

AGENDA
REGULAR MEETING OF COUNCIL
October 29, 2018
6:00 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 TAX ASSESSOR'S REPORT FOR HEARING DATE TO BE HELD OCTOBER 30, 2018.

[Tax Assessor's Report for 10-30-18.pdf](#)

- 3.B MINUTES OF THE SCRANTON LACKAWANNA HEALTH & WELFARE AUTHORITY MEETING HELD JUNE 21, 2018.

[Scranton Lacka Health & Welfare Authority Meeting 6-21-18.pdf](#)

4. **CITIZENS PARTICIPATION**

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 – AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCRANTON, LACKAWANNA COUNTY, PENNSYLVANIA, SETTING FORTH ITS INTENT TO ISSUE ITS FEDERALLY TAXABLE GENERAL OBLIGATION NOTE, SERIES OF 2018 (THE “NOTE”) IN A PRINCIPAL

AMOUNT NOT TO EXCEED TWENTY-TWO MILLION NINE HUNDRED NINETY THOUSAND DOLLARS (\$22,990,000) PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, 53 PA.C.S. CHAPTERS 80-82, AS AMENDED, REENACTED AND SUPPLEMENTED, KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT (THE "ACT"); FINDING THAT A PRIVATE SALE BY NEGOTIATION IS IN THE BEST FINANCIAL INTERESTS OF THE CITY; DETERMINING THAT SUCH NOTE SHALL EVIDENCE NONELECTORAL DEBT OF THE CITY; SPECIFYING THAT SUCH INDEBTEDNESS IS TO BE INCURRED TO PROVIDE FUNDS TO FINANCE A PROJECT OF THE CITY WHICH CONSISTS OF, AMONG OTHER THINGS: (1) FUNDING ALL OR A PORTION OF THE CITY'S UNFUNDED ACTUARIAL ACCRUED PENSION LIABILITY; AND (2) PAYING THE COSTS AND EXPENSES OF ISSUANCE OF THE NOTE; SETTING FORTH THE REASONABLE ESTIMATED USEFUL LIFE OF THE PROJECT TO BE FINANCED BY THE NOTE; ACCEPTING A PROPOSAL FOR THE PURCHASE OF SUCH NOTE AT PRIVATE SALE BY NEGOTIATION; PROVIDING THAT SUCH NOTE, WHEN ISSUED, SHALL CONSTITUTE A GENERAL OBLIGATION OF THE CITY; FIXING THE DENOMINATION, DATED DATE, INTEREST PAYMENT DATES, INTEREST RATE, REDEMPTION PROVISIONS AND PLACE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH NOTE; AUTHORIZING SPECIFIED OFFICERS OF THE CITY TO CONTRACT WITH THE PAYING AGENT FOR ITS SERVICES IN CONNECTION WITH THE NOTE; SETTING FORTH THE SUBSTANTIAL FORM OF THE NOTE EVIDENCING THE DEBT; AUTHORIZING EXECUTION AND ATTESTATION OF SUCH NOTE; PROVIDING COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SUCH NOTE TO THE EXTENT REQUIRED BY THE ACT AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY IN SUPPORT THEREOF; CREATING A SINKING FUND IN CONNECTION WITH SUCH NOTE, TO THE EXTENT REQUIRED BY THE ACT; DESIGNATING THE PAYING AGENT TO BE THE SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT FOR SUCH NOTE WHEN DUE; SETTING FORTH REGISTRATION AND TRANSFER PROVISIONS WITH RESPECT TO SUCH NOTE; AUTHORIZING THE EXECUTION OF ONE OR MORE INVESTMENT AGREEMENTS BY SPECIFIED OFFICERS OF THE CITY (IF APPLICABLE) AND THE PURCHASE OF CERTAIN U.S. TREASURY OBLIGATIONS OR ANY OTHER SECURITIES OR INVESTMENTS IN CONNECTION WITH THE PROJECT; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THE CITY TO DO, TO TAKE AND TO PERFORM CERTAIN SPECIFIED, REQUIRED, NECESSARY OR APPROPRIATE ACTS TO EFFECT THE ISSUANCE OF THE NOTE, INCLUDING, WITHOUT LIMITATION, THE PREPARATION OF A DEBT STATEMENT AND BORROWING BASE CERTIFICATE, AND THE FILING OF SPECIFIED DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, ALL AS REQUIRED BY THE ACT; DECLARING THAT THE DEBT TO BE EVIDENCED BY SUCH NOTE, TOGETHER WITH ALL OTHER INDEBTEDNESS OF THE CITY, WILL NOT BE IN EXCESS OF ANY

APPLICABLE LIMITATION IMPOSED BY THE ACT; AUTHORIZING PROPER OFFICERS OF THE CITY TO DELIVER THE NOTE UPON THE APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INsofar AS THE SAME SHALL BE INCONSISTENT HERewith.

[Ordinance-2018 TAN 2018 \\$22,990,000 Accrued Pension Liability.pdf](#)

- 5.C FOR INTRODUCTION – AN ORDINANCE – AUTHORIZING THE ISSUANCE OF A TAX AND REVENUE ANTICIPATION NOTE, SERIES OF 2019 IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$12,750,000; PROVIDING FOR THE DATED DATE, INTEREST RATE, MATURITY DATE, REDEMPTION PROVISIONS, PAYMENT AND PLACE OF PAYMENT IN RESPECT OF THE NOTE; ACCEPTING THE PROPOSAL ATTACHED HERETO AS EXHIBIT “B” FROM THE FINANCIAL INSTITUTION NAMED THEREIN FOR THE PURCHASE OF THE NOTE; NAMING A SINKING FUND DEPOSITARY/PAYING AGENT; AUTHORIZING THE PROPER OFFICERS OF THE CITY TO EXECUTE AND DELIVER THE NOTE AND CERTAIN OTHER DOCUMENTS AND CERTIFICATES IN CONNECTION THEREWITH; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE NECESSARY DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA; SETTING FORTH A FORM OF THE NOTE.

[Ordinance-2018 TAN 2019 \\$12,750,000.pdf](#)

6. CONSIDERATION OF ORDINANCES - READING BY TITLE

- 6.A NO BUSINESS AT THIS TIME.

7. FINAL READING OF RESOLUTIONS AND ORDINANCES

- 7.A FOR CONSIDERATION BY THE COMMITTEE ON COMMUNITY DEVELOPMENT – FOR ADOPTION -RESOLUTION NO. 80, 2018 – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION BY THE CITY OF SCRANTON TO THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT (“DCED”) FOR A LOCAL SHARE ACCOUNT GRANT (GAMING FUNDS-MONROE COUNTY) IN THE AMOUNT OF \$62,500 FOR THE REMEDIATION ACTIVITIES AT THE SITE OF THE FUTURE POCKET PARK LOCATED AT 248 WYOMING AVENUE.

[Resolution-2018 Grant Application \\$62.5K for Future Pocket Park at 248 Wyoming Ave.pdf](#)

- 7.B FOR CONSIDERATION BY THE COMMITTEE ON COMMUNITY DEVELOPMENT – FOR ADOPTION -RESOLUTION NO. 81, 2018 – AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION BY THE CITY OF SCRANTON TO THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT (“DCED”) FOR A KEYSTONE COMMUNITIES PROGRAM GRANT IN THE AMOUNT OF \$50,000 FOR THE REMEDIATION ACTIVITIES AT THE SITE OF THE FUTURE POCKET PARK LOCATED AT 248 WYOMING AVENUE.

[Resolution-2018 Grant Application \\$50K for Future Pocket Park at 248 Wyoming Ave.pdf](#)

- 7.C FOR CONSIDERATION BY THE COMMITTEE ON FINANCE – FOR ADOPTION - RESOLUTION NO. 82, 2018 – RATIFYING AND APPROVING OF THE EXECUTION AND SUBMISSION OF THE GRANT APPLICATION BY THE CITY OF SCRANTON, ON BEHALF OF SCRANTON CULTURAL CENTER AT MASONIC TEMPLE TO THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH FINANCING AUTHORITY FOR A LOCAL SHARE ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF \$345,405.00 FOR THE PROJECT TO BE KNOWN AS “SCRANTON CULTURAL CENTER AT MASONIC TEMPLE ELEVATOR SAFETY/MODERNIZATION REPAIRS” LOCATED IN SCRANTON, PENNSYLVANIA, AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF THE CITY OF SCRANTON TO ACCEPT THE GRANT, IF SUCCESSFUL AND EXECUTE AND ENTER INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF \$345,405.00 AWARDED BY THE COMMONWEALTH OF PENNSYLVANIA FOR

SUCH PROJECT.

[Resolution-2018 Grant Application Cultural Center Elevator Repairs.pdf](#)

- 7.D FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - RESOLUTION NO. 83, 2018 - RATIFYING AND APPROVING OF THE EXECUTION AND SUBMISSION OF THE GRANT APPLICATION BY THE CITY OF SCRANTON, ON BEHALF OF ELECTRIC CITY DEVELOPMENT LLC TO THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH FINANCING AUTHORITY FOR A LOCAL SHARE ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF \$500,000.00 FOR THE PROJECT TO BE KNOWN AS "WYOMING AVENUE LSA" LOCATED AT 614 WYOMING AVENUE, SCRANTON, PENNSYLVANIA 18509, AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF THE CITY OF SCRANTON TO ACCEPT THE GRANT, IF SUCCESSFUL AND EXECUTE AND ENTER INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF \$500,000.00 AWARDED BY THE COMMONWEALTH OF PENNSYLVANIA FOR SUCH PROJECT.

[Resolution-2018 Grant Application Wyoming Avenue LSA.pdf](#)

- 7.E FOR CONSIDERATION BY THE COMMITTEE ON FINANCE - FOR ADOPTION - RESOLUTION NO. 84, 2018 - RATIFYING AND APPROVING OF THE EXECUTION AND SUBMISSION OF THE GRANT APPLICATION BY THE CITY OF SCRANTON, ON BEHALF OF NEIGHBORWORKS NORTHEASTERN PENNSYLVANIA TO THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH FINANCING AUTHORITY FOR A LOCAL SHARE ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF \$78,960.00 FOR THE PROJECT TO BE KNOWN AS "NEIGHBORWORKS HOMEOWNERSHIP CENTER" LOCATED 815 SMITH STREET, SCRANTON, PENNSYLVANIA 18504, AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF THE CITY OF SCRANTON TO ACCEPT THE GRANT, IF SUCCESSFUL AND EXECUTE AND ENTER INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF \$78,960.00 AWARDED BY THE COMMONWEALTH OF PENNSYLVANIA FOR SUCH PROJECT.

Resolution-2018 Grant Application Neighborworks Homeownership
Center.pdf

8. ADJOURNMENT

TAX ASSESSOR'S REPORT

Hearing Date: 10/30/18

Time	Name	Boro/Twp.	Pin Number	Attorney	Proposed/Current Assesed Value	After Appeal Value
12:00 PM	CLEAR BROOK FOUNDATION	SCRANTON	14519010022		22750	
1:00 PM	ELECTRIC CITY PARKING CO LLC	SCRANTON	1562602003101	PATRICK LAVELLE	503150	
1:30 PM	K & J REAL ESTATE LLC	TAYLOR	15617050002	JOHN RODGERS	900000	
2:00 PM	DUNMORE RECREATION LLC	DUNMORE	14704020005	SHANNA WILLIAMSON	725000	

TOTAL RECORDS 4

RECEIVED

OCT 24 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

(01/01) 10/24/2018 03:22:31 PM

Melissa Maquire 5709636385

Wednesday, October 24, 2018

SCRANTON LACKAWANNA HEALTH & WELFARE AUTHORITY
MINUTES OF MEETING
June 21, 2018

Attended By:

Authority Members:

Vincent O'Bell, Chairman
William Lazor, Vice Chairman
Jerry Preschutti, 2nd Vice Chairman
Jerry Weinberger, Secretary
David Phaneuf, Treasurer

Victor Giambrone, Asst. Treasurer
Frank Pazzaglia, Member
Timothy Farrell, Member
Gary Cicerini, Member

Staff Members

Brian Koscelansky, Solicitor
Mary Ellen Clarke, Asst. Administrator

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OCT 25 2018

Also Present

Don Piragas, Michael A. Barbetti, LLC

OFFICE OF CITY
COUNCIL/CITY CLERK

Mr. O'Bell, the Chairman of the Scranton Lackawanna Health and Welfare Authority called the regular board meeting to order at 5:30PM.

I. APPROVAL OF MINUTES

Mr. O'Bell presented the Minutes of the February 15, 2018, meeting which had previously been mailed to the board members. Mr. Weinberger moved that the minutes be approved as presented. Mr. Lazor seconded the motion and it passed unanimously.

II. TREASURER'S REPORT

A. Approval of Expenditures

Mr. Phaneuf presented the Treasurer's Reports for February, March, April and May 2018, a copy of which is incorporated with the Minutes of this Meeting. As of May 31, 2018, expenditures total \$20,625.43. The balance in the Budget is \$48,074.57. The balance in the Operating Fund is \$48,445.82. Income received and deposited for the month was \$2.15. A motion was made by Mr. Pazzaglia to approve the Treasurer's Report for May 31, 2018. Mr. Lazor seconded and it passed unanimously.

III. NEW BUSINESS

A. 2017 Audit – Michael Barbetti LLC

Mr. O'Bell introduced Mr. Don Piragas of Michael A. Barbetti LLC. Mr. Piragas presented the 2017 Audit of the Scranton Lackawanna Health & Welfare Authority.

Each member was given a copy of the Combined Financial Statement. Mr. Piragas noted that there were 12 individual issues along with the Funds in Custody

Mr. Piragas highlighted some areas for discussion: Statement of Assets, Liabilities and Equity along with the Statement of Cash Receipts and Disbursements comparing these to the 2016 Audit. In 2016, the Authority had three new projects.....in 2017 only one new project.

On a question from Mr. Farrell as to if a comparables schedule would be helpful in future audits. It was discussed and the board felt it was not needed for the individuals but only for the Combined. Mr. Piragas was not opposed and stated that it will be done for future audits.

Mr. Lazor noted that he had reviewed the draft of the 2017 Audit and had discussed certain items with Mr. Piragas prior to issuing the final audit.

With no questions for Mr. Piragas, Mr. Lazor made a motion to approve the 2017 Audit as presented. It was seconded by Mr. Farrell and passed unanimously.

Mr. O'Bell thanked Mr. Lazor for his time spent coordinating with Mr. Piragas and expressed the Board's appreciation to Mr. Piragas.

IV. OTHER BUSINESS

A. New Tax Law Letter

Ms. Clarke noted that as requested in the February meeting, a letter was sent to Senator Toomey expressing the Authority's concern with respect to the recent Tax Reform bill.

B. 2018 Administrative Fees

Ms. Clarke advised the board that all 2018 Administrative Fees have been received

C. New Furniture Discussion

Ms. Clarke distributed a proposed layout of the Authority's space when the County offices move to the former Globe Store. The Authority will be located on the fifth floor and as discussed in a previous meeting, the Authority has approved the purchase of a new desk and some bookcases. Ms. Clarke presented a quote from Ryan Swift of One-Point Furniture for these purchases totaling \$1,911.46. As questioned by Mr. Lazor, Ms. Clarke stated that this is a Drop/Ship quote. Ms. Clarke will check with the County Maintenance Department to see if they will put the furniture together.

A motion was made by Mr. Giambrone to approve the purchase. It was seconded by Mr. Farrell. and the motion passed with Mr. Weinberger abstaining.

D. Revised Authority By-Laws

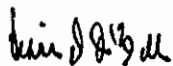
In a meeting last year, Atty. Koscelansky stated the need to update the Authority By-Laws. Atty. Koscelansky presented the board with Revised By-Laws and pointed out that the revisions are black lined on the copies he distributed. Atty. Koscelansky noted that the changes include participation by conference/telephone, a change in the Newspaper due to Scranton only having the one newspaper, an Article for a Conflict of Interest and an Article for Indemnification. There is a

15-day Notice required so no action is required today. Atty. Koscelansky asked the members to review them so they can be adopted at the Authority's next meeting.

Mr. Weinberger inquired as to the Authority's insurance policy to confirm it has an Indemnification policy. Atty. Koscelansky stated it is usually in the Director's and Officer's Policy. Ms. Clarke will check with the insurance company.

V. ADJOURNMENT

With no further business, Mr. Pazzaglia moved to adjourn the meeting. Mr. Preschutti seconded and the meeting adjourned at 6PM.



CHAIRMAN


Asst. SECRETARY

SCRANTON/LACKAWANNA HEALTH AND WELFARE AUTHORITY

LACKAWANNA COUNTY ADMINISTRATION BUILDING • P.O Box 860 • 200 ADAMS AVENUE, • SCRANTON, PA 18501-0860

(570) 342-2353
FAX (570) 342-4088

October 19, 2018

Scranton City Council
Attention: Ms. Lori Reed, City Clerk
340 N. Washington Avenue
Scranton, PA 18503

RE: SCRANTON-LACKAWANNA HEALTH & WELFARE AUTHORITY MINUTES

Dear Ms. Reed:

Pursuant to the Pennsylvania Municipality Authorities Act of 1945, enclosed you will find the Minutes of the Scranton-Lackawanna Health & Welfare Authority's Regular Board Meeting of June 21, 2018.

If you have any questions, or need additional information, please call at any time.

Sincerely,



Mary Ellen Clarke
Asst. Administrator

Enc.

FILE OF THE COUNCIL NO. ___, 2018

AN ORDINANCE

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCRANTON, LACKAWANNA COUNTY, PENNSYLVANIA, SETTING FORTH ITS INTENT TO ISSUE ITS FEDERALLY TAXABLE GENERAL OBLIGATION NOTE, SERIES OF 2018 (THE "NOTE") IN A PRINCIPAL AMOUNT NOT TO EXCEED TWENTY-TWO MILLION NINE HUNDRED NINETY THOUSAND DOLLARS (\$22,990,000) PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, 53 PA.C.S. CHAPTERS 80-82, AS AMENDED, REENACTED AND SUPPLEMENTED, KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT (THE "ACT"); FINDING THAT A PRIVATE SALE BY NEGOTIATION IS IN THE BEST FINANCIAL INTERESTS OF THE CITY; DETERMINING THAT SUCH NOTE SHALL EVIDENCE NONELECTORAL DEBT OF THE CITY; SPECIFYING THAT SUCH INDEBTEDNESS IS TO BE INCURRED TO PROVIDE FUNDS TO FINANCE A PROJECT OF THE CITY WHICH CONSISTS OF, AMONG OTHER THINGS: (1) FUNDING ALL OR A PORTION OF THE CITY'S UNFUNDED ACTUARIAL ACCRUED PENSION LIABILITY; AND (2) PAYING THE COSTS AND EXPENSES OF ISSUANCE OF THE NOTE; SETTING FORTH THE REASONABLE ESTIMATED USEFUL LIFE OF THE PROJECT TO BE FINANCED BY THE NOTE; ACCEPTING A PROPOSAL FOR THE PURCHASE OF SUCH NOTE AT PRIVATE SALE BY NEGOTIATION; PROVIDING THAT SUCH NOTE, WHEN ISSUED, SHALL CONSTITUTE A GENERAL OBLIGATION OF THE CITY; FIXING THE DENOMINATION, DATED DATE, INTEREST PAYMENT DATES, INTEREST RATE, REDEMPTION PROVISIONS AND PLACE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH NOTE; AUTHORIZING SPECIFIED OFFICERS OF THE CITY TO CONTRACT WITH THE PAYING AGENT FOR ITS SERVICES IN CONNECTION WITH THE NOTE; SETTING FORTH THE SUBSTANTIAL FORM OF THE NOTE EVIDENCING THE DEBT; AUTHORIZING EXECUTION AND ATTESTATION OF SUCH NOTE; PROVIDING COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SUCH NOTE TO THE EXTENT REQUIRED BY THE ACT AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE CITY IN SUPPORT THEREOF; CREATING A SINKING FUND IN CONNECTION WITH SUCH NOTE, TO THE EXTENT REQUIRED BY THE ACT; DESIGNATING THE PAYING AGENT TO BE THE SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT FOR SUCH NOTE WHEN DUE; SETTING FORTH REGISTRATION AND TRANSFER PROVISIONS WITH RESPECT TO SUCH NOTE; AUTHORIZING THE EXECUTION OF ONE OR MORE INVESTMENT AGREEMENTS BY SPECIFIED OFFICERS OF THE CITY (IF APPLICABLE) AND THE PURCHASE OF CERTAIN U.S. TREASURY OBLIGATIONS OR ANY OTHER SECURITIES OR INVESTMENTS IN CONNECTION WITH THE PROJECT; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THE CITY TO DO, TO TAKE AND TO PERFORM CERTAIN SPECIFIED, REQUIRED, NECESSARY OR APPROPRIATE ACTS TO EFFECT THE ISSUANCE OF THE NOTE, INCLUDING, WITHOUT LIMITATION, THE PREPARATION OF A DEBT STATEMENT AND BORROWING BASE CERTIFICATE, AND THE FILING OF SPECIFIED DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, ALL AS REQUIRED BY THE ACT; DECLARING THAT THE DEBT TO BE EVIDENCED BY SUCH NOTE, TOGETHER WITH ALL OTHER INDEBTEDNESS OF THE CITY, WILL NOT BE IN EXCESS OF ANY APPLICABLE LIMITATION IMPOSED BY THE ACT; AUTHORIZING PROPER OFFICERS OF THE CITY TO DELIVER THE NOTE UPON THE APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INsofar AS THE SAME SHALL BE INCONSISTENT HERewith.

WHEREAS, the City of Scranton, Lackawanna County, Pennsylvania (the "City"), is a home rule charter city operating under the Home Rule Charter and Optional Plans Law of the Commonwealth of Pennsylvania (the "Commonwealth"); and

WHEREAS, the Council (the "Council") of the City has determined to undertake a Project (hereinafter defined) consisting of, among other things, the funding of its unfunded actuarial accrued liability with respect to the pension funds of the City, computed in accordance with the Municipal Pension Plan Funding Standard and Recovery Act, as amended ("Act 205"), being Act No. 205 of the General Assembly of the Commonwealth, approved December 18, 1994, as amended; and

WHEREAS, in accordance with the Act of the General Assembly of the Commonwealth, 53 P.a.C.S., Chapters 80-82, as amended, reenacted and supplemented, and known as the Local Government Unit Debt Act (the "Act"), the Council has reviewed the actuarial report presented by Beyer Barber Company Actuarial Consultants, Allentown, Pennsylvania, and has determined that the maximum estimated cost of the Project, excluding costs of financing, is \$103,402,583; and

WHEREAS, the Council deems it in the best financial interest of the City to fund its unfunded accrued pension fund liability through the incurrence of nonelectoral debt pursuant to the Act by issuing its note, designated generally as "Federally Taxable General Obligation Note, Series of 2018" (the "Note") in a principal amount not to exceed Twenty-Two Million Nine Hundred Ninety Thousand Dollars (\$22,990,000) and has determined that a private sale by negotiation is in the best financial interests of the City; and

WHEREAS, it is necessary that the indebtedness of the City be increased for the purposes of providing funds to finance a project consisting of (1) funding all or a portion of the City's unfunded actuarial accrued pension liability; and (2) paying the costs and expenses of issuance of the Note (the "Project"); and

WHEREAS, the Note will be issued pursuant to the Act; and

WHEREAS, it is necessary that the indebtedness of the City be increased for the purpose of funding the Project; and

WHEREAS, the proposed increase of debt, together with its nonelectoral indebtedness and its lease rental indebtedness presently outstanding, will not cause the limitations of the City, pursuant to constitutional and statutory authority, to be exceeded; and

WHEREAS, to finance the costs of the Project, Webster Bank, N.A. (the "Purchaser") has determined to make a loan to the City in a principal amount not to exceed Twenty-Two Million Nine Hundred Ninety Thousand Dollars (\$22,990,000) and has issued its proposal to the City for the financing of the costs of the Project (and as such proposal may be amended and supplemented from time to time, the "Proposal"); and

WHEREAS, the City desires to formally approve the Project, to accept the Proposal, to authorize the incurrence of nonelectoral debt under the Act, and to authorize the execution and delivery of the Proposal; and

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the Council of the City, and it is hereby enacted by the authority of same as follows:

SECTION 1. That the principal amount of the Note of the City proposed to be issued will not to exceed Twenty-Two Million Nine Hundred Ninety Thousand Dollars (\$22,990,000), same to be issued for the foregoing purposes and same to be incurred as nonelectoral debt.

