AGENDA REGULAR MEETING OF COUNCIL July 2, 2018 12:30 PM

- 1. ROLL CALL
- 2. READING OF MINUTES
- 3. REPORTS & COMMUNICATIONS FROM MAYOR & HEADS OF DEPARTMENTS AND INTERESTED PARTIES AND CITY CLERK'S NOTES
- 3.A AGENDA FOR THE BOARD OF ZONING APPEALS MEETING TO BE HELD JULY 11, 2018.

Zoning Board Meeting 7-11-18.pdf

3.B MINUTES OF THE SCRANTON LACKAWANNA HEALTH & WELFARE AUTHORITY MEETING HELD FEBRUARY 15, 2018.

Scranton Lacka Health & Welfare Authority Meeting 02-15-18.pdf

3.C TAX ASSESSOR'S REPORT FOR HEARING DATE TO BE HELD JULY 18, 2018.

Tax Assessor's Report 7-18-18.pdf

- 4. <u>CITIZENS PARTICIPATION</u>
- 5. INTRODUCTION OF ORDINANCES, RESOLUTIONS,

 APPOINTMENT AND/OR RE-APPOINTMENTS TO BOARDS &

 COMMISSIONS MOTIONS & REPORTS OF COMMITTEES
- 5.A MOTIONS

5.B FOR INTRODUCTION - AN ORDINANCE - CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229634 ENTITLED "POLICE GRANTS" FOR RECEIVING FUNDS FROM MULTIPLE SHORT TERM OR PASS THROUGH POLICE GRANT SOURCES THAT REQUIRE FUND ACCOUNTS SEPARATE FROM THE GENERAL FUND.

Ordinance 2018 Special Account No. 02.229634 Police Grants.pdf

5.C FOR INTRODUCTION - A RESOLUTION - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT FOR THE REDEVELOPMENT ASSISTANCE CAPITAL PROGRAM (RACP) THROUGH THE COMMONWEALTH OF PENNSYLVANIA'S OFFICE OF THE BUDGET IN THE AMOUNT OF TWO MILLION (\$2,000,000.00) DOLLARS; ACCEPTING AND DISBURSING THE GRANT AND COORDINATE THE USE OF THE GRANT FUNDS WITH "SCRANTON-CHERRY, LP", FOR THE PROJECT TO BE NAMED THE "SCRANTON COUNSELING CENTER".

Resolution 2018 Grant For RACP two million dollars for scranton counciling center.pdf

5.D FOR INTRODUCTION - A RESOLUTION - APPOINTMENT OF STEPHANIE L. BRESSLER, PH.D, 1402 EAST GIBSON STREET, SCRANTON, PENNSYLVANIA, 18510, AS A MEMBER OF THE HUMAN RELATIONS COMMISSION, EFFECTIVE FEBRUARY 27, 2018. DR. BRESSLER WILL BE REPLACING LISA STANVITCH WHO RESIGNED ON SEPTEMBER 18, 2017. DR. BRESSLER WILL FILL THE UNEXPIRED TERM OF LISA STANVITCH WHICH IS SCHEDULED TO EXPIRE ON SEPTEMBER 23, 2018. Resolution 2018 Appointment of Stephanie Bressler to Human Relations Commission.pdf

6. CONSIDERATION OF ORDINANCES - READING BY TITLE

6.A READING BY TITLE - FILE OF THE COUNCIL NO. 24, 2018 - AN ORDINANCE - CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229632 ENTITLED "2016 SETTLEMENT AWARD" FOR THE RECEIPT OF UNDISTRIBUTED FUNDS FROM THE 2016 POLICE AND FIRE COURT AWARD, CITY OF SCRANTON 2016 SETTLEMENT FUND ACCOUNT.

Ordinance 2018 Special Account No. 02.229632 the 2016 Settlement Award.pdf

7. FINAL READING OF RESOLUTIONS AND ORDINANCES

7.A FOR CONSIDERATION BY THE COMMITTEE ON RULES - FOR ADOPTION - RESOLUTION NO. 55 , 2018 - AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO AN ADMINISTRATIVE SERVICES AGREEMENT BY AND BETWEEN THE CITY OF SCRANTON AND PHOENIX ADMINISTRATORS, LLC D/B/A PERFORMANCE HEALTH, A LICENSED OHIO THIRD PARTY ADMINISTRATOR ("COMPANY") TO PROVIDE DISCOUNTS TO EMPLOYEES AND THEIR DEPENDENTS THROUGH THE COMMONWEALTH CARD PROGRAM.

Resolution 2018 Service Agreement LLC DBA Commonwealth card program.pdf

7.B FOR CONSIDERATION BY THE COMMITTEE ON COMMUNITY DEVELOPMENT FOR ADOPTION - RESOLUTION NO. 56 , 2018 - RATIFYING AND
APPROVING THE EXECUTION AND SUBMISSION OF A GRANT APPLICATION
BY THE CITY OF SCRANTON THROUGH THE KEYSTONE HISTORIC
PRESERVATION GRANT FROM THE PENNSYLVANIA HISTORICAL AND MUSEUM
COMMISSION AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE
OFFICIALS TO ACCEPT THE GRANT FUNDS IN THE AMOUNT OF \$80,000.00
TO BEGIN PRESERVATION WORK ON THE SCRANTON MUNICIPAL BUILDING.

Resolution 2018 Grant Funds for Preservation work on Municipal Building.pdf

8. ADJOURNMENT



DEPARTMENT OF LICENSING, INSPECTIONS AND PERMITS

OFFICE OF CITY CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHON

NOTICE

THE BOARD OF ZONING APPEALS OF THE CITY OF SCRANTON HEREBY GIVES NOTICE THAT IT WILL HOLD A MEETING AT CITY HALL, IN CITY COUNCIL CHAMBERS (2nd Floor) on WEDNESDAY, JULY 11, 2018 @ 6 PM.

MEETING AGENDA AS FOLLOWS:

- 1) Clara Martone, 620 Fig St. The applicant seeks a variance in order to re-open the above address back to two (2) units. R1-A Zone. Continued from the June ZHB meeting.
- 2) Lace Building Affiliates LP. The applicant seeks a variance for 1420 Lace St. to allow new residential construction to the existing mixed-use adaptive re-use and currently allowed under the existing Zoning Ordinance, File of Council #74, dated 12/1993. I-L Zone.

- 3) Adam Guiffrida, 1629 Pittston Ave. Applicant seeks a variance for this address to create up to four (4) parking spaces located in the rear area of 1629 Pittston Ave. In addition, applicant seeks one (1) parking space in the rear of 507 Pear St, an adjacent property. R1- A Zone.
- 4) Pany Phommachanh, 1102 Pittston Ave. Applicant seeks a variance to open a salon at this address. R-2 Zone.
- 5) 825 S Webster Ave. LLC. Applicant seeks a variance in order to re-open the property located at 825 S Webster Ave as three (3) units. R1-A Zone.
- 6) Ivanka Realty LLC, 617-619 Prospect Ave. Applicant seeks a variance to allow two (2) additional residential units within the area that vacant office space (s) were formerly located. R1-A Zone.
- 7) NEPA Realty Ventures LLC, seeks several variances relating to the property (land) surrounded by Lackawanna County Vocational Tech School property, Wales St., Hollow Ave. & Interstate 81. Total of 19.5 acres, 75% in R-1 zone, 25% in R1-A zone. Requesting Lot Area per Dwelling Unit Variance of 2928 sq. ft. per unit, to allow for 216 units & a Height Variance allowing for three (3) story buildings in the R-1 Zone.

Item # 7---continued.

Applicant requests a <u>Use Variance</u> to permit 36 additional units. An additional <u>Lot Area per Dwelling Unit Variance</u> of 2494 sq. ft. per Unit & a <u>Height Variance</u> allowing for three (3) story buildings in the R1-A Zone.

8) Peter Corazzi, 520-522 Grace St. Applicant is seeking a variance to re-open & re-use first floor portion of this building for storage. R1-A Zone.

ANYONE INTERESTED IN BECOMING A PARTY TO THE ABOVE LISTED CASES ARE DIRECTED TO CONTACT THE CITY ZONING OFFICER @ 570-348-4193, EXT 4512. HEARING DATE: 7/11/2018, TIME: 6 PM. BOB GATTENS, CHAIRMAN, SCRANTON ZONING BOARD. PUBLIC PARTICIPATION WELCOME.

SCRANTON LACKAWANNA HEALTH & WELFARE AUTHORITY CELVE

JUN 26 2018

Attended By:
<u>Authority Members:</u>
Vincent O'Bell, Chairman
William Lazor, Vice Chairman
Jerry Preschutti, 2nd Vice Chairman
John Granahan, Asst. Secretary

OFFICE OF CITY COUNCIL/CITY CLERK

David Phaneuf, Treasurer Frank Pazzaglia, Member Timothy Farrell, Member William Boyle, Member

Staff Members
Brian Koscelansky, Solicitor
Mary Ellen Clarke, Asst. Administrator

Mr. O'Bell called the Regular Board Meeting of the Scranton Lackawanna Health and Welfare Authority to order at 5:30PM.

I. <u>APPROVAL OF MINUTES</u>

Mr. O'Bell presented the Minutes of the January 18, 2018 meeting which had previously been emailed to the board members. Mr. Granahan moved that the minutes be approved as presented. Mr. Phaneuf seconded the motion and it passed unanimously.

II. TREASURER'S REPORT

A. Approval of Expenditures

Mr. Phaneuf presented the Treasurer's Reports for January 31, 2018, a copy of which is incorporated with the Minutes of this Meeting. The budget for 2018 is \$68,700.00. As of January 31, 2018, expenditures total \$4,257.98. The balance in the Budget is \$64,442.02. The balance in the operating fund is \$52,172.09. Income received for the month was \$2.17. Administrative Fees received total \$37,731.00. A motion to approve the Treasurer's Report for January 31, 2018 was made by Mr. Granahan. It was seconded by Mr. Lazor and it passed unanimously.

III. OTHER BUSINESS

A. New Tax Law Discussion

Atty. Koscelansky explained to the board that when the House passed its version of the New Tax law it eliminated everything we do. This was out of the blue and no one had any idea this was going to happen. Thankfully, after a lot of effort on the part of a lot of people, the Senate passed the final bill which only eliminates Advanced Refunding. Advanced Refunding is when an issue is called prior to 90 days before call date of the bonds. Current Refunding is within 90 days of call date. Eliminating Advanced Refunding takes a big piece of business out of the picture.

Mr. Granahan inquired if there was anything the Authority can do; such as writing a letter to Senator Toomey expressing how it impacts the community. Atty. Koscelansky stated that it couldn't hurt but that the lobbyists and trade groups have done this. It impacts governmental issues also so they are well aware of what they have taken off the table. The board asked if Atty.

Scranton Lackawanna Health & Welfare Authority February 15, 2018

Koscelansky could help provide verbage for the letter and he agreed. He will submit some samples for the board to review.

B. Administrative Fees

Ms. Clarke noted that Lackawanna College has notified her that they paid off their loan in December and will not be sending in a 2018 Administrative Fee. This will reduce the projected 2018 Administrative Fees by \$3,156.00. The Scranton Parking Authority has advised that it has submitted the invoice for payment. All other Administrative Fees have been paid.

C. Ethic Forms

Ms. Clarke reminded the board that all Ethic Forms are due back as quickly as possible.

D. Other Business

Ms. Clarke notified the board that she will not be in work on Wednesday, February 28th due to the Active Shooter Seminar being held at Marywood University.

Ms. Clarke advised the five City Appointees that the Mayor's office has approved their reappointments and it will now go to City Council.

Mr. O'Bell will discuss with Mr. Weinberger tentative plans for a luncheon/dinner.

Mr. Granahan noted that he is President of St. Francis Kitchen and they are having their annual fund raiser on April 11th at Genetti's. If anyone is interested in a ticket, please contact him.

With no further business, Mr. O'Bell asked for a motion to adjourn the meeting. Mr. Preschutti motioned and Mr. Pazzaglia seconded. The meeting adjourned at 5:55PM

CHAIRMAN'

SECRETARY

9

TAX ASSESSOR'S REPORT

Hearing Date: 07/18/18

Time	Name	Boro/Twp.	Pin Number	Attorney	Proposed/Curren t Assesed Value	After Appeal Value
12:15 PM	RACEWAY HOLDINGS LLC	DICKSON CITY	10204010004	ROBERT GILLESPIE JR	329500	1
12:25 PM	MARCAVAGE MICHAEL A & DAVID T	FELL TWP	03515020016		10200	
12:35 PM	GOREL JASON	FELL TWP	0450703001407	WALTER CASPER	5000	
12:45 PM	YVAS DIPEN, NISHA P & VIKRAM N	MOOSIC	1850102001048	CHRISTOPHER SZEWC	46500	
12:55 PM	TRATTEN TIMOTHY -MILUSKI K	ARCHBALD	09402050026		58700	İ
1:05 PM	VERRASTRO DOROTHY	BLAKELY BORO	1031503000101		5300	
1:15 PM	BANIK JACOB J & REBECCA M	OLYPHANT	1141201001223		28800	
1:25 PM	KOURY ROBERTA M	ARCHBALD	09414010042		17000	
1:35 PM	ZINN LEONARD & RONALD	SOUTH ABINGTON TWP	10111100010	ROCCO VALVANO JR	31257	
1:45 PM	LEE KYUNG C & OKHEE WON	NEWTON TWP	1110102001003		45000	
1:55 PM	CASELLA, JOSEPH & ELSA	BENTON TWP	01003010009	ROBERT SAYERS	18000	
2:05 PM	VECERKAUSKAS GERALYN & PAUL	CLARKS GREEN	0900404000754		34000	
2:15 PM	CHESSICK ANTHONY V	SOUTH ABINGTON TWP	11104010012		8400	
2:25 PM	DRAZBA JOSEPH&KATULA J	SPRINGBROOK TWP	21002010001	THOMAS COMERFORD	79450	
2:35 PM	LEONARD WILLIAM J & KATHRYN A	SCRANTON	13514020048		18000	
2:45 PM	VISCO CHRISTOPHER E	SCRANTON	15706060025		12000	
2:55 PM	SAVINO REALTY LLC	SCRANTON	14518060012		33400	1
3:05 PM	POLLOCK JOSEPH P & COLLEEN M	SCRANTON	1241701002104		16500	
3:15 PM	KENNEDY CATHERINE	SCRANTON	15614010011		18000	
3:25 PM	T C S I & MIDTOWN APARTMENTS	SCRANTON	14584010018	JOHN OBRIEN	293750	
3:25 PM	TCS-1	SCRANTON	14576020023	JOHN OBRIEN	312500	1

TOTAL RECORDS



JUN 27 2018

OFFICE OF CITY COUNCIL/CITY CLERK



FILE OF THE COUNCIL NO. ____

2018

AN ORDINANCE

CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229634 ENTITLED "POLICE GRANTS" FOR RECEIVING FUNDS FROM MULTIPLE SHORT TERM OR PASS THROUGH POLICE GRANT SOURCES THAT REQUIRE FUND ACCOUNTS SEPARATE FROM THE GENERAL FUND.

WHEREAS, this Special City Account is being established for receiving grant funds from multiple short term or pass through Police Grant sources that require funds accounts separate from the General Fund. This collective fund will facilitate the auditing process.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that Special City Account No. 02.229634 is hereby established and that any and all appropriate City officials are authorized to execute any and all documents necessary to set up said account.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

June 20, 2018

Jessica Eskra, Esq. City Solicitor Municipal Building Scranton, PA 18503

Dear Attorney Eskra:



Please prepare an Ordinance for Scranton City Council creating a new special city account for the purpose of receiving funds from multiple short term or pass through police grant sources that require fund accounts separate from the general fund. This collective fund will facilitate the auditing process.

02.229634 Police Grants

If you should have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,

Dave Bulzoni

Business Administrator

DMB:nmk

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant
Rebecca McMullen, Financial Manager

,





DEPARTMENT OF LAW

OFFICE OF OTH

OFFICE OF CITY COUNCIL/CITY CLERK

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

June 25, 2018

To the Honorable Council Of the City of Scranton Municipal Building Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229634 ENTITLED "POLICE GRANTS" FOR RECEIVING FUNDS FROM MULTIPLE SHORT TERM OR PASS THROUGH POLICE GRANT SOURCES THAT REQUIRE FUND ACCOUNTS SEPARATE FROM THE GENERAL FUND.

Respectfully,

Jessica Eskra (S) Jessica L. Eskra, Esquire

City Solicitor

JLE/sl

RESOLUTION NO.

2018

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT FOR THE REDEVELOPMENT ASSISTANCE CAPITAL PROGRAM (RACP) THROUGH THE COMMONWEALTH OF PENNSYLVANIA'S OFFICE OF THE BUDGET IN THE AMOUNT OF TWO MILLION \$2,000,000.00 DOLLARS; ACCEPTING AND DISBURSING THE GRANT AND COORDINATE THE USE OF THE GRANT FUNDS WITH "SCRANTON-CHERRY, LP, FOR THE PROJECT TO BE NAMED THE "SCRANTON COUNSELING CENTER".

WHEREAS, the City of Scranton, in coordination with "Scranton-Cherry, LP", or their designee, 2030 Tilghman Street, Suite #203, Allentown, Pennsylvania 18104 is desirous of obtaining funds from the Commonwealth of Pennsylvania's Office of the Budget in the amount of \$2,000,000.00 for prevention and elimination of blight through the Redevelopment Assistance Capital Program (RACP). These funds are in addition to the \$1,000,000.00 that was approved by Scranton City Council under Resolution No.189, 2017 and \$1,000,000.00 that was approved by Scranton City Council under Resolution No. 5, 2018; and

WHEREAS, a blighting influence exists due to the deteriorating condition of "Scranton Counseling Center" (the "Project") located at 329 Cherry Street, Scranton, Pennsylvania, and

WHEREAS, the City will partner with "Scranton-Cherry, LP", or their designee, as the applicant for the grant funds from Commonwealth of Pennsylvania's Office of the Budget and disburse the funds to the City to fund the Project; and

WHEREAS, the City will reimburse the Commonwealth of Pennsylvania's Office of the Budget for any expenditures found by the Commonwealth of Pennsylvania's Office of the Budget to be ineligible; and

WHEREAS, the details of the Project costs and breakdown are detailed in the grant application a copy of which is attached hereto and made a part hereof.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate City Officials are hereby authorized to apply for, execute and submit a grant application to the Pennsylvania Office of the Budget for the Redevelopment Assistance Capital Program (RACP); substantially in the form attached hereto,

and if successful, to accept the grant funds to be used for the Project as detailed in the grant application. This approval anticipates the execution of any and all related documentation which may be necessary to complete the grant application, including but not limited to the grant application.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



June 19, 2018

Atty. Jessica Boyle 340 North Washington Avenue City Hall Scranton, PA 18503

Re

Redevelopment Assistance Capital Program (RACP)

Scranton Counseling Center Project Scranton, Pennsylvania 18505 Resolution - \$2,000,000.00

Dear Atty. Boyle:

The City was approved for an additional \$2,000,000 grant through the PA Office of the Budget through the Redevelopment Assistance Capital Program (RACP) for the development of the above mentioned project. A copy of the application is attached.

This is in addition to the \$1,000,000 Resolution #189, 2017 and \$1,000,000.00 Resolution #5, 2018. This will be a total of \$4,000,000.00 RACP funding approved by the Office of the Budget.

OECD is requesting to review the attached Resolution for the development of the former Button Company located at 329 Cherry Street, Scranton, PA 18505. This will be the new home for the Scranton Counseling Center.

If you have any questions, please contact me at laebli@scrantonpa.gov.

Sincerely,

Linda B. Aebli

Linda B. Aebli

Executive Director

Lba/ Attachments



June 18, 2018

Mr. Steven Heuer Office of the Budget Bureau of Revenue, Capital & Debt RACP 18th Floor Harristown 2 333 Market Street Harrisburg, PA 17101-2210

Re: Redevelopment Assistance Capital Program Grant (RACP)
Scranton City
Scranton Counseling Center, 329 Cherry St., Scranton, PA 18505
Capital Budget Itemization Act of 2013-085
\$2,000,000.00

Dear Mr. Heuer:

This will confirm the letter dated May 29, 2018 from Randy C. Albright, Secretary, Office of the Budget informing the City of Scranton that Governor Wolf has authorized the release of an additional \$2,000,000.00 for the above mentioned project.

On behalf of the citizens of Scranton, Pennsylvania and in accordance with RACP statutes, I accept the grant and will follow all regulations under RACP.

Ms. Aebli, of my staff, will be the City of Scranton's contact for this project:

Ms. Linda B. Aebli
Executive Director
Office of Economic and Community Development
Municipal Building
340 North Washington Avenue
Scranton, Pennsylvania 18503
Phone: 570/348-4216

FAX: 570/348-4123

Email: <u>Laebli@scrantonpa.gov</u>



OFFICE OF THE MAYOR

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4101 • FAX: 570-348-4251

If you need further information, please do not hesitate to contact Ms. Aebli at <u>Laebli@scrantonpa.gov</u> or 570/348-4216.

Sincerely,

William L. Courtright

Mayor

Cc: Ms. Linda B. Aebli, Executive Director, OECD

Mr. Elias Joseph, Office of the Budget Atty. Sean Gallagher, OECD Solicitor

Mr. William Harbeson, Administrator, (RACP) Atty. Jessica Eskra, Solicitor, City of Scranton

Mr. Charles Jefferson, Scranton-Cherry, LP



COMMONWEALTH OF PENNSYLVANIA OFFICE OF THE GOVERNOR

Kava., Scranton Counseling Nov 29, 2018

RANDY ALBRIGHT SECRETARY GOVERNOR'S OFFICE OF THE BUDGET

NC 00. 0010	10
May 29, 2018	SN
	10
The Honorable William Courtwright, Mayor City of Scranton	or E
340 North Washington Avenue	
Scranton, PA 18503	25

Dear Mayor Courtwright:

Governor Wolf has authorized the release of \$2,000,000 in Redevelopment Assistance Capital Program (RACP) funding for the Scranton Counseling Center project in Lackawanna County. This project is eligible to receive funding via legislative authorization in the Capital Budget Project Itemization Act of 2013-085. Please note that RACP monies will not be paid out until (a) an RACP grant agreement has been fully executed between you and the Commonwealth, and (b) you have complied with all RACP program and grant agreement requirements as set out in the grant agreement and in the program guidelines.

This correspondence shall serve as written notification authorizing the preparation and submission to the Office of the Budget of a formal and complete Redevelopment Assistance application for the project, The Application Materials Handbook contains the necessary forms and instructions for the preparation of the application. The RACP application must be submitted in electronic format (PDF) via upload to an RACP FTP site. Hard copies or electronic copies on a CD or Flash Drive are no longer required. Access instructions to the FTP site, along with a unique Username and Password, will be emailed to you within approximately 3 weeks of receiving this letter. The RACP Application Handbook, available on our website (http://www.racp.pa.gov), contains the necessary instructions for the preparation of an application and provides the information you will need to upload it to our FTP site. Please note that Special Conditions are also now required to be submitted electronically as a PDF file via upload to the RACP FTP site. Special Conditions are outstanding documentation that is required to be submitted prior to an entity being eligible to receive grant funds. They are found in Appendix B of a typical RACP Grant Agreement.

As you are aware, RACP funding is intended to provide much needed economic stimulus to the Pennsylvania economy and it is intended to assist in the immediate creation of quality, family-sustaining jobs for Pennsylvanians. In completing the application for the RACP grant, please include sufficient information and documentation indicating this project's estimated economic impact and the potential for job creation. To be eligible for this award in accordance with RACP statutes, you must notify the Office of the Budget if you accept the grant within 30 days of receiving notification of approval via an official correspondence.

As one of the selected recipients of the limited amount of RACP funding available, your organization now has the significant responsibility of ensuring that these funds are utilized for economic development in a timely manner. Therefore, it will be the policy of this Administration to require that all recipients of RACP funding MUST submit their application within six (6) months of the date of this letter. Failure to submit the required RACP application within this timeframe may lead to the termination of any commitment of funding contained herein. It is important to note, however, that according to existing law, applicants must be able to demonstrate that at least 50% of the required non-state funds necessary to complete the project are secured at the time of the application. Failure to document the 50% non-state funds will preclude the Office of the Budget from accepting the application and drafting a grant agreement. It is also important to stress that a Resolution from the eligible applicant authorizing the submission of the application for Redevelopment Assistance Capital Grant funding should be provided as part of the application.

Additionally, once the grant agreement is fully executed for the RACP funding, your organization will then have a maximum of six (6) months to meet the terms and conditions of the grant agreement and begin construction of the project. Failure to begin construction of the project within six months of the final execution of the grant agreement may lead to the termination of the funding commitment.

Whereas this project has now been authorized to receive RACP funding, you should know that the grant agreement you will execute requires compliance with bidding and the payment of prevailing wage rates as a condition of the contract among other requirements. Questions about prevailing wage rates and how they may affect your project's construction contracts should be directed to the Bureau of Labor Law Compliance, Department of Labor and Industry at 717-787-4671. Failure to comply with these requirements may result in the loss of this funding and return of any funds already provided to your project by the Commonwealth.

Your assistance in this matter is greatly appreciated and the Commonwealth of Pennsylvania looks forward to working with you for the successful completion of this project.

