ITEM NO. | SUBJECT: Infrastructure and Educational Projects in Support of Transit Oriented Development City of Camden – Downtown; City of Philadelphia Historic District

COMMITTEE: Finance

COMMITTEE MEETING DATE: January 22, 2009

BOARD ACTION DATE: February 18, 2009

PROPOSAL: (1) That the Board authorizes DRPA to provide funding in a total amount not to exceed $3.5 million for educational and infrastructure improvements to support transit oriented development projects in downtown Camden, New Jersey in and around PATCO’s City Hall and Broadway Stations and authorizes staff to enter into agreements with the City of Camden Redevelopment Agency ("CCRA"), and other appropriate entities to carry out the program. (2) The Board authorizes DRPA to provide funding in a total amount not to exceed two million five hundred thousand dollars ($2.5 million) for improvements in the Philadelphia Historic District adjacent to the PATCO Franklin Square Station and for support to the educational work provided by the Lights of Liberty program. (3) The Board authorizes staff to negotiate agreements for funding not to exceed $3.5 million with the City of Philadelphia, Philadelphia Industrial Development Corporation (PIDC) or other appropriate public entities in support of The President’s House project described herein.

PURPOSE: To provide support for a series of infrastructure and transit oriented projects including the demolition of the decaying Parkade Building adjacent to City Hall Station and related infrastructure improvements to the area relating to recreation and improvement of Roosevelt Park, and site acquisition, demolition, relocation and other costs in connection with UMDNJ’s development of an Academic Research Facility to be located in the vicinity of Broadway and City Hall Stations. To provide funding for improvements at Franklin Square adjacent to the PATCO Franklin Square Station in Philadelphia and to provide funds in support of the educational mission of the Lights of Liberty program. To provide funding necessary to bring The President’s House project to fruition.

BACKGROUND: The PATCO Hi-Speedline began operation on February 15, 1969, and presently averages more than 35,000 passenger trips on a daily basis, carrying its customers to work, school, sporting events, entertainment venues and shopping. Homes, apartment buildings, cultural venues, entertainment destinations, businesses and other points of interest have all developed along the PATCO Speedline, creating tremendous economic and population growth.

In 2005, PATCO initiated an effort to evaluate transit oriented development opportunities in the communities it serves. Transit-oriented development
(TOD) is considered to be development that is physically near transit facilities and capitalizes on this proximity, both in promoting transit ridership and as an economic and community development tool. The areas adjacent to the PATCO stations in New Jersey are valuable real estate that has potential mixed-use development opportunities that are transit-oriented and in conformance with smartgrowth principles promoted by the State of New Jersey. DRPA engaged a consultant to evaluate PATCO's transit facilities and prepare a transit oriented development plan. PATCO's transit oriented development initiative is on-going. The transit oriented development program at Collingswood is in a fairly advanced stage and is an encouraging example of what can be done in this area.

PATCO operates three stations in the City of Camden; at the Walter Rand Transportation Center, near Cooper Hospital (Broadway Station), and the City Hall Station, near Rutgers University, Camden City Hall, and the Camden County Hall of Justice. The City of Camden and the CCRA are presently undertaking a project to reconstruct Roosevelt Plaza in the area between Camden City Hall and PATCO's City Hall Station. Concurrently, UMDNJ is presently undertaking a project to construct an Academic Research Facility as part of the Cooper Hospital/Robert Wood Johnson Medical School expansion taking place in the vicinity of Broadway Station.

The Roosevelt Plaza (“Plaza”) project is the recreation of a downtown civic center through the development of a park in front of City Hall. This civic space will be created at the current site of the Parkade Building, a marginal and neglected office building and parking garage built in the mid 1950’s.

The intent of the project will be for the City of Camden and CCRA to create a strikingly beautiful civic space as a forecourt to City Hall and the dramatic City Hall tower – a people place where workers, visitors, students and citizens of the region can gather for celebrations, festivals and civic events. Portions of the perimeter blocks facing the Plaza should be made available for the construction of new office or apartment buildings, designed to accentuate the dignity of the City Hall’s presence and create a critical mass of revitalization able to extend out along Market and Federal Streets. This space will also benefit from the adjacent PATCO train stop on its northwest corner, which is utilized by many city and county employees and the students attending the downtown campuses of Rutgers, Rowan, and Camden County College. The project will include provisions insuring that the PATCO stop will be protected and that all construction will insure the safety of the PATCO line and its passengers.