SECTION 2. The City hereby approves the Project to be undertaken consisting of providing funds to finance the: (1) funding all or a portion of the City's unfunded actuarial accrued pension liability; and (2) paying the costs and expenses of issuance of the Note.

It is hereby determined and declared that the estimated useful life of the Project which is to be financed by the proceeds of the Note is 40 years.

It is hereby certified that a principal amount of the Note at least equal to the realistic estimated cost of each such capital project shall mature prior to the end of the useful life of such project. Stated installments or maturities of principal of the Note will not be deferred beyond the later of one year after the estimated date for the completion of the construction portion of the Project, if any, or two years from the date of issuance of the Note.

The City hereby finds and certifies that realistic cost estimates have been obtained for the costs of the Project from financial analysts, registered architects, professional engineers or other persons qualified by experience to provide such estimates.

SECTION 3. Said indebtedness shall be evidenced by one federally taxable general obligation note in the principal amount not to exceed Twenty-Two Million Nine Hundred Ninety Thousand Dollars (\$22,990,000), dated and bearing interest from the earliest date of possible issue of the Note under the statutory time requirements as set forth in the Act, at a maximum annual rate of interest specified in the Proposal, payable on the unpaid balance of the Note during the term of the Note. Interest is payable on the unpaid balance of the Note during its term until paid. The Note shall mature in maximum installments of principal and at the maximum annual rate of interest as shown on the attached schedule hereinafter referred to as "Exhibit A".

The City reserves the right to anticipate any or all installments of principal or any payment of interest at any time prior to the respective payment dates thereof, in accordance with the limitations as specified in the Proposal, if any.

The principal and interest of said Note shall be payable at the office of the sinking fund depositary selected for the Note as hereinafter provided.

SECTION 4. The Note is hereby declared to be a general obligation of the City.

SECTION 5. The City hereby covenants that it shall include the amount of debt service on the Note for each fiscal year in which such sums are payable in its budget for that year; shall appropriate such amounts from its general revenues for the payment of such debt service; and shall duly and punctually pay or cause to be paid from its general revenues the principal of the Note and the interest thereon at the dates and places and in the manner stated in the Note according to the true intent and meaning thereof, and for such proper budgeting, appropriation, and payment, the full faith, credit and taxing power of the City are hereby irrevocably pledged.

The maximum amounts which the City hereby covenants to pay in each of the fiscal years that the Note is outstanding on the basis of the maximum annual rate of interest as specified in the Proposal are shown on Exhibit "A" hereto.

SECTION 6. The Note, when issued, will be a general obligation of the City.

SECTION 7. The form of the Note shall be substantially as shown on the attached Exhibit "B".

SECTION 8. The Note shall be executed in the name and under the seal of the City by the Mayor and the Controller of the City and attested to by the City Clerk of the City in substantially the form attached hereto together with such changes, modifications, insertions and deletions, including the appropriate designation of the year such Note is issued, as such officers, with the advice of counsel, deem necessary and appropriate; its execution and delivery thereof shall be conclusive evidence of the approval and authorization by the City of the final terms of the Note. The Mayor, the Controller, the City Clerk, or other proper official of the City is hereby authorized and directed to deliver the Note to the Purchaser, and receive payment therefor on behalf of the City. The Mayor, the Controller or the City Clerk of the City are each individually authorized and directed to prepare, verify and file the debt statement required by Section 8110 of the Act, and to take other necessary action, including, if necessary or desirable, the filing, either before or after the issuance of the Note, additional debt statements or any statements required to

qualify any portion of the debt from the appropriate debt limit as self-liquidating or subsidized debt.

SECTION 9. Community Bank, N.A., or such other paying agent which shall be a bank or bank and trust company authorized to do business in the Commonwealth, as may be selected by the Mayor of the City, is hereby designated as the Sinking Fund Depositary for the Note herein authorized, and there is hereby created and established a sinking fund to be known as the "City of Scranton, Pennsylvania, Sinking Fund - Federally Taxable General Obligation Note, Series of 2018" (the "Sinking Fund"), or such other name or designation to coincide with the name of the Note and the series and year issued as selected by the proper officers of the City, for the payment of the principal and interest thereon which shall be deposited into the Sinking Fund no later than the date upon which the same becomes due and payable. The Controller of the City or other appropriate officer of the City shall deposit into the Sinking Fund, which shall be maintained until such obligation is paid in full, sufficient amounts for payment and interest on the obligation no later than the date upon which such payments shall become due. The Sinking Fund Depositary shall, as and when said payments are due, without further action by the City withdraw available monies from the Sinking Fund and apply said monies to payment of the principal of and interest on the Note.

SECTION 10. The Mayor and the Controller of the City, as attested by the City Clerk of the City, are hereby authorized to contract with Community Bank, N.A., or such other paying agent which shall be a bank or bank and trust company authorized to do business in the Commonwealth, as may be selected by the Mayor of the City, for its services as Sinking Fund Depositary for the Note and Paying Agent for the same (the "Paying Agent").

SECTION 11. In compliance with Section 8161 of the Act, the City has determined that a private sale by negotiation, rather than public sale, is in the best financial interest of the City. The Proposal is hereby accepted and the Note in the principal amount not to exceed Twenty-Two Million Nine Hundred Ninety Thousand Dollars (\$22,990,000), herein authorized to be issued and sold, is hereby awarded and sold to the Purchaser in accordance with its proposal to purchase the said Note at par; provided the said Note is dated the date of delivery thereof to the Purchaser and is in substantially the form set forth in Exhibit B to this Ordinance with such changes as may be approved by the officers of the City executing such Note; and further provided that the proceedings have been approved by the Department of Community and Economic Development if such approval is required under the provisions of the Act. A copy of said Proposal shall be attached hereto as Exhibit "C" and lodged with the official minutes of this meeting and is hereby incorporated herein by reference.

SECTION 12. If necessary, the City hereby approves the execution of one or more investment agreements, the purchase of certain U.S. Treasury obligations or any other securities or investments (the "Investments") for investment of the proceeds of the Note or any other funds of the City in connection with the Project. The City hereby authorizes and directs the Mayor and the Controller of the City to execute and the City Clerk of the City to attest any investment agreement on behalf of the City, in the form approved by the Solicitor to the City. The Investments shall be limited to those authorized under law for proceeds of the Note or such other funds of the City.

SECTION 13. At settlement, the proceeds of the Note, net of the Purchaser's discount or fee, if such discount or fee is to be paid with the proceeds of the Note, shall be deposited into a settlement account with the Paying Agent. From the settlement account the Paying Agent shall pay, or establish reserves for, the costs of issuance, upon receipt of proper invoices therefor, to the persons and in the amounts as set forth in written instructions from the City to the Paying Agent. The amount remaining after disbursement of issuance costs, if such issuance costs are to be paid with the proceeds of the Note, shall be applied by the City to finance the costs of the Project and shall, with thirty (30) days of settlement, be deposited into the appropriate pension fund of the City (the Firemen's Pension Fund, the Police Pension Fund and the Non-Uniformed Pension Fund, as applicable) to pay all or a portion of its unfunded actuarial accrued liability as of the date of final enactment of this Ordinance.

SECTION 14. In accordance with the Act, prior to the issuance of the Note, the City hereby covenants to file with the Public Employee Retirement Commission (Pennsylvania Auditor General), a certified copy of this Ordinance, together with the approval of the

Department of Community and Economic Development relating to the issuance of the Note by the City.

SECTION 15. All expenses incurred in connection with issuance of the Note shall be paid out of the proceeds derived from the issuance of the Note or other funds of the City and the Mayor of the City is authorized to approve requests for payment of such expenses and to pay such expenses.

SECTION 16. Stevens & Lee, P.C., Scranton, Pennsylvania, is hereby appointed Bond Counsel in connection with the issuance and sale of the Note, PFM Financial Advisors LLC to act as Financial Advisor to the City, Amil Minora, Esquire, counsel to City Council, and Jessica Eskra, Esquire, City Solicitor, and any other professionals, as necessary or appropriate, in connection with the purposes of and to facilitate the intent of this Ordinance as the Mayor of the City may appoint.

SECTION 17. The action of the proper officers and the advertising of a summary of this Ordinance, as required by law in a newspaper of general circulation in the City, is ratified and confirmed. The advertisement of enactment in said newspaper is hereby directed within fifteen (15) days following the day of final enactment.

SECTION 18. The Mayor, Controller and City Clerk of the City and all other proper officers of the City are hereby authorized, jointly and severally, to do any and all other things necessary to effectuate the issuance, execution, delivery and sale of the Note, including the execution and delivery of any and all additional documents, representations, declarations, depositary agreements, debt service agreements, control agreements, deposit account control agreements, loan agreements, reimbursement agreements, security agreements, promissory notes, intercreditor agreements, derivative and/or interest rate management agreements, escrow agreements, assignments, financing statements, certificates, authorizations, contracts, agreements, insurance binders and other papers as may be necessary to effectuate any of the foregoing, and such execution and delivery shall be conclusive evidence of the authorization and approval thereof by the City.

SECTION 19. If any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the City that the remainder of this Ordinance shall remain in full force and effect. The City reserves the right to amend this Ordinance or any portion hereof 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 hereof.

SECTION 20. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly hereby are repealed.

SECTION 21. This Ordinance is enacted by the Council of the City under the authority of the Act of the 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 Commonwealth.

SECTION 22. This Ordinance shall be effective in accordance with Section 8003 of the Act.

EXHIBIT A TO ORDINANCE

Maximum Amortization Schedule

CITY OF SCRANTON
TAXABLE SERIES OF 2018

MAXIMUM PARAMETERS

Settle
Dated

12/17/2018
12/17/2018

1	2	3	4	5	6
<u>Date</u>	<u>Principal</u>	<u>Max Rate*</u>	<u>Interest</u>	<u>Semi-Annual Debt Service</u>	<u>Proposed Fiscal Year Debt Service</u>
6/1/2019		9.00	942,590.00	942,590.00	
12/1/2019		9.00	1,034,550.00	1,034,550.00	1,977,140.00
6/1/2020		9.00	1,034,550.00	1,034,550.00	
12/1/2020	5,295,000	9.00	1,034,550.00	6,329,550.00	7,364,100.00
6/1/2021		9.00	796,275.00	796,275.00	
12/1/2021	5,585,000	9.00	796,275.00	6,381,275.00	7,177,550.00
6/1/2022		9.00	544,950.00	544,950.00	
12/1/2022	5,895,000	9.00	544,950.00	6,439,950.00	6,984,900.00
6/1/2023		9.00	279,675.00	279,675.00	
12/1/2023	6,215,000	9.00	279,675.00	6,494,675.00	6,774,350.00
TOTALS	22,990,000		7,288,040.00	30,278,040.00	30,278,040.00

EXHIBIT B TO ORDINANCE

Form of Note

CITY OF SCRANTON
LACKAWANNA COUNTY, PENNSYLVANIA

FEDERALLY TAXABLE GENERAL OBLIGATION NOTE
SERIES OF 2018

\$ _____

Dated: December __, 2018

KNOW ALL MEN BY THESE PRESENTS, that the City of Scranton, Lackawanna County, Pennsylvania (the "City"), a home rule charter city operating under the Home Rule Charter and Optional Plans Law of the Commonwealth of Pennsylvania (the "Commonwealth"), for value received, hereby acknowledges itself indebted and promises to pay to the order of Webster Bank, N.A. (the "Bank" or the "Purchaser"), at 100 Westminister Street, Providence, Rhode Island 02903, or at such other place as the Bank, from time to time, may designate in writing, the principal amount of _____ Dollars (\$ _____) in lawful money of the United States of America, together with interest on the unpaid principal balance of this Note (hereinafter defined), on the terms and conditions described below, as specified, computed and subject to adjustment in accordance with the purchase proposal from the Bank to the City (the "Proposal"). A copy of such Proposal is attached hereto as Exhibit "A", the terms and conditions of which are binding upon the City and are incorporated herein by reference.

Certain Definitions

As used in this Note, the following terms shall have the meanings set forth below:

Adjusted LIBOR Rate: Relative to each LIBOR Interest Period, a rate per annum determined by dividing (x) 30-Day LIBOR for such LIBOR Interest Period by (y) a percentage equal to one hundred percent (100%) minus the LIBOR Reserve Percentage. The Adjusted LIBOR Rate will be deemed to change on each date when there is a change in the LIBOR Reserve Percentage.

Bank Purchase Rate: A per annum variable rate of interest equal to, except as otherwise set forth in this Note, the sum of the Adjusted LIBOR Rate, as determined by the Bank for each LIBOR Interest Period, plus 2.20%.

Business Day: Any day other than a Saturday, a Sunday, a legal holiday or a day on which banking institutions in New York, New York, or any city in which the principal office of the Bank is located are authorized by law or executive order to remain closed and when such term is used to describe a day on which a payment, redemption or repayment is to be made in respect of this Note, any day which is (a) neither a Saturday nor a Sunday nor a legal holiday on which commercial banks are authorized or required to be closed in New York, New York; and (b) a London Banking Day; and when such term is used to describe a day on which an interest

rate determination is to be made in respect of this Note, any day which is a London Banking Day.

Closing Date: The date on which this Note is issued by the City and purchased by the Bank.

Event of Default shall have the meaning set forth herein under the heading "Events of Default".

LIBOR Interest Period:

- (i) initially, the period beginning on (and including) the Closing Date and ending on (and including) the last day of the month in which the closing occurred;
- (ii) thereafter, each period commencing on the first of each month and ending on the last day of such month;
- (iii) provided, however, that
 - (a) if such LIBOR Interest Period would otherwise end on a day which is not a Business Day, such LIBOR Interest Period shall end on the next following Business Day unless such day falls in the next calendar month, in which case such LIBOR Interest Period shall end on the first preceding Business Day; and
 - (b) no LIBOR Interest Period may end later than the next scheduled Purchase Date.

LIBOR Reserve Percentage: Relative to any day of any LIBOR Interest Period, the maximum aggregate (without duplication) of the rates (expressed as a decimal fraction) of reserve requirements (including all basic, emergency, supplemental, marginal and other reserves and taking into account any transitional adjustments or other scheduled changes in reserve requirements) under any regulations of the Board of Governors of the Federal Reserve System (the "Board") or other governmental authority having jurisdiction with respect thereto as issued from time to time and then applicable to assets or liabilities consisting of "Eurocurrency Liabilities", as currently defined in Regulation D of the Board, having a term approximately equal or comparable to such LIBOR Interest Period.

London Banking Day: A day on which dealings in U.S. deposits are transacted in the London interbank market.

Purchase Date: Any Interest Payment Date.

30-Day LIBOR: Relative to any LIBOR Interest Period, the offered rate for deposits of U.S. Dollars for a term coextensive with the designated LIBOR Interest Period which the ICE Benchmark Administration (or any successor administrator of LIBOR rates) fixes as its LIBOR rate as of 11:00 a.m. London Time on the day which is two London Banking Days prior to the beginning of such LIBOR Interest Period. If such day is not a London Banking Day, the 30-Day LIBOR shall be determined on the next preceding day which is a London Banking Day. If for any reason the Bank cannot determine such offered rate fixed by the then current administrator of LIBOR rates, the Bank may, in its sole but reasonable discretion and upon notice to the City,

use an alternative method to select a rate calculated by the Bank to reflect the rate of return the Bank would have expected to receive if LIBOR rates could have been determined.

Calculation of Interest

This Note shall bear interest at the Bank Purchase Rate determined by the Bank for each LIBOR Interest Period. The amount of interest due on this Note shall be determined by the Bank and communicated to the City and the Paying Agent (hereinafter defined) by facsimile no later than 3:30 p.m. (New York City time) on the third Business Day prior to each Interest Payment Date (such communication to set forth the amount of interest due at the then applicable Bank Purchase Rate). After the occurrence and during the continuance of any Event of Default, this Note will, at the option of the Bank, bear interest at a rate per annum (the "Default Rate") which at all times shall be equal to the sum of (i) four percent (4%) per annum plus (ii) the Bank Purchase Rate then payable with respect thereto (but in no event in excess of the maximum rate from time to time permitted by then applicable law). In addition, if the entire amount of any required principal and/or interest payment is not paid on the day the same is due, the City shall pay to the Bank a late fee equal to \$100. The annual interest rate on this Note shall not at any time be more than 9.000%. The Paying Agent shall not be responsible for calculating the Bank Purchase Rate and shall be entitled to conclusively rely on the calculation by the Bank of such rate.

Annual payments of principal of this Note are payable as shown on Exhibit "B" attached hereto and made a part hereof. This Note shall bear interest from the date of issue at an annual rate of interest specified herein on the unpaid principal balance of this Note during the term of this Note. Maximum semi-annual payments of interest on this Note are payable as set forth herein and as shown on Exhibit "B" attached hereto and made a part hereof at the maximum rates as specified on Exhibit "B". Interest on this Note shall be payable semi-annually on each June 1 and December 1, commencing on June 1, 2019, on the unpaid principal balance of this Note. Interest on this Note shall be computed on the basis of a 360-day year and paid for the actual days elapsed.

On December 1, 2023, all principal, accrued, unpaid interest and other amounts evidenced by this Note shall be due and payable in full, without notice or demand.

If the due date for payment of interest on or principal of this Note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or executive order to close, then payment of such interest, principal or redemption price need not be made on such date, but may be made on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day upon which banking institutions in the Commonwealth are authorized by law or executive order to close with the same force and effect as if made on the due date for payment of principal or interest and no interest shall accrue thereon for any period after such due date.

Both principal and interest are payable in such coin or currency as on the respective date of payment thereof and shall be legal tender for the payment of public and private debts, at the office of Community Bank, N.A., as paying agent (the "Paying Agent"), located in Scranton, Pennsylvania.

This Federally Taxable General Obligation Note, Series of 2018 (the "Note") is issued under and pursuant to provisions of the Ordinance enacted by the Council of the City on November __, 2018 (the "Ordinance"). This Note is authorized to be issued under the Local Government Unit Debt Act of the Commonwealth, as reenacted and amended (the "Act"), without the assent of electors, and pursuant to the Ordinance. This Note shall be issued in the principal amount of \$_____ and is subject to provisions and is entitled to the benefit of provisions of the Ordinance. The terms and provisions of the Ordinance are hereby incorporated by reference as if set forth fully herein.

The City has covenanted in the Ordinance, to and with the registered owner(s) hereof, that it (i) shall include the amount of the debt service for this Note, for each fiscal year of the City in which such amounts are payable, in its budget for that fiscal year, (ii) that it shall appropriate such amounts from its general revenues for the payment of such debt service in each such fiscal year, and (iii) that it shall duly and punctually pay or cause to be paid from the sinking fund established under the Ordinance or any other of its revenues or funds the principal amount of this Note and the interest due thereon at the dates and places and in the manner stated therein, according to the true intent and meaning thereof and for such budgeting, appropriation and payment the City has pledged, irrevocably, its full-faith, credit and taxing power.

The City shall have the privilege to prepay the unpaid principal indebtedness of this Note, in whole or in part, at any time, and from time to time, without premium or penalty. Any partial prepayment of principal shall be applied in such order of maturity as selected by the City and shall be accompanied by written instructions as to which installment or installments that the prepayment is to be applied.

This Note does not pledge the credit or taxing power of the Commonwealth; nor shall this Note be deemed an obligation of the Commonwealth; nor shall the Commonwealth be liable for payment of the principal of or interest on this Note.

Deposit Account. The City agrees to deposit with the Bank on the date of delivery of this Note the amount of \$23,000,000. Such funds shall be deposited in a designated account for the City and the City shall maintain investments in such account in an amount equal to at least 75% of the outstanding principal amount of this Note. Failure by the City to continually maintain the required deposit amount and to not replenish such funds to the required level within 90 days of such funds falling below the required level shall constitute an Event of Default under this Note. The investments permitted in such account shall be limited to those authorized under law for funds of the City and the investment of such funds shall be directed in writing by the proper officers of the City.

Reporting. The City agrees to provide to the Bank, (i) not later than 9 months after the end of each fiscal year of the City, audited annual financial statements of the City and statement of debt and compliance with statutory debt limits to the extent included in such audited annual financial statements, (ii) within 60 days of the beginning of each calendar year of the City, the most recent tax roll data that shows the assessed value of real property within the City, (iii) not later than the last day of each calendar year, the annual proposed budget for the succeeding calendar year and the final annual budget approved by the Council of the City, (iv)

not later than 30 days after the end of each fiscal quarter of the City, and at such other times as may be requested by the Bank, a compliance certificate signed by the Business Administrator of the City or other proper officer of the City acceptable to the Bank certifying that the representations and warranties set forth in this Note, the Proposal, or the Ordinance or in any other writing delivered to Bank in connection with this Note are true and correct as of the date of the certificate and that, as of the date of the certificate, no Event of Default exists or would exist with the passage of time or the giving of notice under this Note, the Proposal, or the Ordinance or any other writing delivered to Bank in connection with this Note, and (v) any other financial information or operating reports as reasonably requested by the Bank.