Sincerely,

Randy C. Albright

Secretary of the Budget

gand & Allvird

cc: Mike Brunelle (Chief of Staff)

Yeseñia Bane (Governor's Office)

Anne Baloga (Office of the Budget)

Steve Heuer (Office of the Budget)

Elias Joseph (Office of the Budget)

House Appropriations Committee Chairman (R)

House Appropriations Committee Chairman (D)

Senate Appropriations Committee Chairman (R)

Senate Appropriations Committee Chairman (D)

Speaker of the House of Representatives

Majority Leader, House of Representatives

Minority Leader, House of Representative

President Pro Tempore of the Senate

Majority Leader, Senate

Minority Leader, Senate

Subgrantee:

Mr. Charles C. Jefferson, President

TAB 1: Project Eligibility Requirements

Itemization Requirements:

The proposed project for the Scranton Counseling Center in the City of Scranton is included in the Capital Budget Project Itemization Act as follows:

COUNTY Lackawanna	MUNICIPALITY City of Scranton	ACT NO. 2013- 085	AUTHORIZATION DATE 11/1/2013	ACT DESCRIPTION Acquisition, construction, infrastructure and other related costs for Neighborhood Commercial District revitalization	ACT AMOUNT \$4,000,000	RELEASE AMOUNT	REMAINING AMOUNT \$4,000,000	RELEASE DATE
				project *				

Constructions Status:

The construction start date for the Scranton Counseling Center is July 2017. Nov. 2018.

The project is scheduled to be completed August 2018.

The project is scheduled to be completed August 2018.

Project Labor Agreement is not required.

Housing Statement:

This RACP Project does not include a housing component.

TAB 2: PROJECT DESCRIPTION

Project Name:

Scranton Counseling Center

Address:

329 Cherry Street

Scranton, PA 18503

Municipality:

City of Scranton

County:

Lackawanna

State

Representative:

Hon. Marty Flynn

409 North Main Street, Scranton, PA 18504

113th District

State Senator:

Hon. John P. Blake

409 Lackawanna Avenue, Suite #210, Scranton, PA 18503

22th District

OVERALL:

Scranton Counseling Center (SCC) is Lackawanna County's largest integrated community behavioral health provider serving children, adolescents, adults and the elderly throughout the Greater Scranton area. SCC has been serving the community since 1947 and in its present location for nearly 30 years.

The project is the construction of a new facility with onsite parking and ample space to accommodate the Center's growing program needs. The new home will be located at 329 Cherry Street in the City of Scranton, County of Lackawanna, and will replace SCC's existing outdated and dysfunctional series of buildings. These buildings on Scranton's 300 block of Adams Avenue are a series of converted early 20th century stores with inefficient floor plans, a lack of natural light and poor handicap access. SCC has outgrown this location.

The new facility is a 3-story adaptive reuse of an historic warehouse a few blocks from SCC's current location. The Center's program needs will be fully integrated into the new facility with some space for future growth. The major improvements benefiting the employees and those residents the Center serves will be easier facility access, complete handicap access, onsite parking for employees and those served, onsite passenger loading and unloading, off-street passenger bus drop-off/pickup, light-filled spaces from windows on all sides and the dignity that comes with a facility designed to meet their needs.

The relocation of SCC will revitalize a major building on the 300 block of Cherry Street and provide the opportunity for redevelopment of the entire 300 block of Adams Avenue as a follow-on project. This is a key aspect that differentiates this project from others. This project

will have a transformative effect on two neighborhoods within the city of Scranton. The followon project of the 300 block of Adams Avenue renovation will bring new retail to now shuttered storefronts, reduce the traffic congestion on a major downtown arterial and continue the overall revitalization in the downtown.

The mission statement of SCC is "to promote wellness and recovery by providing an environment which is considerate of and sensitive to the unique personal and cultural attributes of those we serve, and which empowers them to make choices about their lives, pursue their personal goals and maximize their quality of life while respecting their individual dignity and confidentiality". A critical part of being able to carry out the mission of the Center is to do it in an environment that is both conducive to the program and mindful of the dignity of their clients. This project accomplishes both as well as revitalizing a much needed area and paving the way for further redevelopment in the process.

PROPOSED RACP SCOPE:

The Proposed RACP Scope will be limited to the acquisition and rehabilitation of 329 Cherry Street including but not limited to construction of the improvements and related site work required for occupancy of the property.

TAB 3. ECONOMIC IMPACT

					Estimated within
					1-year after project
					completion
A.	NE	W Jo	bs:		
	1.		W permanent direct jobs from positions being created ng filled.	l, or vacant ones	
		a,	Full-time jobs		10
			Part-time jobs - For scoring purposes, 2.5 part-time	jobs are considered a	
		Ъ.	Full Time Equivalent (FTE). The Office of the Bud FTEs.	get will calculate	O
	NEW permanent direct jobs TRANSFERRED TO PA FROM OUT OF STATE. "NEW" for this entry's purpose only includes existing, filled positions that will be transferred into PA from out of state.				
		a,	Full-time jobs Part-time jobs - For scoring purposes, 2.5 part-time		0
		b.	0		
В.	3. RETAINED permanent direct (non-construction) jobs. "RETAINED" for this purpose includes existing jobs, currently located elsewhere in PA or existing jobs retained at a current employment site that will be lost without the progression of this project.				
	I. Full-time jobs				251
	2. Part-time jobs - For scoring purposes, 2.5 part-time jobs are considered an FTE. The Office of the Budget will calculate FTEs.				60
C.			of permanent INDIRECT jobs created by support/sup		
	secondary industries attracted by the project. Must supply multiplier basis used by the project.				
D.					104
E.				\$36,807	
F.	Prov		ne per capita income for the project's county per the	L.S. Cepsus Beneati	\$25,608
G.	Tota	l stat	e tax generation (payroll, sales, corporate, etc.).	s320,000 Prior to project	\$320,000

TAB 4: COMMUNITY IMPACT

A. Narrative of Area

The Scranton Counseling Center (SCC) is currently located in two separate buildings in the 300 block of Adams Ave in Downtown Scranton (See photo below). As shown, the Center is housed in the building on the left and right of a vacant, unsightly property.



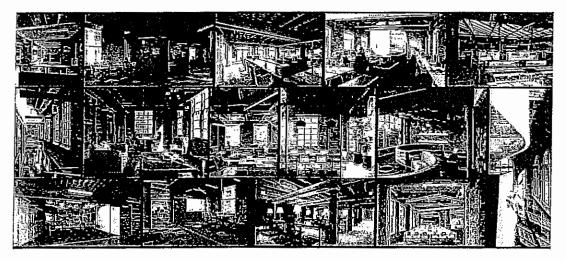
The project will provide a new facility for SCC in 300 block of Cherry Street in a to-be-converted historic building. (Photo of the existing property is shown below.)



The project will take the vacant dilapidated building shown on the previous page and totally renovate the interior and exterior of the building and includes overall site improvements. Proposed exterior/interior renderings of the new building are shown below.



329 Cherry Street after rehabilitation



Interior Image Concept Board

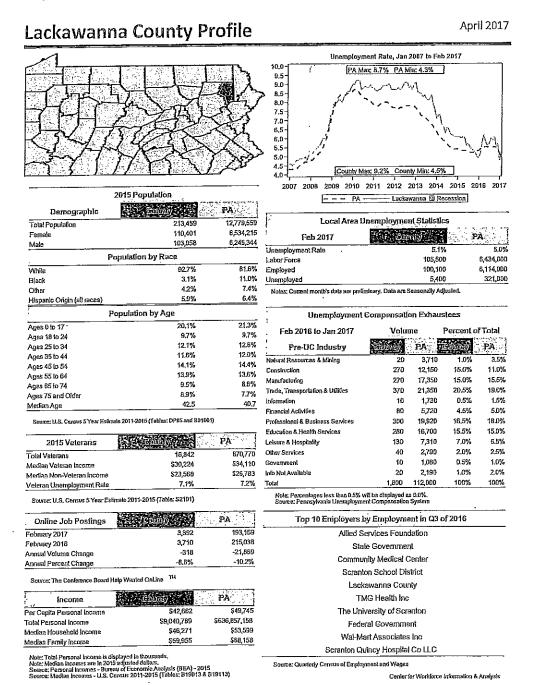
Relocation of SCC to 329 Cherry Street will also pave the way for further revitalization of the 300 block of Adams Avenue. The project property on Cherry Street is not

designated as blighted as the time of this application; however, we are seeking this designation.

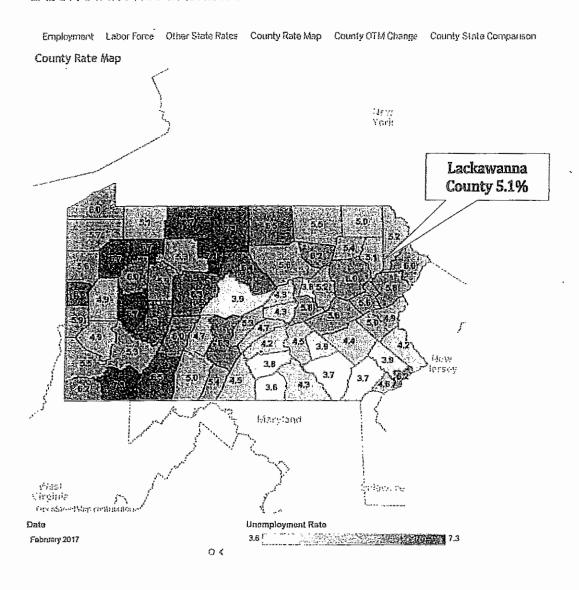
B. Economic Health of the County

1. Does the county have unemployment higher than the state average? YES – the Lackawanna County's unemployment rate is currently 5.1%, which is .1% above the state average of 5.0%.

Pennsylvania Unemployment Rate: Lackawanna County compared to State



LABOR STATISTICS DASHBOARD



 Does the county have declining population? YES – see below excerpt from Census website.

paragraf) | Eng. Hermanicagon backlandoù mhaoist grata had | Into, i-7 (thousagon backland | Grany (Senuson) Census **Newsroom** Welcome to QuickFacts Luckawanna County, Pennsylvania Quick-Facts provides statistics for all states and epunties, and for cities and towns with a population of 5,000 or more QuickFacts People Lackawanna County, Pennsylvania Роријабол Population estimates, July 1, 2016, (V2818) 211,321 Population or imples, July 1, 2015, (V2015) 211,917 Population estimates base, April 1, 2019, (V2016) 214,440 Population estimates beta, April 1, 2010, (V2015) 214,436 Population, percant change - April 1, 2010 (estimates base) to July 1, 2016, [V2016] -1,5% Population, personi change - April 1, 2010 (estimates base) to July 1, 2015, (V2015) -1.2% Population, Consus, April 1, 2010 214,437

- 3. Is the county below the state per capita income? YES see insert in section 1.
- Is the project located in a KOZ, KOEZ, KIZ, KSDZ, EZ or KOIZ-designated area?
 NO.
- C. The project is increasing the quality of life.
 - 1. It is creating or improving Civic, Cultural or Recreation Facilities? YES The project is increasing the quality of the life for both users of the Counseling Center and for residents and communities in Downtown Scranton. Currently, the space used by the Center is a 30-year old, tired, renovation of a department store. Most offices are devoid of natural light. Facilities within the space are inadequate for the program needs. The new building will change all of this. Additionally, Adams Avenue has become a major arterial road in Scranton's downtown as the University of Scranton has grown and The Commonwealth Medical College has come on-line. What was once an acceptable practice for the Center to load/unload their medical transports, is now a major source of traffic congestion along Adams Avenue during the morning and evening rush hours and throughout the day. The relocation of the Center will change this for everyone. Further, the relocation will pave the way for the redevelopment of the entire 300 block of Adams Avenue.
 - 2. Is it improving Commercial/Retail/Mixed-use Buildings in a downtown or core area? YES see photos of the existing vacant property above. The project will take an existing vacant historic warehouse and adjacent overgrown lot and completely rehabilitate them into a new facility with off-street parking. The

building has been vacant for over 10 years and is currently littered with trash, broken windows and graffiti.

- 3. Does it address immediate/urgent issues to improve quality of life? YES the SCC program involves a great deal of mental health counseling and brings a number of people on a daily basis to its present location. The current facility lacks parking, appropriate passenger loading/unloading and is a very poor example of 1980's renovation dark and depressing. The Center needs to either renovate its existing facilities or move to a new one. The cost to renovate the existing facilities while maintaining a minimal impact to operations is prohibitive. As with any building occupied for nearly 30 years the expansion within the space was haphazard and unplanned. Further complicating this is the fact that the Center expanded into a second unconnected building on the same block. Relocation is the only logical answer to benefit SCC and its customers.
- 4. Does it address issues that could have a negative impact on the quality of life? YES as Scranton has added TCMC (The Commonwealth Medical College a couple blocks up the street) and the community as a whole has become more dependent on cars, Adams Avenue has become a major arterial road in downtown Scranton. SCC's operation requires a great deal of passenger pick-up and drop-off and many of these customers are disabled and using paratransit of some sort. Traffic in front SCC's current location is a dangerous and very congested problem in the morning and evening rush hours with pedestrians and clients alike constantly dodging traffic. The relocation of the Center will provide off-street facilities as well as ample onsite parking for employees and customers that is not currently available.

D. The project has regional impact.

- 1. Is it consistent with an existing revitalization plan? NO.
- 2. Is it a joint effort involving multiple municipalities? NO.
- Is the public actively involved in the development of the project? NO.
- 4. Does it promote tourism? NO.

TAB 5: STRATEGIC CLUSTERS FOR DEVELOPMENT

The project meets the goal of the Commonwealth of PA and that of the Greater Scranton Chamber of Commerce and the City of Scranton with respect to growing businesses in the strategic cluster of the Healthcare sector. The project is the construction of a new facility for the relocation of Scranton Counseling Center (SCC) – a community based behavioral healthcare provider. Their present location is outdated, inadequate and does not allow for expansion.

At the writing of this application it is our understanding that there is a shortage of behavioral healthcare services in Lackawanna County. In looking at the current physical facilities of SCC it is easy to see that they are inadequate for today's needs. SCC served close to 10,000 individuals in 2016.

The population is made up primarily of low-income individuals and families, including the working poor. Services are provided to those in need regardless of their ability to pay. SCC has been located in their downtown Scranton location in a former department store building for over 30 years. It has very limited space to expand let alone improve through implementing new evidence-based services and other modern practices.

Healthcare consumers of all socioeconomic backgrounds deserve respect and dignity when seeking professional help. This is nowhere more important than then in the lower income communities. The current location worked at one time but not today. In order to grow the business and provide quality services to all, the Center needs to expand into new, better-suited space. All behavioral health consumers, including those from lower socioeconomic strata deserve the highest quality services possible, receiving those services in a physical environment that is thoughtfully designed, welcoming, and attractive will be an asset to recovery, and quality of life.

Relocation to the new facility will allow the Center to expand their services and will facilitate an employment base of 251 full-time and 60 part-time employees at an average wage rate of \$36,807. It will bring life to a vacant building and restore a tarnished streetscape. It will pave the way for additional development in SCC's existing location along the 300 block of Adams Avenue. It will be beneficial for all parties involved.

TAB 6: ORGANIZATION, MANAGEMENT & STRATEGIC PLAN

TABLE OF INVOLVED ORGANIZATIONS:

Grantee:

City of Scranton

Mayor William L. Courtright

340 N Washington Ave, Scranton, PA 18503

P: (570) 348-4215

Contact: Linda Aebli, Director of OECD

laebli@scrantonpa.gov

Sub-Candidate:

Scranton-Cherry, LP

Charles C. Jefferson/Owner

2030 W. Tilghman Street, Suite #203, Allentown, PA 18104

P: (215) 651-1241

cjefferson@jeffersonwerner.com

Architect:

Hemmler + Camayd Architects

David Hemmler/Partner

409 Lackawanna Avenue, Scranton, PA 18503

P: (570)961-1302

dhemmler@hc-architects.com

Engineer:

Keast & Hood Engineering

Frederick Baumert, PE

400 Market Street, Suite 1250, Philadelphia, PA 19106

P: (215) 625-0099

fbaumert@keasthood.com

Construction Manager:

Admiral Management Services, LLC

Duane Wagner

129 N. Washington Avenue, Scranton, PA 18503

P: (484) 866-5608

dwagner@jeffersonwerner.com

Developer / Project

Administration:

Jefferson-Werner, LLC

Charles Jefferson, President

129 N. Washington Avenue, Scranton, PA 18503

P: (215)-651-1241

cjefferson@jeffersonwerner.com

PROJECT INFORMATION

1. Tax Status & Organizational Structure

Scranton-Cherry, LP, will operate as a for-profit business and will own the project. Scranton-Cherry, LP, will lease the project to Scranton Counseling Center on a triple-net basis and at an amount equal to the debt service plus minimal administrative costs.

2. Financial & Operating Status

Financing for the project consists of the following of \$6,523,911 of private investment (equity and long-term debt) from the owner/developer, \$500,000 of Pennsylvania Historic Preservation Tax Credits and \$3,500,000 of RACP grant funding. In addition, the owner/developer will secure \$3,500,000 in RACP bridge financing.

As this is a new project there is no historical financial data available. There is a cash flow analysis provided to support the pro forma.

3. Project Administration

The administration of the project, operation and compliance reporting will be the responsibility of Charles Jefferson of Jefferson-Werner, LLC, the Developer/Project Administrator. Charles has extensive experience in PA with urban development projects and RACP projects in particular. Jefferson-Werner, LLC has completed several major projects in Scranton including historic rehabs of the Connell Building (8-story, 166,000 SF building into 89 apartments, office and retail) and Mulberry 426 (4-story, 58,000 SF historic building into 39 apartments and retail). Most recently Jefferson-Werner, LLC, lead the purchase and turnaround of Montage Mountain Resorts in NEPA and the development and construction of the Lehigh Valley Charter High School for the Arts in the City of Bethlehem.

The Grantee, the City of Scranton, has applied for and been awarded many RACP grants over the past several years and has significant experience administering and managing such grants and in working with Jefferson-Werner. The City of Scranton administers state and federal grants through its Office of Economic Community Development (Linda Aebli, Director). They will administer the RACP funding. The Grantee will work closely with Scranton-Cherry, LP, who will complete the project being funded through this grant, to ensure that all program guidelines and requirements are met. A cooperation agreement will be executed between the Grantee and the Sub-Candidate that establishes the cooperative framework under which the Grantee and Scranton-Cherry, LP, will ensure appropriate management of the RACP funds.

Admiral Management Services has extensive experience with RACP funding and construction/development projects in Northeast Pennsylvania and within the City of Scranton. Most notably are the recently completed and very successful mixed use projects of Connell Lofts and 426 Mulberry in Downtown Scranton and the Lehigh Valley Charter Arts Foundation's new charter arts high school located in Bethlehem,

Northampton County. These development projects contained over \$50 million in construction and utilized RACP funds to make them successful.

4. Financial Necessity.

The Scranton Counseling project is located in the 300 block of Cherry Street in Scranton. This block has not seen new commercial activity for many years. As is the case with projects in depressed areas, the economics of renovating an historic building combined with the lower rents within the area do not support a traditional capital structure — basically you cannot charge enough rent to support the costs to renovate, not to mention servicing the debt. The project is under water before it could ever begin.

RACP funds in the amount of \$3,500,000 are requested to undertake the project, as the project requires complete interior reconstruction, site/sidewalk work, extensive façade improvements and accessibility requirements that combine with the economics to make the project not viable. RACP funds along with the noted equity and debt will allow the project to move forward and open Summer of 2018.

STRATEGIC PLAN

1. Business Strategy/Plan.

The Scranton Counseling project will address the need to improve a business that provides a vital healthcare need to the Greater Scranton community. In addition to revitalizing an existing vacant structure along Cherry Street, the relocation of SCC will allow for future redevelopment of SCC's existing location along Adams Avenue in Scranton's central business district.

Scranton, like other former industrial cities, was once home to a thriving and vibrant downtown. The streets around courthouse square were lined with retail operations and entertainment venues. In the years since its peak, Scranton has seen its population decrease by 50% and its employment base change. Over the last 10 years the population has stabilized at around 75,000 with over 578,000 in the Scranton-Wilkes-Barre Metro Area. In the last 5 years residential development has come back to the downtown and small retailers are following. The downtown needs more to continue its growth.

The Scranton Counseling Center project is the construction of a new 108,000 SF facility with onsite parking and ample space to accommodate the Center's programs. It will replace the existing outdated and dysfunctional series of buildings currently housing the Center. These buildings on the 300 block of Adams are converted stores with inefficient floor plans, a lack of natural light and poor handicap access. SCC has outgrown this location. The new facility will allow the Center to continue to serve the community and expand its impact on the residents.

2. Financial Information

See attached financial pro forma.

3. Plan for Continuing Operation of the Project

The financial plan is attached. Parking is a major consideration in the operation of SCC. Currently, SCC's existing facility provides no on-site parking for employees or the residents it serves. In addition, SCC's clients are often subject to double-parking in the middle of Adams Avenue (a main thoroughfare through Scranton's downtown), subjecting SCC's clients to dangerous situations on a daily basis just to access their facility. Parking and access for SCC's clients and employees is addressed at the new location through ample onsite parking being provided as part of the project development plans. In addition to parking, other major improvements benefiting the employees and those residents the Center serves will be easier off-street facility access, complete handicap access, onsite passenger loading and unloading, off-street passenger bus drop-off/pickup, light-filled spaces from windows on all sides and the dignity that comes with a facility designed to meet their needs.

All other considerations for the project in terms of planning and approvals have been reviewed with City government and code officials. The project has the support of all parties including the Mayor. A cash flow analysis has been included to support the viability of the project. Scranton Counseling Center has been in business and serving the Lackawanna County and Scranton communities since 1947 – over 70 years.

Development Budget & Assumption

FLOOR	GROSS AREA	CORE	NET RENTABLE	, RENTAL RATE	GROSS ANNUAL INCOME
1, 2, 3	108,000	0	76,000	\$3.62	\$275,000
TOTAL / AVERAGE:	108,000	0	76,000		\$275,000

545,000 205,000 500,000 100,000 40,000 40,000 200,000 5,000	\$	750,000
500,000 100,000 40,000 40,000 200,000	\$	750,000
500,000 100,000 40,000 40,000 200,000	\$	750,000
500,000 100,000 40,000 40,000 200,000	\$	750,000
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325,000		
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50,000		
3,000,000	- \$	5,800,000
	,	,
	\$	1,200,000
	\$	569,401
	\$	300,000
	\$	10,523,911
	139,500 250,000 325,000 50,000 750,000 5,000,000	250,000 325,000 \$ 50,000 750,000 5,000,000 \$ \$ \$

TOTAL PROJECT COSTS:	\$	10,523,911
QLICI A1 QLICI A2 QLICI B ADDITIONAL EQUTY	4 \$ \$	5,052,780 1,500,000 2,747,220 1,223,911
TOTAL SOURCES;	\$	10,523,911

AFFILIATE LEVERAGE LOAN DETAIL	
QLICI A1 - HISTORIC TAX CREDIT EQUITY	\$ 1,646,721
QLICI A1 - AFFILIATED LEVERAGE LOAN (Sale	\$ 1,475,000
QLICI A1 - AFFILIATED LEVERAGE LOAN (Equity)	
QLICI A2 - RACP GRANT	\$ 1,000,000
QLICI A2 - PA STATE HTC	\$ 500,000
TOTAL AFFILIATED LEV LOAN	\$ 4,621,721

Development Cash Flow

USE Acquisition: Soft Costs: Construction & Contingency: Deferred Dev Fee: Project Fees:	Total Uses	750,000 1,904,510 6,100,000 1,200,000 569,401 10,523,911
SOURCE Acquisition Loan: Owner Equity - NMTC: Owner Equity - HTC: Owner Equity - PA HTC: Owner Equity - Other/Bridge Loan: Deferred Dev Fee: SCC - Adams Ave Sale Proceeds: SCC - Equity Contribution: RACP Grant - Bridge Loan: RACP Grant - State Proceeds:	. Total Sources	2,747,220 1,646,721 500,000 154,970 1,200,000 1,475,000 1,800,000
	Total Sources	10,523,911

