choice and the budget to the membership in September.

Bernie asked if there was a different price for each proposal.

David suggested that the scope of each proposal could be adjusted and negotiated based upon what services we want to buy.

Tony suggested that we request the cost of proposals to other neighborhoods and what product they got for that price.

Richard repeats his suggestion that the issue be tabled since there is not enough info.

Peter suggests that the impression and report with the firms is more important than their actual proposals since we can renegotiate scope and price.

Sharon suggests that they could choose but not commit

Les suggests a special meeting to decide in two weeks.

Bernie asks if we are pressed for time to choose.

Larry states that we are since we want to present to membership in September.

Peter suggests that this will be a tight schedule, but possible if a decision is made soon.

David suggests that we would be paying for that presentation and that would be a poor use of the funds unless the firm had completed a significant portion of the work.

There is a suggestion to table till August 2nd meeting, they will come a half hour early to vote.

It is decided that they will circulate the resolution and that they will vote by email by August 1st. The vote passes with two abstentions, David and Larry.

They agree that there is more board action required before contracting firm.

Tony points out that voting by email will deny them the chance to discuss the proposals.

They decide to discuss now and vote by email.

Some points made in discussion

- KSK demonstrated that they actually get things done and have good connections.
- KSK can best leverage our resources.
- WRT had done some homework prior to their presentation, whereas it might be possible that KSK might guide the process toward their funding sources and let their connections dictate our vision.
- KSK brought the most excitement to their presentation and that their excitement would translate into hard work.

Approval of Minutes:

Larry will transmit April minutes to Eve for consideration next month.

Vote to approve May minutes?

Les suggests they mark up the June minutes, email to David to be considered next month. It was agreed that April, May, and June (along with July) would be approved next month.

Eve:

Met with Ed Martin to discuss the possibility of new SOSNA office space at the Northwest corner of Christian and 19th. States that SOSNA needs more office space than is available at current location on South, and that a more central location would be good for the neighborhood. The Y is currently using the Universal MiniMart at 18th and Christian for storage during some renovations so it is not available.

Debra Williams has been named interim Neighborhood Advisory Committee (NAC) coordinator.

Discussion of NAC proposal

The NAC proposal was submitted on time for the July 19th deadline. The RFP was a competitive RFP and Eve and Les stated that they were encouraged by the Office of Housing and Community Development (OHCD) to expand boundaries to include tracts 20, 21, 22 on the other side of Washington.

Larry asked why we wanted to extend the NAC

Eve stated that it was to maintain the funding past 2010 since our current area was gentrifying. She also stated that we are already serving people from south of Washington, so we should be funded to do so.

Larry stated that diversity is important for our neighborhood.

Eve stated that we needed the NAC/OHCD funding income for the organization.

John stated that the board had no knowledge of the proposal to expand the territory and asks Eve why the ED's report says she had received a board resolution to expand the territory. Eve states that that is because she wasn't at the June meeting.

Eve stated that it would be just the NAC that would expand, not the whole of SOSNA

Matt stated that the board would have to be drawn from that territory and that the bylaws don't currently cover that territory.

Eve stated that there was no NAC serving that area.

A representative of South Philly Homes was in attendance and clarified that they are a NAC and they do serve that area.

She stated that she had been disrespected by Eve's actions, and restated that the whole community had been disrespected.

Eve again stated that it was a competitive process.

Sharon questioned Eve's statement that she was acting on a resolution from last month's meeting. It was clarified that there was no such resolution and that Eve was not in attendance at the June meeting. She suggested the submission be withdrawn and that we try to reapply for our current service area.

Les stated that he encouraged Eve to pursue the larger NAC area.

Matt proposed a resolution to amend the RFP to the original service area. It was seconded.

There was some discussion as to what decisions are appropriate for the Executive director and/or chair to make without board discussion.

John questioned how Eve became Executive Director since he and other members were not part of the vote to hire her.

Resolution is approved 8 to 5.

Eve turns to guests and states that she is “Very competitive and I’m not going to apologize for that”.