Events of Default. Any of the following events shall constitute an "Event of Default" under this Note:

(a) the nonpayment within three (3) Business Days of when due of any amount payable under this Note or of any amount owed to the Bank with regard to this Note when due, or the failure of the City to observe or perform, after thirty (30) days written notice, any agreement of any nature whatsoever with the Bank, including but not limited to, those contained in the documents executed in connection with the issuance of this Note; provided that such thirty (30) day notice period shall not apply to events which, in the Bank's reasonable judgment, are not capable of being cured within thirty (30) days and the notice so provides but in no event more than ninety (90) days;

(b) if the City becomes insolvent or makes an assignment for the benefit of creditors, or if any petition is filed against the City under any provision of any state or federal law or statute alleging that the City is insolvent or unable to pay its debts as they mature or under any provision of the Federal Bankruptcy Code, and the failure to cause the same to be discharged within ninety (90) days, or the City voluntarily files any petition for such purpose;

(c) the entry of any judgment in excess of \$500,000 against the City or any of the property of the City which remains unsatisfied for forty five (45) days;

(d) the failure of the City to furnish timely to the Bank such financial and other information as the Bank may reasonably request or require;

(e) any representation or warranty contained in this Note, in the Ordinance, or in any other writing delivered to the Bank in connection with this Note is breached or appears to be materially incorrect or untrue;

(f) any breach of any covenant contained in, or any failure to perform or comply with, or any violation of, any provision of, this Note, the Proposal, or the Ordinance or in any other writing delivered to Bank in connection with this Note; or

(g) the City defaults in the payment of any amounts due under any other bond, note, contract, lease or obligation.

Remedies.

(a) At any time after occurrence of an Event of Default, the Bank may, at the Bank's option and sole discretion and without notice or demand, exercise any right or remedy as may be provided in this Note, the Ordinance, any other writing delivered with this Note or which is provided at law or in equity.

(b) The interest rate on the unpaid principal balance of this Note shall accrue at the Default Rate from the date on which an Event of Default occurs until the date on which all defaults are cured or the entire unpaid principal balance and all other sums due under this Note are actually received by the Bank.

Set-Off. After the occurrence and during the continuance of an Event of Default, the City hereby irrevocably authorizes and directs the Bank from time to time to charge the City's accounts and deposits with the Bank and to pay over to the Bank an amount equal to any amounts from time to time due and payable to the Bank hereunder.

In any action under this Note, the Bank may recover all reasonable costs of suit and other expenses in connection with the action, including the cost of any attorneys' fees, paid or incurred by the Bank.

The rights and remedies provided to the Bank in this Note and in the Ordinance, including all warrants of attorney, (a) are not exclusive and are in addition to any other rights and remedies that the Bank may have at law or in equity, (b) shall be cumulative and concurrent, (c) may be pursued singly, successively or together against the City, and/or any of the security at the sole discretion of the Bank, and (d) may be exercised as often as occasion therefor shall arise. The failure to exercise or delay in exercising any such right or remedy shall not be construed as a waiver or release thereof.

The Bank shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by Bank. Such a written waiver signed by the Bank shall waive the Bank's rights and remedies only to the extent specifically stated in such written waiver. A waiver as to one or more particular events or defaults shall not be construed as continuing or as a bar to or waiver of any right or remedy as to another or subsequent event or default.

The Purchaser shall have the right to exercise the remedies set forth in the Act. Any failure by the Purchaser to exercise any right or privilege hereunder shall not be construed as a waiver of the right or privilege to exercise such right or privilege, or to exercise any other right or privilege, at any other time, and from time to time, thereafter.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon or on the Ordinance, against any member, officer or employee, past, present, or future, of the City or of any successor body, as such, either directly or through the City or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Note.

It is hereby certified that the approval of the Department of Community and Economic Development of the Commonwealth for the City to issue and deliver this Note has been duly given pursuant to the Act; that all acts, conditions and things required by the laws of the Commonwealth to exist, to have happened or to have been performed, precedent to or in connection with the issuance of this Note or in the creation of the debt of which this Note is evidence, exist, have happened and have been performed in regular and due form and manner as required by law; that this Note, together with all other indebtedness of the City are within every debt and other limit prescribed by the Constitution and the statutes of the Commonwealth; that the City has established with the Paying Agent, as sinking fund depository, a sinking fund for this Note and shall deposit therein amounts sufficient to pay the principal of and interest on this Note as the same shall become due and payable; and that for the prompt and full payment of all obligations of this Note, the full faith, credit and taxing power of the City are hereby irrevocably pledged.

The City hereby acknowledges and agrees that the Purchaser reserves the absolute right to assign all or any of its interest in this Note or to participate with other lenders in this Note on such terms and at such times as the Purchaser may determine from time to time, all without any consent thereto or notice thereof by or to the City. The Purchaser may disclose all financial, business and other information about the City which the Purchaser may possess at any time to all prospective and actual assignees and participants.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the City of Scranton, Lackawanna County, Pennsylvania, has caused this Note to be signed in its name and on its behalf by the signatures of the Mayor and Controller of the City and its corporate seal to be hereunder affixed, duly attested by the signature of the City Clerk of the City, as of the _____ day of December, 2018.

CITY OF SCRANTON
Lackawanna County, Pennsylvania

(SEAL)

By: _____
Mayor

By: _____
Controller

Attest: _____
City Clerk

APPROVED AS TO FORM:

City Solicitor

Exhibit A to Note

Proposal



The City of Scranton, Pennsylvania
Summary of Terms & Conditions¹
\$22,990,000 General Obligation Loan (Taxable)
(The "Loan/Obligations")

The terms and conditions contained herein are subject to satisfactory completion of due diligence, internal credit approval and such other conditions as may be required by Webster Bank, N.A. and the Webster Public Finance Corporation in its sole discretion. This term sheet is confidential and is not to be relied upon by third parties. Webster Bank, N.A. and the Webster Public Finance Corporation are not registered municipal advisors and cannot provide advice in connection with municipal financial products.

Date:	October 22, 2018
Borrower:	The City of Scranton, Pennsylvania (the "Borrower")
Purchaser:	Webster Bank, N.A. ("Webster", "Lender" or "Purchaser").
Paying Agent:	Community Bank.
Par Amount:	Up to \$22,990,000
Closing:	Settlement will occur on or around December 17, 2018.
Final Maturity:	Scheduled for December 1, 2023.
Purpose:	Proceeds from the Loan will be used to partially fund the Borrower's pension plans.
Tax Status:	The Obligations will not be exempt from Federal and State Income Tax.
Bank Qualification:	The Obligations will not be designated Bank Qualified under IRS Section 265(b)(3) as amended.
Amortization:	The Loan will have an interest only period for one year followed by a four year, amortization period. Interest will be due semiannually on June 1 and December 1, commencing June 1, 2019. Level principal payments will be due annually on December 1 commencing December 1, 2020.
Security:	The Loan will be secured by the General Obligation Pledge of the Borrower and the full faith and credit of the Borrower are pledged to the payment of the principal of and the interest thereon. The Loan will be a valid and binding General Obligation of the Borrower. Unless paid from other sources, the Borrower is authorized and required by law to levy ad valorem taxes without limit as to rate or amount necessary on all taxable property for the payment of the principal of and interest on the Loan.

¹ For discussion purposes only. Does not constitute an offer or agreement to lend.

Legal Opinion:

A Legal Opinion will be provided documenting (i) the validity of the Obligations and (ii) that the Obligations will be legally binding general obligations of the Borrower payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Borrower without limitation as to rate or amount.

Private Placement:

The Obligations are being offered pursuant to private placement. No offering document constituting an "official statement" will be prepared, and the Obligations will be in minimum authorized denominations of \$100,000. The Lender will deliver a certificate to the Borrower and Bond Counsel at Settlement to the effect that the Lender agrees to purchase the Obligations without an official statement and will not reoffer the Obligations for sale or sell the Obligations to more than thirty-five persons each of whom the Borrower reasonably believes: (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment; and (ii) is not purchasing for more than one account or with a view to distributing the Obligations, and shall agree on the foregoing limitations within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.

Rating & Disclosure:

The Obligations will not be rated and no offering document constituting an "official statement" will be prepared.

Interest Rate:

Based upon current market conditions, Webster will provide the Borrower with a variable rate based upon the following:

$$4.486\% = 1 \text{ Month LIBOR} + 220 \text{ bps.}$$

This rate is preliminary and subject to change based upon but not limited to, market conditions, due diligence and final structure.

At no time will the interest rate exceed 9.00%.

Should LIBOR be discontinued or does not reflect the cost of funds for the Lender or for any other reason shall not be available for determining LIBOR, then the Lender shall select a substitute method of determining LIBOR and shall notify the Borrower of such selection, which method shall, in the Lender's estimation, yield a rate of return to the Lender substantially equivalent to the rate of return that the Lender would have expected to receive if LIBOR still had been available.

Other Fees

The Lender will charge no fees for this loan; however the Borrower is responsible for any issuer expenses incurred including, but not limited to bond counsel, Webster's Counsel, verification agent and municipal advisor. Webster intends to use McCarter & English, LLP as Bank Counsel, at a cost to the Borrower not to exceed \$10,000.

Jacqueline Shanes, Partner
McCarter & English, LLP
100 Mulberry St.
Four Gateway Center
Newark, NJ 07102
973-639-7955
jshanes@mccarter.com

Sean Duane, Associate
McCarter & English, LLP
100 Mulberry St.
Four Gateway Center
Newark, NJ 07102
973-639-8499
sduane@mccarter.com

Covenants:

Usual and customary for transactions of this type, including, without limitation, the following: (i) payment of obligations; (ii) compliance with laws; (iii)

maintenance of books and records; (iv) use of proceeds; and (v) such other customary covenants for a transaction of this type. Webster requires that the Borrower submit the following information to the Webster annually:

1. Audited annual financial statements of the Borrower, delivered to the Lender within nine months of the close of the Borrower's fiscal year.
2. Most recent tax roll data that shows the assessed value of the Borrower.
3. Statement of Debt and compliance with statutory debt limits to the extent included in audited annual financial statements of the Borrower.
4. Proposed and approved budgets of the Borrower.

Any other information as Webster may reasonably request.

Deposit and Set Off:

The Borrower will deposit at closing \$23 million and covenant to maintain with Webster, in a designated account permitted investments equal to at least 75% of the outstanding balance of the Loan. Failure ("Failure") to continually maintain the required deposit will constitute an event of default under the loan documents. In the event of such Failure, the City shall have 90 days from the date of such Failure to remedy the Failure.

Compliance Certificates:

At the end of every calendar quarter, and at such other times as may be requested by Webster, Borrower shall provide Webster with a compliance certificate signed by Borrower's chief financial officer or some other officer or person acceptable to Webster. The compliance certificate shall certify that the representations and warranties set forth in the loan documents are true and correct as of the date of the certificate and that, as of the date of the certificate, no event of default exists or would exist with the passage of time or the giving of notice under the loan documents.

Conditions Precedent:

The Closing will be conditioned upon: (i) the negotiation, execution and delivery of definitive documentation in form and substance satisfactory to the Purchaser, (ii) delivery to the Purchaser in form and substance satisfactory to the Purchaser of a standard approving opinion of bond counsel regarding validity and legality of, and security for the Loan, an opinion of Borrower's counsel in customary form, and closing certificates of officials of the Borrower as to the issuance of the Loan, (iii) receipt of satisfactory financial information, budgets, projections, etc. as requested by the Purchaser, and (iv) such other conditions precedent as are customary for a financing of the type contemplated.

Representations and Warranties:

Usual and customary for transactions of this type including, without limitation, the following: (i) legal existence, qualification and power; (ii) due authorization and no contravention of law, contracts or organizational documents; (iii) governmental and third party approvals and consents; (iv) enforceability; (v) accuracy and completeness of specified financial information; (vi) no material litigation; (vii) no default; (viii) compliance with laws; (ix) no bankruptcy or insolvency proceedings; and (x) such other representations and warranties as are customary for a transaction of this type.

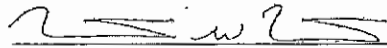
Expiration:

This term sheet will expire November 14, 2018.

IN WITNESS WHEREOF, and acknowledging acceptance and agreement of the foregoing, the Lender and the Borrower affix their signatures hereto on this 22 day of October 2018.

WEBSTER BANK, N.A.

By:



Name:

Matthew Mitchell

Title:

Assistant Vice President

THE CITY OF SCRANTON, PENNSYLVANIA

By:

Name:

Title:

Exhibit B to Note

Maximum Amortization Schedule

CITY OF SCRANTON					
TAXABLE SERIES OF 2018					
MAXIMUM PARAMETERS				Settle	12/17/2018
				Dated	12/17/2018

1	2	3	4	5	6
					Proposed
<u>Date</u>	<u>Principal</u>	<u>Max</u> <u>Rate*</u>	<u>Interest</u>	<u>Semi-Annual</u> <u>Debt Service</u>	<u>Fiscal Year</u> <u>Debt Service</u>
6/1/2019		9.00	942,590.00	942,590.00	
12/1/2019		9.00	1,034,550.00	1,034,550.00	1,977,140.00
6/1/2020		9.00	1,034,550.00	1,034,550.00	
12/1/2020	5,295,000	9.00	1,034,550.00	6,329,550.00	7,364,100.00
6/1/2021		9.00	796,275.00	796,275.00	
12/1/2021	5,585,000	9.00	796,275.00	6,381,275.00	7,177,550.00
6/1/2022		9.00	544,950.00	544,950.00	
12/1/2022	5,895,000	9.00	544,950.00	6,439,950.00	6,984,900.00
6/1/2023		9.00	279,675.00	279,675.00	
12/1/2023	6,215,000	9.00	279,675.00	6,494,675.00	6,774,350.00
TOTALS	22,990,000		7,288,040.00	30,278,040.00	30,278,040.00

EXHIBIT C TO ORDINANCE

Proposal

The City of Scranton, Pennsylvania
Summary of Terms & Conditions¹
\$22,990,000 General Obligation Loan (Taxable)
(The "Loan/Obligations")

The terms and conditions contained herein are subject to satisfactory completion of due diligence, internal credit approval and such other conditions as may be required by Webster Bank, N.A. and the Webster Public Finance Corporation in its sole discretion. This term sheet is confidential and is not to be relied upon by third parties. Webster Bank, N.A. and the Webster Public Finance Corporation are not registered municipal advisors and cannot provide advice in connection with municipal financial products.

Date:	October 22, 2018
Borrower:	The City of Scranton, Pennsylvania (the "Borrower")
Purchaser:	Webster Bank, N.A. ("Webster", "Lender" or "Purchaser").
Paying Agent:	Community Bank.
Par Amount:	Up to \$22,990,000
Closing:	Settlement will occur on or around December 17, 2018.
Final Maturity:	Scheduled for December 1, 2023.
Purpose:	Proceeds from the Loan will be used to partially fund the Borrower's pension plans.
Tax Status:	The Obligations will not be exempt from Federal and State Income Tax.
Bank Qualification:	The Obligations will not be designated Bank Qualified under IRS Section 265(b)(3) as amended.
Amortization:	The Loan will have an interest only period for one year followed by a four year, amortization period. Interest will be due semiannually on June 1 and December 1, commencing June 1, 2019. Level principal payments will be due annually on December 1 commencing December 1, 2020.
Security:	The Loan will be secured by the General Obligation Pledge of the Borrower and the full faith and credit of the Borrower are pledged to the payment of the principal of and the interest thereon. The Loan will be a valid and binding General Obligation of the Borrower. Unless paid from other sources, the Borrower is authorized and required by law to levy ad valorem taxes without limit as to rate or amount necessary on all taxable property for the payment of the principal of and interest on the Loan.

¹ For discussion purposes only. Does not constitute an offer or agreement to lend.

Legal Opinion:

A Legal Opinion will be provided documenting (i) the validity of the Obligations and (ii) that the Obligations will be legally binding general obligations of the Borrower payable as to both principal and interest from ad valorem taxes which may be levied on all taxable property subject to taxation by the Borrower without limitation as to rate or amount.

Private Placement:

The Obligations are being offered pursuant to private placement. No offering document constituting an "official statement" will be prepared, and the Obligations will be in minimum authorized denominations of \$100,000. The Lender will deliver a certificate to the Borrower and Bond Counsel at Settlement to the effect that the Lender agrees to purchase the Obligations without an official statement and will not reoffer the Obligations for sale or sell the Obligations to more than thirty-five persons each of whom the Borrower reasonably believes: (i) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment; and (ii) is not purchasing for more than one account or with a view to distributing the Obligations, and shall agree on the foregoing limitations within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.

Rating & Disclosure:

The Obligations will not be rated and no offering document constituting an "official statement" will be prepared.

Interest Rate:

Based upon current market conditions, Webster will provide the Borrower with a variable rate based upon the following:

$$4.486\% = 1 \text{ Month LIBOR} + 220 \text{ bps.}$$

This rate is preliminary and subject to change based upon but not limited to, market conditions, due diligence and final structure.

At no time will the interest rate exceed 9.00%.

Should LIBOR be discontinued or does not reflect the cost of funds for the Lender or for any other reason shall not be available for determining LIBOR, then the Lender shall select a substitute method of determining LIBOR and shall notify the Borrower of such selection, which method shall, in the Lender's estimation, yield a rate of return to the Lender substantially equivalent to the rate of return that the Lender would have expected to receive if LIBOR still had been available.

Other Fees

The Lender will charge no fees for this loan; however the Borrower is responsible for any issuer expenses incurred including, but not limited to bond counsel, Webster's Counsel, verification agent and municipal advisor. Webster intends to use McCarter & English, LLP as Bank Counsel, at a cost to the Borrower not to exceed \$10,000.

Jacqueline Shanes, Partner
McCarter & English, LLP
100 Mulberry St.
Four Gateway Center
Newark, NJ 07102
973-639-7955
jshanes@mccarter.com

Sean Duane, Associate
McCarter & English, LLP
100 Mulberry St.
Four Gateway Center
Newark, NJ 07102
973-639-8499
sduane@mccarter.com

Covenants:

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WEBSTER BANK, N.A.

By:



Name:

Matthew Mitchell

Title:

Assistant Vice President

THE CITY OF SCRANTON, PENNSYLVANIA

By:

Name:

Title:



DEPARTMENT OF LAW

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

RECEIVED
OCT 23 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

October 23, 2018

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

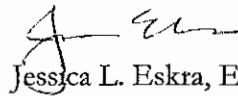
Dear Honorable Council Members:

ATTACHED IS AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCRANTON, LACKAWANNA COUNTY, PENNSYLVANIA, SETTING FORTH ITS INTENT TO ISSUE ITS FEDERALLY TAXABLE GENERAL OBLIGATION NOTE, SERIES OF 2018 (THE "NOTE") IN A PRINCIPAL AMOUNT NOT TO EXCEED TWENTY-TWO MILLION NINE HUNDRED NINETY THOUSAND DOLLARS (\$22,990,000) PURSUANT TO THE ACT OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF PENNSYLVANIA, 53 PA.C.S. CHAPTERS 80-82, AS AMENDED, REENACTED AND SUPPLEMENTED, KNOWN AS THE LOCAL GOVERNMENT UNIT DEBT ACT (THE "ACT"); FINDING THAT A PRIVATE SALE BY NEGOTIATION IS IN THE BEST FINANCIAL INTERESTS OF THE CITY; DETERMINING THAT SUCH NOTE SHALL EVIDENCE NONELECTORAL DEBT OF THE CITY; SPECIFYING THAT SUCH INDEBTEDNESS IS TO BE INCURRED TO PROVIDE FUNDS TO FINANCE A PROJECT OF THE CITY WHICH CONSISTS OF, AMONG OTHER THINGS: (1) FUNDING ALL OR A PORTION OF THE CITY'S UNFUNDED ACTUARIAL ACCRUED PENSION LIABILITY; AND (2) PAYING THE COSTS AND EXPENSES OF ISSUANCE OF THE NOTE; SETTING FORTH THE REASONABLE ESTIMATED USEFUL LIFE OF THE PROJECT TO BE FINANCED BY THE NOTE; ACCEPTING A PROPOSAL FOR THE PURCHASE OF SUCH NOTE AT PRIVATE SALE BY NEGOTIATION; PROVIDING THAT SUCH NOTE, WHEN ISSUED, SHALL CONSTITUTE A GENERAL OBLIGATION OF THE CITY; FIXING THE DENOMINATION, DATED DATE, INTEREST PAYMENT DATES, INTEREST RATE, REDEMPTION PROVISIONS AND PLACE OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH NOTE; AUTHORIZING SPECIFIED OFFICERS OF THE CITY TO CONTRACT WITH THE PAYING AGENT FOR ITS SERVICES IN CONNECTION WITH THE NOTE; SETTING FORTH THE SUBSTANTIAL FORM OF THE NOTE EVIDENCING THE DEBT; AUTHORIZING EXECUTION AND ATTESTATION OF SUCH NOTE; PROVIDING COVENANTS RELATED TO DEBT SERVICE APPLICABLE TO SUCH NOTE TO THE EXTENT REQUIRED BY THE ACT AND PLEDGING THE FULL FAITH, CREDIT AND

TAXING POWER OF THE CITY IN SUPPORT THEREOF; CREATING A SINKING FUND IN CONNECTION WITH SUCH NOTE, TO THE EXTENT REQUIRED BY THE ACT; DESIGNATING THE PAYING AGENT TO BE THE SINKING FUND DEPOSITARY; PROVIDING A COVENANT TO INSURE PROMPT AND FULL PAYMENT FOR SUCH NOTE WHEN DUE; SETTING FORTH REGISTRATION AND TRANSFER PROVISIONS WITH RESPECT TO SUCH NOTE; AUTHORIZING THE EXECUTION OF ONE OR MORE INVESTMENT AGREEMENTS BY SPECIFIED OFFICERS OF THE CITY (IF APPLICABLE) AND THE PURCHASE OF CERTAIN U.S. TREASURY OBLIGATIONS OR ANY OTHER SECURITIES OR INVESTMENTS IN CONNECTION WITH THE PROJECT; AUTHORIZING AND DIRECTING SPECIFIED OFFICERS OF THE CITY TO DO, TO TAKE AND TO PERFORM CERTAIN SPECIFIED, REQUIRED, NECESSARY OR APPROPRIATE ACTS TO EFFECT THE ISSUANCE OF THE NOTE, INCLUDING, WITHOUT LIMITATION, THE PREPARATION OF A DEBT STATEMENT AND BORROWING BASE CERTIFICATE, AND THE FILING OF SPECIFIED DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT, ALL AS REQUIRED BY THE ACT; DECLARING THAT THE DEBT TO BE EVIDENCED BY SUCH NOTE, TOGETHER WITH ALL OTHER INDEBTEDNESS OF THE CITY, WILL NOT BE IN EXCESS OF ANY APPLICABLE LIMITATION IMPOSED BY THE ACT; AUTHORIZING PROPER OFFICERS OF THE CITY TO DELIVER THE NOTE UPON THE APPROVAL OF THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT; PROVIDING WHEN THIS ORDINANCE SHALL BECOME EFFECTIVE; PROVIDING FOR SEVERABILITY OF PROVISIONS; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES INsofar AS THE SAME SHALL BE INCONSISTENT HERewith.

I AM REQUESTING THAT COUNCIL SUSPEND ITS RULES AND CONSIDER THE FINAL READING OF THIS ORDINANCE IN TWO (2) WEEKS WITH THE VOTE OCCURING ON NOVEMBER 5TH AS THIS IS A TIME SENSITIVE TRANSACTION AND VETERANS DAY ON MONDAY, NOVEMBER 12TH.