In addition, adjacent to the southeast of the project site is the Walter Rand multi-modal transit complex where bus, light rail and PATCO speed line services all converge. These multi-modal transit systems facilitate the movement of thousands of commuters through the downtown on a daily basis.
Ground level shops and restaurants set around the new Roosevelt Plaza, within a block’s walking distance to the transit center, will serve the consumer demands of these commuters, in addition to the local office workers, residents and visitors to Camden’s central business district (CBD).

The creation of Roosevelt Plaza also creates, prospectively, greater land value surrounding the park, much the same way that green spaces in New York, Philadelphia and Chicago have increased surrounding land values. It is these increased values, both financial and aesthetic, that will stimulate the office, retail and residential development so desired in the CBD. The City of Camden and CCRA have requested financial assistance to be used for the demolition of the Parkade Building and other infrastructure improvements.

UMDNJ is currently pursuing the development of a 160,000 square foot Academic Research Facility on Broadway in the Cooper-Lanning neighborhood of Camden. This estimated $136 million project is being funded by a combination of UMDNJ and Camden Economic Recovery Board funds. This location is one block away from Cooper Hospital’s newly expanded patient care pavilion and two blocks from the Walter Rand multi-modal transit complex. The Cooper-Lanning neighborhood anticipates the construction and rehabilitation of over 700 units of housing in the next 5-10 years. The development of the Academic Research Facility in Camden will benefit individuals and families throughout the city and the region through dedicated research, medical education and clinical care. The development of the Academic Research Facility is governed by a Tri-Party Agreement between the City of Camden, the University of Medicine and Dentistry of New Jersey, and Cooper Health System. CCRA is acting as the City’s agent in the acquisition and relocation necessary to assemble the site of the Academic Research Facility for UMDNJ. The designated site for the Academic Research Facility requires the acquisition of 23 parcels from 12 owners, with 8 owners requiring relocation assistance. Currently, 6 of the 8 owners/properties requiring relocation have either been fully relocated or are on a path to full relocation. One of the 2 remaining property owners requiring relocation from the site is Puerto Rican Unity for Progress (PRUP), a 30 year old non profit organization that provides education, training, and after school services to the community. As a relocation solution, PRUP has chosen to design and construct a new facility 6 blocks south of their current location on Broadway. CCRA has requested financial assistance to be used for site acquisition, demolition and relocation costs and expenses in connection with its development of the Academic Research Facility.

DRPA and PATCO staff believe these projects are consistent with PATCO’s transit oriented development initiative in the City of Camden, New Jersey.

DRPA also proposes to use up to $2.5 million in support of two projects within the Historic District in Philadelphia. Both projects are near the existing
PATCO Hi Speed Line station at 8th and Market Streets, and one of the projects will be located at Franklin Square atop the currently inactive PATCO Franklin Square station.

The first of these capital projects is a permanent food structure in Franklin Square. In 2006 Historic Philadelphia Inc. (HPI) redeveloped Franklin Square, at the foot of the Ben Franklin Bridge, as a major destination site for visitors and neighborhood residents. Measuring close to eight acres, Franklin Square is one of William Penn’s five original squares in the design of the city, dating back to 1682. The Fairmount Park Commission granted HPI the rights to renovate and manage Franklin Square as an outdoor recreational, amusement and heritage site. Raising $6.5 million, HPI brought needed renovations to the square, retained the park’s primary character and added attractions which draw regional residents, employees of neighborhood businesses, and visitors. HPI has received numerous awards for the renovation including being named Philadelphia Magazine’s Best of Philly, “Best Play Space for Kids” in 2007. To build on Franklin Square’s success, HPI would like to add a permanent structure in the Square to enhance family experiences and increase the use of the Square. The Delaware River Port Authorities grant to HPI would help pay for the capital improvements required to build the permanent structure.