Resolution: Whereas the expansion of the SOSNA NAC territory proposed in the SOSNA NAC funding application dated 7/19/06 (proposed addition of census tracts 20,21, 22) would require the consideration and approval of the Board, Membership, and the residents of the expanded service area, and as the matter was not properly considered or approved; it is hereby resolved that an amendment be drafted, and circulated for review by the full board no later than 8/2/06, to expressly withdraw the proposal to expand the SOSNA NAC Service Area and amend the proposed budget to reflect these changes. Said amendments to be submitted to OHCD immediately following circulation to and consent of the full board.

In Favor: 8

Opposed: 5

Not voting: 0

Accounting from Tony:

Finance committee is going to meet with CDC to discuss questioned loan amount. He states that there were no financial records prior to his term, but that he has returned checks for the full amount.

Eve states that she will research the history

Doerte Smith of the CDC again disputed this claim and stated that they have accurate accounting, and discussed the history of the loan. It was made in 2004 to help SOSNA cover payroll.

Tony states that 3 checks for \$5,000 have been written.

Matt states that the board is not being kept appropriately informed of the financial standings of the organization and that the financial oversight is one of the primary functions of the board. He distributed sample documents that he would like the board to see on a monthly basis.

Matt proposes two resolutions, one to require the financial documents be distributed monthly, the second that we form and fund a Budget committee.

The Board considered the Resolution pertaining to financial documents first.

Les stated that the resolution was redundant and not necessary.

Someone states that there is a motion on the table that requires voting.

Corcoran Motion, 2d by McHugh to adopt the following resolution: It is hereby resolved that monthly financial reports are to be included in the Board Packet rather than handed out at meetings and are to include the following minimum documentation: NAC and H/C Invoice Coversheets (for all invoices submitted or prepared since the prior financial report); list of all checks issued since the prior financial report; Monthly account balances for each account; monthly reconciliation of each program budget.

In Favor: 7
Opposed: 5
Not voting: 1

Tony states that he won't be producing the required reports. Someone asks if he is resigning, he says no, but again states that he won't be producing the reports because it is too time consuming and that he is a volunteer.

Resolution proposed by Matt Corcoran regarding a Budget Committee

It is hereby resolved that a committee of the Board to be known as the Budget Committee shall be formed with the directive that it shall; reconcile the past year's spending and prepare a financial report for the Board and membership identifying: categories of organizational spending over the past year; minimum salary and overhead required for operations in the coming year; amounts of discretionary program and operational funds available and strategic budgeting decisions to be made by the Board and or members. The Budget Committee shall have the authority to spend, upon majority vote of the committee not more than Five Thousand Dollars (\$5,000.00) to retain professional auditing or accounting assistance in order to complete these tasks and the required follow-up to necessary to adoption of program and organization wide budgets.

Gail requests and Matt agrees to table the second resolution calling for a finance committee and to circulate it for consideration at the August Board Meeting.

The PhillyCarShare letter is discussed.

John McHugh asked why the PhillyCarShare letter had been written without consulting the board. Rich and others asked if Larry Shaeffer (a founder of PhillyCarShare) had recused himself. I have poor notes on this section, but the gist is that Eve wrote a letter stating that SOSNA supports the proposal to give PhillyCarShare two parking spots, and that they have community support. (I believe she stated 1800 block of Fitzwater and was not sure of the second block, mentioning 2100 as a possibility.) She advised that one person living on 18th Street near Catherine did a survey of neighbors. Doerte states that she lives in the 1800 block of Fitzwater and was never asked her opinion. There is another discussion as to what authority the director has to write this letter without board consultation, and if there is a conflict of interest due to a PhillyCarShare Partner being on the board. Eve states that SOSNA has a history of supporting PhillyCarShare.

Eve requests funds to attend training for Executive Director.

There were several objections: the request came after registration for the training had closed; there was no prior notification (Eve hands a two-page letter at the time she makes the request) so the Board has had not time to consider; no budget has yet been presented. It is approved with 7 votes for and 3 abstentions.

The Board then went into executive session over the strenuous objections of several board members then present.