Respectfully,


Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

FILE OF THE COUNCIL NO. ____, 2018

AN ORDINANCE

AUTHORIZING THE ISSUANCE OF A TAX AND REVENUE ANTICIPATION NOTE, SERIES OF 2019 IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$12,750,000; PROVIDING FOR THE DATED DATE, INTEREST RATE, MATURITY DATE, REDEMPTION PROVISIONS, PAYMENT AND PLACE OF PAYMENT IN RESPECT OF THE NOTE; ACCEPTING THE PROPOSAL ATTACHED HERETO AS EXHIBIT "B" FROM THE FINANCIAL INSTITUTION NAMED THEREIN FOR THE PURCHASE OF THE NOTE; NAMING A SINKING FUND DEPOSITARY/PAYING AGENT; AUTHORIZING THE PROPER OFFICERS OF THE CITY TO EXECUTE AND DELIVER THE NOTE AND CERTAIN OTHER DOCUMENTS AND CERTIFICATES IN CONNECTION THEREWITH; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE NECESSARY DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA; SETTING FORTH A FORM OF THE NOTE.

WHEREAS, the City of Scranton, Lackawanna County, Pennsylvania (the "City"), is a home rule charter city operating under the Home Rule Charter and Optional Plans Law of the Commonwealth of Pennsylvania (the "Commonwealth"); and

WHEREAS, the City anticipates receiving taxes and other revenues during the fiscal year ending December 31, 2019, which taxes and other revenues are currently uncollected; and

WHEREAS, the City has estimated, on a monthly basis, its expected taxes, revenues and expenditures for the fiscal year ending December 31, 2019, and has determined that during a portion of such fiscal year it will experience a "cumulative cash flow deficit" as such phrase is defined in the regulations promulgated under Sections 103 and 148 of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the City has determined to borrow monies for the purpose of funding, in part, such cumulative cash flow deficit by issuing a note to be repaid from the anticipated taxes and revenues, all in accordance with the Local Government Unit Debt Act of the Commonwealth of Pennsylvania, Act 53 Pa.C.S., Chapters 80-82, as reenacted and amended (the "Debt Act"); and

WHEREAS, the City has received an acceptable proposal for the purchase of its Tax and Revenue Anticipation Note as hereinafter described; and

WHEREAS, as required by Section 8126 of the Debt Act, officials of the City have heretofore made an estimate of the taxes and revenues to be received during such fiscal year ending December 31, 2019 and, by their execution of a certificate with respect thereto dated this date, have certified to such estimate.

NOW, THEREFORE, BE IT ORDAINED by the Council (the "Council") of the City of Scranton, Lackawanna County, Pennsylvania, as follows:

Section 1. For the reasons and purposes recited above, the City hereby exercises its power and authority to borrow money and authorizes the issuance and sale of its Tax and Revenue Anticipation Note, Series of 2019, in the principal amount not to exceed \$12,750,000 (the "Note") in anticipation of the receipt of current taxes and revenues during the fiscal year ending December 31, 2019, such Note to be issued, sold and delivered as hereinafter provided.

Section 2. The Mayor, the Controller and the City Clerk of the City, or any duly appointed successor to any thereof, as the case may be, are hereby authorized and directed, in the name and on behalf of the City, to prepare and file with the Department of Community and Economic Development of the Commonwealth of Pennsylvania a certified copy of this Ordinance, a certificate setting forth the taxes and revenues remaining to be collected in the fiscal year ending

December 31, 2019 and a true copy of the accepted Proposal (hereinafter defined) for the purchase of the Note, all as set forth in and required by Section 8128 of the Debt Act. The Mayor, the Controller and the City Clerk of the City are also hereby authorized and directed, in the name and on behalf of the City, to prepare and verify a certificate, in accordance with Sections 103 and 148 of the Code and the regulations applicable thereto, setting forth the anticipated use of the proceeds, to prepare and deliver to the Purchaser (hereinafter defined) of the Note the certificate required by Section 8127 of the Debt Act relating to the total amount of the City's tax and revenue anticipation notes outstanding on the date of delivery of the Note, and to take any and all other action, and to execute and deliver any and all other documents and instruments, as may be necessary, proper or desirable to effect the issuance and sale of the Note as contemplated herein. The certification made on the date of enactment of this Ordinance by the aforementioned officials of the City, relating to the amount of taxes and other revenues remaining to be collected by the City in the fiscal year ending December 31, 2019, is hereby ratified and approved.

Section 3. The Note shall be designated "City of Scranton, Lackawanna County, Pennsylvania, Tax and Revenue Anticipation Note, Series of 2019," or such other name or designation as shall be selected by the Mayor of the City upon delivery of the definitive Note in accordance with this Ordinance, shall be in registered form, without coupons, shall be dated the date of issuance, and shall be in such denominations, shall be subject to such redemption, and shall bear interest from the date of delivery until maturity at the rate of interest all as set forth in the Proposal, shall mature on or before December 31, 2019 as set forth in the Proposal, and shall be payable as to principal and interest at the place and in the manner and be otherwise in substantially the form set forth in the form of Note attached as Exhibit "A" hereto and the Proposal attached as Exhibit "B" hereto.

Section 4. The Note shall be executed in the name and on behalf of the City by the true or facsimile signatures of the Mayor and Controller of the City, or, if applicable, their duly qualified respective successors, and the true or facsimile official seal of the City shall be affixed thereunto, duly attested by the true or facsimile signature of the City Clerk of the City. Said officers are authorized and directed to execute and attest the Note. The execution and delivery of the Note in accordance with Section 3 hereof and this Section 4 shall constitute conclusive proof of the approval of the final terms and provisions of the Note by the City.

Section 5. The Note shall be general credit obligations of the City, and, together with any other tax and revenue anticipation notes issued, or to be issued, by the City during the City's fiscal year ending on December 31, 2019, shall, upon issuance thereof, be equally and ratably secured by a pledge of, security interest in, and a lien and charge on, the taxes and other revenues to be received by the City during the period when the Note is outstanding; and the Mayor and Controller of the City, attested by the City Clerk, are hereby authorized and directed to prepare and file, or to have filed, such financing statements as may be necessary to fully perfect such pledge, security interest, lien and charge pursuant to the Pennsylvania Uniform Commercial Code and Section 8125 of the Debt Act. The City covenants and agrees that any additional tax and revenue anticipation notes issued by the City after the date of issuance of the Note and while the Note is still outstanding shall mature on a date after the final maturity date of the Note.

Section 6. The City covenants that it will make no use of the proceeds of such issue or do or suffer any other action which, if such use or action had been reasonably expected on the date of issue of the Note, would cause the Note to be an "arbitrage bond" or "private activity bond" as those terms are defined in Section 148 and Section 141 of the Code and the applicable regulations thereunder. The City further covenants that it will comply with the requirements of such Section 148 and Section 141 and with the regulations thereunder throughout the term of the Note. In addition, the Mayor and Controller of the City, being the officials responsible for issuing the Note, attested by the City Clerk of the City, are hereby authorized and directed to execute and deliver, in the name and on behalf of the City, any and all documents or other instruments which Bond Counsel may reasonably request in connection with the providing of its opinion that the Note is not an "arbitrage bond" or "private activity bond" within the meanings of Section 148 and Section 141 of the Code and the regulations promulgated thereunder, including, without limitation, a certificate dated the date of issuance and delivery of the Note, which certificate shall set forth the reasonable expectations of the City as to the amount and use of the proceeds of the Note.

Section 7. The proposal of the lender identified therein, presented to the Council is attached hereto as Exhibit "B", or such other proposal and lender, and with such other terms and provisions, as may be selected by the Mayor of the City (such proposal selected in accordance with this Section 7 being hereinafter referred to as the "Proposal" and such lender selected in accordance with this Section 7 being hereinafter referred to as the "Purchaser"), is hereby accepted and the Note is hereby awarded to the Purchaser at a private sale for the purchase price of 100% of the par amount of the Note issued. The terms of the Proposal are incorporated herein by reference with the same effect as if set forth in full at this place. The Mayor and Controller, attested by the City Clerk, are hereby authorized and directed to, accept the Proposal, in the name of and on behalf of the City, by executing the City's acceptance on an original copy of the Proposal, to deliver a copy of the same to the Purchaser and to file the original with the records of the City. The Mayor and Controller are hereby authorized to deliver the Note to the Purchaser upon receipt of the full principal amount of the purchase price for the Note and upon compliance with all conditions precedent to such delivery as required by the Debt Act, this Ordinance and the Proposal; and the Mayor and Controller, attested by the City Clerk, is hereby authorized and directed to prepare, verify and deliver to the Purchaser concurrently with the delivery of the Note, the certificate required by Section 8127 of the Debt Act, a copy of which certificate shall be retained with the records of the City until all tax and revenue anticipation notes issued by the City during the fiscal year ending on December 31, 2019, shall have been paid in full.

Section 8. The Note shall be in substantially the form set forth in Exhibit "A" hereto. The form of the Note as submitted to the City are hereby approved in substantially such form, with such changes, insertions and variations as are necessary or appropriate to reflect the final terms, including, but not limited to, series designation, interest rates, principal amounts, denominations, registered owner, the name or designation and redemption provisions, of the Note as specified to the City in the delivery instructions of the Purchaser and such other changes as the Mayor of the City may approve upon advice of the Solicitor to the City, such approval to be evidenced by such officer's execution and delivery of the Note.

Section 9. The Mayor and Controller of the City is hereby authorized, empowered and directed to contract with Community Bank, N.A., Scranton, Pennsylvania, as paying agent, or such other paying agent, which shall be a bank or bank and trust company authorized to do business in the Commonwealth, as may be selected by the Mayor of the City upon delivery of the Note in accordance with this Ordinance (any such paying agent selected in accordance with this Section 9 being hereinafter referred to as the "Paying Agent"), for its services as paying agent and sinking fund depository in accordance with the terms and conditions of the Proposal, this Ordinance and the Act. Payment of the principal of and interest on the Note shall be made, when due, in accordance with the provisions of the Note, at the corporate trust office of the Paying Agent in lawful money of the United States of America. The Controller or other proper officer is hereby authorized and directed to make deposits to the sinking fund to be held for the payment of principal and interest on the Note as set forth in the Note and the Proposal.

Thereafter, the Paying Agent shall, without further authorization or direction from the City or any of its officials, withdraw moneys from the sinking fund and apply such moneys to the payment of principal and interest then due on the Note.

Section 10. Stevens & Lee, P.C., Scranton, Pennsylvania, is hereby appointed Bond Counsel in connection with the issuance and sale of the Note, PFM Financial Advisors LLC to act as Financial Advisor to the City, Amil Minora, Esquire, counsel to City Council, and Jessica Eskra, Esquire, City Solicitor, and any other professionals, as necessary or appropriate, in connection with the purposes of and to facilitate the intent of this Ordinance as the Mayor of the City may appoint.

Section 11. All expenses incurred in connection with issuance of the Note shall be paid out of the proceeds derived from the issuance of the Note or from other available funds of the City and the Mayor of the City is authorized to approve requests for payment of such expenses and to pay or direct the payment of such expenses.

Section 12. The Mayor, Controller and City Clerk of the City and all other proper officers of the City are hereby authorized, jointly and severally, to do any and all other things

necessary to effectuate the issuance, execution, delivery and sale of the Note, including the execution and delivery of any and all additional documents, representations, declarations, depositary agreements, debt service agreements, control agreements, deposit account control agreements, loan agreements, reimbursement agreements, security agreements, promissory notes, intercreditor agreements, derivative and/or interest rate management agreements, escrow agreements, assignments, financing statements, certificates, authorizations, contracts, agreements, insurance binders and other papers as may be necessary to effectuate any of the foregoing, and such execution and delivery shall be conclusive evidence of the authorization and approval thereof by the City.

Section 13. If any provision, section, sentence, clause or part of this Ordinance shall be held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect or impair any remaining provision, section, sentence, clause or part of this Ordinance, it being the intent of the City that the remainder of this Ordinance shall remain in full force and effect. The City reserves the right to amend this Ordinance or any portion hereof 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 hereof.

Section 14. This Ordinance shall become effective immediately upon approval.

Section 15. All ordinances or parts of ordinances, insofar as the same shall be inconsistent herewith, shall be and the same expressly hereby are repealed.

Section 16. This Ordinance is enacted by the Council of the City under the authority of the Act of the 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 Commonwealth.

EXHIBIT "A" TO ORDINANCE

[Form of Note]

R-__

\$_____

CITY OF SCRANTON, LACKAWANNA COUNTY, PENNSYLVANIA
TAX AND REVENUE ANTICIPATION NOTE, SERIES OF 2019

KNOW ALL MEN BY THESE PRESENTS, that the City of Scranton, Lackawanna County, Pennsylvania (the "City"), a city existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth"), for value received, hereby promises to pay to the order of Manufacturers and Traders Trust Company (the "Bank" or "Purchaser"), the sum of Twelve Million Seven Hundred Fifty Thousand Dollars (\$12,750,000) on the 31st day of December, 2019, together with interest on said sum from the 2nd day of January, 2019 until maturity at the rate of three and sixty-five hundredths percent (3.650%) per annum, computed on the basis of a 360-day year of twelve 30 day months. Interest on the Note is payable at maturity, or if redeemed prior to maturity, on the date of redemption. Both the principal of and interest on this Note shall be payable in such coin or currency as at the place and at the time of payment shall be legal tender for the payment of public and private debts in the United States (or by instrument payable in immediately available legal tender as aforesaid), upon presentation and surrender hereof at the principal office of Community Bank, N.A. (the "Paying Agent") in Scranton, Pennsylvania.

Whenever the due date for payment of interest on or principal of the Note or the date fixed for redemption of any Note shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the Commonwealth are authorized by law or executive order to remain closed, then payment of such interest, principal, or redemption price need not be made on such date, but may be made on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day upon which banks are authorized by law or executive order to remain closed, with the same force and effect as if made on the due date for payment of principal, interest or redemption price and no interest shall accrue thereon for any period after such due date.

This Tax and Revenue Anticipation Note, Series of 2019, authorized and issued in the aggregate principal amount of Twelve Million Seven Hundred Fifty Thousand Dollars (\$12,750,000) (the "Note") in accordance with the provisions of the Local Government Unit Debt Act of the Commonwealth of Pennsylvania (the "Act"), and pursuant to an Ordinance enacted on November 19, 2018 by the Council of the City (the "Ordinance"). Reference is made to the Act and the Ordinance for a complete statement of the rights and limitations of rights of the holder of the Note, to all of which the holder hereof by acceptance of this Note assents. The terms and provisions of the Ordinance are hereby incorporated by reference as if set forth fully herein.

Upon any taxing authority's final decree or judgment that: (i) this Note is an arbitrage bond; or (ii) the interest on this Note is not excluded from gross income of the Bank for

purposes of federal income taxation, the interest rate on this Note shall be reset to the Bank's taxable equivalent rate (the "Taxable Rate") as determined by the Bank, effective as of the date of the taxing authority's final decree or judgment. The City shall pay the Bank the difference between (i) the interest that would have been paid on this Note had the interest been set at the Taxable Rate as of the date of the taxing authority's final decree or judgment; and (ii) the interest actually paid under this Note. In addition, the City shall pay all taxes, interest, and penalties assessed to the Bank by any taxing authority with respect to this Note's tax status.

The Authority shall pay to the Bank a late charge for any payment of principal and/or interest not received by the Bank within fifteen (15) days of the due date in an amount equal to five percent (5.00%) of the amount of the delinquent installment of principal and/or interest or \$10.00, whichever is greater. The delinquency charge shall be paid promptly but only once for each delinquent payment.

Upon the occurrence of an Event of Default (as described herein), the City shall pay interest on the unpaid principal balance of this Note at the Default Rate.

For purposes hereof, the following terms shall have the following meanings:

"Default" means any Event of Default, and any event which with the passage of time or notice, or both, would become an Event of Default.

"Default Rate" means a rate per annum equal to the interest rate as then in effect on this Note plus 5.00%.

"Event of Default" shall have the meaning set forth herein under the heading "Events of Default".

This Note is issued under and in accordance with the Act, for the purpose of providing funds for current expenses payable in the current fiscal year in anticipation of the receipt of taxes and other revenues by the City from the date of original delivery of the Note to the stated maturity date thereof.

The City has pledged and granted (equally and ratably with all other tax and revenue anticipation notes issued by the City for the City's 2019 fiscal year) to the Paying Agent, for the benefit of the holder of the Note, a lien on, and security interest in, its taxes and revenues to be received by the City during the period when this Note is outstanding in order to secure the payment of the principal indebtedness evidenced hereby and the interest hereon, all as more fully set forth in the Debt Service Agreement, dated the date hereof (the "Debt Service Agreement"), between the City and the Paying Agent, the Continuing General Security Agreement, dated the date hereof (the "Security Agreement"), between the City and the Paying Agent, and the Deposit Account Control Agreement, dated the date hereof (the "Control Agreement" and together with the Debt Service Agreement and the Security Agreement, the "Note Security Agreements"),

between the City and the Paying Agent. Such pledge, security interest, and lien are enforceable in the manner provided by the Act and the Note Security Agreements.

In the Ordinance, the City has covenanted that it will make no use of the proceeds of the Note, or do or suffer any other action, which, if such use or action had been reasonably expected on the date of issuance of the Note, would cause the Note to be an "arbitrage bond" or "private activity bond" as those terms are defined in Section 148 and Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations thereunder.

The City shall have the privilege, at any time, and from time to time, to prepay the unpaid principal balance of this Note, in whole or in part, without premium or penalty.

The City covenants that it will deposit in the sinking fund for the Note established by the Ordinance with the Paying Agent the taxes and other revenues collected in amounts which will be sufficient to pay the principal of and interest on all Note issued pursuant to the Ordinance as and when the same shall become due and payable, and such sinking fund shall be applied exclusively to such purpose.

The City agrees to provide to the Bank, (i) not later than 180 days after the end of each fiscal year of the City, financial statements of the City, and (ii) any other financial information or operating reports as reasonably requested by the Bank.

The City covenants and agrees with the Bank that it maintain a deposit relationship with the Bank during the term of this Note.

Events of Default. Any of the following events shall constitute an "Event of Default" under this Note:

(a) the nonpayment when due, after ten (10) days written notice or oral notice followed by written confirmation, of any amount payable under this Note or of any amount owed to the Bank with regard to this Note when due, or the failure of the City to observe or perform, after thirty (30) days written notice, any agreement of any nature whatsoever with the Bank, including but not limited to, those contained in the documents executed in connection with the issuance of this Note; provided that such thirty (30) day notice period shall not apply to events which, in the Bank's reasonable judgment, are not capable of being cured within thirty (30) days and the notice so provides;

(b) if the City becomes insolvent or makes an assignment for the benefit of creditors, or if any petition is filed against the City under any provision of any state or federal law or statute alleging that the City is insolvent or unable to pay its debts as they mature or under any provision of the Federal Bankruptcy Code, and the failure to cause the same to be discharged within ninety (90) days, or the City voluntarily files any petition for such purpose;

(c) the entry of any judgment in excess of \$500,000 against the City or any of the property of the City which remains unsatisfied for forty five (45) days;

(d) if any information or signature furnished to the Bank by the City at any time in connection with this Note is false or incorrect; or

(e) the failure of the City to furnish timely to the Bank such financial and other information as the Bank may reasonably request or require; and

(f) the City defaults in the payment of any amounts due under any other bond, note, contract, lease or obligation.

Remedies.

(a) At any time after occurrence of an Event of Default, the Bank may, at the Bank's option and sole discretion and without notice or demand, exercise any right or remedy as may be provided in this Note, the Ordinance, any other writing delivered with this Note or which is provided at law or in equity.

(b) The interest rate on the unpaid principal balance of this Note shall accrue at the Default Rate from the date on which an Event of Default occurs until the date on which all defaults are cured or the entire unpaid principal balance and all other sums due under this Note are actually received by the Bank.

In any action under this Note, the Bank may recover all reasonable costs of suit and other expenses in connection with the action, including the cost of any attorneys' fees, paid or incurred by the Bank.

The rights and remedies provided to the Bank in this Note and in the Ordinance, including all warrants of attorney, (a) are not exclusive and are in addition to any other rights and remedies that the Bank may have at law or in equity, (b) shall be cumulative and concurrent, (c) may be pursued singly, successively or together against the City, and/or any of the security at the sole discretion of the Bank, and (d) may be exercised as often as occasion therefor shall arise. The failure to exercise or delay in exercising any such right or remedy shall not be construed as a waiver or release thereof.

The Bank shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by Bank. Such a written waiver signed by the Bank shall waive the Bank's rights and remedies only to the extent specifically stated in such written waiver. A waiver as to one or more particular events or defaults shall not be construed as continuing or as a bar to or waiver of any right or remedy as to another or subsequent event or default.

The Purchaser shall have the right to exercise the remedies set forth in the Act. Any failure by the Purchaser to exercise any right or privilege hereunder shall not be construed as a waiver of the right or privilege to exercise such right or privilege, or to exercise any other right or privilege, at any other time, and from time to time, thereafter.

No recourse shall be had for the payment of the principal of or interest on this Note, or for any claim based hereon or on the Ordinance, against any member, officer or employee, past, present, or future, of the City or of any successor body, as such, either directly or through the City or any such successor body, under any constitutional provision, statute or rule of law, or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise, and all such liability of such members, officers or employees is released as a condition of and as consideration for the issuance of this Note.

All acts, conditions and things required to be done or performed precedent to and in the issuance of this Note or in the creation of the obligation of which this Note is evidence have been done and performed as required by law.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the City of Scranton, Lackawanna County, Pennsylvania, has caused this Note to be signed in its name and on its behalf by the signatures of the Mayor and Controller of the City and its corporate seal to be hereunder affixed, duly attested by the signature of the City Clerk of the City, as of the 2nd day of January, 2019.

CITY OF SCRANTON
Lackawanna County, Pennsylvania

(SEAL)

By: _____
Mayor

By: _____
Controller

Attest: _____
City Clerk

APPROVED AS TO FORM:

City Solicitor

(END OF NOTE FORM)

EXHIBIT “B” TO ORDINANCE

Proposal



Manufacturers and Traders Trust Company
Government Banking
15 South Franklin Street, 7th Floor
Wilkes Barre, PA 18701
(570) 821-7156 Fax (570) 821-8639
Email: rmcgowan@mtb.com
Ryan McGowan, Vice President

October 22, 2018

Dave Bulzoni
Business Administrator
City of Scranton
340 North Washington Ave.
Scranton, PA 18509

RE: 2019 Tax and Revenue Anticipation Note

Dear Mr. Bulzoni:

Thank you for allowing M&T Bank (the "Bank") the opportunity to provide you a quote for the 2019 Tax and Revenue Anticipation Note for the City of Scranton (the "Borrower").

The attached summary includes only a brief description of the principal terms of the proposed financing.

The definitive terms of the proposed Credit Facilities will be more fully evidenced in commitment letter and additional loan documentation including, but not limited to, a Note together with the other agreements, instruments, certificates and documents that M&T Bank may otherwise require.

The settlement of the proposed Credit Facilities is subject to several conditions. After receiving the City's concurrence, the Bank will seek internal credit approval of the transaction. Upon Bank approval, definitive Note Documents will be prepared. This letter is subject to the statutory and other requirements by which M&T Bank is governed.