Cashflow, IRR & NPV Analysis

. -.-

YEAR			11	2	3	4	5	6	7	8	9	1,0
Occupancy:			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
INCOME SUMMARY:												
Rental Income:			\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$288,750	\$288,750	\$288,750	\$288,750	\$288,750
GROSS INCOME:			\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$288,750	\$288,750	\$288,750	\$288,750	\$288 ₇ 750
OPERATING COST & FEE SUM	MARY:											
OPEX: (REVIEW)	25.63%		(\$70,469)	(\$71,878)	(\$73,316)	(\$74,782)	(\$76,278)	(\$77,803)	(\$79,359)	(\$80,946)	(\$82,565)	(\$84,217
Partnership Asset Mgmt.	1.50%		(\$4,125)	(\$4,125)	(\$4,125)	(\$4,125)	(\$4,125)	(\$4,331)	(\$4,331)	(\$4,331)	(\$4,331)	(\$4,331)
NMTC Investor Management Fee:			(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	(\$5,000)	\$0	\$0
NMTC CDE Tax Prep & Audit:			(\$10,000)	(\$10,200)	(\$10,404)	(\$10,612)	(\$10,824)	(\$11,041)	(\$11,262)	(\$11,487)	\$ 0	\$0
HTC Investor Pref:	2.00%		(\$32,934)	(\$32,934)	(\$32,934)	(\$32,934)	(\$32,934)	(\$32,934)	(\$32,934)	\$0 \$0	\$0 \$0	\$0 \$0:
HTC Investor Tax Payment: HTC Property / Master Tenant			(\$18,318) (\$10,000)	(\$18,318) (\$10,200)	(\$18,318) (\$10,404)	(\$18,318) (\$10,612)	(\$18,318) (\$10,824)	(\$18,318) (\$11,041)	(\$18,318) (\$11,262)	\$0 \$D	\$0 \$0	\$0 \$0
TOTAL OPEX & FEES:			(\$150,846)	(\$152,655)	(\$154,501)	(\$156,384)	(\$158,304)	(\$160,468)	(\$162,466)	(\$101,765)	(\$86,897)	(\$88,548)
CASHFLOW SUMMARY:												
GROSS INCOME:			\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$288,750	\$288,750	\$288,750	\$288,750	\$288,750
OPEX & FEES:			(\$150.846)	(\$152,655)	(\$154,501)	(\$156,384)	(\$158,304)	(\$160.468)	(\$162,466)	(\$101.765)	(\$86,897)	(\$88.548)
EFFECTIVE GROSS INCOME:			\$124,154	\$122,345	\$120;499	\$118,616	\$116,696	\$128,282	\$126,284	\$186,985	\$201,853	\$200,202
Maint & Struct. Reserve:	4.00%		(\$4,966)	(\$4,894)	(\$4,820)	(\$4,745)	(\$4,668)	(\$5,131)	(\$5,051)	(\$7,479)	(\$8,074)	(\$8,008
Interest/Capital Reserve Funding:			\$0	\$0	\$D	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NMTC A1 LOAN:	1.00%	\$5,052,780	(\$50,528)	(\$50,528)	(\$50,528)	(\$50,528)	(\$50,52B)	(\$50,528)	(\$50,528)	\$0	\$ 0	\$0
NMTC A2 LOAN:	1.00%	\$1,500,000	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)	\$D	\$0	\$0
NMTC B LOAN:	1.69%	\$2,747,220	(\$46,500)	(\$46,500)	(\$46,500)	(\$46,500)	(\$46,500)	(\$46,500)	(\$46,500)	\$0	\$0	\$0
AFFILIATED LEVERAGE LOAN:	0.00%	\$6,552,780	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$D	\$D
PERMANENT / REFI DEBT:	0.00%	\$0	<u>\$0</u>	<u>\$0</u>	\$0	\$0	\$Q	\$0	\$0	±0	\$0	<u>\$0</u>
NET CASHFLOW:			\$7,160	\$5,423	\$3,651	\$1,844	\$1	\$11,123	\$9,205	\$179,506	\$193,779	\$192,194
NMTC PUT RESERVE:	N		Ωŧ	\$Ω	<u>\$0</u>	\$0	±Ω		Ω\$.	\$ 0	\$ 0	.\$0
NET CASHFLOW AVAILABLE FOR DISTRIBUTION:			\$ <u>7,160</u>	\$ <u>5,423</u>	\$ <u>3,651</u>	\$ <u>1,844</u>	\$ <u>1</u>	\$ <u>11,123</u>	\$ <u>9,205</u>	\$ <u>179,506</u>	\$ <u>193,779</u>	\$ <u>192,194</u>
Distribution Schedule:	At Closing	Upon Flip										
SCC Distribution: USBCDC Distribution:	100.00% 0.00%	95.00% 5.00%	\$7,160 \$0	\$5,423 \$0	\$3,651 \$0	\$1,844 \$0	\$1 \$0	\$11,123 \$0	\$9,205 \$0	\$170,531 \$8,975	\$184,090 \$9,689	\$182,584 \$9,610
DEBT SERVICE COVERAGE RATIO:			1.11	1.09	1.08	1.06	1.04	1.15	1.13			
DEBT SERVICE COVERAGE RATIO: ADD BACK AFFILIATED LEVERAGE LOANS			2.67	2.63	2.59	2.55	2.51	2.76	2.72			

TAB 9: PROJECTED CASH FLOW SCHEDULE

- 1. Projected Cash Flow Schedule attached.
- Bridge Financing/Interim Financing. The projected cash flow schedule includes interest
 costs related to Bridge Financing required for the requested RACP Grant. ScrantonCherry, LP, assumed a six (6) reimbursement/close out period from the project's
 completion.
- 3. Secured & Unsecured Financing. Scranton-Cherry, LP, has secured both long-term and interim funding for the project, subject to the approval of the requested \$3,500,000 RACP Grant. Scranton-Cherry, LP's, lender has issued a letter expressing interest in financing the project, which is included with Tab 10-B.
- 4. Long-Term Funding. Scranton-Cherry, LP, will work to ensure long-term permanent financing for the project with a maturity term of 20 or 25 years.

Cash Flow Forecast Project Name: Scr Date of Forecast: May

Scranton Counseling Center May 20, 2017

		Revenue						Forecasted	Revenue								
ource of Funds	Ambunia	Rupalved to	Balánce	Month 5	Month 2	Month 3	Month 4	Month 6	MoHIHO	Month 7	Month 6	en la de Mb∎la d'	Month 10	Month 11	Month 12	Cumulated Remaining	(0)
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Cumulative Use of Funds		-		1,850,660	2,842,153	3,707,250	4,475,549	5,277,187	5,901,427	6,528,278	7,157,753	7,789,861	8,424,614			10,543,911	1
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nierest estimated at 5.00%		Total	335,210,61	7,711	11.842	15,447	18.648	21,988	24,589	27,201							

TAB 15: PERMITS, LICENSING, REGULATORY, & LEGAL REQUIREMENTS

GENERAL

- Local Building Permits building permits will be applied for and issued in July 2017.
- Demolition Permit demolition permit will be included with Building Permits above.
- Zoning Hearing Board Not Required. The project use is compliant with existing zoning.
 (Letter from City of Scranton Director of Licensing is attached for reference.)
- Occupancy Permits will be issued upon completion of the project in July 2018.
- Utilities the project property is currently served by water, sewer, electric and gas.

HISTORICAL

• PA Historical and Museum Commission Part 1 and Part 2 review is complete. (Approval letters attached for reference.)

ENVIRONMENTAL

- Phase 1 Environmental Assessment Report complete.
- Asbestos Abatement asbestos report is complete and abatement will be completed as part of the project construction.
- Lead Paint Abatement lead paint report is complete and abatement will be completed as part of the project construction.



DEPARTMENT OF LICENSING, INSPECTIONS AND PERMITS

CITY HALL . 340 NORTH WASHINGTON AVENUE . SCRANTON, PENNSYLVANIA 18503 . PHONE: 570-348-4173 . FAX: 570-346-4171

May 25, 2016

Pennsylvania Retirement Fund LLC 2030 W Tilghman Street Suite # 203 Allentown, PA 18104

1 ia Hand Delivered

Re: 329 Cherry St, Scranton PA 18505 (Scranton Counseling Center)

To Whom It May Concern,

The above property (329 Cherry St) is located within a Light Industrial (I-L) Zone. The use of a counseling center such as the one listed above is considered a medical office/clinic, and is a permitted use in said zone.

Should you have any questions, please contact me at (570) 348-4193.

Sincerely,

Patrick L. Hinton Director/BCO

Licensing, Inspections & Permits

PLH/to Enclosure(s):

Cc: Thomas Oleski, Deputy Director Cc: Jack Sweeney, Zoning Officer December 1, 2016

Attn: Mr. Charles C. Jefferson

Scranton-Cherry, LP

2030 Tilghman Street, Suite 203

Allentown, PA 18104

Re: Part 1 Review – Scranton Button Company – Buildings S1, S2 and S3, Scranton, PA

Dear Mr. Jefferson:

Thank you for your submission. We completed our review of your Part 1 Application submitted for the above referenced project. Your application was forwarded to the National Park Service with a recommendation of Approval. A copy of our review sheet is attached for your review. Please remember that our review is a recommendation and the National Park Service determines whether the buildings are certified historic structures.

The National Park Service review should take at least 30 days. Upon the completion of their review, they will send you a letter regarding their decision. If you have any questions concerning the review sheet, please contact me at (717) 783-6012 or midoyle@pa.gov.

Sincerely,

Scott Dovle

Die Just

Pennsylvania State Historic Preservation Office Pennsylvania Historical and Museum Commission

Enclosure

Cc: Robert Powers, Powers & Company, Inc.

Bryan Van Sweden, PASHPO

'INITED STATES DEPARTMENT OF THE INTERIOR ATIONAL PARK SERVICE

Historic Preservation Certification Application State Historic Preservation Office Review & Recommendation Sheet Significance - Part 1 Project Number: Scranton Button Company - Buildings S1, S2 and S3 Preliminary done (Preperty) 300 Cherry Street, Scranton, Lackawanna County, PA Lackawanna Mills and Scranton Button Historic District (Historic District) SHPO REVIEW SUMMARY Certified State or Local district Fully reviewed by SHPO No outstanding concerns Date application received by State 11/16/2016 Date(s) additional information requested by State _11/28/2016 Owner informed of SHPO recommendation Date complete information received by State ___11/30/2016_ Date of transmittal to NPS 12/1/2016 In-depth NPS review requested Property visited by State staff?. Recommendation different from applicant's request Number STATE RECOMMENDATION: Scott Doyle who meet the Secretary of the Interior's Professional Qualification Standards, have reviewed this application. The property is included within the boundaries of a registered historic district, contributes to the significance of the district, and is a "certified historic structure" for the purpose of rehabilitation. The property is included within the boundaries of a registered historic district, contributes to the significance of the district, and is a "certified historic structure" for a charitable contribution for conservation purposes in accordance with the Internal Revenue The property does not contribute to the significance of the above-named district, Insufficient documentation has been provided to evaluate the structure. This application is being forwarded without recommendation, Preliminary determinations: The property appears to meet National Register Criteria for Evaluation and will be nominated individually. The property does not appear to meet National Register Criteria for Evaluation and will not be nominated. X The property appears to contribute to the significance of a: X potential historic district that appears to meet the National Register Criteria for Evaluation and will likely be nominated. registered historic district but is outside the period(s) or areas of significance as documented in the National Register nomination or district documentation on file with the NPS and nomination will be amended. The property is located in a proposed historic district and: the property does not appear to contribute to the significance of the proposed historic district. The proposed historic district does not appear to meet the NR Criteria for Evaluation and will not be nominated.

State Official Signature

44

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Number 3	ISSUES: .	
	Extensive loss or deterioration of historic fabric	Moved property
	Substantial alterations over time	State recommendation inconsistent with NR documentation
	Significance less than 50 years old	Functionally related complex or multiple buildings within an individual nomination.
-	Obsoured or covered elevation(s)	Other (explain)
Number	Complete items below as appropriate:	
4	(1) 1887-1973	is the period(s) of significance of the district.
•	(2) The property is mentioned in the NR or state or local district	documentation, Section 7 Page 6-7
	months. Draft nomination is enclosed. Nomination was submitted to NPS on	iew Board, and will be forwarded to the NPS within
	X Nomination process will likely be completed within Other, explain:	thirty months.
	(4) The property is located in a registered district, be its contribution to the district as stated in the no	nt its current condition is inconsistent with the determination of mination, Supplemental Listing Record requested.
Number 5	eligible for listing in the National Register by the PA SHPO significant example of manufacturing in the Lackawanna V 1947) were built by Scranton Button Company to support pressing plant for American Record Company. S1 consists arched window opens (most infilled with plywood but a fe saw tooth roofs and a variety of garage and window openi for posts, beams and trusses. Building S2 is a rectangular 3 with bluestone sills, a central garage entrance and a one st	alley, Buildings S1 (1898-1909), S2 (1913) and S3 (1917 and world-wide button production and then as a record of a 2-story, painted brick office section with segmental w 6/6 windows remain) and a long series of ten bays with ngs. The interior is open in plan with heavy timber framing -story, 4x13 bay red brick building with 9/9 paired windows tory entrance and office addition. The Interior is open in ing S3 consists of a 1917 2-story section and a 1947 3-story diversety of window types. The interior is of the 1947 onstruction. As documented in the submitted draft
	X See attachments: X photographs X maps	ofher:
PS COM		
	· ·	

Date

NPS Reviewer

April 25, 2017

Attn: Mr. Charles Jefferson

Scranton-Cherry, LP

2030 Tilghman Street, Suite 203

Allentown, PA 18104

Re:

Part 2 Review -

Scranton Button Company – Buildings S-1, S-2 and S-3

Scranton, PA

Dear Mr. Jefferson:

Thank you for your submission. PHMC has completed our review of your Part 2 Application submitted for the above referenced project. Your project was forwarded to the National Park Service with a recommendation of Approval with conditions. A copy of our review sheet is attached for your review. Please remember that our review is a recommendation and the National Park Service determines whether the proposed rehabilitation meets the Secretary of the Interior's Standards for Rehabilitation.

The National Park Service review should take at least 30 days. NPS cannot review your Part 2 application until the review fee is paid. Upon receipt of the Part 2 application, NPS will send the fee invoice electronically to the Applicant email address. Payment is made through Pay.gov, the Department of the Treasury's electronic payment system. Upon the completion of their review, NPS will send you a letter regarding their decision. If you have any questions concerning the review sheet, please contact me at (717) 783-6012 or midoyle@pa.gov.

Sincerely,

Scott Doyle

Pennsylvania State Historic Preservation Office Pennsylvania Historical and Museum Commission

Enclosure

Cc:

Robert Powers, Powers and Company, Inc.

Bryan Van Sweden, PA SHPO

UNITED STATES DEPARTMENT OF THE INTERIOR NATIONAL PARK SERVICE

Historic Preservation Certification Application State Historic Preservation Office Review & Recommendation Sheet Rehabilitation—Part 7/Part 3

Rehabilitation—Part 2/Part 3	Project Number: 35308
Number 1 Scranton Button Company Buildings 5-1, 5-2, and 5-3	Preliminary done
(Property) 300 Cherry Street (Property) Scranton, Lackawanna, PA	Non-standard billing
Certified Historic Structure? X Yes pending	
Type of Request: X Part 2	PROJECT SUMMARY REVIEW X Fully reviewed by SHPO X No outstanding concerns X Owner informed of SHPO recommendation In-depth NPS review requested
State recommendation: Scott Doyle who meet the Secretary of the Interior's Professional Qualification Standard The project:	werse.
State Official Signature Deputy SHPO	-

. This is a review sheet only and does not constitute an official certification rehabilitation.

		•
Number 3	ISSUES:Additions, including rooftop	Alteration of significant exterior features or surfaces
	Alteration, removal, or covering of significant interior finishes or features	Adjacent new construction, extensive site work, or demolition of adjacent structures
	Changes in significant interior spaces or plan features (including circulation patterns).	Window replacements on any major elevation that do not match historic configuration, material, and profiles
	Damaging or inadequately specified masonry treatments	Other (explain)
The building 2017. For western to be a industration concrete wood do matching compatt with profinishes plate we feature: privacy feature: bathroometers.	Basis for Recommendation. Pocus on how the issues checked in NU-fully. Comment on noteworthy aspects of the project, including any VALUATION OF PROJECT & CONCERNS: proposed rehabilitation of Scranton Button Company but gs into an office building for a medical and social service Please note that the saw tooth section of Building S-1 (appropriate in half of Building S-3 are not being rehabilitated as part of methods for future expansion (see Condition). The remainded in building converted to office use. Exterior work included the project in the property of the interior units; replacement of windows in a units and multi-light metal windows (both steel and all ible replacement units; and replacement of EPDM roof super setback. On the interior, Building S-2 serves as main to be installed. The 1st and 2nd floors are subdivided into it in a 6' wide corridor along the perimeter walls where expanded to the corridor along the perimeter walls where expanded to the corridor of the property of the interior s Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interior's Standard down would meet the Secretary of the Interi	ildings in Scranton, PA converts the vacant warehouse provider. PA SHPO staff visited the site on January 31, prox. 80% of the overall building footprint) and the of this project and the 3rd floors of S-2 and S-3 appearer of the project is a typical rehabilitation of an es general masonry repairs to brick, bluestone and inum framed glazed doors and double-leaf glazed cluding 6/6 wood windows on S-1 and S-2 with uminum) with aluminum replacements that are systems and placement of mechanical units on roof a entrance to offices. The space is altered and new office and meeting rooms in the middle of floor posed masonry and full height and structural into with fully enclosed walls and ceilings due to stain full height open ceilings with exposed structural sees the main elevator shaft. Secondary spaces for it S-2 and at east end of S-3. Based on our review, the
	IVE SOLUTIONS/NOTEWORTHY ASPECTS: chnical process creative design solution noteworthy projec	est .
Items s	achments: X plans specifications X photographs other ent separately: plans specifications photographs locumentation on file in State:	:: other;
PS COMA	MENTS:	

Form 10-168f New

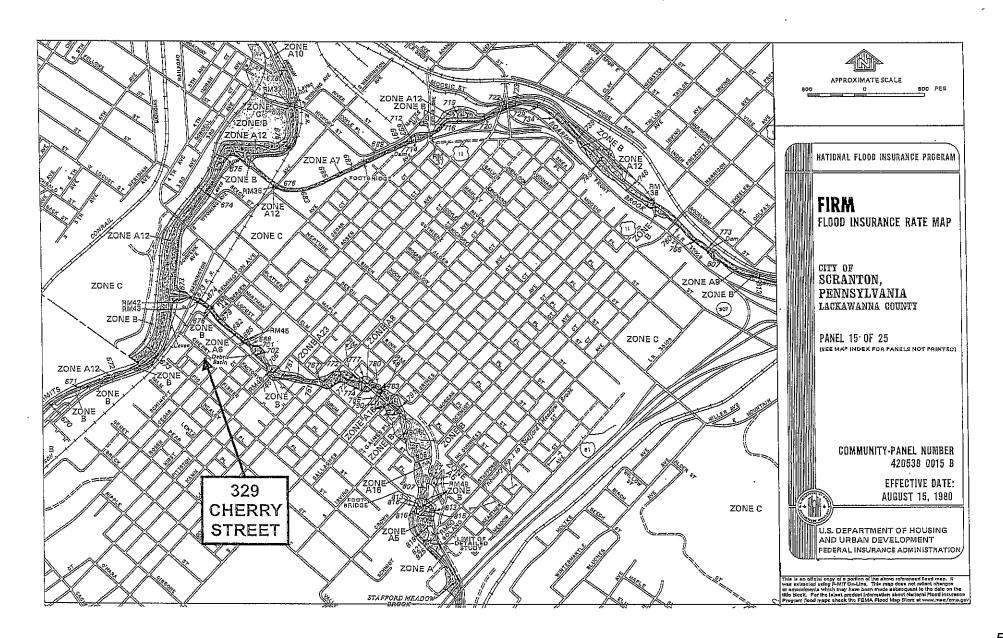
UNITED STATES DEPARTMENT OF THE INTERIOR NATIONAL PARK SERVICE $^{\prime}$

CONDITIONS SHEET

Historic Pres	ervation Certification Application	:	
Property name:	Scranton Button Company - Buildings S-1, S-2, S-3	Project Number:	35308
Property address:	300 Cherry Street		
	Scranton, PA		
	·		
The rehabilitation Rehabilitation pro	of this property as described in the Historic Certification Applied vided that the following condition(s) is/are met:	cation will meet the Secretary of the	Interior's Standards for
approval does not being reha	nd mothballing of Building S-1 and S-3 - This approx not extend to tenant fit-out for 3 rd floor of S-2 and S bilitated as part of this project. Federal regulations of This approval will be superseded if it is found that t	5-3 future work and the section governing this program requi	ons of 5-1 and S-3 that are re evaluation of the
	nit plans for future work for review and approval by work that does not meet the Standards and an over on.		
S-3 prior to reh measures to pro- remain in stable	applicant must provide detailed photographs of the abilitation and the condition of those sections with operly mothball (see Preservation Brief 31 — Mothball condition in relation to the pre-rehabilitation conditions mothballing the historic buildings.	the Part 3 application. The ap alling Historic Buildings) these	oplicant must also take e sections to insure they
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5/7/17	Milanson		· ,
Date	State Official Signature Deputy SHPO		elephone Number
The National Park S listed in the box abo	ervice has determined that this project will meet the Secretary of	Fihe Interior Standards for Rehabilit	ration if the condition(s)
Date	National Park Service Signature	Telephone	Number

TAB 16: FLOOD ZONE REQUIREMENTS

The project site is not located within the 100-year floodplain. See attached map.







DEPARTMENT OF LAW

OFFICE OF CITY CURK

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

June 25, 2018

To the Honorable Council Of the City of Scranton Municipal Building Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT FOR THE REDEVELOPMENT ASSISTANCE CAPITAL PROGRAM (RACP) THROUGH THE COMMONWEALTH OF PENNSYLVANIA'S OFFICE OF THE BUDGET IN THE AMOUNT OF TWO MILLION \$2,000,000.00 DOLLARS; ACCEPTING AND DISBURSING THE GRANT AND COORDINATE THE USE OF THE GRANT FUNDS WITH "SCRANTON-CHERRY, LP, FOR THE PROJECT TO BE NAMED THE "SCRANTON COUNSELING CENTER".

Respectfully,

Yessica Eskra (N Jessica L. Eskra, Esquire

City Solicitor

JLE/sl

RESOLUTION NO. __

2018

APPOINTMENT OF STEPHANIE L. BRESSLER, PH. D, 1402 EAST GIBSON STREET, SCRANTON, PENNSYLVANIA, 18510, AS A MEMBER OF THE HUMAN RELATIONS COMMISSION, EFFECTIVE FEBRUARY 27, 2018. DR. BRESSLER WILL BE REPLACING LISA STANVITCH WHO RESIGNED ON SEPTEMBER 18, 2017. DR. BRESSLER WILL FILL THE UNEXPIRED TERM OF LISA STANVITCH WHICH IS SCHEDULED TO EXPIRE ON SEPTEMBER 23, 2018.

WHEREAS, Lisa Stanvitch resigned from the Human Relations Commission effective September 18, 2017; and

WHEREAS, the Mayor of the City of Scranton desires to appoint Dr. Stephanie L.

Bressler as a member of the Human Relations Commission effective February 27, 2018. Dr.

Stephanie L. Bressler will fill the unexpired term of Lisa Stanvitch, who resigned September 18, 2017, and whose term is scheduled to expire October 14, 2018; and

WHEREAS, Dr. Stephanie L. Bressler has the requisite experience, education, and training necessary to serve as a member of the Human Relations Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that Dr. Stephanie L. Bressler, 1402 East Gibson Street Scranton, Pennsylvania, 18510, is hereby appointed to the Human Relations Commission effective February 27, 2018. Dr. Stephanie L. Bressler will fill the unexpired term of Lisa Stanvitch, who resigned effective September 18, 2017 and whose term is scheduled to expire October 14, 2018.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intend of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.



June 11, 2018

Honorable Council of the City of Scranton 340 N. Washington Avenue Scranton, Pa. 18503

RE: Human Relations Commission Appointment

Dear Council Members:

Please be advised that I am appointing Stephanie L. Bressler, Phd., 1402 E. Gibson St., Scranton, PA 18510 as a member of the Human Relations Commission effective February 27, 2018.

Ms. Bressler will be replacing Lisa Stanvitch who resigned on September 18, 2017. Ms. Bressler will fill the unexpired term of Lisa Stanvitch that is scheduled to expire on September 23, 2018.

I respectfully request City Council's concurrence in this appointment.

Sincerely,

William L. Courtright

WLC/mm

CC: Jessica Eskra Esq., City Solicitor Dave Bulzoni, Business Administrator Human Relations Commission Stephanie L. Bressler, Phd.

2/28/18/W

February 22, 2018

The Honorable William L. Courtright Mayor of Scranton 340 North Washington Avenue Scranton, PA 18503

Dear Mayor Courtright:

I am requesting your appointment to the Human Relations Commission of the City of Scranton.

I hold a B.A. in Sociology, Master of Public Administration and Ph.D. in Political Science. My original purpose in pursuing doctoral work in Political Science after working for almost eleven years in human services for the Commonwealth of Pennsylvania was to acquire a broader understanding of the political process. I wanted to help underrepresented groups gain better access to the political system. My career in teaching evolved during my years in graduate study as I realized that teaching and encouraging students to continue their education is one way to help them achieve this access. My experience in human services as well as working with Latino families provided good preparation for teaching students representing diverse backgrounds.

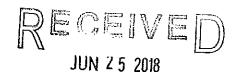
I was tenured at King's College in Wilkes-Barre where I taught Political Science and helped to establish the Women's Studies Program and the Public Policy Institute. I also taught at Cal Poly University and the University of Scranton before leaving higher education to return to community service. Upon returning to Northeast Pennsylvania my husband and I chose to purchase a home in Scranton. From 2009 to 2015 I worked as Elm Street Manager in South Side and Director of Revitalization and Community Education for United Neighborhood Centers. At UNC I directed revitalization, literacy, and English as Second Language and citizenship programs.

Since my retirement in 2015 I have continued to advocate for immigrant rights and am currently volunteering with Catholic Social Services to help immigrants learn English and prepare for the citizenship test. As a founding member of Progressive Women of NEPA, I have been working on prison reform and promoting the rights of female inmates.

I strongly believe that my teaching, public service and volunteer experience provides me with the skills needed to study and help manage problems of discrimination and foster good will among groups in the city. Thank you for considering my request to be appointed to the Human Relations Commission of the City of Scranton.

Sincerely, Stephanie L. Bressler

Stephanie L. Bressler, Ph.D.





OFFICE OF CITY
COUNCIL/CITY CLERK

DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

June 25, 2018

To the Honorable Council Of the City of Scranton Municipal Building Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS A RESOLUTON AUTHORIZING APPOINTMENT OF STEPHANIE L. BRESSLER, PH. D, 1402 EAST GIBSON STREET, SCRANTON, PENNSYLVANIA, 18510, AS A MEMBER OF THE HUMAN RELATIONS COMMISSION, EFFECTIVE FEBRUARY 27, 2018. DR. BRESSLER WILL BE REPLACING LISA STANVITCH WHO RESIGNED ON SEPTEMBER 18, 2017. DR. BRESSLER WILL FILL THE UNEXPIRED TERM OF LISA STANVITCH WHICH IS SCHEDULED TO EXPIRE ON SEPTEMBER 23, 2018.