The second capital project that HPI will undertake is to update the technology of the Lights of Liberty show. Lights of Liberty (LOL) began under the auspices of HPI in partnership with the National Park Service (NPS). The nighttime sound and light show was born of a desire by Governor Edward G. Rendell, then Philadelphia’s Mayor, and Philadelphia’s tourism community to add an evening attraction to the historic district’s landscape with the ultimate goal of generating overnight-stays by tourists. The show debuted in 1999. Shortly after its debut, it split from HPI and became its own 501(c)(3) headed by a President & CEO and governed by a separate Board of Directors. The former President & CEO stepped down in early 2007 and, in keeping with Governor Rendell’s original vision for programming in Philadelphia’s historic district, LOL is now under the umbrella of HPI. While the show was considered unique and the first ambulatory sound and light show of it’s kind in the world at its inception, technology has changed drastically in the past 10 years. HPI has enlisted the services of award winning exhibit designer Ralph Appelbaum. Mr. Appelbaum is responsible for the concepts behind exhibits in Philadelphia’s National Constitution Center and HPI’s newest initiatives, Once Upon A Nation & Franklin Square. Mr. Appelbaum is intimately familiar with the Philadelphia landscape and will help to recreate a magical yet authentic night time experience that capitalizes on Philadelphia’s history and treasures in the historic district.

During the period 1790 – 1800 both President George Washington and President John Adams occupied a mansion located one block north of
Independence Hall. In a very real sense that mansion was the original home of United States Presidents. Research has documented that during President Washington’s residence in the President’s House, nine enslaved Africans lived and worked there also. The actual building that housed these two Presidents, their employees, family members and these nine enslaved Africans no longer exists. In order to commemorate this essential piece of American history the concerned organizations intend to create a permanent outdoor commemorative installation at the site of the original President’s House adjacent to the Liberty Bell Center.

Over two million visitors come to the Liberty Bell Center each year, and it is remarkable that during the excavation of the President’s House site over three hundred thousand visitors watched as the archeological teams worked.

The design criteria for the President’s House site emphasize five cultural values: Identity, this exhibit will enable us to provide the names and personal information about the free and enslaved Africans who lived and worked at this site; Memory, this exhibit will help link the present to the past and will bring the past history of those whose story has not been told to life for those who visit; Agency, the exhibit will show that both free and enslaved Africans were full participants in the cultural, economic and social life of the times and this will show what their roles were; Dignity, the exhibit will demonstrate that the enslaved peoples maintained a strong sense of dignity and a disciplined code of conduct under trying conditions; Truth, the exhibit will document the ways in which legal codes permitted the continuance of slavery and will also show the actual conditions of those who lived in slavery.

The design will also include the following criteria: the house and the people who lived there; the Executive Branch; the slavery system; African American Philadelphia with an emphasis on the free African Americans in the City; the movement for freedom; how this history was recovered and why it is critical that we remember.

The funding for The President’s House will come from reallocation of funds previously appropriated under DRPA 99-046 (Intermodal Facility at Philadelphia Naval Business Center using proceeds from the 1999 Port District Project Bonds, Series A) under which the DRPA authorized $16.0 million of which approximately $5.46 million remains unexpended and will be reallocated under this resolution. The funding for all of the other initiatives will come from the proceeds of the 1999 DRPA Port District Project Bonds, Series B or other sources as approved by DRPA Bond Counsel.
SUMMARY STATEMENT
Finance Committee 2/18/09

Infrastructure and Educational Projects in Support of Transit Oriented Development City of Camden – Downtown; City of Philadelphia Historic District

SUMMARY: Amount: $ 9.5 million ($3.5 million for New Jersey Transit Oriented Development, Educational and Improvement projects; $2.5 million for Pennsylvania Transit Oriented Development, Educational and Improvement Projects; $3.5 million for The President’s House)

Source of Funds: 1999 PDP Series A Bond proceeds (as to The President’s House); 1999 PDP Series B Bond Proceeds or other sources as approved by DRPA Bond Counsel (as to Franklin Square and Lights of Liberty); 2001 Series A Bond Proceeds or other sources as approved by DRPA Bond Counsel (as to Parkade Building and Cooper Hospital).