1) Amount of Note
For up to \$12,750,000

2) Term of Note
Funding-January 2, 2019
Maturity-On or before December 31, 2019

3) Type of Note
Tax and Revenue Anticipation Note-Tax-Exempt, Bank Qualified

4) Purpose
To provide cash flow relief for the City of Scranton during the early parts of 2019.

5) Rate of Interest Per Annum
The Note shall (subject to the following terms) bear interest on the outstanding principal balance at a tax-exempt rate on a 360-day basis. The interest rate will be equal to the non-bank qualified tax-exempt equivalent fixed rate of the 12 month LIBOR Rate (2.281%) plus 1.369%. Therefore, the fixed interest rate will be 3.650% for the entire duration of the note.

If an Event of Default occurs, the interest rate on the unpaid principal shall immediately be automatically increased to five (5) percentage points per year above the otherwise applicable rate per year, and any judgment entered hereon or otherwise in connection with any suit to collect amounts due hereunder shall bear interest at such default rate.

If interest payable on the note is determined at any point during the term of the loan to not be "Tax-Exempt" or it is determined that the note served as an arbitrage note under Federal Law, the note will reset to its taxable equivalent rate, and the Borrower will pay to the bank the difference between the amount of interest which the bank should have received at the "Taxable Rate" and the actual amount of interest paid. The Borrower will also pay any and all interest and penalties assessed.

6) Repayment Terms

The Borrower will continue to designate Earned Income Tax Collector, Berkeheimer, to remit each business day all of the Earned Income Tax revenues received during the period January 2, 2019 through December 31, 2019 or thereafter until the obligations under the Note are paid in full. Berkeheimer during the term of this Agreement shall remit to the Debt Service Account to be established by the Borrower with the Paying Agent (Community Bank, NA) during the entire duration of the Note.

The Borrower will send sixty percent (60%) of the Earned Income Tax Revenue funds by wire transfer to the Sinking Fund established under the Sinking Fund Agreement and held by the Paying Agent on a daily basis and use a portion to pay down the TRAN by no later than the 5th of every month beginning on March 5, 2019 and continue until the 2019 Tax and Revenue Anticipation Note is paid in full.

7) Security

The Note shall be general credit obligations of the City, and, together with any other tax and revenue anticipation notes issued, or to be issued, by the City during the City's fiscal year ending on December 31, 2019, shall, upon issuance thereof, be equally and ratably secured by a pledge of, security interest in, and a lien and charge on, the taxes and other revenues to be received by the City during the period when the Note is outstanding.

8) Covenants

The Borrower will be required to submit to the bank its financial reports within 180 days from the close of the borrower's fiscal year.

The borrower shall have delivered to M&T Bank, sufficiently in advance of closing, all documentation and other information required by M&T Bank in accordance with all applicable banking laws and regulations in effect from time to time, including, without limitation, the USA PATRIOT Act. Any failure by Borrower or any necessary third party to deliver to M&T Bank, in a timely manner, any material information requested, or any misrepresentation or inaccuracy with respect to any such information received, or if M&T's Bank due diligence reveals that opening the accounts contemplated herein would potentially violate M&T's Bank regulatory compliance policies or applicable law, shall permit M&T Bank, in its sole discretion, to withdraw and/or cancel this financing proposal/offer without liability, and retain all fees.

9) Conditions

The Borrower will provide the approved 2019 budget in a timely fashion to M&T Bank. Any questions or concerns M&T Bank has with the 2019 budget will be addressed prior to the closing.

The Borrower will provide verification the 2018 Tax and Revenue Anticipation is paid in full prior to closing on the 2019 Tax and Revenue Anticipation Note.

10) Deposit Relationship

The Borrower shall agree to maintain a depository account with the Bank while the note is outstanding.

11) Prepayment Privileges

Borrower will have the option to prepay any portion of the outstanding principal of the note outstanding at any time without penalty.

12) Fees and Expenses

The standard review fee will be \$50,000.00 for this financing for the necessary legal documentation associated with the borrowing.

If closing does not take place, all costs and expenses shall be payable upon demand. The borrower agrees to indemnify the bank against any and all claims, which may be incurred in connection with this borrowing.

13) Preparation of Documents

The bank shall be listed as "**Manufacturers and Traders Trust Company**" in all documentation prepared by the borrower's legal counsel and have the following delivered to the Bank at least seven days prior to closing for document review:

- Original Executed Commitment Letter
- Original Executed Tax and Revenue Anticipation Note
- Original Executed Authorizing Resolution
- Original Executed Secretary's Certificate
- Certification of Tax and Revenue to be collected during the term of the note
- Original Executed Legal Opinion Letter as noted
- Internal Revenue Service Form 8038G as required
- Evidence of appropriate DCED filing

14) Acceptance to Advance

The above terms and conditions are intended to serve as an outline which may be negotiated and is intended for discussion purposes.

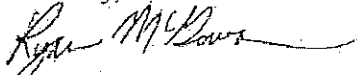
The above terms and conditions are intended to serve as an outline to support discussions of financing which may be available for the Borrower. This outline is not a commitment or an offer to provide credit accommodations and does not create any obligation on the part of the Bank. This outline is only a brief description of the principal terms of credit facility, which may be available and is intended for discussion purposes only.

On behalf of Manufacturers and Traders Trust Company, we are pleased to be of assistance to the City of Scranton on the 2019 Tax and Revenue Anticipation Note.

During a turbulent economic period, M&T Bank remains focused on its community banking roots. We recognize the importance to reliability, accuracy, and responsiveness to the City of Scranton. Our commitment to our customers is unwavering during this challenging economic environment.

Should you have any questions, please do not hesitate to contact me at 570-821-7156.

Sincerely,



Ryan McGowan
Government Banking Division
Vice President

Please complete the necessary the due diligence and seek
Approval by the Bank:

Signature of Authorized Officer

Title of Signer

Date



DEPARTMENT OF LAW

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

October 24, 2018

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

RECEIVED

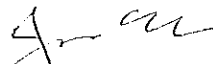
OCT 24 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS AN ORINANCE AUTHORIZING THE ISSUANCE OF A TAX AND REVENUE ANTICIPATION NOTE, SERIES OF 2019 IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$12,750,000; PROVIDING FOR THE DATED DATE, INTEREST RATE, MATURITY DATE, REDEMPTION PROVISIONS, PAYMENT AND PLACE OF PAYMENT IN RESPECT OF THE NOTE; ACCEPTING THE PROPOSAL ATTACHED HERETO AS EXHIBIT "B" FROM THE FINANCIAL INSTITUTION NAMED THEREIN FOR THE PURCHASE OF THE NOTE; NAMING A SINKING FUND DEPOSITARY/PAYING AGENT; AUTHORIZING THE PROPER OFFICERS OF THE CITY TO EXECUTE AND DELIVER THE NOTE AND CERTAIN OTHER DOCUMENTS AND CERTIFICATES IN CONNECTION THEREWITH; AUTHORIZING AND DIRECTING THE PREPARATION, CERTIFICATION AND FILING OF THE NECESSARY DOCUMENTS WITH THE DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH OF PENNSYLVANIA; SETTING FORTH A FORM OF THE NOTE.

Respectfully,


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 APPLICATION BY THE CITY OF SCRANTON TO THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT ("DCED") FOR A LOCAL SHARE ACCOUNT GRANT (GAMING FUNDS-MONROE COUNTY) IN THE AMOUNT OF \$62,500 FOR THE REMEDIATION ACTIVITIES AT THE SITE OF THE FUTURE POCKET PARK LOCATED AT 248 WYOMING AVENUE.

WHEREAS, the City of Scranton is desirous of obtaining funds from the Pennsylvania Department of Community and Economic Development ("DCED") for a Local Share Account Grant (Gaming Funds) Monroe County in the amount of \$62,500.00 for remediation of the future pocket park location at 248 Wyoming Avenue. A copy of the grant application ("Grant Application") and supplemental items are attached hereto as Exhibit "A" and incorporated herein as if set forth at length.

WHEREAS, the City of Scranton is partnering with Lackawanna County and Scranton Tomorrow on the transformation of a previously used commercial/industrial site into a "pocket park". The development of this site will have positive economic and social impacts on Scranton and surrounding communities by creating a unique green space in the downtown area which will aid revitalization efforts; and

WHEREAS, previous environmental investigations have characterized and delineated impacts in soil and identified groundwater impacts related to prior, on-site dry cleaning operations. These issues need to be resolved before the City and its partners can move forward with the development of the pocket park; and

WHEREAS, the City of Scranton is applying to the Industrial Site Reuse Program (ISRP) to remediate soil impact and develop a site-specific closure strategy for identified groundwater impacts in order to develop a remedial strategy that will support the construction of a public pocket park. Once the remediation process is complete, Scranton Tomorrow will begin transformation of the site into a green space; and

WHEREAS, the funding will be used for the following activities: remediate soil, address impacted groundwater, and pursue PA DEP Act 2 release of liability protection at the Site. The City of Scranton has estimated the total project cost at \$450,000 for the remediation of the

identified impacts and for the pursuit of attainment of PA DEP Act 2 closure. The City of Scranton is requesting an ISRP remediation grant to cover 75% of the total estimated project cost (\$337,500). The City of Scranton is requesting grant funding from both the Keystone Communities Program (\$50,000) and the Local Share Account Gaming Funds Program (\$62,500) for the remaining 25% of the total estimated project cost (\$112,500).

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 and execute a Grant Application, and if successful, a Grant Agreement, and 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.

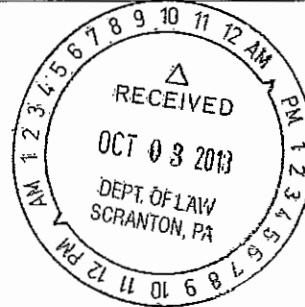
SECTION 2. This Resolution shall become effective immediately upon approval.

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.

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

October 1, 2018

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



Re: Local Share Account Gaming Funds

Atty. Eskra,

I am requesting that you send legislation to City Council for a resolution for the City of Scranton to apply for and execute a DCED Local Share Account Gaming Funds grant. The purpose of this funding is for remediation activities at the site of the future pocket park located at 248 Wyoming Avenue.

Attached is a copy of the grant application and 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: 8220646

Single Application Id: 201809284419

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Applicant Information

Applicant Entity Type:	Government
Applicant Name:	City of Scranton
NAICS Code	9211
FEIN/SSN Number	XXXXXXXXXX
DUNS Number:	
CEO:	William Courtright
CEO Title:	Mayor
SAP Vendor #:	XXXXXX
Contact Name:	Maggie
Contact Title:	Perry
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: 8220646

Single Application Id: 201809284419

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Single Application for Assistance

Web Application Id: 8220646

Single Application Id: 201809284419

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Company Information

Company Entity Type:	Government
Company Name:	City of Scranton
NAICS Code	9211
FEIN:	XXXXXXXX
DUNS Number:	060497856
CEO:	William Courtright
CEO Title:	Mayor
SAP Vendor #:	XXXXXX
Contact Name:	Maggie
Contact Title:	Perry
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: 8220646

Single Application Id: 201809284419

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Business Specifics

Current # of Full-time Employees:	
(In PA):	400
(World Wide):	0
Minority Owned:	No
	Select
Woman Owned:	No
Total Sales \$:	0
Total Export Sales \$:	0
R&D Investment:	0 (% of Budget)
Employee Training Investment:	0 (% of Budget)

Enterprise Type

Indicate the types of enterprises that describe the organization listed above. You may select more than one type.

<input type="checkbox"/> Advanced Technology	<input type="checkbox"/> Agri-Processor	<input type="checkbox"/> Agri-Producer
<input type="checkbox"/> Authority	<input type="checkbox"/> Biotechnology / Life Sciences	<input type="checkbox"/> Business Financial Services
<input type="checkbox"/> Call Center	<input type="checkbox"/> Child Care Center	<input type="checkbox"/> Commercial
<input type="checkbox"/> Community Dev. Provider	<input type="checkbox"/> Computer & Clerical Operators	<input type="checkbox"/> Defense Related
<input type="checkbox"/> Economic Dev. Provider	<input type="checkbox"/> Educational Facility	<input type="checkbox"/> Emergency Responder
<input type="checkbox"/> Environment and Conservation	<input type="checkbox"/> Exempt Facility	<input type="checkbox"/> Export Manufacturing
<input type="checkbox"/> Export Service	<input type="checkbox"/> Food Processing	<input checked="" type="checkbox"/> Government
<input type="checkbox"/> Healthcare	<input type="checkbox"/> Hospitality	<input type="checkbox"/> Industrial
<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Mining	<input type="checkbox"/> Other
<input type="checkbox"/> Professional Services	<input type="checkbox"/> Recycling	<input type="checkbox"/> Regional & National Headquarters
<input type="checkbox"/> Research & Development	<input type="checkbox"/> Retail	<input type="checkbox"/> Social Services Provider
<input type="checkbox"/> Tourism Promotion	<input type="checkbox"/> Warehouse & Terminal	

Government,

Single Application for Assistance

Web Application Id: 8220646

Single Application Id: 201809284419

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Project Overview

Project Name:

Pocket Park Project

Is this project related to another previously submitted project?

No

If yes, indicate previous project name:

Have you contacted anyone at DCED about your project?

Yes

If yes, indicate who:

Mandy Book

Single Application for Assistance

Web Application Id: 8220646

Single Application Id: 201809284419

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Project Site Locations

Address:	248 Wyoming Avenue
City:	Scranton
State:	PA
Zip Code:	18503
County:	Lackawanna
Municipality:	Scranton City
PA House:	Marty Flynn (113)
PA Senate:	John P. Blake (22)
US House:	Matthew Cartwright (17)
Current Employees:	400
Jobs To Be Created:	0
Jobs that Pay:	\$41,232.00
	Created 0 Retained 0
	<p><u>Jobs that Pay</u></p> <p>Jobs that Pay is Part Of Governor Wolf's initiative to improve Pennsylvania's overall job climate and job growth through partnering with the private sector to encourage the creation and retention of jobs that pay at least 80% of the annual average wage in the county where the jobs are located. (See current county listings). Job creation and retention will help ensure that businesses and communities provide employment opportunities for all of the state's residents, improve the local tax base, and achieve prosperity and a higher quality of life for families and communities.</p> <p>NOTE: Jobs that Pay required data by the Department is for reporting purposes only and will NOT be used as a criteria for awarding loans, loan guarantees, grants or tax credits.</p>
Designated Areas:	Act 47 Distressed Community

Single Application for Assistance

Web Application Id: 8220646

Single Application Id: 201809284419

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Project Budget

	Local Share Account Fund (Gaming Funds) Monroe County	ISRP State	Keystone Communities Grant State	Total
Miscellaneous	\$62,500.00	\$337,500.00	\$50,000.00	
Health and Safety Plan Update	\$0.00	\$1,400.00	\$0.00	\$1,400.00
Notice of Intent to Remediate	\$4,400.00	\$0.00	\$0.00	\$4,400.00
Final Act 2 Reporting	\$0.00	\$29,000.00	\$0.00	\$29,000.00
Property boundary survey	\$7,700.00	\$0.00	\$0.00	\$7,700.00
Soil data analysis	\$4,500.00	\$0.00	\$0.00	\$4,500.00
Site-specific standard development- groundwater	\$10,000.00	\$0.00	\$0.00	\$10,000.00
Monitoring well abandonment	\$9,900.00	\$0.00	\$0.00	\$9,900.00
Clean Up Plan	\$6,700.00	\$0.00	\$4,000.00	\$10,700.00
Contingency for waste-characterization sampling	\$11,200.00	\$0.00	\$0.00	\$11,200.00
Remedial Investigation Report	\$0.00	\$12,100.00	\$46,000.00	\$58,100.00
Soil excavation	\$0.00	\$295,000.00	\$0.00	\$295,000.00
Contingency for hazardous disposal cost	\$8,100.00	\$0.00	\$0.00	\$8,100.00
Total	\$62,500.00	\$337,500.00	\$50,000.00	
			Budget Total:	\$450,000.00

Basis of Cost

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

Budget Justification

Budget Narrative

Single Application for Assistance

Web Application Id: 8220646

Single Application Id: 201809284419

Applicant: City of Scranton

Company: City of Scranton

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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 City of Scranton has estimated the total project cost at \$450,000 for the remediation of the identified impacts and for the pursuit of attainment of PADEP Act 2 closure. The City is requesting an ISRP remediation grant to cover 75% (\$337,500) of the total estimated project cost; the remaining 25% is being requesting through the Local Share Account Program (\$62,500) and the Keystone Communities Program (\$50,000)

Single Application for Assistance

Web Application Id: 8220646

Single Application Id: 201809284419

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Project Narrative

What do you plan to accomplish with this project?

Identify the problem(s) that need to be resolved.

The City of Scranton is partnering with Lackawanna County and Scranton tomorrow on the transformation of a previously used commercial/industrial site into a "pocket park", providing a unique green space in downtown Scranton. The site location is at 248 Wyoming Avenue and is owned by the City of Scranton

Previous environmental investigation have characterized and delineated impacts in soil and identified groundwater impacts related to historical, on-site dry cleaning operations. These issues need to be resolved before the City and its partners can move forward with the development of the pocket park.

How do you plan to accomplish it?

Include expected outcomes that are measurable, obtainable, clear and understandable, and valid. Examples of measurable outcomes include jobs created or retained, people trained, land or building acquired, housing units renovated or built, etc.

The City of Scranton is applying to the Industrial Site Reuse Program to remediate identified soil impact and develop a site-specific closure strategy for identified groundwater impacts in order to develop a remedial strategy that will support the construction of a public pocket park. Once the remediation process is complete, the City of Scranton and Scranton Tomorrow will bring transformation of the site into a green space.

How do you plan to use the funds?

Should include specific use of funds and reflect the budget provided with the application.

The funding will be used for the following activities: remediate soil, address impacted groundwater, and pursue PA DEP Act 2 release of liability protection at the Site. The City of Scranton has estimated the total project cost at \$450,000 for the remediation of the identified impacts and for the pursuit of attainment of PADEP Act 2 closure. The City of Scranton is requesting an ISRP remediation grant to cover 75% of the total, estimated project cost. The City of Scranton is responsible for providing the remaining 25% of project costs (\$112,500). The City is requesting \$50,000 in grant funding from the Keystone Communities Program to be used as a portion of the 25% estimated total project cost.

Projected Schedule and Key Milestones and Dates

A detailed schedule of activities, including key milestones and dates, must accompany this application if applicable to the project.

- January 2019- PADEP LOI approval and detailed remediation work-plan submission
- March 2019- PADEP work-plan approval
- April 2019- Notice of Intent to Remediate submission to PADEP (there is a 30-day window for public comment)
- June 2019- Remediation implementation- expected to take 6-9 months
- Spring 2020- Green space/park completion and Grant opening

Single Application for Assistance

Web Application Id: 8220646

Single Application Id: 201809284419

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Program Addenda

In addition to the Single Application, the Applicant shall submit the following list of items. All items marked with a red diamond are required to be uploaded to the application. The items that are not required should be uploaded if they are applicable to the project.

1. Provide a description of the project which discusses all of the following: (a) a detailed project description to include specific project activities and expected results; (b) the specific location of the project site; (c) whether the proposed project is consistent with an existing regional, county, or local comprehensive plan; (d) whether the proposed project has been identified as a priority investment in a local or regional economic development plan or strategy; (e) the anticipated employment, investment, and/or community impact of the project; (f) if a difference exists, the historical and proposed use of the project site; and (g) if applicable, the experience of the developer to include a discussion of previously completed projects.

Uploaded Documents

1. Project Description.docx

2. A projected schedule and detailed timeline for the project;

Uploaded Documents

2. Proposed Timeline.docx

3. A budget accompanied by a description of the basis of costs for the project and sources of funding;

Uploaded Documents

3. Budget.docx

4. Copies of signed bids/quotations, contractor estimates, sales agreements, or engineer estimates verifying project costs. Bids should be current and dated;

Uploaded Documents

4. Quotation.pdf

5. Evidence of conformity of the project with local and regional comprehensive plans and zoning (in the form of a letter from the applicable planning/zoning office), if applicable;

Uploaded Documents

Single Application for Assistance

Web Application Id: 8220646

Single Application Id: 201809284419

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Program Addenda

6. A letter of support for the project from the affected community;

Uploaded Documents

LSA letter of support for City applic 9.18.docx

7. Provide a resolution duly adopted by the applicant's governing board formally requesting the grant, designating an official to execute all documents, describing briefly the project scope, and identifying the grant amount;

Uploaded Documents

7. Resolution.pdf

8. Copies of funding commitment letters from all other project funding sources, if applicable; and

Uploaded Documents

9. Copy of the Applicant's and/or project user's latest financials.

Once submitted, please print one (1) copy of the completed application, to include all required and additional applicable supplemental information, and send via US Mail. Please reference the Application ID number on all mailed documents.

Uploaded Documents

2016 Audit Report.pdf



Pennsylvania Department of Community and Economic Development

Single Application for Assistance

Single Application #: 201809284419

This page must accompany all required supplemental information **Mail to:**

**Pennsylvania Department of Community and Economic Development
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 DCED via the Internet, Single Application # 201809284419 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).



Signature: Maggie Perry

The Pennsylvania Department of Community and Economic Development 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.

DCED Local Share Account Fund
City of Scranton
Web Application # 8220646

Project Description:

The City of Scranton is partnering with Lackawanna County and Scranton Tomorrow on the transformation of a previously used commercial/industrial site into a “pocket park”. The site location is at 248 Wyoming Avenue and is owned by the City of Scranton. The development of this site will have positive economic and social impacts on Scranton and surrounding communities by creating a unique green space in the downtown area which will aid revitalization efforts.

Previous environmental investigations have characterized and delineated impacts in soil and identified groundwater impacts related to a former on-site dry cleaning operation. Currently the City of Scranton is applying to the Industrial Site Reuse Program (ISRP) to remediate identified soil impacts by limited excavation and capping with certified clean fill material for attainment of the site specific standard and develop a site-specific closure strategy for identified groundwater impacts in order to develop a remedial strategy that will support the construction of a public pocket park on the property. The construction of the park cannot proceed until the potential public health threat from identified soil and groundwater impacts have been addressed.

The City of Scranton has estimated the total project cost at \$450,000 for the remediation activities which include: remediate soil, address impacted groundwater, and pursue PA DEP Act 2 release of liability protection at the site. The ISRP grant will cover 75% of the total estimated project cost (\$337,500). The City of Scranton is requesting funding from both the Keystone Communities Program and the Local Share Account Fund for the remaining 25% of the total estimated project cost (\$112,500).

Revitalization of downtown Scranton is a priority of the City of Scranton, Lackawanna County and Scranton Tomorrow, as described in the Community Revitalization Plan. This plan

DCED Local Share Account Fund
City of Scranton
Web Application # 8220646

outlines a comprehensive strategy to transform the Central Business District (CBD) into a vibrant center for commerce and residential living, supporting the continued growth of Scranton. The proposed pocket park project is located in CBD and aligns with the Community Revitalization Plan's goals. Once the remediation of the site is complete, construction of the green space will begin.