THE ADMINISTRATION HAS VERIFED THAT THE APPOINTEE HAS NO DELINQUENT CITY TAX OR REFUSE PAYMENTS DUE.

Respectfully,

Kessica Eskra (S) Jessica L. Eskra, Esquire

City Solicitor

ILE/sl

FILE OF THE COUNCIL NO. _____

2018

AN ORDINANCE

CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229632 ENTITLED "2016 SETTLEMENT AWARD" FOR THE RECEIPT OF UNDISTRIBUTED FUNDS FROM THE 2016 POLICE AND FIRE COURT AWARD, CITY OF SCRANTON 2016 SETTLEMENT FUND ACCOUNT.

WHEREAS, this Special City Account is being established for the receipt of undistributed funds from the 2016 Police and Fire Court Award, City of Scranton 2016 Scttlement Fund account; and

WHEREAS, this account shall remain active until such time as remaining funds are disbursed or funds are escheated to the State as unclaimed property.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF SCRANTON that Special City Account No. 02.229632 is hereby established and that any and all appropriate City officials are authorized to execute any and all documents necessary to set up said account.

SECTION 1. If any section, clause, provision or portion of this Ordinance shall be held invalid or unconstitutional by any Court of competent jurisdiction such decision shall not affect any other section, clause, provision or portion of this Ordinance so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Ordinance or any portion thereof from time to time as it shall deem advisable in the best interest of the promotion of the purposes and intent of this Ordinance, and the effective administration thereof.

SECTION 2. This Ordinance shall become effective immediately upon approval.

SECTION 3. This Ordinance is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Option Plans Law" and any other applicable law arising under the laws of the State of Pennsylvania.



DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL + 340 NORTH WASHINGTON AVENUE + SCRANTON, PENNSYLVANIA 18503 + PHONE: 570-348-4118 + FAX: 570-348-4225

June 12, 2018

Jessica Eskra, Esq. City Solicitor Municipal Building Scranton, PA 18503

Dear, Attorney Eskra:

Please prepare an Ordinance for Scranton City Council creating a new special city account for the purpose of receiving undistributed funds from the 2016 Police & Fire Court Award, City of Scranton 2016 Settlement Fund account. This account shall remain active until such time as remaining funds are disbursed or funds are escheated to the State as unclaimed property.

02.229632 2016 Settlement Award

If you should have any questions regarding this matter, please do not hesitate to contact me.

Very truly yours,

Dave Bulzoni
Business Administrator

DMB:nmk

Encls.

Cc: Roseann Novembrino, City Controller
Wayne Beck, City Treasurer
Lori Reed, City Clerk
Andy Marichak, Financial Analyst
Adam Joyce, Senior Accountant
Rebecca McMullen, Financial Manager



OFFICE OF CITY COUNCIL/CITY CLERK



YANTON DEPARTMENT OF LAW

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

June 15, 2018

To the Honorable Council Of the City of Scranton Municipal Building Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE CREATING AND ESTABLISHING SPECIAL CITY ACCOUNT NO. 02.229632 ENTITLED "2016 SETTLEMENT AWARD" FOR THE RECEIPT OF UNDISTRIBUTED FUNDS FROM THE 2016 POLICE AND FIRE COURT AWARD, CITY OF SCRANTON 2016 SETTLEMENT FUND ACCOUNT.

Respectfully.

Jessica Eskra(5)
Jessica L. Eskra, Esquire

City Solicitor

JLE/sl

RESOLUTION	NO.

2018

AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO AN ADMINISTRATIVE SERVICES AGREEMENT BY AND BETWEEN THE CITY OF SCRANTON AND PHEONIX ADMINISTRATORS, LLC D/B/A PERFORMANCE HEALTH, A LICENSED OHIO THIRD PARTY ADMINISTRATOR ("COMPANY") TO PROVIDE DISCOUNTS TO EMPLOYEES AND THEIR DEPENDENTS THROUGH THE COMMONWEALTH CARD PROGRAM.

WHEREAS, the Company desires to establish the City of Scranton Health Plan, a self-funded plan, to provide benefits to its employees and their dependents. The Company will provide claims processing, claims payment and other administrative services subject to the terms and conditions of the Administrative Services Agreement. A copy of the Agreement is attached hereto marked as Exhibit "A" and incorporated herein by reference hereto; and

WHEREAS, the Company desires to utilize the High Performance Provider Access Savings to its Plan members to provide savings to covered employees as specified under the Service Contract Act and Related Federal Laws.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY

OF SCRANTON that the Mayor and other appropriate City officials are authorized to execute and enter into an Administrative Services Agreement by and between the City of Scranton and Phoenix Administrators, LLC d/b/a Performance Health, to provide discounts to employees and their dependents through the Commonwealth Card Program.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid provision. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the Authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the Home Rule Charter and Optional Plans Law" and any other law arising under the laws of the Commonwealth of Pennsylvania



February 13th, 2018

Millennium Administrators, Inc. Attn: Sara Picard 509 Salfordville Road, Unit #4 Lederach, PA 19450

Dear Sara,

As a follow up to our conversation, Performance Health is the sole provider of the deep discounts achieved through Commonwealth Card Program that we offer.

There is no other provider that can deliver the discounts achieved by Performance Health or access our contracted rates. Because the overwhelming percentage of the client's claims are through our provider network that is the only way to achieve the discount.

Please feel free to contract me with any questions.

Regards

Performance Health

fodd S. Houston

President

houston@myperformancehlth.com

(c)440.989.7755

1991 Crocker Road, Suite 215 Westlake, OH 44145 844.675.8540 www.myperformancehith.com

Phoenix Administrators, LLC

Administrative Services Agreement

This Administrative Services Agreement (the "Agreement") is entered into this 14st day of June, 2018 to be effective July 1, 2018 by and between The City of Scranton. ("Company"), a Pennsylvania entity and Phoenix Administrators, LLC dba Performance Health, a licensed Ohio third party administrator ("TPA").

The Company has established the The City of Scranton Health Plan, a self-funded benefit plan, to provide benefits to its employees and their dependents. The Company is, under the terms of the Plan the Plan "Administrator" and "Named Fiduciary" and, as such, has the authority to enter into this Agreement.

The Company desires to utilize the High Performance Provider Access Savings to its Plan members to provide savings to covered employees as specified under the Service Contract Act and Related Federal Laws.

For the considerations stated hereinafter, the Company and the TPA agree to the following provisions:

1.0 Services and Term

- 1.1 Provision of Services Subject to the terms and conditions of this Agreement, for the term of this Agreement, TPA shall provide to Company, and Company shall purchase from TPA, the Services as set forth in this Agreement and any Exhibits attached hereto.
- 1.2 Term This agreement will be for a period of twelve month commencing July 1, 2018. This agreement will automatically renew on a year-to-year basis with the same terms and conditions unless either party provides a written sixty (60) day termination notice or request to modify the Agreement prior to the end of the initial term or renewal date thereafter.

2.0 Funding

- 2.1 The TPA will notify the Company on or about the 5th of each month the amount of funds required to pay the monthly invoice for the upcoming month as defined in Exhibit B.
- 2.2 As the plan fiduciary, the Company agrees to remit all necessary funds, including claim funding, no later than the 25th of each month, regardless of any pending reimbursements due from any reinsurance carrier.
- 2.3 Company agrees to fund all claims funding request within 7 business days from the date of the request from TPA. Any delay in funding may cause the suspension of services.

3.0 Duties of TPA

3.1 The TPA shall provide claims processing, claims payment and other administrative services as defined below. The TPA will perform these services within the terms and conditions of the Plan and in accordance with industry standards. The Company, as Plan Administrator, shall have sole responsibility for the interpretation of all Plan Documents subject to any limitations imposed by law.

In performing the services described in this Paragraph 3.1, the TPA shall do the following:

 Answer specific questions from Plan participants relative to the benefits available to them under the Plan and answer specific questions regarding claims for benefits;



- Receive and process claims and/or deny such claims for benefits in accordance with the terms of this agreement;
- Make claims payments from an claim account established by the TPA and funded by the Company and provide Company with a listing of all drafts or checks issued;
- d. Creation of Plan Summary of Benefits for Company review and approval.
- Issue provider/participant payment from Companies claim account and explanation of benefits to members and/or providers (EOB)
- f. Issue High Performance identification cards
- g. Communicate as appropriate with physicians, hospitals, and other persons or institutions supplying services, in order to clarify or verify claims;
- h. Maintain records of coverage and claims history for Plan participants;
- Provide information readily available from the claims payment system concerning the operation of the Plan for Company to completed required state and federal reporting
- Provide personnel and adequate procedures for the adjudication of claims and the issuance of claims, drafts or checks. However, Company assumes responsibility for making final determination for the adjudication of claims.
- 3.2 The TPA shall provide standard system reports as defined in the implementation guide to the Company with respect to the services performed hereunder. Custom reporting is available upon request, TPA shall provide a quote within ten (10) business days upon receipt of request for custom reporting.
- 3.3 The TPA will, at the request of the Company, provide or coordinate with outside companies for other services to the Plan at cost shown in Exhibit A. The Company acknowledges and agrees that the TPA has advised the Company of the inclusion of the following services to include subrogation, an auditing company for claims review, a utilization review company for pre-certification and concurrent review, second surgical options and case management services, health and wellness management company and prescription benefit manager.
- 3.4 The TPA shall honor any valid participant or beneficiary assignment of benefits to any person qualified to be an assignee under the terms of the Plan.
- 3.5 In the performance of its duties, the TPA may be required to consult with legal counsel. In the event legal counsel is sought, Company shall pre-approve any consultation and/or provide a legal representative and be responsible for legal fees incurred.
- 3.6 In the performance of its duties, the TPA shall not be required to perform any function or act which shall constitute violations of the applicable state and/or Federal laws.
- 3.7 The TPA shall not be responsible for consulting services, legal services, investment services, accounting services, or any other services unless such responsibility is expressly stated by and agree to by TPA in this Agreement.



4.0 TPA Service Fees

- 4.1 Upon execution of this Agreement, the Company shall pay the agreed upon monthly administrative fees as listed in Exhibit A
- 4.2 The TPA reserves the right to increase administrative fees if there is a decrease in enrollment of 20% or more.
- 4.3 Unless otherwise agreed to in writing, TPA shall retain the right to select the method by which administration fees shall be determined.
- 4.4 Run out services are not included in this agreement.

5.0 Duties of Company

- 5.1 Upon execution of this Agreement, the Company shall also provide a list of all employees and dependents indicating those eligible for participation in the Plan or of the effective date agreed upon. The Company shall provide the TPA with updated eligibility information.
- 5.2 The Company shall promptly notify the TPA in writing of the enrollment, change or termination for any employee in the Plan.
- 5.3 The Company shall provide the TPA with copies of all complaints filed against the Company relating to health plan issues. Copies of such documents will be provided to the Company if received by the TPA.
- 5.4 The TPA shall maintain all records, consistent with services performed hereunder, necessary and required for the operation of the Plan. The Company shall have reasonable access to these records. Upon termination of this Agreement, the TPA will provide, at reasonable costs, such Plan records as the Company requests.
- 5.5 The Company shall provide the TPA a fully executed copy of the implementation guide, the provision of which are representations by the Company, and are incorporated herein by reference. The provisions are a material inducement to the execution of this Agreement by the TPA.

6.0 Termination

- 6.1 The TPA reserves the right to terminate this Agreement at any time for non-payment of fees or upon the change in ownership of Company. The TPA will serve, in writing, a notice of termination that shall become effective 15 days after written notice. TPA services shall be suspended during this period.
- 6.2 Either party may terminate this Agreement upon the expiration of sixty (60) days following written notice to the other party of that others party's breach of any material obligation under this Agreement, providing such breaching party has not cured or commenced in good faith to cure such breach within that sixty (60) day period.
- 6.3 The Company or TPA may terminate this Agreement at any time upon sixty (60) days advance notice to the other party.



7.0 Indemnification and Representations

- 7.1 Indemnity. Subject to the limitations contained in this Agreement, the parties agree to indemnify and each other from any liabilities, claims, demands, penalties, including costs, expenses and reasonable attorney's fees that may be made by any third party resulting from the indemnifying party's acts or omissions related to this Agreement. Each party agrees to defend the other, at the defended party's request, against any such liability, claim or demand.
- 7.2 Assumption of Defense If the indemnifying party fails to assume the defense of any actual or threatened action covered by this Section within the earlier of any deadline established by a third party in a written demand or by a court and b) thirty (30) days of notice of the claims, the indemnified party may follow any course of action it reasonably deems necessary to protect its interest and shall be indemnified for all costs reasonably incurred in such course of action; provided, however, that the indemnified party shall not settle a claim without the consent of the indemnifying party.
- 7.3 Limitation of Remedies. Neither party shall be responsible for any indirect, incidental, special or consequential damages arising from loss of revenue or profits, failure to realize savings or other benefits resulting from either party's performance or failure to perform under this Agreement.

8.0 Miscellaneous Provisions

- 8.1 The Company and the TPA shall, as required by ERISA Section 412, maintain fidelity bonds in the amount of 10% of Plan assets handled.
- 8.2 It is understood that in the event that the Fiduciary is investigated, audited or reviewed by a state or federal agency, the costs of such investigation, audit or review to the TPA shall be borne by the Company. In addition, it is understood that the Company shall not bear the cost of self-audits initiated by the TPA or any reinsurance carrier. If an audit or review is requested by the Company, the costs (internal, external, direct and/or indirect) associated with said audit or review shall be borne by the Company.
- 8.3 NOTICE. Any notice required to be given under this Agreement by either party to the other shall be in writing and shall be deposited in the United States Mail, postage pre-paid, return receipt requested. A notice shall be deemed communicated twenty-four (24) hours after the time of mailing. The addresses for the purpose of receiving notice shall be the addresses set forth below:

Phoenix Administrators, LLC dba Performance Health Attn: Contract Department 33479 Lake Road, Suite B Avon Lake OH 44012

Company: The City of Scranton
City Law Department and the Department of Human Resources
340 North Washington Avenue
Scranton PA 18503

Either party may change its address for the purpose of receiving notice by giving the other written notice of the change in the manner provided for in this Paragraph.

8.4 <u>Assignment</u>. This Agreement shall not be assigned by either party without the prior written consent of the other party. Subject to the forgoing limitation, this Agreement shall insure to



- the benefit of and be binding on the parties hereto and their respective successors and assigns.
- 8.5 <u>Modifications</u>. TPA shall have the right at any time to modify or amend this Agreement. Such modification or amendment shall be effective sixty (60) days after written notice of such amendment or modification has been provided by TPA to Company.
- 8.6 <u>Waiver</u>. No waiver of any provision of this Agreement shall be valid unless the same is in writing and signed by the party against whom it is sought to be enforced. No waiver of any provision of this Agreement at any time will be deemed a waiver of any other provision of this Agreement at such time or will be deemed a waiver of such provision at any other time.
- 8.7 <u>Severability</u>. The invalidity or unenforceability of any provision or section of this Agreement shall in no way effect the validity or enforceability of any other provision or section hereof.
- 8.8 Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes any and all other agreements, understandings, statements or representations, either oral or in writing, between the parties. Any prior agreements, promises, negotiations or representations, either oral or in writing, not expressly set forth in this Agreement are of no force or effect.
- 8.9 <u>Captions</u>. The captions of this Agreement are for convenience only and shall not be construed in any way to limit or interpret any term hereof.
- 8.10 Governing Law. This Agreement shall be governed by, enforced under, and construed in accordance with the laws of the State of Pennsylvania.
- 8.11 <u>Banking Fees.</u> Banking fees incurred on accounts established for Company disbursements shall be borne by the Company; such fees shall be reimbursed at cost unless otherwise agreed in writing by both parties. Fees charged to Company for stop payments on accounts that TA administers shall be \$30.00 per stop payment.
- 8.12 <u>Conditions</u>. Any terms, covenants, provisions, or conditions that require or may require performance after the expiration or termination of this Agreement, including but not limited to, confidentiality, notification and indemnification and arbitration (if applicable), shall survive the expiration or termination of this Agreement.
- 8.13 Online Access. Brokers, Marketing Representatives and any other Agents of the Company shall have online access to claims data of the Plan as indicated in the implementation guide.
- 8.14 <u>Counterparts</u>. This Agreement may be executed in counterparts, and when properly executed, each counterpart shall be considered an original.
- 8.15 <u>Electronic Storage of Documents (Scanning and Photocopies)</u>. The parties hereto agree and stipulate that the original of this document and any other agreements entered into between the parties, including signature pages, may be scanned and stored in a computer database or similar device, and that any printout or other output readable by sight, the reproduction of which is shown to accurately reproduce the original of the document, may be used for any purpose just as if it were the original, including proof of the content of the original writing.



9.0 Disclaimer of Obligations of TPA

- 9.1 Any and all obligations of the TPA are specifically stated in this Administrative Agreement. The TPA does not insure or underwrite the liability of the Plan. If payment of insurance premiums and/or self-funded claim reserve, and/or administrative fee is not made by the Company, the TPA cannot pay, and does not have the obligation to pay any claim or other amounts for or on behalf of the Company.
- 9.2 The Company has and retains the ultimate responsibility for payment of medical and pharmacy vendor claims under the Plan and all expenses incidental to the Plan. The Company agrees to indemnify and hold the TPA harmless against any and all loss, claims, demands or causes of action brought against the TPA for any actions undertaken by the TPA to carry out its duties under this Administrative Agreement, unless such loss, claims, demands or causes of action are the result of TPA's willful misconduct or gross negligence.
- 9.3 The TPA shall not be required under any circumstances to make payment for insurance premiums, self-funded benefits or other costs unless the Company has previously deposited sufficient funds to cover such payments as requested by the TPA. The Employer acknowledges that in all instances all obligations of the Plan are and shall remain the Company's. The parties acknowledge and agree that the TPA is not a fiduciary. The reporting requirements imposed by ERISA are the responsibility of the Company, and although the TPA may provide assistance and advice and forms for the Company to use in meetings and fulfilling such reporting and disclosure requirements, the TPA disclaims any responsibility for same. The Company may desire to seek legal counsel as to all legal documents required under ERISA.

(Signature Page to Follow)

IN WITNESS WHEREOF, the parties have executed this Agreement by the duly authorized representative.

Phoenix Administrators, LLC
Signature:
Print Name:
Title:
Date:
Company: The City of Scranton
Signature:
Print Name:
Title:
Data

CITY OF SCRANTON

ATTEST:	
BY: Lori Reed, City Clerk	BY: William L. Courtright, Mayor
Date:	Date:
	BY: Roseann Novembrino, City Controller
	Date:
APPROVED AS TO FORM:	
BY:	
Dota	

Exhibit A

The City of Scranton Benefits under the High Performance Program:

- Plan will pay all Commonwealth providers at 100% of fee schedule.
- No member responsibility will be due.
- No pre-certification is required.

Exhibit B

Administration Fees

Administrative Service Fee:

High Performance Access Fee

Network Hospital/Physician Access

\$10.00 PEPM, plus

10% of billed charges



Exhibit C

Business Associate Agreement

This Business Associate is entered into by and between the TPA (the "Business Associate") and the Company (the "Covered Entity), referred to herein collectively as the "Parties" or individually as "Party".

WHEREAS, the Plan and the Business Associate agree to modify the Administrative Services Agreement to incorporate the terms of this Exhibit to comply with the regulations as set forth in this agreement;

WHEREAS, the use and disclosure of certain health-related information, the electronic transmission of certain health-related information, and the security of certain health-related information is now regulated by the provisions of the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder (collectively referred to as "HIPAA");

WHEREAS, the Plan, from time to time, discloses Protected Health Information ("PHI") as defined in this Amendment to the Business Associate, and the Business Associate, from time to time, uses, creates and/or maintains PHI, and/or electronically transmits PHI; and

WHEREAS, both Parties are committed to complying with the HIPAA Standards for Privacy of Individually Identifiable Health Information (the "Privacy Rule"), the HIPAA Standard Transactions and Code Sets Regulations and the HIPAA Security Standards Regulations (the "Security Rule"), see 45 C.F.R Parts 160, 162 and 164, and the Health Information Technology for Economic and Clinical Health Act, which is at Section 13400, et. seq. of the American Recovery and Reinvestment Act of 2009 ("ARRA"), 42 U.S.C. § 17921, et. seq., and guidance and/or regulations promulgated thereunder ("HITECH"), and the Parties agree to enter into this mutually acceptable Amendment as necessary to so comply.

NOW, THEREFORE, for and in consideration of the agreements of the Parties set forth in the Agreement and this Amendment and intending to be legally bound hereby, the Plan and the Business Associate agree as follows:

1.0 PERMITTED USES AND DISCLOSURES OF PHI

- 1.1 <u>Use and Disclosure</u>. The Business Associate shall not use or further disclose PHI other than as permitted or required by this Amendment or as Required by Law. "Protected Health Information" or "PHI" shall have the meaning given to it under the Privacy Rule, 45 C.F.R. §160.103, but shall be limited to the information created, received or maintained by the Business Associate from or on behalf of the Plan.
- 1.2 <u>Services</u>. Except as otherwise limited by this Amendment, the Business Associate may use or disclose the PHI necessary to perform the Services for, or on behalf of the Plan as specified in the Agreement provided that such use or disclosure would not violate the Privacy Rule if done by the Plan. All other uses not authorized by this Amendment are prohibited.
- 1.3 <u>Business Activities of the Business Associate</u>. Unless otherwise limited herein, the Business Associate may:

Use PHI for the Business Associate's proper management and administration, and to carry out any of its legal responsibilities.

Disclose PHI to third parties for the purpose of the Business Associate's proper management and administration, and to carry out any of its legal responsibilities.



However, such disclosures shall only be made if (1) Required by Law, or (2) if the Business Associate obtains reasonable assurances from the third party to whom the information is disclosed that it shall be held confidentially, and be used or further disclosed only as Required by Law or the purpose for which it was disclosed to that third party.

Further, the third party shall notify the Business Associate of any instances of which it is aware that the confidentiality of the information has been breached. Upon receiving such notice, the Business Associate shall notify the Plan of such breach of confidentiality in accordance with Section 2.1(e) herein.

Provide data aggregation services related only to the Plan's Health Care Operations. Under no circumstances shall the Business Associate disclose the Plan's PHI to another covered entity to whom the Business Associate also provides data aggregation services without the Plan's express authorization.

De-identify any and all PHI provided that the de-identification conforms to the requirements of 45 C.F.R. §164.514. De-identified information does not constitute PHI and is not subject to the terms of this Amendment.

2.0 RESPONSIBILITIES OF THE PARTIES WITH RESPECT TO PHI

2.1 <u>Responsibilities of the Business Associate</u>. With regard to its use and/or disclosure of PHI and the privacy and security of PHI, the Business Associate hereby agrees to do the following:

<u>Appropriate Safeguards</u>. The Business Associate shall use appropriate safeguards to prevent the use and disclosure of PHI other than as provided by this Amendment and as Required by Law.

The Business Associate also shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the electronic PHI that it creates, receives, maintains or transmits on behalf of the Plan as required by the Security Rule. The Business Associate shall comply with the Security Rule provisions at 45 C.F.R. §§164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards) and 164.316 (policies and procedures and documentation requirements) in the same manner as a covered entity under HIPAA. The Business Associate also shall comply with any additional Security Rule requirements contained in HITECH that are applicable to covered entities, which requirements are herein incorporated into this Amendment.

The Business Associate shall secure PHI in accordance with 42 U.S.C. § 17932(h) and the related regulations at 45 C.F.R. Part 164, subpart D, as well as any guidance issued by the Secretary of Health and Human Services ("Secretary") that specifies secure technologies and methodologies, such that Unsecured PHI is not maintained by the Business Associate.

<u>Sanctions</u>. The Business Associate shall establish and implement procedures to sanction its employees who violate the provisions of this Amendment.

<u>Mitigation</u>. The Business Associate shall mitigate, to the greatest extent practicable, any harmful effects from the improper use and/or disclosure of PHI of which it becomes aware.



Agents and Subcontractors. The Business Associate shall require all of its agents and subcontractors that receive, use, or have access to the Plan's PHI to agree, in a writing substantially the same as this Amendment, to the same restrictions and conditions that apply to the Business Associate through this Amendment. The Business Associate shall also ensure that any agent, including a subcontractor, to whom it provides electronic PHI agrees to implement reasonable and appropriate safeguards to protect that information.

Reporting. The Business Associate shall immediately report (within five (5) business days of becoming aware thereof) to the Plan's Privacy Officer any use and/or disclosure of PHI that is not permitted by this Amendment of which it becomes aware, including instances in which an agent or subcontractor has improperly used or disclosed PHI.

The Business Associate also shall immediately report (within five (5) business days of becoming aware thereof) to the Plan's Security Officer any Security Incident involving electronic PHI of which it becomes aware.

To the extent that any such reportable occurrence involves a Breach of Unsecured PHI, the Business Associate shall provide notice to impacted individuals, the media and the Secretary in the time and manner required by 42 U.S.C. § 17932 and 45 C.F.R. §§ 164.404, 164.406 and 164.408. Prior to providing any such notice, the Business Associate shall notify the Plan of its intention to do so, and provide the Plan with the opportunity to review the notice. The Business Associate shall maintain complete records regarding the Breach, the determination of whether notice is required and the issuance of the notice (including the recipients and content of such notice), and upon request, shall make such records available to the Plan.