Operating Budget: N/A
Master Plan Status: N/A
Other Fund Sources: Economic Recovery Board, New Jersey Department of Environmental Protection, State of New Jersey, Urban Enterprise Zone, William Penn Foundation, Community Development Block Grant; Historic Philadelphia, Inc.; Pennsylvania Heritage Society; City of Philadelphia, United States Department of Transportation

Duration of Contract: Varies
RESOLUTION

RESOLVED: That the Board supports transit oriented development projects in the City of Camden and within the City of Philadelphia which help to enhance the use of the PATCO high speed transit system; and be it further

RESOLVED: That the Board supports capital improvement and educational programs related to transit oriented development projects; and be it further

RESOLVED: That the Board hereby authorizes funding to the City of Camden Redevelopment Agency, or other local governmental authority or Agency, in an amount not to exceed two million dollars ($2,000,000) to be used for costs associated with the demolition of the Parkade Building and perform other infrastructure and capital improvements in the vicinity of PATCO’s City Hall Station following demolition; and be it further

RESOLVED: That the funding to the City of Camden Redevelopment Agency or other local agency be expressly conditioned upon the demolition and other contracts associated with the project including provisions acceptable to DRPA Engineering and PATCO which protect the PATCO right of way and tunnel and grant DRPA/PATCO the necessary property interests for the existing PATCO improvements on the Parkade Building Property; and be it further

RESOLVED: That the Board hereby authorizes funding to the City of Camden Redevelopment Agency in an amount not to exceed one million, five hundred thousand dollars ($1,500,000) to be used for site acquisition, demolition, relocation, and other ancillary capital costs associated with the development of a Academic Research Facility in the vicinity of City Hall Station and Broadway Station; and be it further

RESOLVED: That the DRPA's participation in these projects is conditioned upon the relevant parties agreeing to permit the DRPA and PATCO to have an active participating role in the planning and development of the projects in downtown Camden that are being funded by this Resolution; and be it further

RESOLVED: That the Board hereby authorizes funding to Historic Philadelphia, Inc. in an amount not to exceed $2.5 million for the two capital projects described in the attached Summary Statement; and be it further

RESOLVED: That the commitment of all funds remaining unexpended under DRPA Resolution 99-046 be and hereby is terminated and the said funds are made available to be reallocated; and be it further
RESOLVED: That the Board hereby authorizes funding to the City of Philadelphia, Philadelphia Industrial Development Corporation or another appropriate public entity in an amount not to exceed $3.5 million in support of The President’s House from funds previously allocated under DRPA 99-046 and reallocated pursuant to this Resolution; and be it further

RESOLVED: That staff be and hereby is authorized to negotiate agreements with appropriate parties for the purposes described in this Resolution and the attached Summary Statement; and be it further

RESOLVED: That prior to any funding being advanced by DRPA under the terms of this Resolution, DRPA must obtain an opinion from its Bond Counsel stating that the purpose for which the funding will be used will not affect the non taxable status of the bond issue; and be it further

RESOLVED: The Vice Chairman and the Chief Executive Officer must approve all necessary agreements, contracts, or other documents relative to this Resolution as to New Jersey based projects on behalf of the DRPA prior to execution. If such agreements, contracts, or other documents have been approved by the Vice Chairman and if thereafter the Vice Chairman is absent or unavailable, the Chief Executive Officer may execute the said document(s) on behalf of DRPA; and be it further

RESOLVED: The Chairman and the Chief Executive Officer must approve all necessary agreements, contracts, or other documents relative to this Resolution as to Pennsylvania based projects on behalf of the DRPA prior to execution. If such agreements, contracts, or other documents have been approved by the Chairman and if thereafter the Chairman is absent or unavailable, the Chief Executive Officer may execute the said document(s) on behalf of DRPA.

SUMMARY: Amount: $9.5 million total ($3.5 million for New Jersey Transit Oriented Development, Educational and Improvement projects; $2.5 million for Pennsylvania Transit Oriented Development, Educational and Improvement Projects; $3.5 million for The President’s House)

Source of Funds: 1999 PDP Series A Bond Proceeds (as to The President’s House); 1999 PDP Series B Bond Proceeds or other appropriate source of funds approved by Bond Counsel (as to Franklin Square and Lights of Liberty); 2001 Series A Bond Proceeds or other appropriate source of funds approved by DRPA Bond Counsel (as to Parkade Building and Cooper Hospital).

Capital Project #: N/A
Operating Budget: N/A
Master Plan Status: N/A
Other Fund Sources: Economic Recovery Board, New Jersey Department of Environmental Protection, State of New Jersey, Urban Enterprise Zone, William Penn Foundation, Community Development Block Grant; City of Philadelphia, United States Department of Transportation
Duration of Contract: 12 Months