DCED Local Share Account Fund
City of Scranton
Web Application # 8220646

4. Budget:

The City of Scranton has estimated the total project cost at \$450,000 for the remediation of the identified impacts and for the pursuit of attainment of PADEP Act 2 closure. The City is requesting an ISRP remediation grant to cover 75% (\$337,500) of the total estimated project cost; the remaining 25% is being requested through the Keystone Communities Program (\$50,000) and the Local Share Account Gaming Funds Program (\$62,500).

Item	Estimated cost	Funding Source
Remedial Investigation Report	\$58,100	City of Scranton Match (\$46,000) <i>ISRP (\$12,100)</i>
Clean Up Plan	\$10,700	City of Scranton Match
Notice of Intent to Remediate	\$4,400	City of Scranton Match
Property Boundary Survey	\$7,700	City of Scranton Match
Healthy and Safety Plan Update	\$1,400	<i>ISRP</i>
Soil excavation	\$295,000	<i>ISRP</i>
Contingency for hazardous disposal costs	\$8,100	City of Scranton Match
Contingency for waste-characterization sampling	\$11,200	City of Scranton Match
Soil Data Analysis	\$4,500	City of Scranton Match
Site-specific standard development-groundwater	\$10,000	City of Scranton Match
Final Act 2 Reporting	\$29,000	<i>ISRP</i>
Monitoring Well Abandonment	\$9,900	City of Scranton Match
Estimated Total Cost:	\$450,000	
<i>Industrial Site Reuses Program</i>	\$337,500	
City of Scranton Match (\$112,500):		
- Keystone Communities Grant request:	- \$50,000	
- DCED LSA Grant request :	- \$62,500	

DCED Local Share Account Fund
City of Scranton
Web Application # 8220646

Proposed Timeline:

- January 2019- PADEP Letter of Intent approval and detailed remediation work-plan submission
- March 2019- PADEP work-plan approval
- April 2019- Notice of Intent to remediate submission to PADEP
- July 2019- Remediation implementation
- December 2019- Regulatory reporting and submissions to PADEP
- Spring 2020- Greenspace/park completion and grand opening

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225



SCRANTON

September 27, 2018

Ms. Mandy L. Book, Director
Center for Community Enhancement
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

Re: PA Keystone Communities Grant Program

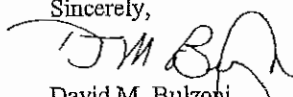
Dear Ms. Book:

Relative to the above, please be note the sources and uses of funding for the Linden Street Pocket Park remediation project:

Item	Estimated cost	Funding Source
Remedial Investigation Report	\$58,100	City of Scranton Match (\$46,000) <i>ISRP (\$12,100)</i>
Clean Up Plan	\$10,700	City of Scranton Match
Notice of Intent to Remediate	\$4,400	City of Scranton Match
Property Boundary Survey	\$7,700	City of Scranton Match
Healthy and Safety Plan Update	\$1,400	<i>ISRP</i>
Soil excavation	\$295,000	<i>ISRP</i>
Contingency for hazardous disposal costs	\$8,100	City of Scranton Match
Contingency for waste-characterization sampling	\$11,200	City of Scranton Match
Soil Data Analysis	\$4,500	City of Scranton Match
Site-specific standard development-groundwater	\$10,000	City of Scranton Match
Final Act 2 Reporting	\$29,000	<i>ISRP</i>
Monitoring Well Abandonment	\$9,900	City of Scranton Match
Estimated Total Cost:	\$450,000	
Industrial Site Reuses Program		
City of Scranton Match (\$112,500):		
- Keystone Communities Grant request:	- \$50,000	
- DCED LSA Grant request :	- \$62,500	

On behalf of the City of Scranton, I would like to thank you for your assistance.

Sincerely,


David M. Bulzoni
Business Administrator



September 26, 2018

Ms. Mandy Book
Department of Community & Economic Development
Center for Business Financing – Grants Division
LSA _ Monroe County Program
400 North Street, 4th Floor
Commonwealth Keystone Building
Harrisburg, PA 17120-0225

Dear Ms. Book,

On behalf of Scranton Tomorrow's Board of Directors, I offer this letter of support for the City of Scranton's Local Share Account application. The City of Scranton's application for matching dollars for the remediation of the proposed Pocket Park is among the listed priority projects within our core business district. In order to revitalize this parcel, the City of Scranton has formed a partnership with both Lackawanna County and Scranton Tomorrow.

Immediately following the remediation process, the City and Scranton Tomorrow, will begin the transformation of this parcel with the assistance of the recently secured Keystone Communities funding. The revitalization of this site will bring great value to the downtown quality of life and serve as a peaceful gathering space for our new downtown residential community, workforce and visitors alike.

As an advocate for downtown development and quality of life initiatives, Scranton Tomorrow commends the City for their commitment to downtown revitalization. The City's purchase and redevelopment of this very visible site will not only eliminate significant blight but will transform a gateway into our city.

Sincerely,

A handwritten signature in cursive script that reads "Leslie Collins".

Leslie Collins
Executive Director



DEPARTMENT OF LAW

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

October 15, 2018

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

RECEIVED
OCT 15 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION BY THE CITY OF SCRANTON TO THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT ("DCED") FOR A LOCAL SHARE ACCOUNT GRANT (GAMING FUNDS-MONROE COUNTY) IN THE AMOUNT OF \$62,500 FOR THE REMEDIATION ACTIVITIES AT THE SITE OF THE FUTURE POCKET PARK LOCATED AT 248 WYOMING AVENUE.

Respectfully,

Jessica L. 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 APPLICATION BY THE CITY OF SCRANTON TO THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT ("DCED") FOR A KEYSTONE COMMUNITIES PROGRAM GRANT IN THE AMOUNT OF \$50,000 FOR THE REMEDIATION ACTIVITIES AT THE SITE OF THE FUTURE POCKET PARK LOCATED AT 248 WYOMING AVENUE.

WHEREAS, the City of Scranton is desirous of obtaining funds from the Pennsylvania Department of Community and Economic Department ("DCED") for a Keystone Communities Program Grant in the amount of \$50,000.00 for remediation of the future pocket park location at 248 Wyoming Avenue. A copy of the grant application ("Grant Application") and supplemental items are attached hereto as Exhibit "A" and incorporated herein as if set forth at length.

WHEREAS, the City of Scranton is partnering with Lackawanna County and Scranton Tomorrow on the transformation of a previously used commercial/industrial site into a "pocket park". The development of this site will have positive economic and social impacts on Scranton and surrounding communities by creating a unique green space in the downtown area which will aid revitalization efforts; and

WHEREAS, previous environmental investigations have characterized and delineated impacts in soil and identified groundwater impacts related to prior, on-site dry cleaning operations. These issues need to be resolved before the City and its partners can move forward with the development of the pocket park; and

WHEREAS, the City of Scranton is applying to the Industrial Site Reuse Program (ISRP) to remediate soil impact and develop a site-specific closure strategy for identified groundwater impacts in order to develop a remedial strategy that will support the construction of a public pocket park. Once the remediation process is complete, Scranton Tomorrow will begin transformation of the site into a green space; and

WHEREAS, the funding will be used for the following activities: remediate soil, address impacted groundwater, and pursue PA DEP Act 2 release of liability protection at the Site. The City of Scranton has estimated the total project cost at \$450,000 for the remediation of the identified impacts and for the pursuit of attainment of PA DEP Act 2 closure. The City of

Scranton is requesting an ISRP remediation grant to cover 75% of the total estimated project cost (\$337,500). The City of Scranton is requesting grant funding from both the Keystone Communities Program (\$50,000) and the Local Share Account Gaming Funds Program (\$62,500) for the remaining 25% of the total estimated project cost (\$112,500).

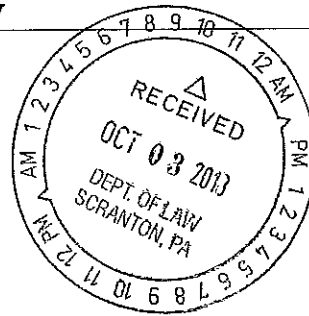
NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the Mayor and other appropriate city officials are hereby authorized to apply for and execute a Grant Application, and if successful, a Grant Agreement, and any and all related documentation which may be necessary to complete 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.

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



October 1, 2018

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

Re: Keystone Communities Program

Atty. Eskra,

I am requesting that you send legislation to City Council for a resolution for the City of Scranton to apply for and execute a Keystone Communities Program grant. The purpose of this funding is for remediation activities at the site of the future pocket park located at 248 Wyoming Avenue. Attached is a copy of the grant application and 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: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Applicant Information

Applicant Entity Type:	Government
Applicant Name:	City of Scranton
NAICS Code	9211
FEIN/SSN Number	XXXXXXXXXX
DUNS Number:	
CEO:	William Courtright
CEO Title:	Mayor
SAP Vendor #:	XXXXXX
Contact Name:	Maggie
Contact Title:	Perry
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: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Single Application for Assistance

Web Application Id: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Company Information

Company Entity Type:	Government
Company Name:	City of Scranton
NAICS Code	9211
FEIN:	XXXXXXXXXX
DUNS Number:	060497856
CEO:	William Courtright
CEO Title:	Mayor
SAP Vendor #:	XXXXXX
Contact Name:	Maggie
Contact Title:	Perry
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: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Business Specifics

Current # of Full-time Employees:	
(In PA):	400
(World Wide):	0
Minority Owned:	No
	Select
Woman Owned:	No
Total Sales \$:	0
Total Export Sales \$:	0
R&D Investment:	0 (% of Budget)
Employee Training Investment:	0 (% of Budget)

Enterprise Type

Indicate the types of enterprises that describe the organization listed above. You may select more than one type.

<input type="checkbox"/> Advanced Technology	<input type="checkbox"/> Agri-Processor	<input type="checkbox"/> Agri-Producer
<input type="checkbox"/> Authority	<input type="checkbox"/> Biotechnology / Life Sciences	<input type="checkbox"/> Business Financial Services
<input type="checkbox"/> Call Center	<input type="checkbox"/> Child Care Center	<input type="checkbox"/> Commercial
<input type="checkbox"/> Community Dev. Provider	<input type="checkbox"/> Computer & Clerical Operators	<input type="checkbox"/> Defense Related
<input type="checkbox"/> Economic Dev. Provider	<input type="checkbox"/> Educational Facility	<input type="checkbox"/> Emergency Responder
<input type="checkbox"/> Environment and Conservation	<input type="checkbox"/> Exempt Facility	<input type="checkbox"/> Export Manufacturing
<input type="checkbox"/> Export Service	<input type="checkbox"/> Food Processing	<input checked="" type="checkbox"/> Government
<input type="checkbox"/> Healthcare	<input type="checkbox"/> Hospitality	<input type="checkbox"/> Industrial
<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Mining	<input type="checkbox"/> Other
<input type="checkbox"/> Professional Services	<input type="checkbox"/> Recycling	<input type="checkbox"/> Regional & National Headquarters
<input type="checkbox"/> Research & Development	<input type="checkbox"/> Retail	<input type="checkbox"/> Social Services Provider
<input type="checkbox"/> Tourism Promotion	<input type="checkbox"/> Warehouse & Terminal	

Government,

Single Application for Assistance

Web Application Id: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Beneficial Owner Information

If the Project Site location is owned by an organization other than the Applicant or Company, please complete the section below for the entity who owns the legal title of the property being developed.

Name	City of Scranton
NAICS Code	
FEIN:	XXXXXXXXXX
DUNS Number:	060497856
CEO:	
CEO Title:	
Contact Title:	
Mailing Address:	340 N. Washington Avenue
City:	Scranton
State:	PA
Zip Code:	18503

Single Application for Assistance

Web Application Id: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Single Application for Assistance

Web Application Id: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Project Overview

Project Name:

Pocket Park Project

Is this project related to another previously submitted project?

No

If yes, indicate previous project name:

Have you contacted anyone at DCED about your project?

Yes

If yes, indicate who:

Mandy Book

Single Application for Assistance

Web Application Id: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Project Site Locations

Address:	248 Wyoming Avenue
City:	Scranton
State:	PA
Zip Code:	18503
County:	Lackawanna
Municipality:	Scranton City
PA House:	Marty Flynn (113)
PA Senate:	John P. Blake (22)
US House:	Matthew Cartwright (17)
Current Employees:	400
Jobs To Be Created:	0
Jobs that Pay:	\$41,232.00
	Created 0 Retained 0
	<p><u>Jobs that Pay</u></p> <p>Jobs that Pay is Part Of Governor Wolf's initiative to improve Pennsylvania's overall job climate and job growth through partnering with the private sector to encourage the creation and retention of jobs that pay at least 80% of the annual average wage in the county where the jobs are located. (See current county listings). Job creation and retention will help ensure that businesses and communities provide employment opportunities for all of the state's residents, improve the local tax base, and achieve prosperity and a higher quality of life for families and communities.</p> <p>NOTE: Jobs that Pay required data by the Department is for reporting purposes only and will NOT be used as a criteria for awarding loans, loan guarantees, grants or tax credits.</p>
Designated Areas:	Act 47 Distressed Community

Single Application for Assistance

Web Application Id: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Project Budget

	Keystone Communities Program	ISRP State	LSA Gaming Funds State	Total
Miscellaneous	\$50,000.00	\$337,500.00	\$62,500.00	
Remedial Investigation Report	\$46,000.00	\$12,100.00	\$0.00	\$58,100.00
Contingency for hazardous disposal costs	\$0.00	\$0.00	\$8,100.00	\$8,100.00
Contingency for waste-characterization sampling	\$0.00	\$0.00	\$11,200.00	\$11,200.00
Property Boundary Survey	\$0.00	\$0.00	\$7,700.00	\$7,700.00
Soil excavation	\$0.00	\$295,000.00	\$0.00	\$295,000.00
Soil Data Analysis	\$0.00	\$0.00	\$4,500.00	\$4,500.00
Monitoring Well Abandonment	\$0.00	\$0.00	\$9,900.00	\$9,900.00
Site-specific standard development- groundwater	\$0.00	\$0.00	\$10,000.00	\$10,000.00
Notice of Intent to Remediate	\$0.00	\$0.00	\$4,400.00	\$4,400.00
Healthy and Safety Plan Update	\$0.00	\$1,400.00	\$0.00	\$1,400.00
Final Act 2 Reporting	\$0.00	\$29,000.00	\$0.00	\$29,000.00
Clean Up Plan	\$4,000.00	\$0.00	\$6,700.00	\$10,700.00
Total	\$50,000.00	\$337,500.00	\$62,500.00	
			Budget Total:	\$450,000.00

Basis of Cost

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

Budget Justification

Budget Narrative

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.

Single Application for Assistance

Web Application Id: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Project Budget

The City of Scranton has estimated the total project cost at \$450,000 for the remediation of the identified impacts and for the pursuit of attainment of PADEP Act 2 closure. The City is requesting an ISRP remediation grant to cover 75% (\$337,500) of the total estimated project cost; the remaining 25% is being requested through the Keystone Communities Program (\$50,000) and the Local Share Account Gaming Funds Program (\$62,500).

Single Application for Assistance

Web Application Id: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Project Narrative

What do you plan to accomplish with this project?

Identify the problem(s) that need to be resolved.

The City of Scranton is partnering with Lackawanna County and Scranton tomorrow on the transformation of a previously used commercial/industrial site into a "pocket park", providing a unique green space in downtown Scranton. The site location is at 248 Wyoming Avenue and is owned by the City of Scranton

Previous environmental investigation have characterized and delineated impacts in soil and identified groundwater impacts related to historical, on-site dry cleaning operations. These issues need to be resolved before the City and its partners can move forward with the development of the pocket park.

How do you plan to accomplish it?

Include expected outcomes that are measurable, obtainable, clear and understandable, and valid. Examples of measurable outcomes include jobs created or retained, people trained, land or building acquired, housing units renovated or built, etc.

The City of Scranton is applying to the Industrial Site Reuse Program to remediate identified soil impact and develop a site-specific closure strategy for identified groundwater impacts in order to develop a remedial strategy that will support the construction of a public pocket park. Once the remediation process is complete, the City of Scranton and Scranton Tomorrow will bring transformation of the site into a green space.

How do you plan to use the funds?

Should include specific use of funds and reflect the budget provided with the application.

The funding will be used for the following activities: remediate soil, address impacted groundwater, and pursue PA DEP Act 2 release of liability protection at the Site. The City of Scranton has estimated the total project cost at \$450,000 for the remediation of the identified impacts and for the pursuit of attainment of PADEP Act 2 closure. The City of Scranton is requesting an ISRP remediation grant to cover 75% of the total, estimated project cost. The City of Scranton is responsible for providing the remaining 25% of project costs (\$112,500). The City is requesting \$50,000 in grant funding from the Keystone Communities Program to be used as a portion of the 25% estimated total project cost.

Projected Schedule and Key Milestones and Dates

A detailed schedule of activities, including key milestones and dates, must accompany this application if applicable to the project.

- January 2019- PADEP LOI approval and detailed remediation work-plan submission
- March 2019- PADEP work-plan approval
- April 2019- Notice of Intent to Remediate submission to PADEP (there is a 30-day window for public comment)
- June 2019- Remediation implementation- expected to take 6-9 months
- Spring 2020- Green space/park completion and Grant opening

Single Application for Assistance

Web Application Id: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Program Addenda

Applicants for Keystone Communities Program funding are required to submit documentation as outlined in the Keystone Communities Program – Funding Guidelines. All applications, regardless of grant activities, are required to submit the following items outlined in Appendix IV – Application Supplemental Items.

1. Detailed Project Description – Provide a narrative which discusses all of the following:

- a. A detailed description of the proposed project,
- b. Explanation of the need for grant funding,
- c. Explanation of the intended use of grant funds,
- d. Identification of the municipality or municipalities participating in and/or benefitting from the project,
- e. A description of how the community as a whole benefits from the proposed project and how the public will be served,
- f. The anticipated employment, investment, and/or community impact of the project, and
- g. If applicable, indicate consistency with or priority in existing comprehensive, community development, or economic development plans or strategies.

Uploaded Documents

1. Project Description.docx

2. **Cost Estimates** – A thorough and detailed estimate for the total project costs prepared by an engineer or other qualified professional. The estimate should be accompanied by copies of signed and dated quotations, bids, contractor estimates, sales agreements or other documentation verifying project cost estimates.

Uploaded Documents

2. Cost Estimate.pdf

3. Resolution or Notification of Municipal Entities –

- **Public sector applicants** must provide a resolution duly adopted by the applicant's governing board formally requesting the grant, designating an official to execute all documents, describing briefly the project scope, and identifying the requested (or maximum requested) grant amount.
- **All other applicants** must provide copies of formal letters of notification provided to the municipalities, to include counties, that may be affected by the project. Applicants are encouraged to request letters of support from affected public sector entities.

Uploaded Documents

3. Resolution.pdf

4. **Match** – As required, matching funds are defined as those funds in addition to the requested grant funds necessary to complete the proposed project. Applications must include copies of funding commitment letters from all other project funding sources.

Single Application for Assistance

Web Application Id: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Program Addenda

Uploaded Documents

4. Match.docx

5. Project Map -- Submit a map of sufficient size and quality to describe the project location with regard to the nature of the application (e.g. Google Map image).

Uploaded Documents

5. Map.pdf

6. Financials -- Provide a copy of the applicant and/or project user's latest audited financials.

Uploaded Documents

2016 Audit Report.pdf

Applicants may be required to submit additional information as outlined in Section III of the guidelines depending upon the grant activities. Please see below for submission options:

• Façade Grants:

Documentated demand for façade funding to include the names, addresses, and estimated project costs for interested parties.

Uploaded Documents

Design guidelines and procedures for the local façade grant program.

Uploaded Documents

• Development Grants:

Projects that benefit for-profit or private sector individuals or entities are eligible activities provided assistance is conveyed via a loan. The following must be provided for these applications:

Financial underwriting of the loan and all loan information/conditions.

Single Application for Assistance

Web Application Id: 8220525

Single Application Id: 201809284408

Applicant: City of Scranton

Company: City of Scranton

Program Selected: Keystone Communities Program

Program Addenda**Uploaded Documents**

Existing or proposed Revolving Loan Fund (RLF) program guidelines.

Uploaded Documents**• Accessible Housing Grants:**

Existing or proposed local accessible housing program guidelines.

Uploaded Documents



Pennsylvania Department of Community and Economic Development

Single Application for Assistance

Single Application #: 201809284408

This page must accompany all required supplemental information **Mail to:**

**Pennsylvania Department of Community and Economic Development
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 DCED via the Internet, Single Application # 201809284408 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).



Signature: Maggie Perry

The Pennsylvania Department of Community and Economic Development 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.

City Hall
340 North Washington Avenue
Scranton, Pennsylvania 18503
Tel: (570) 348-4118
Fax: (570) 348-4225



SCRANTON

September 27, 2018

Ms. Mandy L. Book, Director
Center for Community Enhancement
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

Re: PA Keystone Communities Grant Program

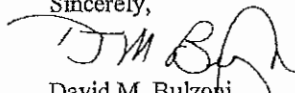
Dear Ms. Book:

Relative to the above, please be note the sources and uses of funding for the Linden Street Pocket Park remediation project:

Item	Estimated cost	Funding Source
Remedial Investigation Report	\$58,100	City of Scranton Match (\$46,000) ISRP (\$12,100)
Clean Up Plan	\$10,700	City of Scranton Match
Notice of Intent to Remediate	\$4,400	City of Scranton Match
Property Boundary Survey	\$7,700	City of Scranton Match
Healthy and Safety Plan Update	\$1,400	ISRP
Soil excavation	\$295,000	ISRP
Contingency for hazardous disposal costs	\$8,100	City of Scranton Match
Contingency for waste-characterization sampling	\$11,200	City of Scranton Match
Soil Data Analysis	\$4,500	City of Scranton Match
Site-specific standard development-groundwater	\$10,000	City of Scranton Match
Final Act 2 Reporting	\$29,000	ISRP
Monitoring Well Abandonment	\$9,900	City of Scranton Match
Estimated Total Cost:	\$450,000	
Industrial Site Reuses Program		
City of Scranton Match (\$112,500):		
- Keystone Communities Grant request:	- \$50,000	
- DCED LSA Grant request :	- \$62,500	

On behalf of the City of Scranton, I would like to thank you for your assistance.

Sincerely,


David M. Bulzoni
Business Administrator

DCED Keystone Communities Program
City of Scranton
Web Application # 8220525

4. Match:

The City of Scranton has estimated the total project cost at \$450,000 for the remediation of the identified impacts and for the pursuit of attainment of PADEP Act 2 closure. The City is requesting an ISRP remediation grant to cover 75% (\$337,500) of the total estimated project cost; the remaining 25% is being requested through the Keystone Communities Program (\$50,000) and the Local Share Account Gaming Funds Program (\$62,500).