Notwithstanding subsection (iii) above, upon the discovery of such Breach, the Business Associate shall immediately notify the Plan (within five (5) business days), and the Plan may, in its sole discretion, opt to take over the HITECH notification of Breach responsibilities. If the Plan opts to do so, without unreasonable delay and in no case later than thirty (30) calendar days after discovery of the Breach, the Business Associate shall provide the following information to the Plan: (1) the identity of each individual whose Unsecured PHI has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, or disclosed during the Breach, and (2) any particular information regarding the Breach that the Plan would need to include in its notification, with such particular information identified in 42 U.S.C. § 17932(f) and 45 C.F.R. § 164.404. The Business Associate shall also cooperate with the Plan to conduct any risk assessment necessary to determine whether notification of Breach is required, maintain any records related to such Breach and timely provide such records to the Plan.

Any annual Breach notification to the Secretary, as required under 42 U.S.C. § 17932(e) and 45 C.F.R. § 164.408(c), shall be provided by the Business Associate, unless the Plan notifies the Business Associate that it will provide such notice. Within thirty (30) days after the close of the calendar year, the Business Associate shall notify the Plan if it is required to provide annual Breach notification to the Secretary, and if so, it shall provide to the Plan for its timely review a copy of the annual Breach notification before it is provided to the Secretary. The Business Associate shall maintain complete records related to any such annual notification, and, upon request, timely make such records available to the Plan.

For purposes of the above subsections (iii)-(v), a Breach shall be treated as discovered as of the first day that the Business Associate (including its employees, workforce members, officers or agents, except the person who committed the Breach) knows of, or should reasonably have known of, such Breach. For purposes of subsection 2.1(a)(iii) and the above subsections (iii)-(v), the terms "Breach," and "Unsecured PHI" shall have the same meaning given those terms under 45 C.F.R. § 164.402.



Access to Internal Practices. At the request of, and at the time and in the manner designated by the Plan or the Secretary, the Business Associate shall make its internal practices, books and records (including policies and procedures, and PHI) relating to the use and/or disclosure of PHI available to (i) the Plan and its representatives for the purpose of assessing the Business Associate's compliance with this Amendment and/or the Plan's compliance with the Privacy Rule, or (ii) the Secretary for purposes of the Secretary determining the Plan's compliance with the Privacy Rule.

Access to PHI. The Business Associate shall make an individual's PHI available for inspection and copying in accordance with 45 C.F.R. §164.524, and, as applicable, 42 U.S.C. § 17935(e)(1). Further, at the Plan's request, within ten (10) days of the Plan's request, the Business Associate shall provide the Plan with the PHI requested by an individual pursuant to 45 C.F.R. § 164.524 or, as applicable, 42 U.S.C. § 17935(e)(1). Alternatively, at the Plan's request, the Business Associate shall provide an individual with access to his/her PHI in the time and manner designated by the Plan.

Amendments to PHI. The Business Associate shall make an individual's PHI available for amendment and shall incorporate any amendments to the PHI in accordance with 45 C.F.R. §164.526. Further, at the Plan's request, within twenty (20) days of the Plan's request, the Business Associate shall provide the Plan with the PHI that an individual seeks to amend pursuant to 45 C.F.R. §164.526.

Accounting of Disclosures. The Business Associate shall make available the information required to provide an accounting of disclosures to an individual pursuant to 45 C.F.R. §164.528, and, as applicable, 42 U.S.C. § 17935(c). Further, at the Plan's request, within twenty (20) days of the Plan's request, the Business Associate shall provide the Plan with such information. To fulfill this obligation the Business Associate agrees to document those disclosures of PHI and related information that would be necessary for the Plan to respond to an individual's request for an accounting of disclosures.

Restrictions/Alternatives. The Business Associate shall abide by any arrangements that the Plan has made with an individual regarding restricting the use or disclosure of the individual's PHI, or providing the individual with confidential communications of PHI by alternative means or at an alternative location pursuant to 45 C.F.R. §164.522. And, at a minimum and to the extent applicable, the Business Associate shall agree to abide by the restrictions that the Plan is required to abide by under 42 U.S.C. § 17935(a).

Minimum Necessary. The Business Associate (and its agents or subcontractors) shall request, use and disclose the minimum amount of PHI necessary to accomplish the purpose of the request, use or disclosure in accordance with 42 U.S.C. § 17935(b) and 45 C.F.R. § 164.502(b).

<u>Limitation on Sale of Electronic Health Records and PHI</u>. The Business Associate shall comply with the prohibition on the sale of Electronic Health Records and PHI as set forth in 42 U.S.C. § 17935(d). The term "Electronic Health Record" shall have the same meaning given to such term in 42 U.S.C. § 17921(5).

<u>Limitation on Marketing</u>. The Business Associate shall use and disclose PHI for marketing purposes only as expressly directed by or agreed to by the Plan and in accordance with 42 U.S.C. § 17936(a). The Business Associate shall not use or disclose PHI for fundraising purposes.

HITECH Applicability. The Business Associate acknowledges that enactment of the HITECH provisions of ARRA amended certain provisions of HIPAA in ways that now directly regulate, or will on future dates directly regulate, the Business Associate's



obligations and activities under HIPAA's Privacy Rule and Security Rule. To the extent not referenced or incorporated herein, requirements applicable to the Business Associate under HITECH are hereby incorporated by reference into this Amendment. The Business Associate agrees to comply with each of the requirements imposed under HITECH, as of the applicable effective dates of each HIPAA obligation relevant to the Business Associate, including monitoring federal guidance and regulations published thereunder and timely compliance with such guidance and regulations.

2.2 Responsibilities of the Plan.

Notification Requirement. With regard to the use and/or disclosure of PHI by the Business Associate, the Plan hereby shall:

Provide the Business Associate with its Notice of Privacy Practices (the "Notice") that the Plan provides to its participants in accordance with 45 C.F.R. § 164.520, as well as any changes to or limitations in such Notice to the extent that the changes or limitations affect the Business Associate's use or disclosure.

Inform the Business Associate of any changes in, or revocation of, an authorization provided to the Plan by an individual pursuant to 45 C.F.R. § 164.508, if such changes or revocation affect the Business Associate's permitted or required uses and disclosures.

Inform the Business Associate of any amendments to PHI that the Plan has agreed to under 45 C.F.R. § 164.526 that relate to PHI upon which the Business Associate relies to perform the Services.

Notify the Business Associate of any arrangements the Plan has agreed to that restrict disclosures or provide individuals with confidential communications pursuant to 45 C.F.R. § 164.522 that may impact on the use and disclosure of PHI by the Business Associate.

<u>No Impermissible Requests</u>. The Plan shall not request that the Business Associate use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Plan, except as permitted by Section 1.3(a),(b) and (c) above.

3.0 STANDARD TRANSACTIONS AND CODE SETS. Each time the Business Associate conducts in whole or part for or on behalf of the Plan, using Electronic Media, a Transaction for which a Standard has been adopted or established under 45 C.F.R part 162, the Business Associate shall, and shall require any agent or subcontractor of the Business Associate involved with the conduct of such Transaction to, conduct such Transaction as a Standard Transaction and otherwise comply with 45 C.F.R. part 162.

4.0 TERMS AND TERMINATION

- 4.1 <u>Term.</u> This Amendment shall become effective on the Effective Date and shall continue in effect until all obligations of the Parties have been met, unless terminated as provided herein. This Amendment shall automatically terminate without any further action of the Parties upon the termination or expiration of the Agreement.
- 4.2 <u>Termination for Cause by Plan</u>. If the Plan determines that the Business Associate has breached a material term of this Amendment, the Plan shall:

Provide the Business Associate with thirty (30) days written notice of an alleged material breach, and afford the Business Associate an opportunity to cure the alleged material breach upon mutually agreeable terms. Nonetheless, in the event that mutually agreeable terms cannot be achieved within fifteen (15) days, the Business Associate



shall cure said breach to the satisfaction of the Plan within fifteen (15) days or the Plan may terminate the Amendment and the Agreement. Or,

Immediately terminate this Amendment and the Agreement, if the Business Associate has breached a material term of this Amendment and cure is not possible.

If neither termination nor cure is feasible and the breach is a violation of this Amendment and the Privacy Rule, Security Rule, Standard Transactions and Code Sets Regulations or HITECH, the Plan shall report the violation to the Secretary.

- 4.3 <u>Termination for Cause by the Business Associate</u>. If the Business Associate knows of a pattern of activity or practice of the Plan that constitutes a material breach or violation of this Amendment, the Business Associate shall provide the Plan with a reasonable opportunity to cure the breach or terminate this Amendment and the Agreement if cure is not feasible. If termination is not feasible, the Business Associate shall report the violation to the Secretary.
- 4.4 <u>Effect of Termination.</u> Except as provided herein, upon termination of this Amendment, the Business Associate shall return or destroy all PHI and not retain any copies of such PHI in any format, if it is feasible to do so.

If the Business Associate determines that returning or destroying PHI is infeasible, the Business Associate shall notify the Plan in writing of the conditions that make return or destruction infeasible.

With regard to any PHI that is not returned or destroyed at the termination of this Amendment, the Business Associate shall extend the protections of this Amendment to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for as long as the Business Associate maintains such PHI. In addition, the Business Associate shall maintain the PHI in accordance with the records retention requirements under the Privacy Rule and Security Rule and the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

These provisions also apply to PHI that is in the possession of the Business Associate's subcontractors or agents.

5.0 INDEMNIFICATION. Each Party agrees to indemnify, defend and hold harmless the other Party and the other Party's respective employees, directors, officers, agents, subcontractors, or other members of its workforce, each of the foregoing hereinafter referred to as "a Party," against all actual and direct losses suffered by the Indemnitee Party and all liability to third parties arising from or in connection with any breach of this Amendment or of any warranty hereunder or from any negligence or wrongful acts or omissions, including failure to perform its obligations under the Privacy Rule, the Standard Transactions and Code Sets Regulations, the Security Rule or HITECH by the Indemnitor Party. Accordingly, on demand, the Indemnitor Party shall reimburse the Indemnitee Party for any and all actual and direct losses, liabilities, lost profits, fines, penalties, costs or expenses (including reasonable attorneys' fees) that may for any reason be imposed upon the Indemnitor Party by reason of any suit, claim, action, proceeding or demand by any third party that results from the Indemnitee Party's breach hereunder. This provision shall survive the expiration or termination of this Amendment for any reason.



6.0 MISCELLANEOUS

- 6.1 <u>Definitions</u>. All terms used in this Amendment shall have the same meaning as those terms as set forth in 45 C.F.R. parts 160, 162 and 164.
- 6.2 <u>Regulatory References</u>. A reference in this Amendment to a section in the Privacy Rule, the Standard Transactions and Code Sets Regulations, the Security Rule or HITECH means the section as in effect or as amended, and for which compliance is required.
- 6.3 <u>Injunctive Relief.</u> The Business Associate expressly agrees that a breach or threatened breach of any provision of this Amendment by the Business Associate, any agent of the Business Associate or employee of the Business Associate is highly likely to cause significant, irreparable harm to the Plan and that the Plan shall be entitled to temporary, preliminary and/or permanent injunctive relief to protect its interests and the interests of affected individuals; provided, however, that no specification of a particular legal or equitable remedy is to be construed as a waiver, prohibition, or limitation of any legal or equitable remedies in the event of a breach hereof.
- 6.4 <u>Survival</u>. The provisions of this Amendment shall survive the expiration or any termination of the term of the Agreement to the extent that the Business Associate continues to maintain PHI.
- 6.5 <u>Interpretation</u>. Any ambiguity in this Amendment shall be resolved to permit the Plan to comply with the Privacy Rule, the Standard Transactions and Code Sets Regulations, the Security Rule and HITECH.
- 6.6 Amendments; Waiver. This Amendment may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed by authorized representatives of the Parties. The Parties agree to take such action as is necessary to amend this Amendment from time to time as is necessary for the Plan to comply with the requirements of or conform to any changes in the Privacy Rule, Standard Transactions and Code Sets Regulations, the Security Rule or HITECH. The Parties further acknowledge that, depending on regulations issued by HHS, this Amendment may need to be further amended to comply with HITECH. A waiver with respect to one event shall not be construed as continuing, or as a bar to or waiver of any right or remedy as to subsequent events.
- 6.7 <u>Relation to Agreement</u>. With the exception of the terms and conditions set forth in this Amendment, all other terms and conditions of the Agreement shall remain unaltered and in full force and effect. If there is any conflict between the terms of this Amendment and the Agreement, this Amendment shall govern.
- 6.8 <u>No Third Party Beneficiaries</u>. Nothing express or implied in this Amendment is intended to confer, nor shall anything herein confer, upon any person other than the Parties and the respective successors or assigns of the Parties, any rights, remedies, obligations, or liabilities whatsoever.
- 6.9 <u>Counterparts; Facsimiles</u>. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original. Facsimile copies hereof shall be deemed to be originals.
- 6.10 <u>Disputes</u>. If any controversy, dispute or claim arises between the Parties with respect to this Amendment, the Parties shall make good-faith efforts to resolve such matters informally.



- 6.11 <u>Effective Date</u>. The Effective Date shall be February 17, 2010, or if later, the date the Business Associate begins to perform services on behalf of the Plan. Notwithstanding the foregoing, to the extent that certain provisions required by HITECH have statutory effective dates that are different than February 17, 2010, the statutory effective dates shall apply to those provisions.
- 6.12 <u>Notices</u>. Any notices to be given hereunder to a Party shall be made via U.S. mail or express courier to such Party's address, as disclosed in the administrative services agreement.





DEPARTMENT OF LAW

OFFICE OF CITY COUNCIL/CITY CLERK

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4105 • FAX: 570-348-4263

June 15, 2018

To the Honorable Council Of the City of Scranton Municipal Building Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO EXECUTE AND ENTER INTO AN ADMINISTRATIVE SERVICES AGREEMENT BY AND BETWEEN THE CITY OF SCRANTON AND PHEONIX ADMINISTRATORS, LLC D/B/A PERFORMANCE HEALTH, A LICENSED OHIO THIRD PARTY ADMINISTRATOR ("COMPANY") TO PROVIDE DISCOUNTS TO EMPLOYEES AND THEIR DEPENDENTS THROUGH THE COMMONWEALTH CARD PROGRAM.

Respectfully,

Jessica L. Eskra, Esquire

City Solicitor

JLE/sl

RESOI	UTION	NO.
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2018

RATIFYING AND APPROVING THE EXECUTION AND SUBMISSION OF A GRANT APPLICATION BY THE CITY OF SCRANTON THROUGH THE KEYSTONE HISTORIC PRESERVATION GRANT FROM THE PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE OFFICIALS TO ACCEPT THE GRANT FUNDS IN THE AMOUNT OF \$80,000.00 TO BEGIN PRESERVATION WORK ON THE SCRANTON MUNICIPAL BUILDING.

WHEREAS, the City of Scranton submitted a Grant application through the Keystone Historic Preservation Grant from the Pennsylvania Historical & Museum Commission in the amount of \$80,000.00, a copy of the Grant application and supplemental items are attached hereto as Exhibit "A" and incorporated herein as if set forth at length; and

WHEREAS, the Grant application submitted has been approved in the amount of \$80,000.00 and will be used to begin preservation work on the Scranton Municipal Building.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the actions of the City of Scranton in submitting the Grant Application, substantially in the form attached hereto, are hereby ratified and further, the Mayor and other appropriate city officials are hereby authorized to accept the grant funds in the amount of \$80,000.00 to begin preservation work on the Scranton Municipal Building.

SECTION 1. If any section, clause, provision or portion of this Resolution shall be held invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision or portion of this Resolution so long as it remains legally enforceable minus the invalid portion. The City reserves the right to amend this Resolution or any portion thereof from time to time as it shall deem advisable in the best interests of the promotion of the purposes and intent of this Resolution and the effective administration thereof.

SECTION 2. This Resolution shall become effective immediately upon approval.

SECTION 3. This Resolution is enacted by the Council of the City of Scranton under the authority of the Act of Legislature, April 13, 1972, Act No. 62, known as the "Home Rule Charter and Optional Plans Law", and any other applicable law arising under the laws of the State of Pennsylvania.

Maggie Perry Grant Manager 570-558-8335 mamclane@scrantonpa.gov

June 12, 2018

Atty. Jessica Eskra City of Scranton 340 North Washington Avenue Scranton, Pa 18503

Re: Keystone Historic Preservation Grant

Atty. Boyles,

I am requesting that you send legislation to City Council to accept and execute a grant agreement through the Keystone Historic Preservation Grant. The City of Scranton was awarded \$80,000 from the Pennsylvania Historical and Museum Commission to begin preservation work on City Hall.

Attached is a copy of the grant application and all supplemental items.

If you have any questions or concerns please feel free to contact me at 558-8335.

Thank you,

Maggie Perry Grant Manager

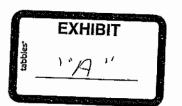
Single Application for Assistance Web Application Id: 8123375 Single

Single Application Id: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Applicant Information		
Applicant Entity Type:	Government	
Applicant Name:	City of Scranton	
NAICS Code	9211	
FEIN/SSN Number	XXXXXXXXX	
DUNS Number:	060497856	
CEO:	William Courtright	
CEO Title:	Мауог	
SAP Vendor#:	XXXXXX	
Contact Name:	Maggie	
Contact Title:	Реггу	
Phone:	(570)-558-8335 Ext.	
Fax:	(570)-207-0412	
E-mail:	MaMcLane@scrantonpa.gov	
Mailing Address:	340 N. Washington Avenue	
City:	Scranton	
State:	PA	
Zip Code:	18503	



Single Application for Assistance Web Application Id: 8123375 Single Application Id: 201803011253 Applicant: City of Scranton Program Selected: Keystone Historic Preservation Grant: Construction Projects				
-				
	Enterprise Type Indicate the types of enterprises that describe the organization listed above. You may select more than one type.			
	Advanced Technology	Agri-Processor	☐ Agri-Producer	
	Authority	Biotechnology / Life Sciences	Business Financial Services	
	Call Center	Child Care Center	Commercial	
:	Community Dev. Provider	Computer & Clerical Operators	Defense Related	
	Economic Dev. Provider	Educational Facility	Emergency Responder	
	Environment and Conservation	Exempt Facility	Export Manufacturing	
	Export Service	Food Processing	☑ Government	
	Healthcare	Hospitality	☐ Industrial	
ľ	Manufacturing	Mining	Other	
	Professional Services	Recycling	Regional & National Headquarters	
	Research & Development	Retail	Social Services Provider	
	Tourism Promotion	Warehouse & Terminal		
	Government,			
Single Application for Assistance Web Application Id: 8123375 Single Application Id: 201803011253 Applicant: City of Scranton Program Selected: Keystone Historic Preservation Grant: Construction Projects				
Project Overview				
Project Name: Pennsylvanía Historical and Museum Commission- Construction Grants				
Is this project related to another previously submitted project? No				
If yes, Indicate previous project name:				
Have you contacted anyone at PHMC about your project? No				
lf y	If yes, indicate who:			

Web Application ld: 8123375

Single Application Id: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Project Overview

Web Application ld: 8123375 Single Application ld: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Project Site Locations

Address:	340 N. Washington Avenue
City:	Scranton
State:	PA
Zip Cođe:	18503
County:	Lackawanna
Municipality:	Scranton City
PA House:	Kevin Haggerty (112), Marty Flynn (113)
PA Senate:	John P. Blake (22)
US House:	Matthew Cartwright (17)
Designated Areas:	Act 47 Distressed Community

Web Application ld: 8123375

Single Application ld: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Project Budget

	Keystone Historic Preservation Grant: Construction Projects	Match Private	Total
Miscellaneous	\$100,000.00	\$100,000,00	
General Conditions	\$.00	\$,00	\$.00
Architectural Fees	\$.00	\$.00	\$.00
Construction Expenses: Sitework	\$.00	\$.00	\$.00
Construction Expenses: Concrete	\$.00	\$.00	\$.00
Construction Expenses; Masonry	\$42,857.00	\$71,429.00	\$114,286.00
Construction Expenses: Metals	\$28,571.00	\$.00	\$28,571.00
Construction Expenses: Wood and Plastics	\$.00	\$.00	\$.00
Construction Expenses; Thermal and Moisture Protection	\$.00	\$28,571.00	\$28,571.00
Construction Expenses: Doors and Windows	\$.00	\$.00	\$.00
Construction Expenses: Finishes	\$,00	\$.00	\$.00
Construction Expenses: Conveying Systems	\$.00	\$.00	\$.00
Construction Expenses: Mechanical Systems	\$.00	\$.00	\$.00
Construction Expenses: Electrical Systems	\$.00	\$.00	\$.00
replace bird screen	\$28,572.00	\$.00	\$28,572.00
Total	\$100,000,00	\$100,000.00	
		Budget Total:	\$200,000.00

Basis of Cost

Provide the basis for calculating the costs that are identified in the Project Budget.

Contractor Estimates

Budget Narrative

Web Application Id: 8123375 Single Application Id: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Project Budget

The narrative must specifically address each of the cost items identified in the Project Budget section. If an amount is placed in any of the OTHER categories, you must specify what the money will be used for. NOTE: Some programs have specific guidelines regarding the narrative necessary to qualify for that particular resource. Please read the Program Guidelines for details.

The cost estimate is based on a report prepared by Masonry Preservation Services, Inc. who was hired to assess the masonry deterioration of the entire structure. The cost range is based on the time of execution, phasing combinations, and material options. The suggestion of the South Tower being part of Phase 1A is because the water infiltration and masonry deterioration is most severe at this location. In addition, phasing the preservation project for the entire structure will have many proven benefits including improve the efficacy of properly executed masonry restoration techniques so that procedures and the building can be reviewed prior to a fill scale restoration, certain unknown conditions can be reviewed and resolved and appropriate repair detail can be explored and implemented. The Masonry Preservation Services, Inc. Assessment has been attached in the Addenda and includes the cost estimate (pg 3) and over 20 colored photographs of the structure (Appendix A).

Masonry Preservation Services, Inc. has estimated the range of cost to repair the South Tower is \$180,000 - \$220,000. If the project cost does exceed the budgeted \$200,000 the City of Scranton is willing to increase their match component to ensure that the project is completed.

Web Application Id: 8123375 Single Application Id: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Project Narrative

Please summarize your project?

The Summary is an abstract and is used by Commissioners, members of the General Assembly and in your Grant Agreement should you receive an award, identify the project and briefly describe the scope of work.

The City of Scranton is requesting \$100,000 in grant funding through the Keystone Historic Preservation Construction Grant for Phase A1(see attached) of the Preservation Plan for Scranton Municipal Building (City Hall) located at 340 N. Washington Avenue. Phase A1 will consist of repairs to the South Tower on this historic structure; this approach will address the a primary issue of deterioration and water infiltration.

Please provide a full project description.

Identify the historic and cultural significance of the property, how the organization currently uses and interprets the property, and how the project relates to the mission of the sponsoring organization. Describe the specific project for which you are requesting grant assistance, including the condition of the property or the problem that must be addressed. This description must clearly relate to the major work elements provided in the budget line items.

Located at 340 N. Washington Avenue, the Scranton Municipal Building is a three-story, Victorian Gothic Revival style structure located at a prominent intersection of high elevation in Scranton's downtown. It was designed by local professional, Edwin L. Walter and Frederick Lord Brown, and constructed in 1888. Edwin Walter was originally a carpenter who studied drawing and architecture in his spare time. In 1880 he opened an office and six years later he became a member of the American Institute of Architects. In addition to the Scranton Municipal Building his designs include the Lackawanna County Jail and the C.P. Matthews residence (a local structure of notable design). Frederick Brown was originally from Long Island, New York. He graduated with a degree in architecture from Cornell University. In 1883 he moved to Scranton where he designed Central Fire Headquarters, St. Luke's Parish House and the Dime Bank Building in addition to City Hall. The Municipal Building was named to the National Register of Historic Places in 1981.

The Gothic Revival style was used throughout the 19th and early 20th centuries in the United States for many public buildings. Buildings built after 1885 are typically referred to as High Victorian Gothic and usually involve heavy masonry, bold forms, pointed arches, tracery, large scale, and towers. All these elements apply to the Scranton Municipal Building. Two elements that characterize the structure as unique to Scranton are the use of the locally quarried West Mountain sandstone and the incorporation of custom designed stained glass that depicts both the industries and the culture of the city. The West Mountain stone is easily recognizable because of its characteristic ocher/ pink coloration and its relatively coarse grain, calling for rock-face ashlar cutting. At the time of construction, Scranton had upper and lower councils, so the structure was built with twin chambers. The landing at the stair features a story-and-a-half stained glass window in a floral Gothic style with symbolic references to the city of Scranton. The twin chambers offer a series of windows, again of monumental scale, of similar design and motif. The four exterior corners of the structure are accentuated with towers, however, the corner tower at the intersection of Mulberry Street and North Washington Avenue rises high above the other three to create a visual focal point that is prominent from many prospects within the city.

From its inception this building was designed to be the headquarters of City government. For the past 125 years this building has been the center of all City government operations and remains so today. Currently this structure houses the offices of: Business Administrator, City Controller, City Council, Human Resources, Law Department, Licensing, Economic and Community Development, Treasury and the Scranton Mayor. In addition the "Sons of Union Veterans Civil War Museum" occupies the basement. This museum has a recently renewed ten year lease with the City of Scranton allowing public access to

Web Application Id: 8123375 Single Application Id: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Project Narrative

the museum's treasure trove of books, documents and artifacts related to the Civil War. The building is regularly open to public access M-F 8-4:30 pm. In addition this building is accessible for weekly City Council meetings at 6 pm and is opened to the public for any other public caucuses. Through the preservation project on this historic structure the City of Scranton administration is ensuring that this building remains publicly accessible for many years to come.