DCED Keystone Communities Program
City of Scranton
Web Application # 8220525

Project Description:

The City of Scranton is partnering with Lackawanna County and Scranton Tomorrow on the transformation of a previously used commercial/industrial site into a “pocket park”. The site location is at 248 Wyoming Avenue and is owned by the City of Scranton. The development of this site will have positive economic and social impacts on Scranton and surrounding communities by creating a unique green space in the downtown area which will aid revitalization efforts.

Previous environmental investigations have characterized and delineated impacts in soil and identified groundwater impacts related to a former on-site dry cleaning operation. Currently the City of Scranton is applying to the Industrial Site Reuse Program (ISRP) to remediate identified soil impacts by limited excavation and capping with certified clean fill material for attainment of the site specific standard and develop a site-specific closure strategy for identified groundwater impacts in order to develop a remedial strategy that will support the construction of a public pocket park on the property. The construction of the park cannot proceed until the potential public health threat from identified soil and groundwater impacts have been addressed.

The City of Scranton has estimated the total project cost at \$450,000 for the remediation activities which include: remediate soil, address impacted groundwater, and pursue PA DEP Act 2 release of liability protection at the site. The ISRP grant will cover 75% of the total estimated project cost (\$337,500). The City of Scranton is requesting funding from both the Keystone Communities Program and the Local Share Account Fund for the remaining 25% of the total estimated project cost (\$112,500).

Revitalization of downtown Scranton is a priority of the City of Scranton, Lackawanna County and Scranton Tomorrow, as described in the Community Revitalization Plan. This plan

DCED Keystone Communities Program
City of Scranton
Web Application # 8220525

outlines a comprehensive strategy to transform the Central Business District (CBD) into a vibrant center for commerce and residential living, supporting the continued growth of Scranton. The proposed pocket park project is located in CBD and aligns with the Community Revitalization Plan's goals. Once the remediation of the site is complete, construction of the green space will begin.

DCED Keystone Communities Program
City of Scranton
Web Application # 8220525

Project Description:

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DEPARTMENT OF LAW

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

October 15, 2018

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

RECEIVED

OCT 15 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS TO APPLY FOR AND EXECUTE A GRANT APPLICATION BY THE CITY OF SCRANTON TO THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT (DCED) FOR A KEYSTONE COMMUNITIES PROGRAM GRANT IN THE AMOUNT OF \$50,000 FOR THE REMEDIATION ACTIVITIES AT THE SITE OF THE FUTURE POCKET PARK LOCATED AT 248 WYOMING AVENUE.

Respectfully,

Jessica Eskra (s)

Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2018

RATIFYING AND APPROVING OF THE EXECUTION AND SUBMISSION OF THE GRANT APPLICATION BY THE CITY OF SCRANTON, ON BEHALF OF SCRANTON CULTURAL CENTER AT MASONIC TEMPLE TO THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH FINANCING AUTHORITY FOR A LOCAL SHARE ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF \$345,405.00 FOR THE PROJECT TO BE KNOWN AS "SCRANTON CULTURAL CENTER AT MASONIC TEMPLE ELEVATOR SAFETY/MODERNIZATION REPAIRS" LOCATED IN SCRANTON, PENNSYLVANIA, AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF THE CITY OF SCRANTON TO ACCEPT THE GRANT, IF SUCCESSFUL AND EXECUTE AND ENTER INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF \$345,405.00 AWARDED BY THE COMMONWEALTH OF PENNSYLVANIA FOR SUCH PROJECT.

WHEREAS, the City of Scranton, through the Office of Economic and Community Development, submitted a grant application on behalf of the Scranton Cultural Center at Masonic Temple to the Commonwealth of Pennsylvania ("the Commonwealth") acting through the Commonwealth Financing Authority (the "Grantor") for a Local Share Account Grant, pursuant to the PA Race Horse Development and Gaming Act, for the rehabilitation of the elevators and most especially meet all ADA requirements for public facilities at Scranton Cultural Center at Masonic Temple Building Restoration Project ("Project") located in Scranton, Pennsylvania. A copy of such grant application ("Grant Application") is attached hereto as Exhibit "A" and incorporated herein as if set forth at length; and

WHEREAS, the City of Scranton intends herein to ratify and approve the execution and submission of the Grant Application; and

WHEREAS, the Commonwealth of Pennsylvania will review the Grant Application for funding for the Local Share Account Grant in the amount of \$345,405.00 ("Grant") for the "Project"; and

WHEREAS, if the Grant Application is approved, the City of Scranton intends herein to authorize the execution of the Local Share Account Grant Contract and Commitment Letter, and the acceptance, disbursement, and utilization of the Grant for the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the execution and submission of the Grant Application is hereby ratified and if approved, the Mayor and other appropriate City Officials are hereby authorized to enter into and execute and submit any additional related paperwork for this Grant, and if successful to accept the grant funds to be used for the Project as detailed in the Grant Application. This approval anticipates and authorizes the execution of any and all related documentation necessary for the Grant or to accept, disburse and utilize the Grant for the Project.

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.



October 9, 2018

Jessica Eskra, Esquire
City Solicitor
340 North Washington Avenue
Scranton, Pennsylvania 18503

Re: Scranton Cultural Center at Masonic Temple
Local Share Account
Single Application #20109284431
Resolution - \$345,405.00

Dear Atty. Eskra:

Attached please find the Resolution to apply and if successful accepting and disbursing funding from the Commonwealth of Pennsylvania Local Share Account in the amount \$345,405.00.

This office would appreciate your office review and expedite this Resolution in order for this to pass Council and I will need to forward it to the Commonwealth Finance Authority in order for them to approve the grant. If you have any questions regarding this project, please contact me at 570/348-4216.

Sincerely,

Linda B. Aebli
Executive Director

lba/

cc: Atty. Sean Gallagher, Solicitor, OECD
Mr. Tom Preambo, Deputy Director, OECD
Mr. John Cardoni, Scranton Cultural Center at Masonic Temple
Ms. Margaret Ryan, Economic Development Analyst, PA DCED

Single Application for Assistance**Web Application Id:** 8220117**Single Application Id:** 201809284431**Applicant:** Scranton City**Company:** Scranton Cultural Center at the Masonic Temple**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Applicant Information**

Applicant Entity Type:	Government
Applicant Name:	Scranton City
NAICS Code	9211
FEIN/SSN Number	XXXXXXXX
DUNS Number:	136-81428
CEO:	William L. Courtright
CEO Title:	Mayor
SAP Vendor #:	XXXXXX
Contact Name:	Linda B. Aebli
Contact Title:	Executive Director, OECD
Phone:	(570)-346-4216 Ext. 107
Fax:	(570)-348-4123
E-mail:	labili@scrantonpa.gov
Mailing Address:	340. N. Washington Avenue, Municipal Building
City:	Scranton
State:	PA
Zip Code:	18503

Single Application for Assistance**Web Application Id:** 8220117**Single Application Id:** 201809284431**Applicant:** Scranton City**Company:** Scranton Cultural Center at the Masonic Temple**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County

Single Application for Assistance**Web Application Id:** 8220117**Single Application Id:** 201809284431**Applicant:** Scranton City**Company:** Scranton Cultural Center at the Masonic Temple**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Business Specifics**

Current # of Full-time Employees:	
(In PA):	11
(World Wide):	11
Minority Owned:	No
	Select
Woman Owned:	No
Total Sales \$:	1,426,070
Total Export Sales \$:	0
R&D Investment:	0 (% of Budget)
Employee Training Investment:	0 (% of Budget)

Enterprise Type

Indicate the types of enterprises that describe the organization listed above. You may select more than one type.

<input type="checkbox"/> Advanced Technology	<input type="checkbox"/> Agri-Processor	<input type="checkbox"/> Agri-Producer
<input type="checkbox"/> Authority	<input type="checkbox"/> Biotechnology / Life Sciences	<input type="checkbox"/> Business Financial Services
<input type="checkbox"/> Call Center	<input type="checkbox"/> Child Care Center	<input type="checkbox"/> Commercial
<input type="checkbox"/> Community Dev. Provider	<input type="checkbox"/> Computer & Clerical Operators	<input type="checkbox"/> Defense Related
<input type="checkbox"/> Economic Dev. Provider	<input checked="" type="checkbox"/> Educational Facility	<input type="checkbox"/> Emergency Responder
<input type="checkbox"/> Environment and Conservation	<input checked="" type="checkbox"/> Exempt Facility	<input type="checkbox"/> Export Manufacturing
<input type="checkbox"/> Export Service	<input type="checkbox"/> Food Processing	<input type="checkbox"/> Government
<input type="checkbox"/> Healthcare	<input type="checkbox"/> Hospitality	<input type="checkbox"/> Industrial
<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Mining	<input checked="" type="checkbox"/> Other
<input type="checkbox"/> Professional Services	<input type="checkbox"/> Recycling	<input type="checkbox"/> Regional & National Headquarters
<input type="checkbox"/> Research & Development	<input type="checkbox"/> Retail	<input type="checkbox"/> Social Services Provider
<input checked="" type="checkbox"/> Tourism Promotion	<input type="checkbox"/> Warehouse & Terminal	

Educational Facility, Exempt Facility, Other, Tourism Promotion,

Single Application for Assistance

Web Application Id: 8220117

Single Application Id: 201809284431

Applicant: Scranton City

Company: Scranton Cultural Center at the Masonic Temple

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Project Site Locations

Address:	420 N. Washington Avenue
City:	Scranton
State:	PA
Zip Code:	18503
County:	Lackawanna
Municipality:	Scranton City
PA House:	Marty Flynn (113)
PA Senate:	John P. Blake (22)
US House:	Matthew Cartwright (17)
Current Employees:	124
Jobs To Be Created:	10
Jobs that Pay:	\$41,232.00
	Created 2 Retained 8
	<p><u>Jobs that Pay</u></p> <p>Jobs that Pay is Part Of Governor Wolf's initiative to improve Pennsylvania's overall job climate and job growth through partnering with the private sector to encourage the creation and retention of jobs that pay at least 80% of the annual average wage in the county where the jobs are located. (See current county listings). Job creation and retention will help ensure that businesses and communities provide employment opportunities for all of the state's residents, improve the local tax base, and achieve prosperity and a higher quality of life for families and communities.</p> <p><u>NOTE:</u> Jobs that Pay required data by the Department is for reporting purposes only and will NOT be used as a criteria for awarding loans, loan guarantees, grants or tax credits.</p>
Designated Areas:	Act 47 Distressed Community



Office of Economic and
Community Development

September 28, 2018

Ms. Mandy Book
PA Department of Community and Economic Development
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

**Re: Local Share Account
Scranton City
Application/Application Fee
Scranton Cultural Center / Elevator**

Dear Ms. Book:

Attached please find the application along with a check in the amount of \$100.00 for the submission of the single application #201809284431 for the above mentioned project.

I am in the process of preparing a Resolution for the submission of the application and will forward it to you as soon as it is passed by Scranton City Council.

If you have any questions or need more information concerning this project please do not hesitate to contact me at 570/348-4216 or Laebli@scrantonpa.gov.

Sincerely,

A handwritten signature in black ink that reads "Linda B. Aebli L.C.".

Linda B. Aebli
Executive Director

lba/

cc: Mr. Tom Preambo, Deputy Director, OECD
Ms. Debra Peterson, Director, Scranton Cultural Center
Mr. John Cardoni, Scranton Cultural Center

SCRANTON CULTURAL CENTER

AT THE MASONIC TEMPLE
420 North Washington Avenue
Scranton, PA 18503
570.346.7369

PNC BANK
PNC Bank, N.A.
Northeast PA 030
60-1/313

19066

9/26/2018

PAY TO THE ORDER OF Commonwealth Financing Authority

\$**100.00

One Hundred and 00/100

DOLLARS

Commonwealth Financing Authority

Scranton Cultural Center at the Masonic Temple

Stephen M. Peterson
AUTHORIZED SIGNATURE

MEMO

Reg. Monroe Gaming Grant

⑈019066⑈ ⑆031300012⑆ 9000081770⑈

SCRANTON CULTURAL CENTER AT THE MASONIC TEMPLE

Commonwealth Financing Authority
6400 · Office Admin. & Supplies:6410 · P · Reg. Monroe Gaming Grant

9/26/2018

19066

100.00

Operating - PNC

Reg. Monroe Gaming Grant

100.00



October 9, 2018

Jessica Eskra, Esquire
City Solicitor
340 North Washington Avenue
Scranton, Pennsylvania 18503

Re: Scranton Cultural Center at Masonic Temple
Local Share Account
Single Application #20109284431
Resolution - \$345,405.00

Dear Atty. Eskra:

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This office would appreciate your office review and expedite this Resolution in order for this to pass Council and I will need to forward it to the Commonwealth Finance Authority in order for them to approve the grant. If you have any questions regarding this project, please contact me at 570/348-4216.

Sincerely,

Linda B. Aebli
Executive Director

lba/

cc: Atty. Sean Gallagher, Solicitor, OECD
Mr. Tom Preambo, Deputy Director, OECD
Mr. John Cardoni, Scranton Cultural Center at Masonic Temple
Ms. Margaret Ryan, Economic Development Analyst, PA DCED

420 North Washington Avenue
Scranton, PA 18503

Office: (570) 346.7369
Fax: (570) 346.7365

www.ScrantonCulturalCenter.org



SCRANTON**CULTURAL**CENTER

at the Masonic Temple

LIFE CELEBRATED.

Scranton Cultural Center at the Masonic Temple

Elevator Safety / Modernization Repairs – Cost and Funding Sources

Costs

1. The budget line associated with repairs is a verbal estimate based on a recent site visit by a team from Kone Elevator Services, an international company. We are in process of having their machinists examine the elevators to determine if parts can be machined to keep the units operational.
2. Overall elevator equipment costs and installation fees are from a quote from Otis Elevator (attached).
3. License and inspection fees are based on past costs associated with the elevators.
4. City administration fee is based on 5% of the total grant award ask per previous LSA project documentation.
5. Project Supervision costs are based on 12 hours per week for a senior administrator to be on site and available for questions and with decision making authority. Costs for travel, phone and internet are good faith costs based on previous project supervision.

Funding

1. Masonic Capital Pledge. The Masonic Temple and Scottish Rite Cathedral Association has pledged \$25,000.00 towards capital project work for this coming fiscal year.
2. SCC / In kind. The Scranton Cultural Center will use operational resources to pay for the items listed out of its general operating account.

Single Application for Assistance**Web Application Id:** 8220117**Single Application Id:** 201809284431**Applicant:** Scranton City**Company:** Scranton Cultural Center at the Masonic Temple**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Project Narrative**

*First line items in these months only if analysis shows temporary repairs are possible.

Single Application for Assistance**Web Application Id:** 8220117**Single Application Id:** 201809284431**Applicant:** Scranton City**Company:** Scranton Cultural Center at the Masonic Temple**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Program Addenda**

6. A letter of support for the project from the affected community;

Uploaded Documents

09-27-18 Blake Scranton Cultural Center LSA support.pdf

BTL support001.pdf

County Arts support003.pdf

County Commissioner support004.pdf

Friends of Poor support002.pdf

Rep Flynn support001.pdf

7. Provide a resolution duly adopted by the applicant's governing board formally requesting the grant, designating an official to execute all documents, describing briefly the project scope, and identifying the grant amount;

Uploaded Documents

Board Resolution001.pdf

8. Copies of funding commitment letters from all other project funding sources, if applicable; and

Uploaded Documents

MTSRCA funding006.pdf

SCC funding005.pdf

9. Copy of the Applicant's and/or project user's latest financials.

Once submitted, please print one (1) copy of the completed application, to include all required and additional applicable supplemental information, and send via US Mail. Please reference the Application ID number on all mailed documents.

Uploaded Documents

SCRANTON CULTURAL CENTER FINANCIAL STATEMENTS JUNE 30, 2017

AUDIT.compressed.pdf

Single Application for Assistance

Web Application Id: 8220117**Single Application Id:** 201809284431**Applicant:** Scranton City**Company:** Scranton Cultural Center at the Masonic Temple**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County

Project Budget

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 costs associated with a full upgrade of the elevators is directly taken from quotes secured from Otis Elevator and Port Elevator companies. It is anticipated that an additional 5% of this total will be required for unforeseen circumstances as the facility is approaching 90 years in age and the elevators are original installations dating back to 1929/30. Fees for reviews by associated historical review boards (HARB, Scranton, Pa. Historical and Museum Commission) are good faith estimates.

Temporary repair costs for the elevators are based on conversations with Port Elevator and Kone Elevator services. Should it be established that parts can be machined, this number includes the fabrication of parts as well as approximately 1 week per elevator for a crew to stabilize machinery, remove the original parts and install new.

Project Supervision / Management is based on 1 individual at 12 hours per week average at \$31.00 / hour for the life of the project - 60 weeks - \$22,320

Scranton cultural Center at the Masonic Temple
Elevator and Emergency Exit Door Emergency Repairs

Total \$ 394,025.25
Less alternate funds \$ 48,620.00

<u>LSA Ask</u> \$ 345,405.25	Item totals	LSA Ask	MTSRCA (Private)	SCC	Total
Elevator Safety and Modernization	\$364,405.25				
Equipment \$ 281,465.00		\$ 281,465.00			\$ 281,465.00
· Otis - GC work \$ 34,867.00		\$ 34,867.00			\$ 34,867.00
Inspections \$ 3,000.00		\$ 3,000.00			\$ 3,000.00
5% Contingency \$ 14,073.25		\$ 14,073.25			\$ 14,073.25
Temporary Repairs \$ 30,000.00		\$ 6,000.00	\$ 24,000.00		\$ 30,000.00
Audit \$ 1,000.00				\$ 1,000.00	\$ 1,000.00
Project Supervision	\$ 23,620.00				
Hours \$ 22,320.00				\$ 22,320.00	\$ 22,320.00
Travel \$ 500.00				\$ 500.00	\$ 500.00
Phone / Internet \$ 500.00				\$ 500.00	\$ 500.00
Copying / Prints \$ 300.00				\$ 300.00	\$ 300.00
City Admin	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00		\$ 6,000.00



**Pennsylvania Department of Community and
Economic Development**
Single Application for Assistance

Single Application #: 201809284431

This page must accompany all required supplemental information **Mail to:**

**Pennsylvania Department of Community and Economic Development
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 DCED via the Internet, Single Application # 201809284431 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).



Signature: John Cardoni, Jr.

Linda B. Aebli, Executive Director, Scranton OECD

The Pennsylvania Department of Community and Economic Development 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.



September 26, 2018

Ms. Deborah M. Peterson
Executive Director
Scranton Cultural Center at the Masonic Temple
420 North Washington Avenue
Scranton, PA 18503

Dear Ms. Peterson:

The Scranton Cultural Center at the Masonic Temple is a national, historic architectural treasure located in the heart of the historic district of Scranton, Pennsylvania. It has been continuously in operation and available to the community since 1930. The facility serves as a regional hub for arts, culture and entertainment. The City of Scranton supports the Scranton Cultural Center at the Masonic Temple's (SCC) application requesting \$356,376.51 of a \$404,995.51 project to upgrade and modernize the original 1930 Otis elevators and lift control mechanisms.

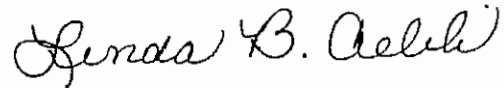
The project will address a major critical deficiency of the facility which can affect health and safety of their patrons. The two 1930s era passenger elevators are the only means of access for handicapped individuals to reach other floors of the facility, as well as the ADA accessible restroom, allowing no ability for individuals with special needs / challenges to access other floors for events or make use of the restrooms without elevators in working order. Also, moving equipment from floor to floor impacts the ability to function effectively.

According to an economic impact study completed in 2016 which states that the SCC is a major economic contributor for the region through revenue generated by SCC events. The SCC has 11 salaried employees, 43 part-time workers, and 65+ union workers. A reduction in events and programs would decrease tourism to Lackawanna County, and affect the economic boost garnered by area restaurants, businesses and hotels when major events come to town contributing to the economic health of this community. Numerous event planners, caterers, and equipment rental companies are also dependent upon SCC events. Without functioning elevators, the entire business model of the facility ceases.

Additionally, the Scranton Cultural Center opens its doors to welcome members of the community to appreciate arts and culture. The SCC collaborates on several projects every year with other non-profit organizations to host their fundraisers and recognition events.

As always I look forward to working with you on this project that will ensure the preservation of this national site to be enjoyed by future generations.

Sincerely,

A handwritten signature in cursive script that reads "Linda B. Aebli".

Linda B. Aebli
Executive Director

Lba/

RESOLUTION
Scranton Cultural Center at the Masonic Temple
Board of Directors
Application for DCED Local Share Grant

1 WHEREAS, the primary purpose of the organization is to restore and preserve the Masonic
2 Temple and Scottish Rite Cathedral of Scranton, to provide a center for civic and community
3 functions and to provide a center for the advancement of the arts and culture in Northeastern
4 Pennsylvania.

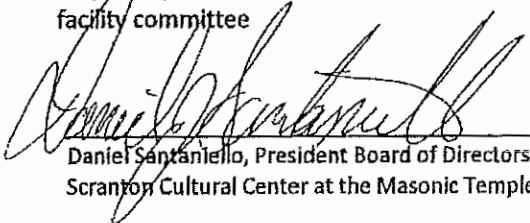
5
6 WHEREAS, through review by two firms specializing in elevator maintenance and repair, the
7 facility committee has recommended that the two 1930s era Otis elevators are near the end of
8 their serviceable life and that one has had failure enough to be taken out of regular service.

9
10 WHEREAS; should the repairs and replacement of the elevator hoist mechanisms and controls
11 not be completed, one or more of the components could fail at any moment rendering the
12 elevators completely unusable. And, in such case, render the facility inaccessible to patrons with
13 disabilities requiring the use of an elevator. Furthermore, patrons who cannot climb multiple
14 flights of stairs would be unable to attend and enjoy programming and events scheduled for
15 upper floors.

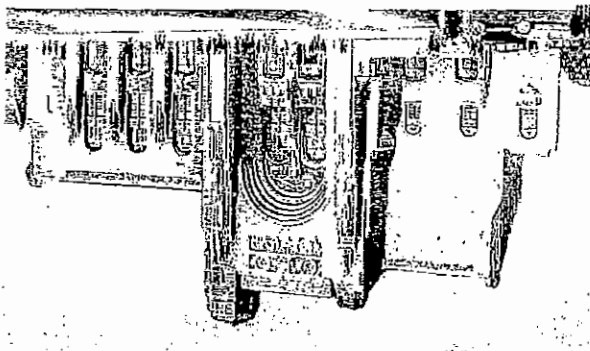
16
17 WHEREAS, continued deterioration would likely result in the closing off of progressively more
18 areas of the building, which would limit the programming capabilities of the Scranton Cultural
19 Center and result in cutbacks - lessening the economic impact (staff and patrons) and cultural
20 impact and influence on the region, as well as the financial viability of the building.

21
22 WHEREAS, the repair cycle would both ensure future economic impact and growth and allow the
23 continued fulfillment of our nonprofit mission.