This City of Scranton is requesting \$100,000 in funding for Phase 1A of the Scranton City Hall Preservation Project. Phase 1 is estimated to cost \$200,000 and will consist of restoration and renovations to the upper portion of the South Tower. Most concerning, early stages of sandstone displacement and deterioration is prevalent on the tower. Deteriorated mortar joints are a problem that will persist until corrected, adversely affecting the overall masonry condition. Continued water infiltration jeopardizes the integrity of the exterior wall. The goal of these repairs will be to preserve and extend the service life of the masonry. The South Tower is in dire need of repair due to a considerable amount of masonry deterioration and water penetration, which is why the South Tower was selected as Phase 1A (Pilot Phase). Initiating a Pilot Phase has proven benefits such as: prove efficacy of properly executed masonry restoration techniques so that procedures and the building can be reviewed prior to full scale restoration, certain unknown conditions can be reviewed and resolved and the City will be able to refine overall budget pricing for future phases to provide more accuracy.

This funding will be used for Phase 1A of the Preservation Project- repairs to the upper portion of the South Tower. These repairs will consist of:

- -Install new sheet metal flashing at the masonry-to-roof interfaces. Integrate the flashing to protect the backsides of the four corner turrets and properly manage water
- -Rebuild unsound stone and address wood and cast iron deterioration
- -Remove existing failed bird screen and install new stainless steel screen
- -Repointing of masonry mortar joints
- -Patch spalled stone areas
- -Rebuild unsound areas of stone turrets
- -Restoration cleaning of the masonry surface to remove atmospheric pollution and improve appearance.

Identify the project team and consultants. Describe any planning efforts completed to date and provide a project schedule to complete the grant-funded project.

List project personnel and consultants by name and describe any preliminary planning efforts already prepared. Provide a description of how the project will be completed. Refer back to Guidelines for Applicants "Grant Period and Implementation Time(able" if necessary. All work must be completed within the two-year implementation period.

The project team consists of:

- Maggie Perry- Maggie is the City of Scranton Grant Manager- she will manage the financial aspects of this project and any necessary reporting. She will also act as the liaison to the Historical Society
- Pat Hinton is the City of Scranton Director of Licensing, Inspection and Permits; he is also responsible for building maintenance. Pat will function as the liaison to the contractor to ensure that the project stays true to the timetable and specifications
- Chris Casciano is the City of Scranton Business Administrator- Chris's office will be responsible for preparing the Request for Proposal to ensure a qualified contractor is chosen for the project.
- The City of Scranton will prepare a Request for Proposals in order to hire a qualified contract for this project. The RFP will state that all work performed on the structure must meet the Secretary of the Interior's Guidelines for the Treatment of Historic Places and that contractor must be experienced in

Web Application Id: 8123375 Single Application Id: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Project Narrative

historic preservation.

The City of Scranton has worked with Erik Valentino of the Masonry Preservation Services to prepare a Masonry Assessment of Scranton City Hall, the City is following Mr. Valentino's recommendations based on his assessment of City Hall for the preservation activities that need to be completed.

Grant Period and Implementation Timetable:

- In October 2018 a Chris Casciano will prepare and submit a Request for Proposals will be put out in order to hire a qualified contractor to complete the work
- December 2018- Chris Casciano and Pat Hinton will review the bids and select a qualified contractor
- January 2019- Maggie Perry will complete and submit Quarterly Report
- February 2019- Preservation work will being overseen by Pat Hinton
- April 2019- Maggie Perry will complete and submit Quarterly Report
- July 2019- Maggie Perry will complete and submit Quarterly Report
- October 2019- Maggie Perry will complete and submit Quarterly Report
- January 2020- Maggie Perry will complete and submit Quarterly Report
- April 2020- Expected Project Completion- press release regarding completion of the project that was funded by the Keystone Historic Preservation Construction Grant
- April 2020- Maggie Perry will prepare and submit Final Report

Strategic Goal Identification, Project Promotion and Public/ Community Benefit

Identify the specific goal or goals outlined in the Statewide Historic Preservation Plan and describe how your project meets the goals. The plan may be accessed on the PHMC website here: http://www.phmc.pa.gov/Preservation/About/Pages/Preservation-Plan.aspx State the audience for which the project is intended. What steps will be taken to promote the project and encourage audience interest? What is the anticipated extent of public access and community support for the project? Describe how this project will benefit the public. Applicants may include two or three letters of support, to be uploaded in the Addenda, that will demonstrate community interest.

The Scranton Municipal Building Preservation Project will meet Goal 2 Action 2.10 of the Statewide Historic Preservation Plan- "encourage government agencies to locate their offices and facilities in historic buildings and act as stewards for historic resources and landscapes currently under their authority". The Municipal Building is currently the location of City government and has been for over 125 years. It is the goal of the Preservation Project to ensure that this building remains the center of City government and continues to be accessible to the public. However, based on an assessment provided by Masonry Preservation Services, Inc. if the deterioration is not repaired the water penetration will continue to get worse and the building will be uninhabitable within the next decade. Unfortunately without the assistance of grant funding the City of Scranton will not be able to begin preservation work on this structure. The City of Scranton was deemed an Act 47 economically distressed city in 1992 and has yet to achieve financial recovery. Due to the financial status of the City there have been significant budget reductions and grant funds are heavily relied upon. Nonetheless the City of Scranton is dedicated to acting as the steward of this historic resource and will do everything possible to ensure its preservation. Once funding for the project is secured the City was put out a press release outlining the project goal and sources of funding. The media will be updated regularly as the project progresses; in addition to press releases the Lackawanna Historical Society will continue to feature Scranton City Hall in their downtown walking tours. As the preservation project progresses the Historical Society will provide information on not only the historical significance of this building but also our preservation efforts.

Scranton City Hall is open to public access over 220 days a year and centralizes all city government

Web Application Id: 8123375 Single Application Id: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Project Narrative

operations. In addition citizens have access to "Sons of Union Veterans Civil War Museum" which occupies the building's basement. This application has not only the support of the City of Scranton Administration but also the Lackawanna Historical Society, Scranton Tomorrow and Lackawanna County and the Scranton Historic Architecture Review Board.

The City of Scranton is working with Scranton Tomorrow and the federally funded National Resource Network on a downtown revitalization initiative to spur economic development and financial recovery. One of the aspects of this initiative is to "create a compelling vision to mobilize stakeholders and property owners and connect downtown to broader economic development." The Scranton Municipal Building Preservation Project will aid in the downtown revitalization initiative and hopefully spur other preservation projects on the many historic structures in the City of Scranton.

Web Application Id: 8123375

Single Application Id: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Program Addenda

Grant Amount Requested. Please enter a dollar figure that matches PHMC Total of Budget Spreadsheet.

\$100,000.00

Total Matching Funds, Please enter the matching funds required to complete the project and that matches the Match Total of Budget Spreadsheet.

\$100,000.00

Total Project Cost, Please enter a dollar that matches Grand Total of Budget Spreadsheet.

\$200,000.00

Organizational Information – If you are applying as a subunit, the information in this section must relate to that subunit rather than to the parent organization.

Applicant Email. This should be the individual most knowledgeable about the application and available for questions and discussions about the grant.

MAMCLANE@SCRANTONPA.GOV

Control of Organization

Municipal Government or Authority

Discipline of Organization

Government

Organizational Description. Provide information about the applying organization. Do not assume that the reviewers know your organization.

The City of Scranton is a municipal government located in Lackawanna County in Northeastern Pennsylvania. Established in 1866, Scranton is currently the 6th largest city in the Commonwealth of Pennsylvania with a population of over 75,000. Once an industrial glant, Scranton was the center of anthracite coal mining, iron and steel.

However, with coal losing favor to oil and natural gas, Scranton began facing economic decline in the post WWII era. In 1992 Scranton was determined a financially distressed city by Pennsylvania ACT 47. Over 25 years later Scranton remains distressed causing drastic reductions to the general budget and diminishing funding for necessary projects such as preservation of some of Scranton's most historic structures. Nonetheless the City of Scranton is dedicated to economic development and financial recovery.

Mission Statement. Provide a mission statement for the organization. Provide a statement of purpose for the organization describing why it was founded, its goals and how it is interpreted to the public at the present time.

The mission of the City of Scranton is to provide reliable public services; to understanding and serving the needs of the Scranton neighborhoods and businesses; and the improve the quality of life for Scranton residents

Website

www.scrantonpa.gov

Year Organization was incorporated

Web Application ld: 8123375

Single Application Id: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Program Addenda

1866

Non-profit Status Documentation. Please skip this section if applying as a unit of local government.

Date IRS Exemption Received

Registration Date with the Pennsylvania Bureau of Charitable Organizations. You may be required to register with the Bureau for Charitable Organizations with the Department of State, Information may be obtained at

http://www.dos.pa.gov/BusinessCharities/Charities/Pages/default.aspx or by calling (800) 732-0999.

05/01/1981

Name of Property

Scranton Municipal Building

Name of the Property Owner, if not applicant

City of Scranton

Certification of Understanding of Covenant Requirement: All awardees must sign a preservation covenant agreeing to maintain public accessibility to the property and that future construction work will follow the Secretary of the Interior's Standards for the Treatment of Historic Buildings. You must indicate that the owners (s) is (are) aware of this requirement. Please refer to the Grant Program Guidelines for more information concerning this requirement.

Yes

National Register Status

2 - Individually Listed in the National Register of Historic Places

Enter number of days open to the public annually, if applicable 220

Enter number of hours open to the public weekly, if applicable

40

Properties funded through the Keystone Grant Program must be open to the public at least 100 days annually. If the property is not currently open to the public, please explain your current hours of operation, existing public programming as well as how accessibility of the property will be improved by the receipt of grant funding. Please provide a timeline and an anticipated grand opening date.

Enter annual visitation, if applicable

N/A

PASHPO Key Number

00630

Uploads

IRS Tax-Exempt Documentation 501(c)3, if applicable

Single A	Application	for	Assistance
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Web Application Id: 8123375 Single Application Id: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Program Addenda

Uploaded Documents

Resumes of Project Personnel/ Consultants

Uploaded Documents

Historic Structure Report or Other Narrative/ Graphic Report on Existing Conditions

Uploaded Documents

201603 Scranton City Hall Full Report.pdf

Confractor Estimates or other Budget Supporting Documents

Uploaded Documents

201603 Scranton City Hall Full Report.pdf

Color Photographs of Property and specific project-related condition

Uploaded Documents

201603 Scranton City Hall Full Report.pdf

Verification of National Register status. Please upload one of the following: Letter from PASHPO staff confirming status; cover sheet of signed National Register of Historic Places registration form; print out from Cultural Resource GIS system; or National Register Historic District Building Inventory Sheet with property Identified. For more information, contact National Register Review Staff at http://www.phmc.pa.gov/Preservation/National-Register/Pages/Contact-Forms.aspx.

Uploaded Documents

National Register of Historic Places.pdf

Two or Three Letters of Support

Uploaded Documents

city of scranton city hall letter of support 2018.docx

Web Application Id: 8123375 Single Application Id: 201803011253

Applicant: City of Scranton

Program Selected: Keystone Historic Preservation Grant: Construction Projects

Program Addenda

Leonori Support Letter.pdf LHS Support Letter.pdf



Pennsylvania Historical and Museum Commission

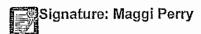
Single Application for Assistance

Single Application #: 201803011253

This page must accompany all required supplemental information Mail to:

Pennsylvania Historical and Museum Commission Commonwealth Keystone Building Attn: Customer Service Center 400 North Street, 4th Floor Harrisburg, PA 17120-0225

I hereby certify that all information contained in the single application and supporting materials submitted to PHMC via the Internet, Single Application # 201803011253 and its attachments are true and correct and accurately represent the status and economic condition of the Applicant, and I also certify that, if applying on behalf of the applicant, I have verified with an authorized representative of the Applicant that such information is true and correct and accurately represents the status and economic condition of the Applicant. I also understand that if I knowingly make a false statement or overvalue a security to obtain a grant and/or loan from the Commonwealth of Pennsylvania, I may be subject to criminal prosecution in accordance with 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities) and 31 U.S.C. §§ 3729 and 3802 (relating to false claims and statements).



The Pennsylvania Historical and Museum Commission reserves the right to accept or reject any or all applications submitted on the Single Application for Assistance contingent upon available funding sources and respective applicant eligibility.

7255 Öld Berwick Road Bloomsburg, PA 17815 (570) 752-3607 * FAX: (570) 752-7413 masonrypresorvation.com

June 23, 2016

City of Scranton Maintenance Dept. 340 North Washington Avenue Scranton, PA 18503

ATTENTION:

Pat Hinton

SUBJECT:

Task 1 Masonry Assessment - Executive Summary

Scranton City Hall Scranton, PA

MPS Project No.: 201603

Masonry Preservation Services, Inc. (MPS) has completed the masonry assessment as outlined in our Proposal. We provided this Executive Summary for a snapshot of the project and the detailed assessment report provides further discussion. Our focus was on the original historic building, no adjacent or connecting buildings were included. Overall the masonry was in marginal condition for its age at most areas, with certain assemblies in very poor condition. The building has reached the age where a comprehensive and preservation level repair plan is required to correct the building deterioration observed to ensure another century of service. A randomized short-term repair package will not serve this landmark historic structure any longer. We have recently completed similar repairs to address similar conditions at the Albright Memorial Library just up the street and would be happy to discuss and show you that work.

EXECUTIVE SUMMARY

The Problem: The building faces masonry deterioration and failure to various extents, along with water penetration at many areas. Most concerning, early stages of sandstone displacement and deterioration was observed at the towers and other areas. Deteriorated mortar joints are a problem that will persist until corrected, adversely affecting the overall masonry condition. Continued water infiltration jeopardizes the integrity of the exterior wall.

The Cause: The deteriorated masonry, inadequate/non-existent flashing, gutter failure, open mortar joints, failed scalant joints are allowing excessive amounts of water into the exterior wall assembly. A variety of other issues with the building envelope are also contributing to the life cycle decline of the building. Mortar joints have eroded, weathered, and cracked due to life cycle decline and are no longer able to sufficiently resist bulk rain water. The wall assemblies at certain areas then become saturated and susceptible to freeze-thaw damage. Past repair efforts completed at the building have not addressed the root causes of the exterior wall problems and therefore the masonry has remained saturated and continues to deteriorate.

Course of Action: Due to the lack of preservation level effort and expenditure on the masonry building envelope in recent history, the structure is now behind and will require persistence to get ahead of the masonry deterioration curve. The intent of a preservation plan is to provide a long-term repair approach that addresses the underlying causes of deterioration and corrects the damage already sustained. A course of action is included within the report.

Repairs and Cost: As related to our Preservation Plan and recommendations, we have provided budget cost ranges in the following table for the masonry façade work. Based on the time of execution, phasing combinations, material options, and other factors, budget pricing can be further refined. On a restoration project such as this and the nature of the work, we recommend allocation of a 10-15% contingency for unforeseen items and varying extents of repair areas.

There are several preparatory items that need to be completed prior to Phase 1. We suggest the implementation of Phase 1 as a Pilot Phase, which has many proven benefits: prove the efficacy of properly executed masonry restoration techniques so that procedures and the building can be reviewed prior to a full scale restoration; certain unknown conditions can be reviewed and resolved and appropriate repair detailing can be explored and implemented; complete material testing and other preliminary work; various mock-ups and trials can be tested to determine the most effective cleaning agents, patching material, stone, etc.; refine overall budget pricing for future phases to provide more accuracy; limit the potential for change orders; and build project momentum without being overcommitted. In addition, the Pilot Phase work is completed work for which that area will be done and represent the first phase of the preservation project.

The repairs outlined are not elaborate or excessive in scope, but are comprised of the implementation of fundamental and sound repair procedures. We understand the effort and cost associated with repair scopes such as this. Our opinion is that the value and benefit of performing work with skilled craftsman and quality material under a guided plan provides the best long-term value with regard to funds expended by maximizing the service life of the building. We have made efforts to prioritize repairs in a practical and cost effective manner. We have provided a comprehensive long-term repair plan that will address the deficient issues at the building and extend the building service life significantly. Refer to Appendix B for the phasing plan.

Phase	Title	Range	Budget Range High
Immediate	Discuss long-term expectations and overall Preserv		
Preparation	Address pigeon issues and complete Additional Re		
1A	South tower upper portion - Pilot Phase A	\$180,000	\$220,000
1B	South tower lower remaining portion &	\$140,000	\$170,000
	chimneys - Pilot Phase B		
2	North tower	\$410,000	\$500,000
3	Northwest elevation	\$190,000	\$230,000
4	West tower	\$270,000	\$330,000
5	Northeast elevation	\$350,000	\$440,000
6	East tower	\$400,000	\$490,000
7	Southeast elevation	\$180,000	\$220,000
8	Southwest elevation	\$370,000	\$460,000
	Sub-totals	\$2,430,000	\$3,000,000

With a historic project such as this, we have outlined cost ranges to initially proceed with Phase 1 and then review the project after its completion and refine scopes and cost for the remaining phases. This approach proves to be most effective for all parties and results in the best quality preservation project for the building. Please note that the cost of additional items to be reviewed are not included.

We should discuss this report with you to promote understanding and answer your questions. We understand it is a costly and complex project, which is worth review.

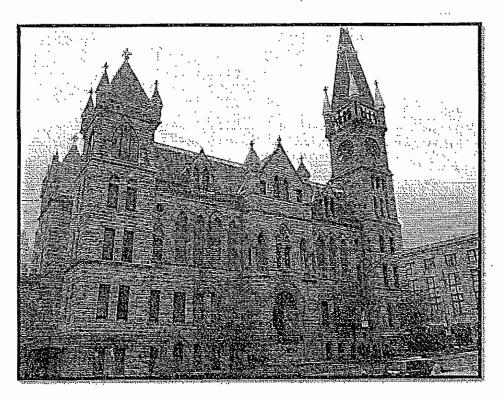
Prepared by:

Erik R. Valentino Vice President



Scranton City Hall Scranton, PA Task 1: Masonry Assessment

JUNE 23, 2016 MPS Job No.: 201603



Prepared for:
Pat Hinton
City of Scranton
340 North Washington Avenue
Scranton, PA 18503

Prepared by:
Masonry Preservation Services, Inc.
7255 Old Berwick Road
Bloomsburg, PA 17815

TABLE OF CONTENTS

1,0	PROJECT BACKGROUND	1
2.0	SCOPE OF WORK	1
2.	DOCUMENT REVIEW & REFERENCES	1
2.		2
2.		2
	OBSERVATIONS & DISCUSSION	
3.	Unsafe Conditions	2
3.	WATER INFILTRATION	2
3,	MAINTENANCE & REPAIRS	2
3.	STONE	د
3.	MORTAR JOINTS	4
3.	MAIN TOWER INTERIOR	4
3.	CONCEALED MASONRY GUTTERS	,.5
3.	GABLE COPINGS	5
3.	MASONRY DORMERS	د
3,	0 <u>SEALANT</u>	0
3.	1 CHIMNEYS/VENTS	0
3.	2 CAST IRON ELEMENTS	0
3.		/
	3.13.1 Roof & Flashing Interfaces	/
	3.13.2 Wood Roof Structure	/ 7
	3.13.3 Lightning Protection	/
	3.13.4 Site Masonry	/
	3.13.5 Stained Glass Windows	/ m
3.	4 CONCEPTS & DISCUSSION	1
	3.14.1 Life Cycle Deterioration	/
	3.14.2 Mortar Joint Repointing	0
	3.14.3 Deteriorated Sealant	0
	3.14.4 Embedded Metal	
4.0	RECOMMENDATIONS AND OPINIONS	9
4.	ACCESS & SITE	7 10
4.	MORTAR JOINT REPOINTING	10
4.	STONE REPAIR	10،
4.	TOWERS	11
4.	GUTTERS	11
4.	GABLE COPINGS	I.1 I 1
4.	MASONRY DORMERS	i l
4.	CHIMNEYS/VENTS.	i∠ 10
4.		12
		14 19
4.		17
4.	•	
5.0	PRESERVATION PLAN	
6.0	SUMMARY	14

APPENDICES

APPENDIX A:

Photographs

APPENDIX B:

Drawings

SK-1: Building Overview SK-2: Water Infiltration Locations SK-3: Preservation Phasing Plan

1.0 PROJECT BACKGROUND

MPS met with Paul O'Hora from the City of Scranton to review the building and discuss the project on several occasions. The beautiful, historic masonry building was constructed circa 1888 of sandstone and underwent interior renovations in the 1970s. There is a prominent clock tower at the north corner along with lesser towers at each of the other three corners of the building. The building is experiencing water infiltration to varying extents and the objective for the assessment is to reduce the leaks as well as address the façade deterioration.

A variety of masonry deterioration exists at the building, particularly on the towers. We understand concern regarding the existing deterioration has increased and the need to implement proper long-term repairs to preserve the building for the future is now warranted. MPS provided a proposal to assess the masonry and provide direction for a corrective course of action. The proposal was accepted, forming the basis for this report.

The development of an overall process to repair the building and limit deterioration is critical to the long-term performance of the building. Proper masonry preservation requires a comprehensive understanding of the existing conditions and a guided plan for future repairs that are proactive long-term approaches. When masonry deterioration develops, as observed at the building, a combination of factors has led to the observable and concealed deficiencies. In turn, these deficiencies lead to leaks and water infiltration. Water infiltration then accelerates the deterioration of the masonry assemblies, and the detrimental cycle continues. If the deterioration is detected, understood, and corrected early; the problems may be reversible and require a lesser scope (and budget) to implement restoration. The importance of evaluating and understanding the root cause of the deterioration, before attempting short-term quick-fix repairs, is paramount. Proper repairs with the intention of long-term performance will be more cost-effective over the life of the building.

2.0 SCOPE OF WORK

The purpose of this masonry evaluation was to assess the overall condition of the masonry to determine the extent and scope of repairs required and to understand the next logical steps in the repair process. We performed the following scope of work at the above referenced project:

2.1 Document Review & References

We requested all relevant historical information, drawings, reports, repair history, leak logs, etc. We understand very limited information is available. We were provided with and reviewed the following from Don King of the City of Scranton:

 Limited renovation drawings completed by Bellante Clauss Miller and Partners dated 1977. No original or other drawings were available for review.

2.2 Observations

We completed visual observations of existing conditions of the building envelope from grade, interior, and roof areas. We also performed limited detailed inspection (tactile contact) of the walls at numerous areas of the façade that were accessible. Exploratory observation probes were not completed during this evaluation process. Note that we were unable to access above the open level of the main tower due to live pigeons and excessive hazardous pigeon excrement.

2.3 Report

We have provided this written evaluation report to summarize the results of our observations, provide a photographic survey, and to provide long-term recommendations for repairs. Two copies of this final report are provided, along with an electronic portable document format (pdf) copy for additional reproductions.

3.0 OBSERVATIONS & DISCUSSION

Telescopic viewing and photographic equipment were utilized to perform and document our observations. Photographs and drawings with descriptive information may be viewed in Appendix A: Photographs & Appendix B: Drawings. The following is a summary of our observations:

3.1 Unsafe Conditions

Conditions that could potentially develop into unsafe conditions were observed. With the lack of ongoing maintenance and repairs, those areas will not improve.

3.2 Water Infiltration

MPS walked through the building interior and discussed water infiltration with Paul O'Hara during our site visits. There were a few persistent leak locations reported to us. Deteriorated plaster due to water infiltration was noted at several areas. Refer to Appendix B: SK-2 for water infiltration.

3.3 Maintenance & Repairs

It is our understanding that minimal masonry repair and maintenance work was completed from 1888 until the 1970s during the renovations, where façade repairs were very limited. There was a minimal amount of repair documentation available for review. A variety of short-term repairs were observed which have had minimal impact on extending the service life of the building. No other significant repairs or building evaluations were reported to us.

3.4 Stone

The masonry at the historic building consisted of mass masonry walls constructed of multiwythe brick and stone backup, with sandstone exterior. There appeared to be two different types of sandstone, the first being the primary ashlar or wall field stone and the second used for the carved and decorative elements of the façade. It was noted that the decorative sandstone was generally in far worse condition than the ashlar stone, with erosion, spalling, and deterioration observed. RILEM absorption or other material testing was not completed at the sandstone during this initial work, which would help determine absorption rates for sandstone and provide more insight into its properties. The ashlar stone overall has weathered well for its age, but the decorative elements had noticeable erosion of stone. In order to effectively execute the preservation project, some additional material testing on the sandstone should be completed to understand long-term durability and potential stone consolidants to address the absorption and strength issue

The masonry was soiled with atmospheric dirt, pollution, and staining at certain areas and could benefit from a restoration cleaning to improve and unify overall aesthetics at the completion of the masonry repair work if desired.

Sandstone was quarried from sedimentary rock formations because the stone split very readily into rough rectangular blocks which needed little or no further work to be used. Clay layers within the bedding planes make the stone susceptible to delamination along these faults, especially when the stone is improperly face-bedded within the walls. Sandstone is not considered an overly durable or long lasting building stone, especially for our northeast climate. Minimal bedding plane issues were noted during our initial assessment, but one should be aware of its inherent issues. The stone itself at the building has remained in fair condition over the years at certain areas and worse in other areas. Several areas of cracks in the masonry were observed, which is typical for buildings of this age as settlement and arch flattening occurs. Some areas where higher water flow rates impact the stone due to improper roof drainage or building geometry, have notable sandstone erosion.

Several areas of stone spalls, cracking, delamination, and previous repair patches were observed and will require repair. Additionally, some areas of sandstone were found to be debonded and unsound and will require removal and resetting and/or replacement. The sandstone does exhibit deterioration caused by exfoliation of stone surfaces and contour scaling at carved surfaces at some areas. Several loose and delaminated areas of sandstone were removed easily by hand during our field work. This deterioration is caused by the tendency of sandstone to form hard surface crusts at carved details (contour scaling) resulting in the loss of the crustal layer through oxidation crust formation.

Some areas of segmented columns were observed with cracking, and it is suspected the stone column units are pinned together with mild steel pins. Due to improper mortar joint repointing and maintenance, water was able to get to the pins and cause them to corrode. As steel corrodes, it expands in volume and caused the stone to crack. As the cracks get

wider, the detrimental cycle accelerates and soon stone fragments will fall from the building.

Typically in building construction from the late 1800s and early 1900s, masonry anchors were made from ferrous metals. These cramp anchors are used to mechanically attach the decorative veneer to the masonry back-up in mass masonry construction. Masonry ties and header courses were utilized at this building. No destructive testing was completed during our work, so confirmation of any steel anchors in the masonry walls was not completed, but should be reviewed during initial phases of work. No evidence of corroded anchors was observed, such as rust staining, patterned surface spalls, or spall exposure of corroded metals.

3.5 Mortar Joints

Mortar joints at multiple areas were cracked, de-bonded, open, and deteriorated. It appears that during certain past repointing efforts, the original soft mortar was only removed to a shallow depth. Then a relatively thin layer of new mortar was installed over the top; however, this creates voids behind the new mortar where water can travel and the mortar will deteriorate rapidly. Deterioration from excessive water infiltration and freeze-thaw damage were noted at various locations. Overall the mortar joints don't provide a barrier wall that is consistent in quality and performance, and does not effectively keep water out of the wall and limit subsequent deterioration and leaks that can occur. Spot repointing was also completed, which only removes and replaces certain areas of mortar instead of a comprehensive solution. This creates new bond lines, intersections of multiple generations of mortars with different material properties, aesthetic confusion, and overall poor performance.

If the wall cannot dry out and remains constantly saturated, the assembly becomes susceptible to freeze-thaw and sub-efflorescence damage. Freeze-thaw damage occurs when water entrapped in the assembly expands when it freezes, which puts pressure on the stone and causes spalling. Sub-efflorescence damage occurs when masonry wall assemblies retain liquid water in sufficient quantities and duration to allow for the entrapped moisture to solubilize salts. When the liquid water eventually evaporates, the solubilized salts recrystallize at or near the masonry surface. This process causes an expansion of the salts that can cause wide spread spalling of masonry.

Polyurethane sealant was installed over mortar joints at many areas, which will trap moisture within the masonry. It is also not a substitute for a mortar joint, because once the sealant's limited service life is over, the joint will now be wide open to the elements.

3.6 Main Tower Interior

The interior of the tower is largely soiled from inhabiting birds, especially severe at the upper levels. Ladder access to some of the various interior levels appeared unsafe and not suitable for maintenance personnel in accordance with current codes. Review and cleanup of the tower interior should be discussed. Some areas of water infiltration were noted inside

the tower. Wood members of the various interior levels had some signs of water infiltration and rot, and require additional assessment. The exposed tower levels appeared to have a sheet metal roof system that appeared to be intact. The circular stained glass and interior spiral staircase also require further review. Interior areas could not be fully reviewed due to accessibility, and should be reviewed further once the bird excrement cleanup is completed.

3.7 Concealed Masonry Gutters

There are concealed gutters at multiple areas around the perimeter of the roof. We have extensive experience with durable soldered coated copper gutter liners, and would be happy to discuss coordination of the work as it is likely sensible to integrate the masonry and gutter liner. The stone gutters were likely originally lined with sheet metal, and had subsequent repairs of membrane and various mastics and scalants at terminations have followed. Clogged, poor flowing, and other conditions plague the gutters.

We observed deterioration, displacement and staining at some of the stone panels directly under the roof gutters forming the gutter. The masonry assembly at these locations appears to be saturated with moisture, which is causing the observed deterioration and displacement. Water appears to be entering the masonry assembly through the gutters and at the failed mortar joints on the masonry. These displacements lead to question the anchorage of the masonry gutters and also the longevity of the system.

3.8 Gable Copings

There are masonry gables at each elevation of the building. All of the gable parapets are topped with stone copings. Most of the copings appear to be in fair condition; however, we did observe some deteriorated copings. Sealant was installed at some of the joints of the copings; typically, it is not recommended to seal the bed joint and trap moisture in the wall. Many joints were open and easily allowing water intrusion. We did not observe proper through-wall flashing under the copings to help limit water intrusion. Flashing interface at the backside of the gables with the roof appeared sub-standard and also questionable at the west gable where geometry is difficult. Some gable stones were displaced outwardly and also sliding down the slope of the gable, likely due to deficient anchorage to the masonry below. The copings did have a shingled boss design, which has allowed the stones to perform slightly better than other configurations.

3.9 Masonry Dormers

There are multiple decorative stone dormers that extend out from the roof at the upper floor around the building. The stone copings were found lacking through-wall flashing, having cracks and spalls in the stone, containing deteriorated mortar joints, and deficient in the interfaces with the roof on the back and sides of the dormers and the gutter at the front of the dormers.

3.10 Sealant

Flexible sealants were installed at window and door perimeters and other penetrations at the building. A majority of the sealant joints we observed around the complex had failed or degraded. The existing polyurethane sealants were cracked, split open, de-bonded, and generally deteriorated. Many of the openings in the sealant were wide enough to allow water to pass. All of the sealant has exceeded the useful service life for polyurethane sealant, which is typically 8 to 12 years but can vary depending on product manufacturer, substrate preparation, joint design, and application procedures.

Polyurethane sealant is subject to UV degradation. All organic sealants change properties over time when subject to ultraviolet light from the sun. The UV rays change the organic chemistry of the sealant, which in most cases causes the sealant to get stiffer, reducing its movement capabilities. The stiffer sealants fail cohesively (crack or split open internally) and adhesively (loss of bond to the substrate). UV degradation can also cause the surface of polyurethane sealant to chalk, craze or crack. The surface cracks eventually develop into full-depth cracks.

It appears most building windows were replaced during the 1970's renovations, so it is assumed the sealants are of that vintage. We wanted to stress the importance of sealants in overall façade water infiltration resistance. Sealants are impacted by mortar joint repointing efforts as well. To properly repoint mortar joints, the sealants will be cut into and will need to be removed and replaced.

3.11 Chimneys/Vents

There are several chimneys/vents on the building, located at the roof level. Four at the middle of the roof and two toward the gable area perimeter. Similar to the building, the chimneys are built with sandstone. The mortar joints were in poor condition. Some stone deterioration was observed, including some cracks and displacement. Evidence of water infiltration was observed at several areas. The soundness of the upper area of the chimneys and the condition of the caps could not be determined at this time due to access limitations.

3.12 Cast Iron Elements

There were various cast iron elements at the building, including the open colonnade near the top of the main tower, railings, and decorative finials around the roof area. Interior decorative elements at the grand staircase also set the precedence for cast iron use at the building.

Corrosion and general deterioration was observed at most cast iron elements. Several areas of columns observed to have lost mechanically attached decorative elements at some points in the past. It was unclear if section loss of the cast iron has occurred that could potentially reduce the capacity of the elements or if other mechanically attached failures could occur, but it should be reviewed further.

3.13 Additional Items

Although not within the scope of our observations, we noted the following items during our façade masonry assessment. We felt it prudent to bring these observations to your attention for consideration.

3.13.1 Roof & Flashing Interfaces

Multiple areas of roofing, flashing interfaces between roof and masonry walls, decorative finials, and associated wood and metalwork was noted with deficiencies and deterioration that negatively impact the water penetration resistance of the building envelope. This item requires further review by a qualified professional.

3.13.2 Wood Roof Structure

Based on our observations of some water staining and rot on wood members, and the age of the roof structure; it would be logical to have an experienced structural engineer review the wood roof spire. This is particularly important prior to imposing scaffolding loads on the roof. This item requires further review by a qualified professional.

3.13.3 Lightning Protection

A complete lightning protection system consisting of air terminals, ground wire, and anchors was not observed at the building. This item requires further review by a qualified professional.

3.13.4 Site Masonry

Various masonry knee walls, site walls, planters, statues and stairs exist around the site, which was not within our scope.

3.13.5 Stained Glass Windows

We observed bulging and displacement of stained glass windows near the entrance, and the lead came showed signs of deterioration. A variety of stained glass windows were located at the building. Current condition of the stained glass windows and storm units (or lack thereof) should be reviewed by a qualified professional.

3.14 Concepts & Discussion

3.14.1 Life Cycle Deterioration

During the course of a building's service life, age induced decline is always working against the structure. A proactive and technical based preservation and preventive maintenance regimen must be implemented to stay ahead of

deterioration curve. Proper long-term repairs are preferred over short-term fixes. The common theme of water intrusion outlined in this report is constantly working against the masonry walls, as well as the freeze-thaw cycles that are extremely detrimental.

3.14.2 Mortar Joint Repointing

In our opinion, 100% mortar joint repointing of the masonry is required at the indicated areas of the building to address deteriorated or inadequate conditions. Breaches caused by deteriorated mortar joints over the course of many years can allow water to penetrate the masonry system and accelerate deterioration. Random and incomplete repointing can often do more harm than good and is not an overall good long-term tactic. The effectiveness of proper mortar joint repointing can be tested and documented using ASTM C-1601, Standard Test Method for Field Determination of Water Penetration of Masonry Wall Surfaces, if desired.

The Brick Industry Association guidelines estimate the time to repair mortar in masonry walls is approximately 25+ years, with shorter intervals at more exposed assemblies. With the building in service for more than that duration, 100% joint repointing is understandable. Even if the mortar is in marginal condition now, the thinly applied repointing will greatly reduce the effectiveness and service life of the mortar.

In the NPS Technical Preservation Services' brief on Repointing Mortar Joints in Historic Masonry Buildings they indicate "...if 25 to 50 percent or more of a wall needs to be repointed, repointing the entire wall may be more cost effective than spot repointing. Total repointing may also be more sensible when access is difficult, requiring the erection of expensive scaffolding (unless the majority of the mortar is sound and unlikely to require replacement in the foreseeable future)."

Quality repointing should be completed in accordance with applicable portions of the Brick Industry Association guidelines and the Secretary of Interior Standards. The procedure includes deteriorated mortar removal to a depth of approximately ¼ inch (or twice the joint width), new mortar installation applied in multiple (2-3) thin (¼ inch) layers as each previous layer becomes "thumbprint" hard, and tooling of the last layer to match the original mortar joint profile.

3.14.3 Deteriorated Sealant

Flexible sealants, particularly polyurethane, become cracked, hardened, split open, de-bonded, and generally deteriorated with openings wide enough to easily allow water to pass. Water will easily enter the masonry system and will cause and accelerate deterioration. Typically, the useful life of urethane sealants is 8 to 12 years and silicone is 20 years or more; but varies depending on product used, substrate preparation, joint design, and application procedures. The replacement of sealants is a maintenance item and should be anticipated on a periodic basis. This

important building envelope component is often overlooked and is critical to the long-term overall performance of the structure.

3.14.4 Embedded Metal

Any metal anchors used in the masonry are subject to potential corrosion. Reducing the amount of moisture that enters the mass masonry walls will reduce the rate of corrosion of metal.

Corrosion threatens any ferrous metal (iron, steel, etc.) component, particularly where embedded and in direct contact with adjacent material (stone, mortar, etc.). In the presence of water, steel will corrode (rust), and expand with significant pressure created by the exfoliating rust (the corroding steel combined with exfoliating rust will occupy a larger volume of space than the original steel alone). The pressure generated produces stress in adjacent materials, oxide jacking, and in many building assemblies, can cause severe damage. The stress caused by the corroded embedded metals, in conjunction with the proximity to the front face of the stone, can directly contribute to the potential spalls. Current standards recommend the use of stainless steel anchors to prevent damage caused by corrosion.

4.0 RECOMMENDATIONS AND OPINIONS

Our observations helped clarify the breadth and depth of required repairs. Although more assessment is required, we have laid the groundwork for a successful preservation project. The repairs involve the implementation of fundamental and sound masonry repair procedures. Based on our observations, we have summarized our recommendations in the following sections:

4.1 Access & Site

In order to access the different work areas, heavy duty system scaffolding will be utilized in conjunction with other access depending on the work area. Significant coordination and scheduling efforts will be needed due to the use of the building and the noise and dust that will be generated during the project.

- To safely complete the necessary repairs to the towers, scaffolding will have to be installed on all four elevations of the towers. The scaffolding will extend from the ground and lower roofs up to the top. Scaffold will also be required on the other elevations for the various work phases.
- Due to the height of the tower, the scaffolding has to be designed by an engineer.
- The slate roof will be protected under the scaffold installation, and some slate repair at project completion is anticipated. Roof coordination will be required for the work.
- The access to the towers is a notable amount of the total repair cost; therefore, careful consideration should be given to completing all of the repairs the same time to prevent significant additional access costs in the future.

4.2 Mortar Joint Repointing

The mortar joints of the building are in poor condition and need to be 100% repointed, including all of the stone mortar joints. The previous repointing projects did not provide much benefit.

- Repointing should be completed in accordance with applicable portions of the Brick Industry Association and SOI guidelines.
- Cut out areas of deteriorated mortar consistently and comprehensively to the proper depth (minimum ¾ inch). Ensure that all existing mortar is removed from the edges of the masonry units.
- Install new mortar applied in multiple layers/lifts as each previous layer becomes "thumbprint" hard, tool the last layer to match the original mortar joint profile.
- Complete a cleaning/wash down of the masonry surface to remove atmospheric pollution and improve overall building appearance.
- Due to the depth of soft mortar at certain areas, deeper back pointing will be required as well as masonry anchors.

4.3

Stone Repair

The delaminated, spalled, displaced and cracked stone pieces need to be addressed. The entire façade should be sounded and any deteriorated panels should be repaired. The sandstone of the building requires a variety of repairs as generally outlined as follows:

- Check all stone for loose or delaminated pieces. Remove loose and deteriorated material until remaining area is sound.
- Remove select stones that have grossly failed and install new stone pieces that match the profile.
- Based on the material testing, there is potential for installation of mineral silicate coating or consolidant to select masonry areas. These products chemically bond with the substrate and will help provide an extended service life for the coated areas.
- Stone dutchmen and patching repair.

The intent of the stone repairs is not to make the building look perfectly new, and patch every chip to recreate the original profiles. A more pragmatic and economical approach is typically used on buildings such as this to preserve and extend the service life of the masonry. The sandstone has patina and character with age, and only prioritized areas will be patched or replaced. Loose materials in immediate jeopardy of falling will be removed, gross spalls patched, immediate visual impact areas patched or replaced, and unsound areas stabilized. Sandstone is a natural material and will continue to exfoliate over time.

4,4 <u>Towers</u>

The following is a brief list of the general repairs that need to be completed at the towers.

Install new sheet metal flashing at the masonry-to-roof interfaces. Integrate the flashing to protect the backsides of the four corner turrets, and properly manage water.

- Rebuild unsound stone
- Address wood and cast iron deterioration
- Remove existing failed bird screen and install new stainless steel screen.
- 100% repointing of the masonry mortar joints is recommended.
- Select areas of stone will need to be removed and replaced.
- Pin and repair stone at selected areas, including crack stitching as required.
- Patch selected spalled stone areas.
- Rebuild and/or repair the unsound areas of the stone turrets
- Window and interior repairs
- Install new roof hatches at the interior levels. Install adequate ladders to provide safe access through the interior of the tower to the top. Review and waterproof the roof deck at the open levels.
- Complete a restoration cleaning of the masonry surface to remove atmospheric pollution and improve appearance.

4.5 Gutters

The stone gutters should be rebuilt to correct the deficiencies and displacement. The repair / replacement of the gutter liners should be coordinated with the roofing and masonry repairs to reduce access costs and to avoid duplicating repair efforts. Upper areas of stone just below gutters may need to be removed, flashed, and reset to provide sound substrate for the roof gutters. Some of the decorative areas of stone below the gutters may also need to be reset.

4.6 Gable Copings

Remove all gable stone copings, clean, number and store for reuse. Patch any spalls in the stone. Replace any unusable stones. Make necessary repairs to the parapet wall masonry down to sound substrate. Install new through-wall flashing system and re-install the copings. Copings should be set with stainless steel pins to anchor them to the parapet wall, and the pins should be waterproofed with thimbles integrated into the through-wall flashing system. Flashing should be installed with outboard hemmed drip edge and integrated inboard receiver and counterflashing to interface with existing copper wall flashing and accommodate future re-roofing projects without disturbing the masonry flashing.

4.7 Masonry Dormers

At all dormers, remove all stone copings, clean, number and store for reuse. Patch any spalls in the stone. Replace any unusable stones. Install new through-wall flashing system and re-install the copings. Copings should be set with stainless steel pins to anchor them to the parapet wall, and the pins should be waterproofed with thimbles integrated into the through-wall flashing system. Integrate dormers with roofing and gutters as coordinated with the roofer. Repoint all remaining mortar joints in dormers.

4.8 Chimneys/Vents

Some further review of the chimney regarding the soundness of the upper areas needs completed once the scaffold is erected to determine rebuild areas. The general scope of repairs is as follows:

- Rebuild unsound areas of stone. Install restoration anchors as necessary.
- Repair and patch and stone. Re-anchor with stainless steel as needed.
- 100% repoint all mortar joints
- Install chimney cap metal as appropriate to waterproof the top surface.

4.9 Condition Assessment

Have an experienced professional perform periodic condition assessments of the building envelope approximately every 5 years to assist in early detection of deterioration and to assess the façade condition. Perform yearly until repairs are completed.

4.10 Preventative Maintenance

Once preservation work is completed, anticipate some level of masonry maintenance approximately every 10-20 years for repointing, façade cleaning, and sealant replacement. Masonry façades require maintenance to properly perform, limit leaks, and minimize extensive irreversible repairs.

4.11 Additional Items

The following items need to be addressed to ensure a comprehensive building envelope preservation project.

- Cleanup of pigeon excrement and provide access to the upper levels of the main tower for assessment
- Material testing of the strength and absorption of the sandstone. In particular, to determine the reason the more decorative type stone has more deterioration than other areas.
- Roof assessment and coordination for masonry interfaces
- Structural engineer review of roof structures and spire
- Lightning protection system design review
- Cast iron elements assessment to determine both structural soundness and longterm viability
- Stained glass window assessment to determine extent of deterioration and repairs
- Bird containment design and review
- Overall scope and expectations review for long-term preservation of City Hall

4.12 Post-repair Considerations

It is typically recommended to wait one heating and one cooling season (approximately 1 year) after exterior repairs to perform interior plaster repairs. Once the water infiltration is stopped, moisture still remains in the walls and plaster (particularly mass masonry with

large wall thicknesses). As the walls and plaster dry out, the solublized salts in the water will re-crystallize and expand. This process will initially make the plaster condition visibly worse. Once the wall is dry, successful interior repairs can be completed. This is not a popular recommendation, but will help manage the repair process and expectations.

5.0 PRESERVATION PLAN

We recommend the implementation of the masonry preservation plan as outlined below. Various repairs are required due to the deleterious impact of water infiltration and building age. The work outlined in the plan focuses on understanding root causes of deterioration and performing long-term restoration repairs to extend the service life of the building. Many short-term (usually less in cost) repairs and approaches could be attempted, but will not perform over time.

There is no quick, easy and cheap fix for the complex at this time that will perform over the long-term. It is important to note that as time progresses, deterioration will worsen and repair quantities and repair costs will increase. If proper long-term repairs are not implemented, further irreversible deterioration could jeopardize the long-term viability of the building and exceed normal budget, maintenance, and operations costs.

Phase	Title	Description
Immediate	Discuss long-term expectations and overall Preservation Plan	
Preparation	Additional Review Items 4.11, address pigeon issues	
1	South tower & chimneys - Pilot Phase	Items 4.1, 4.2, 4.3, 4.4, 4.8
2	North tower	Items 4.1, 4.2, 4.3, 4.4, 4.8
3	Northwest elevation	Items 4.1, 4.2, 4.3, 4.5, 4.6 & 4.7
4	West tower	Items 4.1, 4.2, 4.3, 4.4, 4.8
5	Northeast elevation	Items 4.1, 4.2, 4.3, 4.5, 4.6 & 4.7
6	East tower	Items 4.1, 4.2, 4.3, 4.4, 4.8
7	Southeast elevation	Items 4.1, 4.2, 4.3, 4.5, 4.6 & 4.7
8	Southwest elevation	Items 4.1, 4.2, 4.3, 4.5, 4.6, 4.7 & 4.8
Condition Assessment		Item 4.9. Plan for periodic condition
		assessment.
Proactive Approach		Item 4.10. Anticipate future preventive
		maintenance and repairs,

A drawing showing the locations of each phase can be viewed in Appendix B: Drawings.

The cost breakdown on the executive summary is provided for your reference to understand how the project is structured, and no single work item can be completed independently, which is why it is phased. From a cost and performance perspective, it makes sense to complete phase by phase since the cost for accessing the structure is such a large percentage of the overall repair cost. Pricing was based on working typical weekday hours, if afterhours or weekends are required, the cost will need to be updated. The work will be generating noise and dust, which could impact operations, especially during certain times. After your review of this summary, we would be pleased to review

schedule and work plan with you. Any permit and bond costs that may be required will be directly passed to the City for payment and are not included in the costs. There are several items that require further review, which could impact the overall scope, phasing and cost.

6.0 SUMMARY

MPS completed the masonry evaluation at the Scranton City Hall in Scranton, PA. The purpose of our evaluation was to perform an assessment of the masonry condition and provide a course of action for corrective measures.

We performed observations at the complex, combining tactile observations and visual observations at accessible areas. A variety of deterioration and deficiencies were observed leading to a logical progression to address the building issues. Lack of maintenance, flashing interfaces, inadequate detailing, and sporadic repair interventions have allowed the damaging effects of water infiltration to remain unchecked for an extended period of time. Proper detailing with quality materials in accordance with historic restoration standards is critical to the long-term effectiveness of the repairs.

A preservation plan consisting of multiple tasks has been outlined in this report to address the repairs required at the building. We understand the effort and cost associated with a masonry preservation plan. Our opinion is that the value and benefit of performing work with skilled craftsman and quality material under a guided plan provides the best long-term value with regard to funds expended by maximizing the service life of the building.

Depending on the level of anticipated repairs, periodic façade inspections should be scheduled to maintain safety protocols and head off additional potentially costly repair projects. In accordance with ASTM E-2270, "Standard Practice for Periodic Inspection of Building Façades for Unsafe Conditions", the exterior walls should be assessed at least once every five years for deterioration and repair recommendations. Due to the deteriorations observed, we recommend annual inspections until the preservation plan is commenced. It is critical to the longevity of the building that temporary (usually less expensive) type repairs are avoided and work be completed with quality materials and skilled craftsmen.

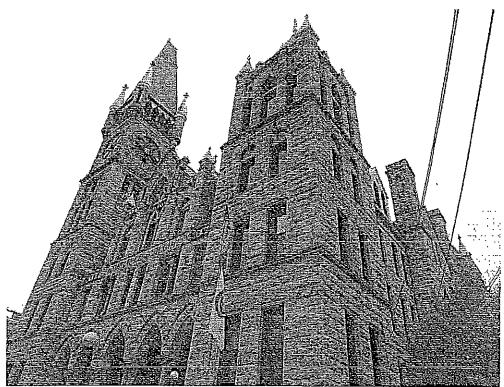
As requested, MPS performed this evaluation of the exterior masonry façade, documented deficiencies, recommended repairs and a course of action, and provided this summary report for guidance. This report has been prepared based on our site observations, information presented to us, interviews with on-site personnel, and our experience with similar projects. If any information becomes available which is not consistent with the observations or conclusions presented in this report, please present it to us for our evaluation. ©2016 Masonry Preservation Services, Inc. (MPS). All rights reserved. The reproduction, distribution, publication, display, or other use of this report without the written consent of MPS is prohibited. The contents of this report are intended to convey information compiled by MPS as relevant to the project outlined within and for the agreed-upon intent, and for no other purposes.

Prepared By:

Erik R. Valentino Vice President APPENDIX A:

Photographs

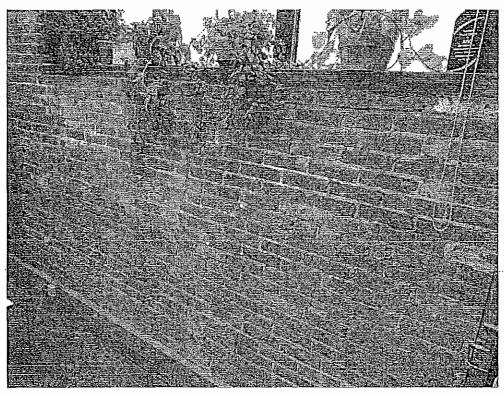
Appendix A - Photographs



Photograph 1: Overview of the west elevation



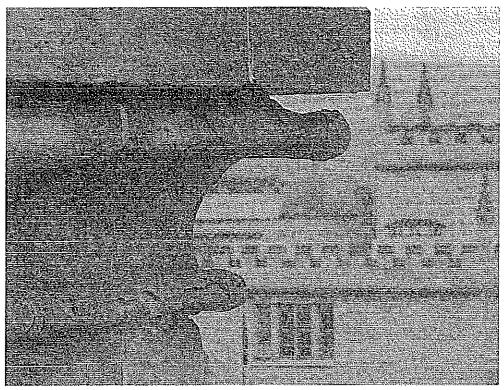
Photograph 2: Overview of north elevation



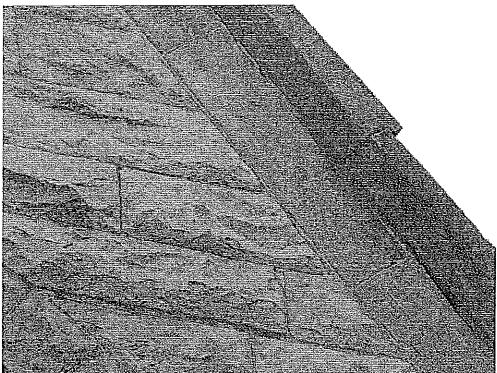
Photograph 3: Interior leak location



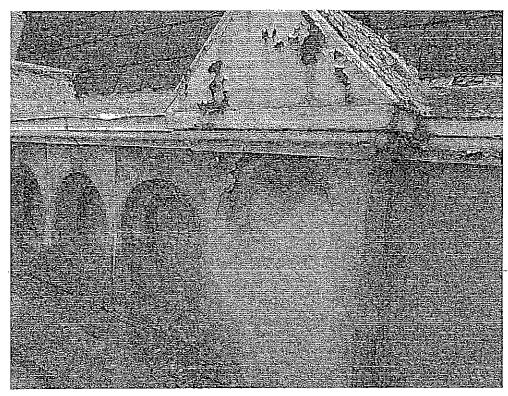
Photograph 4: Interior leak location



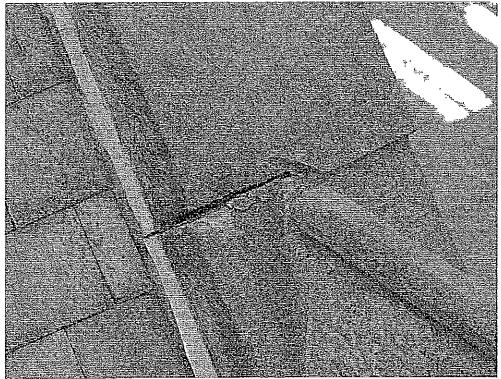
Photograph 5: Stone erosion



Photograph 6: Stone erosion and mortar joint deterioration



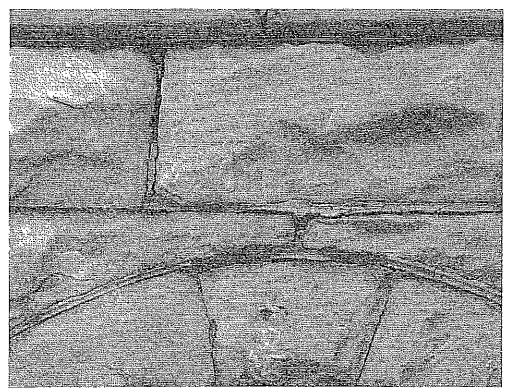
Photograph 7: Stone deterioration



Photograph 8: Cracked stone and open head joint



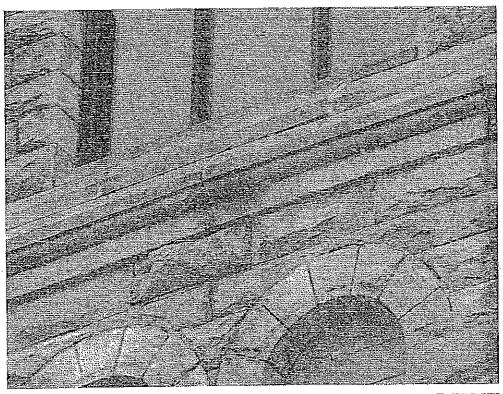
Appendix A - Photographs



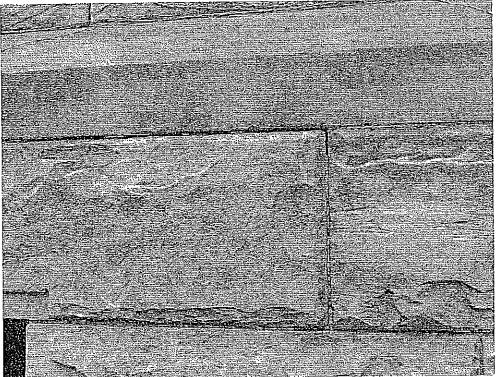
Photograph 9: Severe mortar joint deterioration



Photograph 10: Stone displacement and mortar joint deterioration allowing water infiltration

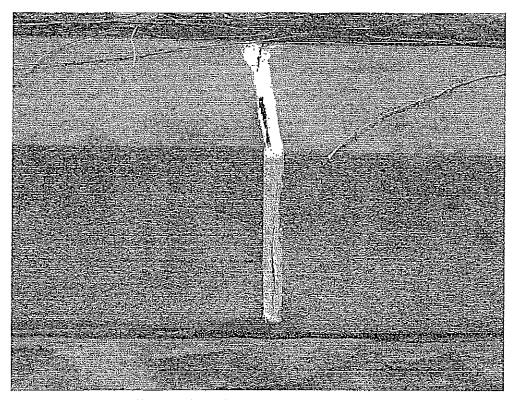


Photograph 11: Area correlated with interior leakage in Photograph 3



Photograph 12: Failed mortar joints

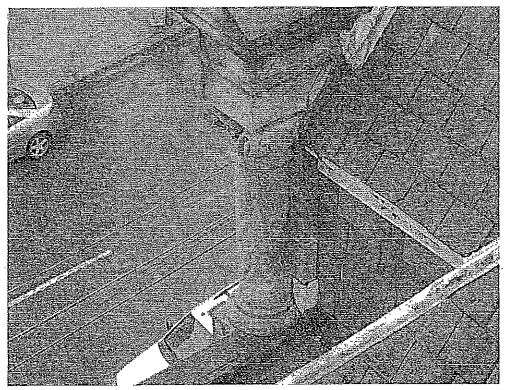
Appendix A - Photographs



Photograph 13:
Deteriorated
sealant over failed
mortar joint



Photograph 14:
Delaminated stone column shaft

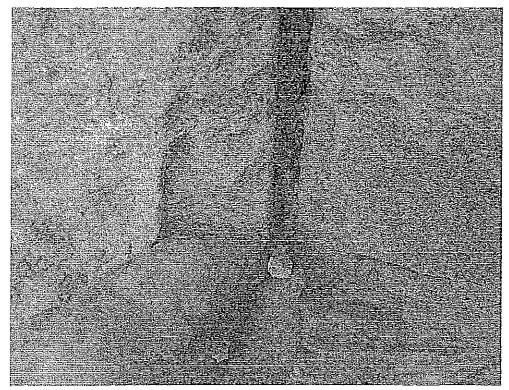


Photograph 15: Spalled and eroded stone column

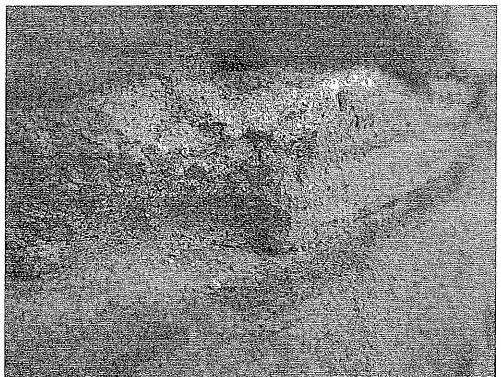


Photograph 16: Open tower level. Note also two different types of stone; rough cut ashlar units and smooth faced decorative units.

Appendix A – Photographs

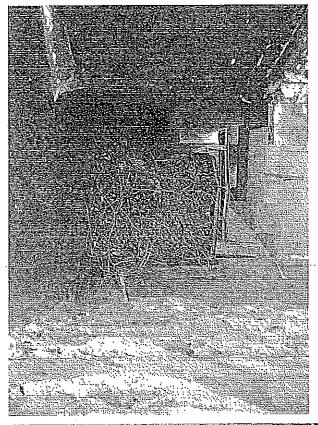


Photograph 17: Thin prior repointing effort of little value.

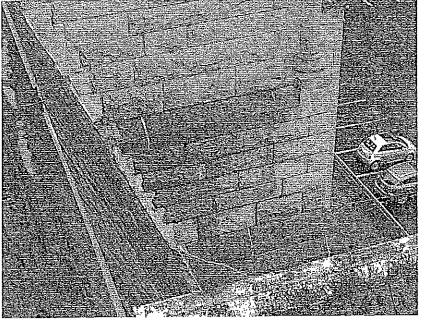


Photograph 18: Thin layer of past mortar repointing done inappropriately.

Appendix A - Photographs

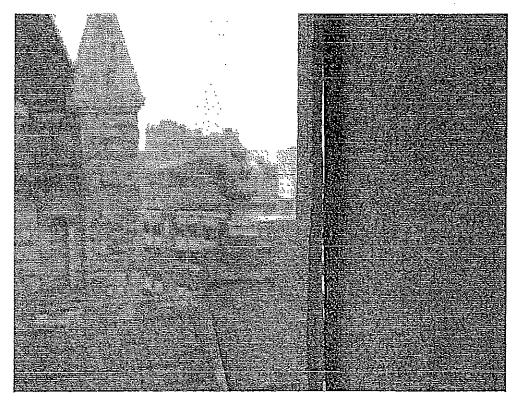


Photograph 19: Inadequate roof and drainage area.



Photograph 20: Poor masonry to roof flashing interface

Appendix A – Photographs



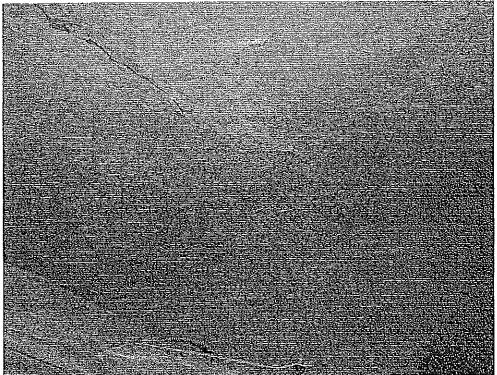
Photograph 21: Delamination of stone column.



Photograph 22: Deterioration of stone chimney

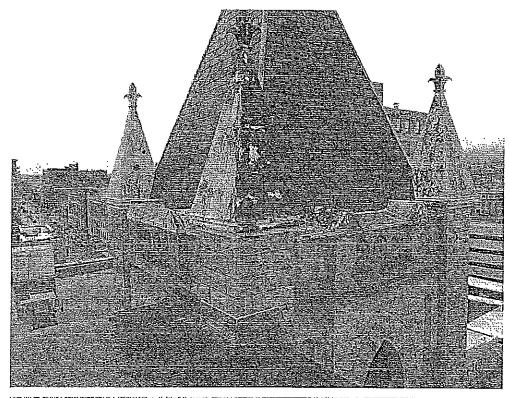


Photograph 23: Cracked stone finial base



Photograph 24: Interior leak location as result of roof

Appendix A - Photographs

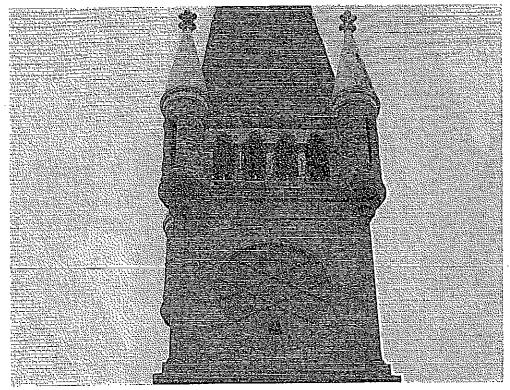


Photograph 25: Generally poor condition of wood and metal work.



Photograph 26: Bird screen breech and rotted wood at base of main tower spire.

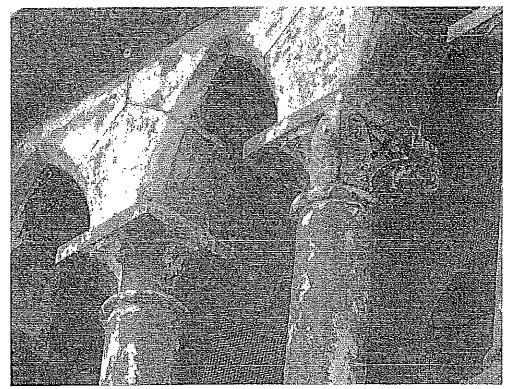




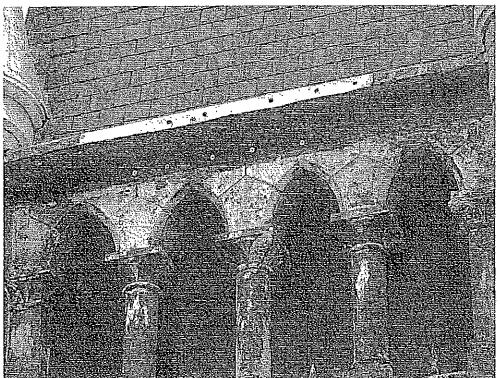
Photograph 27: Upper main tower showing deterioration in masonry, metalwork, windows, and roof.



Photograph 28: Poor condition of cast iron and metal work.

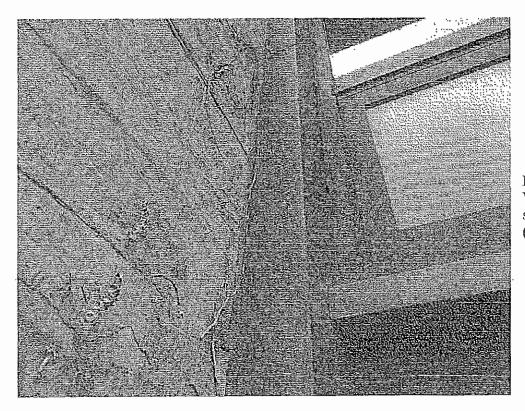


Photograph 29: Cast iron column failures. Note the cast iron leaves that have fallen from left column capital.



Photograph 30: Bird netting failure and infestation.

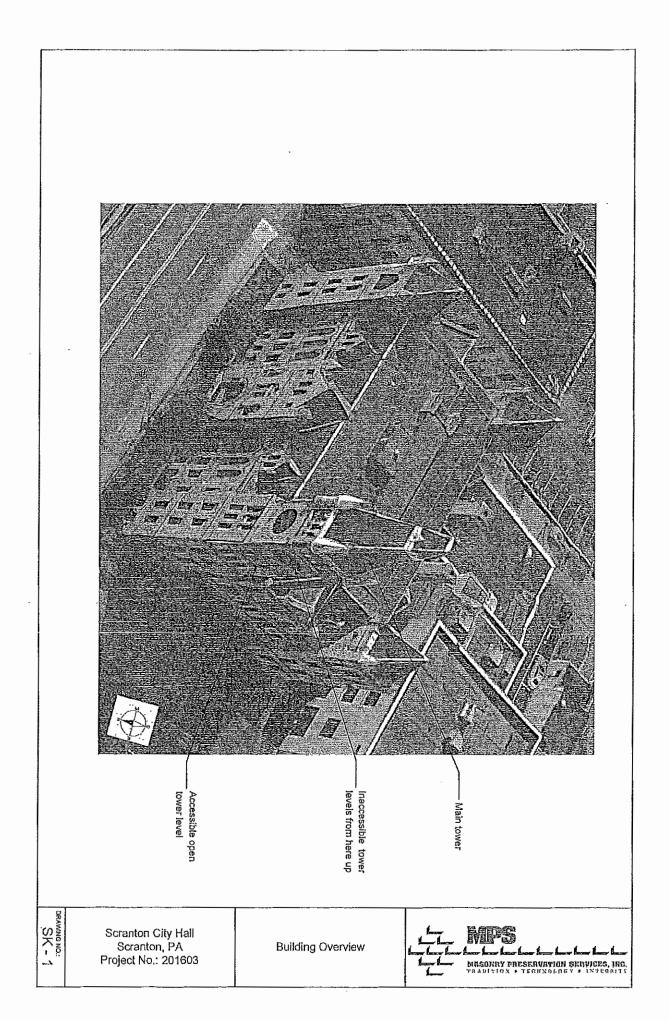
Appendix A - Photographs

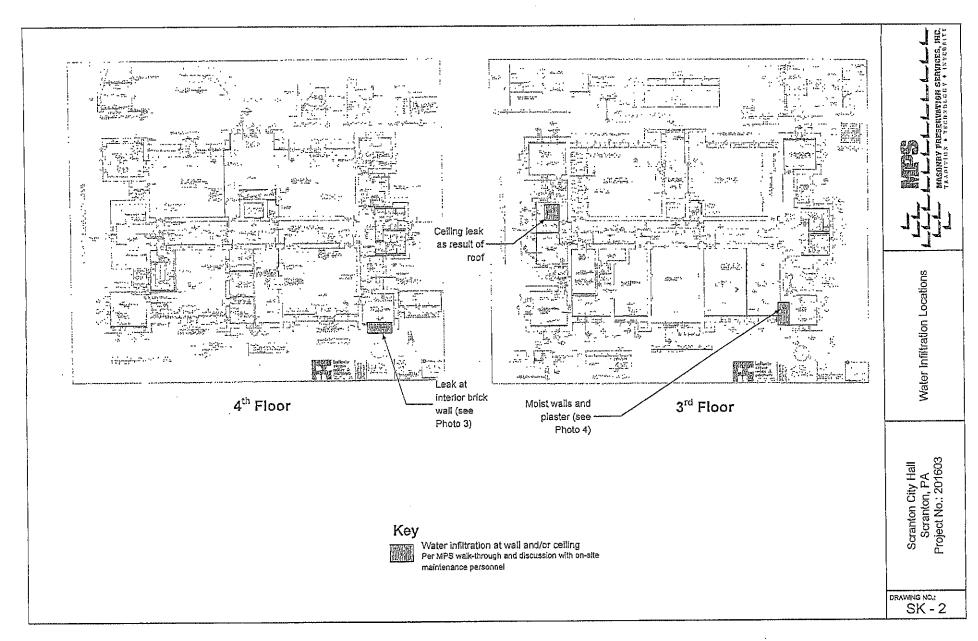


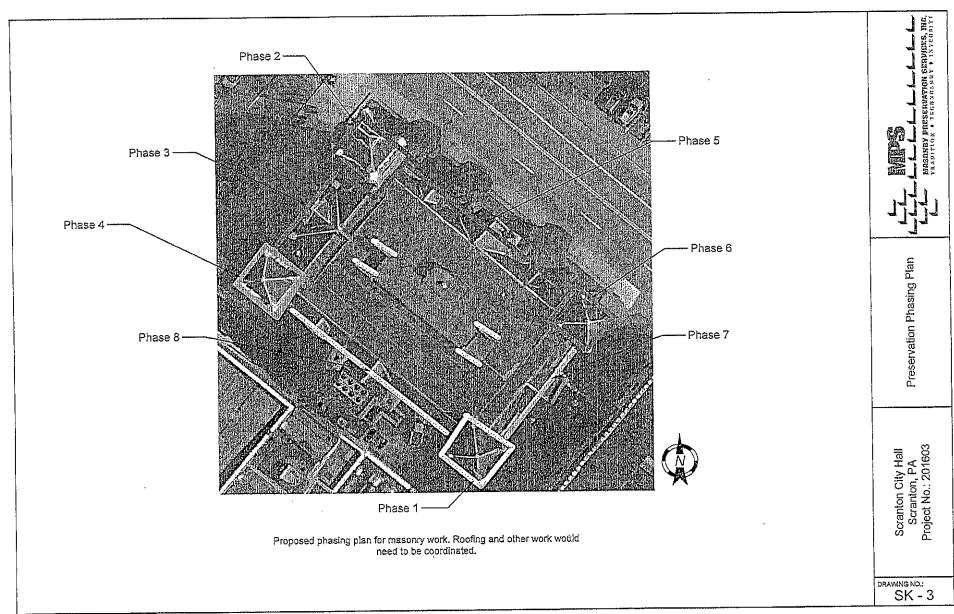
Photograph 31: Window perimeter sealant failure (typical).

APPENDIX B:

Drawings









DEPARTMENT OF BUSINESS ADMINISTRATION

CITY HALL • 340 NORTH WASHINGTON AVENUE • SCRANTON, PENNSYLVANIA 18503 • PHONE: 570-348-4118 • FAX: 570-348-4225

February 23, 2018

Mrs. Marguerite Perry Grant Manager City of Scranton Police Department Headquarters 100 South Washington Avenue Scranton PA 18503

Re:

Dear Mrs. Perry,

Please be advised that the City of Scranton will provide matching funds in the amount of \$100,000 to meet the requirements for a Keystone Historic Preservation Grant application in the amount of \$100,000. The matching funds will be generated from the City's general revenue collection and allocated from an established capital improvement fund.

Thank you for your assistance. Please contact me if you have further questions.

Sincerely,

Chris Casciano Business Administrator City of Scranton Saving Yesterday for Tomorrow



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EMERITUS Richard Boyard

> Mary Ann Moran Savakinus Executive Director

February 28, 2018

Karen Arnold
Pennsylvania Historical and Museum Commission
State Museum Building
300 North Street
Harrisburg, PA 17120

Dear Ms. Arnold:

The Lackawanna Historical Society is pleased to support the city of Scranton's application for funding to support much needed repairs to the upper portion of the south tower of the Scranton Municipal Building. We are excited to know that this will be the first phase of what will be a complete preservation project for the entire structure. The building is one of the city's architectural treasures and is often included on historic walking tours provided by the Society. This project will be shared during future tours to promote the importance of local preservation.

We commend the city for taking the initiative to restore this local landmark and for working to maintain the building's historic integrity. By supporting this endeavor, the Society hopes that the project will encourage local residents to appreciate the many historic buildings that grace our city's downtown and inspire others to support preservation efforts throughout the city.

Therefore we strongly recommend that the PHMC approve the city's Keystone Historic Preservation Grant application for funding. Thank you for all you do to support local history and its preservation.

Sincerely,

Mary Ann Moran Savakinus

Executive Director



February 27, 2018

Ms. Maggie Perry Grant Manager City of Scranton 340 North Washington Avenue Scranton, Pennsylvania 18503

Dear Ms. Perry:

This letter is in support of the City of Scranton's efforts to maintain and restore the venerable Scranton Municipal Building. It is with considerable understanding of the long-standing financial difficulties of the City of Scranton and as a Scranton resident myself that I commend the City of Scranton for recognizing the importance of retaining the city's rich historic architectural legacy for the present and the future. I support the City's reservation of precious funds for reinvestment into the Scranton Municipal Building.

The Scranton Municipal Building, constructed in 1888 and placed on the National Register of Historic Places in 1981, endures as one of the key, public structures that defines Downtown Scranton and that reflects the economic dynamism and artistic quality of the city in the late 19th Century. The structure was built to serve as a symbol of economic and cultural achievement and remains a monument to the power and wealth of Scranton's industrial heyday. It was built on a high and important intersection at the edge of the commercial district and adjoins a cultural district of other significant late 19th and early 20th century structures. It is constructed of the native stone, as was the courthouse, key church structures, and several of the finest houses.

Today, the Scranton Municipal Building still serves the city as the primary, functioning center for government, and the City operates and maintains the building, as best it can. However, the structure has numerous needs and many areas that require costly attention. This request of the Pennsylvania State Historic Preservation Office for \$100,000 as a matching grant represent only a small part of the funds that will have to be reinvested into the structure over the next several years. The money will be used to repair the upper portion of the south tower, an area with extensive water damage, and designated as the most immediate need. The project will be Phase I of what will prove to be a lengthy restoration process. The City has committed to funding and exceeding the match, if the grant is received. Certainly, with the help of the PHMC, all work will be done in accordance with the guidelines established by the Secretary of the Interior.

My firm belief is that the proposed work is both necessary and important. That the City of Scranton needs financial assistance for this work is no question. I humbly request that the SHPO give this grant request serious consideration, and hopefully, approval.

Sincerely

Richard J. Leonori, AIA

Chair, Scranton Historic Architecture Review Board

Former Member and Chair, Pennsylvania Historic Preservation Board, Pennsylvania Historical and Museum Commission



February 28, 2018

Karen Arnold Pennsylvania Historical and Museum Commission State Museum Building 300 North Street Harrisburg, Pa 17120

RE: Keystone Historic Preservation Construction Grant

Dear Ms. Arnold:

On behalf of Scranton Tomorrow, I am pleased to offer this letter of support regarding the City of Scranton's application for assistance through the Keystone Historic Preservation Construction Grant program. The funding will aide in the much needed historic preservation effort of Scranton's City Hall.

City Hall was constructed in 1888 and was listed in the National Register of Historic Places in 1981. The structure sits proudly along the main artery of the city, serving as a beacon of our historic past and an example of remarkable architecture. It is the goal of the City of Scranton to preserve this historic monument so that it may continue to be the headquarters of City government for many generations to come.

The City's application for \$100,000.00 will be matched by city funds demonstrating their commitment to the project.

Scranton Tomorrow strongly supports this application as an important preservation project of one of our City's finest jewels.

Sincerely,

Leslie Collins Scranton Tomorrow Executive Director





DEPARTMENT OF LAW

OFFICE OF CITY COUNCIL/CITY CLERK

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June 15, 2018

To the Honorable Council Of the City of Scranton Municipal Building Scranton, PA 18503

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION RATIFYING AND APPROVING THE EXECUTION AND SUBMISSION OF A GRANT APPLICATION BY THE CITY OF SCRANTON THROUGH THE KEYSTONE HISTORIC PRESERVATION GRANT FROM THE PENNSYLVANIA HISTORICAL AND MUSEUM COMMISSION AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE OFFICIALS TO ACCEPT THE GRANT FUNDS IN THE AMOUNT OF \$80,000.00 TO BEGIN PRESERVATION WORK ON THE SCRANTON MUNICIPAL BUILDING.

Respectfully,

Jessica L. Eskra, Esquire

City Solicitor

JLE/sl