24
25 THEREFORE, BE IT RESOLVED, the Board of Directors of the Scranton Cultural Center at the
26 Masonic Temple encourages and authorizes the staff to submit application for grant funding
27 from the DCED Local Share Grant program to fund the project costs associated with: procuring
28 and installing new elevator mechanics and control systems and repairing those systems which
29 may be repaired according to the project scope developed recommended and authorized by the
30 facility committee


Daniel Santaniello, President Board of Directors
Scranton Cultural Center at the Masonic Temple

Date: 9.17.18



THE MASONIC TEMPLE and SCOTTISH RITE CATHEDRAL ASSOCIATION

Send all correspondence to:
The Masonic Temple and Scottish Rite Cathedral Association
c/o John Cardoni, Secretary
420 North Washington Avenue
Scranton, PA 18503

September 25, 2018

Ms. Deborah Moran Peterson, Executive Director
Scranton Cultural Center
at the Masonic Temple
420 North Washington Avenue
Scranton, PA 18503

Dear Ms. Peterson,

The Masonic Temple and Scottish Rite Cathedral Association has enjoyed a long relationship with the Scranton Cultural Center at the Masonic Temple. Over the past close to thirty years, the Association has been proud to part of the life of the region by supporting the activities of the Center. Our past financial support is in excess of \$1,000,000 in contributions, both through rent and project support. Our support of capital projects alone in the last fifteen years has exceeded \$300,000.

It is our pleasure today to inform you that we are pleased to continue that pledge by committing today to a further pledge of \$125,000 to the newest campaign, payable over five years and starting with the capital improvement project to the elevators in 2019.

We look forward to meeting with you to develop a strategy for these funds and to discuss ways to utilize them to our mutual benefit and recognition.

Sincerely yours,

The members of the Masonic Temple and Scottish Rite Cathedral Association Trustees

Michael Kleha, President

John Cardoni, Secretary



BUREAU OF CITY PLANNING

CITY HALL : 340 NORTH WASHINGTON AVENUE : SCRANTON, PENNSYLVANIA 18503 : PHONE 570-348-4280 : FAX 570-348-4171

September 26, 2018

Scranton Cultural Center at the Masonic Temple
Attention: Deb Peterson
420 North Washington Avenue
Scranton, PA, 18503

Re: Scranton Cultural Center Elevator Rehabilitation
Local Share Grant

Please accept this letter as evidence of support for your Local Share Grant funds application for funding to undertake rehabilitation of the elevators. The Scranton Cultural Center serves as a valuable and needed venue and the centerpiece for cultural activities in Northeast Pennsylvania. The proposed renovations will greatly assist in meeting your mission by providing access to all patrons and most especially meeting all ADA requirements for public facilities.

We have determined that your project is consistent with our comprehensive plan and specifically the stated goal of rehabilitating the Scranton Cultural Center to serve as the major cultural center for Northeast Pennsylvania. Further after a review of the project activities we have found that the project would be consistent with our zoning and planning requirements.

Good luck with your application. If you have any further needs or questions please do not hesitate to contact me at 570-348-4280 or dking@scrantonpa.gov.

Sincerely,

Donald J. King, AICP, CFM
City Planner



BUREAU OF CITY PLANNING

CITY HALL : 340 NORTH WASHINGTON AVENUE : SCRANTON, PENNSYLVANIA 18503 : PHONE 570-348-4280 : FAX 570-348-4171

September 26, 2018

Scranton Cultural Center at the Masonic Temple
Attention: Deb Peterson
420 North Washington Avenue
Scranton, PA, 18503

Re: Scranton Cultural Center Elevator Rehabilitation
Local Share Grant

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We have determined that your project is consistent with our comprehensive plan and specifically the stated goal of rehabilitating the Scranton Cultural Center to serve as the major cultural center for Northeast Pennsylvania. Further after a review of the project activities we have found that the project would be consistent with our zoning and planning requirements.

Good luck with your application. If you have any further needs or questions please do not hesitate to contact me at 570-348-4280 or dking@scrantonpa.gov.

Sincerely,

Donald J. King, AICP, CFM
City Planner



DEPARTMENT OF LAW

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

October 15, 2018

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

RECEIVED

OCT 15 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION RATIFYING AND APPROVING OF THE EXECUTION AND SUBMISSION OF THE GRANT APPLICATION BY THE CITY OF SCRANTON, ON BEHALF OF SCRANTON CULTURAL CENTER AT MASONIC TEMPLE TO THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH FINANCING AUTHORITY FOR A LOCAL SHARE ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF \$345,405.00 FOR THE PROJECT TO BE KNOWN AS "SCRANTON CULTURAL CENTER AT MASONIC TEMPLE ELEVATOR SAFETY/MODERNIZATION REPAIRS" LOCATED IN SCRANTON, PENNSYLVANIA, AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF THE CITY OF SCRANTON TO ACCEPT THE GRANT, IF SUCCESSFUL AND EXECUTE AND ENTER INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF \$345,405.00 AWARDED BY THE COMMONWEALTH OF PENNSYLVANIA FOR SUCH PROJECT.

Respectfully,

Jessica L. Eskra (s)
Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2018

RATIFYING AND APPROVING OF THE EXECUTION AND SUBMISSION OF THE GRANT APPLICATION BY THE CITY OF SCRANTON, ON BEHALF OF ELECTRIC CITY DEVELOPMENT LLC TO THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH FINANCING AUTHORITY FOR A LOCAL SHARE ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF \$500,000.00 FOR THE PROJECT TO BE KNOWN AS "WYOMING AVENUE LSA" LOCATED AT 614 WYOMING AVENUE, SCRANTON, PENNSYLVANIA 18509, AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF THE CITY OF SCRANTON TO ACCEPT THE GRANT, IF SUCCESSFUL AND EXECUTE AND ENTER INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF \$500,000.00 AWARDED BY THE COMMONWEALTH OF PENNSYLVANIA FOR SUCH PROJECT.

WHEREAS, the City of Scranton, through the Office of Economic and Community Development, submitted a grant application on behalf of the Electric City Development LLC to the Commonwealth of Pennsylvania ("the Commonwealth") acting through the Commonwealth Financing Authority (the "Grantor") for a Local Share Account Grant, pursuant to the PA Race Horse Development and Gaming Act, for the acquisition of three (3) buildings, demolition of one of the buildings to create and construct a parking area, the renovation of the first two (2) floors of the main building and securing the building envelope and elevator ("Project") located at 614 Wyoming Avenue, Scranton Pennsylvania 18509. A copy of such grant application ("Grant Application") is attached hereto as Exhibit "A" and incorporated herein as if set forth at length; and

WHEREAS, the City of Scranton intends herein to ratify and approve the execution and submission of the Grant Application; and

WHEREAS, the Commonwealth of Pennsylvania will review the Grant Application for funding for the Local Share Account Grant in the amount of \$500,000.00 ("Grant") for the "Project"; and

WHEREAS, if the Grant Application is approved, the City of Scranton intends herein to authorize the execution of the Local Share Account Grant Contract and Commitment Letter, and the acceptance, disbursement, and utilization of the Grant for the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the execution and submission of the Grant Application is hereby ratified and if approved, the Mayor and other appropriate City Officials are hereby authorized to enter into and execute and submit any additional related paperwork for this Grant, and if successful to accept the grant funds to be used for the Project as detailed in the Grant Application. This approval anticipates and authorizes the execution of any and all related documentation necessary for the Grant or to accept, disburse and utilize the Grant for the Project.

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.

Passed by the Council

Receiving the Affirmative votes of Council Persons

Negative

President

Approved

Mayor

City Clerk

Certified Copy



October 11, 2018

Jessica Eskra, Esquire
City Solicitor
340 North Washington Avenue
Scranton, Pennsylvania 18503

Re: Electric City Development LLC
Local Share Account
Single Application #201809284434
Resolution - \$500,000.00

Dear Atty. Eskra:

Attached please find the Resolution to apply and if successful accepting and disbursing funding from the Commonwealth of Pennsylvania Local Share Account in the amount \$500,000.00.

This office would appreciate your office review and expedite this Resolution in order for this to pass Council and I will need to forward it to the Commonwealth Finance Authority in order for them to approve the grant. If you have any questions regarding this project, please contact me at 570/348-4216.

Sincerely,

A handwritten signature in cursive script that reads "Linda B. Aebli".

Linda B. Aebli
Executive Director

lba/

cc: Atty. Sean Gallagher, Solicitor, OECD
Mr. Tom Preambo, Deputy Director, OECD
Mr. Don Mammano, Electric City Development LLC



Office of Economic and
Community Development

October 11, 2018

Ms. Mandy Book
PA Department of Community and Economic Development
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

**Re: Local Share Account
Scranton City
Application
Electric City Development LLC**

Dear Ms. Book:

Attached please find the application for the Electric City Development LLC. The check in the amount of \$100.00 for application ##201809284434 was submitted by the Sub-Grantee last week. To date, I have not been contacted by anyone on your staff who will be overseeing this application.

I am in the process of preparing a Resolution (copy attached) for the submission of the application and will forward it to you as soon as it is passed by Scranton City Council.

If you have any questions or need more information concerning this project please do not hesitate to contact me at 570/348-4216 or Laebli@scrantonpa.gov.

Sincerely,

A handwritten signature in cursive script that reads "Linda B. Aebli".

Linda B. Aebli
Executive Director

lba/

cc: Mr. Tom Preambo, Deputy Director, OECD
Mr. Dom Mammano, Electric City Development LLC

Single Application for Assistance

Web Application Id: 8220362

Single Application Id: 201809284434

Applicant: Electric City Development LLC

Company: Electric City Development LLC

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Project Site Locations

Address:	614 Wyoming Ave
City:	Scranton
State:	PA
Zip Code:	18509
County:	Lackawanna
Municipality:	Scranton City
PA House:	Marty Flynn (113)
PA Senate:	John P. Blake (22)
US House:	Matthew Cartwright (17)
Current Employees:	3
Jobs To Be Created:	75
Jobs that Pay:	\$41,232.00
	Created 30 Retained 3
	<u>Jobs that Pay</u> Jobs that Pay is Part Of Governor Wolf's initiative to improve Pennsylvania's overall job climate and job growth through partnering with the private sector to encourage the creation and retention of jobs that pay at least 80% of the annual average wage in the county where the jobs are located. (See current county listings). Job creation and retention will help ensure that businesses and communities provide employment opportunities for all of the state's residents, improve the local tax base, and achieve prosperity and a higher quality of life for families and communities. <u>NOTE:</u> Jobs that Pay required data by the Department is for reporting purposes only and will NOT be used as a criteria for awarding loans, loan guarantees, grants or tax credits.
Designated Areas:	

Applicant: Electric City Development LLC

Company: Electric City Development LLC

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Project Overview

Project Name:

Wyoming Ave LSA

Is this project related to another previously submitted project?

Yes

If yes, indicate previous project name:

RACP Grant Wyoming Ave Development project

Have you contacted anyone at DCED about your project?

No

If yes, indicate who:

Business Specifics

Current # of Full-time Employees:	
(In PA):	3
(World Wide):	0
Minority Owned:	No
	Select
Woman Owned:	No
Total Sales \$:	0
Total Export Sales \$:	0
R&D Investment:	0 (% of Budget)
Employee Training Investment:	0 (% of Budget)

Enterprise Type

Indicate the types of enterprises that describe the organization listed above. You may select more than one type.

<input type="checkbox"/> Advanced Technology	<input type="checkbox"/> Agri-Processor	<input type="checkbox"/> Agri-Producer
<input type="checkbox"/> Authority	<input type="checkbox"/> Biotechnology / Life Sciences	<input type="checkbox"/> Business Financial Services
<input type="checkbox"/> Call Center	<input type="checkbox"/> Child Care Center	<input type="checkbox"/> Commercial
<input type="checkbox"/> Community Dev. Provider	<input type="checkbox"/> Computer & Clerical Operators	<input type="checkbox"/> Defense Related
<input checked="" type="checkbox"/> Economic Dev. Provider	<input type="checkbox"/> Educational Facility	<input type="checkbox"/> Emergency Responder
<input type="checkbox"/> Environment and Conservation	<input type="checkbox"/> Exempt Facility	<input type="checkbox"/> Export Manufacturing
<input type="checkbox"/> Export Service	<input type="checkbox"/> Food Processing	<input type="checkbox"/> Government
<input type="checkbox"/> Healthcare	<input type="checkbox"/> Hospitality	<input type="checkbox"/> Industrial
<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Mining	<input type="checkbox"/> Other
<input type="checkbox"/> Professional Services	<input type="checkbox"/> Recycling	<input type="checkbox"/> Regional & National Headquarters
<input type="checkbox"/> Research & Development	<input type="checkbox"/> Retail	<input type="checkbox"/> Social Services Provider
<input type="checkbox"/> Tourism Promotion	<input type="checkbox"/> Warehouse & Terminal	

Economic Dev. Provider,

Single Application for Assistance

Web Application Id: 8220362

Single Application Id: 201809284434

Single Application for Assistance

Web Application Id: 8220362

Single Application Id: 201809284434

Applicant: Electric City Development LLC

Company: Electric City Development LLC

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Project Budget

	Local Share Account Fund (Gaming Funds) Monroe County	Total
Acquisition	\$930,000.00	
Buildings	\$930,000.00	\$930,000.00
General Construction	\$1,080,000.00	
Renovations	\$1,080,000.00	\$1,080,000.00
Infrastructure / Site Preparation	\$300,000.00	
Parking	\$300,000.00	\$300,000.00
Machinery & Equipment	\$380,000.00	
Upgrade Existing	\$125,000.00	\$125,000.00
Installation/Building Modification	\$255,000.00	\$255,000.00
Related Costs	\$153,000.00	
Engineering	\$80,000.00	\$80,000.00
Inspections	\$73,000.00	\$73,000.00
Total	\$2,843,000.00	
	Budget Total:	\$2,843,000.00

*Requesting \$500,000.⁰⁰
LSA*

Basis of Cost

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

Bids/Quotations, Contractor Estimates, Engineer Estimates, Sales Agreements

Budget Narrative

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

Single Application for Assistance

Web Application Id: 8220362

Single Application Id: 201809284434

Applicant: Electric City Development LLC

Company: Electric City Development LLC

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Project Narrative

What do you plan to accomplish with this project?

Identify the problem(s) that need to be resolved.

The Wyoming Ave project will create 2 floors of office space and provide much needed parking in this section of Scranton. The 600 block of Scranton has no City Parking Garages and limited on street parking. By transforming an old warehouse building into office space, this project will provide downtown office space with parking along a bus route.

How do you plan to accomplish it?

Include expected outcomes that are measurable, obtainable, clear and understandable, and valid. Examples of measurable outcomes include jobs created or retained, people trained, land or building acquired, housing units renovated or built, etc.

The LSA funds will be used to help rehab existing vacant warehouse space into office space in two floors of the six story building of 614 Wyoming Ave. In addition, DFM will borrow money to acquire the necessary buildings and use the RACP award to build out the infrastructure and building envelope.

How do you plan to use the funds?

Should include specific use of funds and reflect the budget provided with the application.

Electric City Development is requesting \$500,000 to help offset the cost to develop and renovate the 614 Wyoming Ave Project. The funds will be used to help offset the costs associated with renovating two floors of office space. This alone is estimated at \$540,000 per floor. Phase One of this project is estimated at \$3.8M with an overall cost of \$5.8 million

Projected Schedule and Key Milestones and Dates

A detailed schedule of activities, including key milestones and dates, must accompany this application if applicable to the project.

The project is expect to start in 2018 and be finished by fall of 2019.

Buildings will be acquired in October of 2018

Demolition of one building needed for parking will begin in the spring of 2019

Renovation of 614 Wyoming Ave will begin in Spring of 2019

Expected Completion of building, September 2019

planning/zoning office), if applicable;

Uploaded Documents

6. A letter of support for the project from the affected community;

Uploaded Documents

City Support letter9.24.2018.pdf

7. Provide a resolution duly adopted by the applicant's governing board formally requesting the grant, designating an official to execute all documents, describing briefly the project scope, and identifying the grant amount;

Uploaded Documents

City of Scranton LSA Letter.pdf

City Support letter9.24.2018.pdf

8. Copies of funding commitment letters from all other project funding sources, if applicable; and

Uploaded Documents

RACP Letter 9-11-18.PDF

9. Copy of the Applicant's and/or project user's latest financials.

Once submitted, please print one (1) copy of the completed application, to include all required and additional applicable supplemental information, and send via US Mail. Please reference the Application ID number on all mailed documents.

Uploaded Documents

LSA Financial letter.pdf

Single Application for Assistance

Web Application Id: 8220362

Single Application Id: 201809284434

Applicant: Electric City Development LLC

Company: Electric City Development LLC

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Program Addenda

In addition to the Single Application, the Applicant shall submit the following list of items. All items marked with a red diamond are required to be uploaded to the application. The items that are not required should be uploaded if they are applicable to the project.

1. Provide a description of the project which discusses all of the following: (a) a detailed project description to include specific project activities and expected results; (b) the specific location of the project site; (c) whether the proposed project is consistent with an existing regional, county, or local comprehensive plan; (d) whether the proposed project has been identified as a priority investment in a local or regional economic development plan or strategy; (e) the anticipated employment, investment, and/or community impact of the project; (f) if a difference exists, the historical and proposed use of the project site; and (g) if applicable, the experience of the developer to include a discussion of previously completed projects.

Uploaded Documents

614 Wyoming LSA CHECK.rtf.zip
Pictures of Wyoming Ave project.rtf.zip
Summary of LSA Wyoming AVE .docx

2. A projected schedule and detailed timeline for the project;

Uploaded Documents

Wyoming Ave Schedule and Timeline.docx

3. A budget accompanied by a description of the basis of costs for the project and sources of funding;

Uploaded Documents

Project Costs and Funding .pdf

4. Copies of signed bids/quotations, contractor estimates, sales agreements, or engineer estimates verifying project costs. Bids should be current and dated;

Uploaded Documents

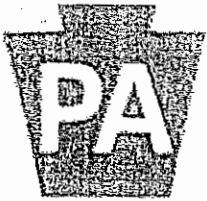
614 Wyoming Ave Bid.pdf

5. Evidence of conformity of the project with local and regional comprehensive plans and zoning (in the form of a letter from the applicable

necessary to qualify for that particular resource. Please read the Program Guidelines for details.

614 Wyoming Ave building is a six story building that will be used to create office space which includes a parking area for 104 cars. The 600 block of Scranton currently has a shortage of parking and office space. The project requires the purchase of two additional adjacent buildings next to 614 Wyoming and the outright purchase of 614 Wyoming ave building. These properties are currently under a sales agreement for \$930,000 (listed as Acquisition) with a projected total cost of \$3.8 million. A breakdown of the costs in correspondence with the budget spreadsheet are below:

- * Demo of one of the buildings being acquired is needed to create and construct a two tier parking area for \$300,000. Infrastructure and Site Preparation
- * Renovations to the first two floors of 614 Wyoming at \$1,080,000. for office space. General Construction
- * Soft costs such as permits, inspections, engineering and architectural fees \$153,000. Related Costs
- * Elevator, electric and building envelope \$255,000. Machinery and Equipment



Pennsylvania Department of Community and Economic Development

Single Application for Assistance

Single Application #: 201809284434

This page must accompany all required supplemental information **Mail to:**

Pennsylvania Department of Community and Economic Development
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 DCED via the Internet, Single Application # 201809284434 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).



Signature: Don Mammano

Sinda B. Aebli, Executive Director, Scranton City.
OECD

The Pennsylvania Department of Community and Economic Development 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.



PO Box 593
Pittston PA 18640

Office: 570-283-0536
Fax: 570-227-2330
Joe Rinkus Cell 570-240-1421

Estimate

Date	Estimate No.
9/27/2018	2018-0787

Name/Address

DFM Properties LLC
Donald F Mammano
317 Linden Street
Scranton PA 18503

Project	
Description	Total
We Propose to complete line items listed below as a Design Build Project Located at 614 Wyoming Ave Scranton included is labor and material costs.	
Construction Contingency	109,655.70
1300 Architectural Fees	94,600.00
1310 Project Management	184,026.15
1350 Building Permits Inspection Fees	80,341.80
1470 Safety	15,199.80
1490 Periodic Clean Up	15,199.80
1491 Final Clean Up	8,142.75
1492 Punch List	6,514.20
1505 Temp Toilet	4,342.80
1510 Dumpster Service	5,971.35
1620 Small Tools	4,342.80
2040 Move In/Out	1,628.55
2050 Equipment Crane	24,971.10
2055 Equipment Fuel	4,342.80
2800 Site Development	247,539.60
2820 Vinyl Fence Round Dumpster	4,342.80
2900 Landscaping	16,285.50
3120 Form Work Pour Footers Retaining Wall	49,399.35
3130 Sidewalk	13,028.40
3510 Rebar	6,514.20
5500 Finish Stairs	13,028.40
6100 Framing Labor	159,236.00
6105 Framing Materials	61,884.90
6130 Exterior Improvements	137,341.05
6200 Millwork/Base/Trim	116,712.75
Total	

I hereby accept the above estimate and agree to pay, periodical payments due upon completion percentage of work performed.
Payment shall be made within 15 days of invoice date.

Accepted this _____ day of 20____

BY : Signature _____
RETURN EXECUTED COPY



PO Box 593
Pittston PA 18640

Office: 570-283-0536
Fax: 570-227-2330
Joe Rinkus Cell 570-240-1421

Estimate

Date	Estimate No.
9/27/2018	2018-0787

Name/Address

DFM Properties LLC
Donald F Mammano
317 Linden Street
Scranton PA 18503

Project	
Description	Total
6210 Kitchen Cabinetry/Vanity Labor & Material /Granite	217,140.00
Insulation Labor	27,323.45
7220 Batt Insulation Roof	45,056.55
7225 Batt Insulation Interior Walls	15,199.80
7310 Rubber Roof	62,427.75
7720 Gutters	21,714.00
7800 Fire Sprinklers	112,369.95
7810 Sleeves/Core Drilling	6,514.20
8050 Int/Ext Doors	124,855.50
8400 Entry Way Door (Front/Power)	18,999.75
8500 Windows	135,712.50
Interior/ Exterior Door Hardware	27,685.35
9200 Drywall/Acoustical Ceiling	295,310.40
9600 Flooring	195,968.85
9900 Painting	123,046.00
Toilet Room Acc/Grab Bars	30,942.45
11405 Appliances	28,771.05
14200 Elevator Improvements	10,857.00
15050 HVAC	432,470.50
15400 Plumbing	280,291.55
16200 Electric	334,757.50
16205 Exterior Site Electrical Conduits	4,885.65
16215 Concrete for Site Conduits	6,514.20
16500 Lighting Allowance	55,370.70
16740 Phone	152,540.85
16745 Fire Security System	106,398.60
Total	\$4,257,716.65

I hereby accept the above estimate and agree to pay, periodical payments due upon completion percentage of work performed.
Payment shall be made within 15 days of invoice date.

Accepted this _____ day of 20____

BY : Signature _____

RETURN EXECUTED COPY

Donald F. Mammano Jr.
DFM Properties LLC
Electric City Development LLC
317 Linden Street
Scranton PA 18503

Dept of Comm & Econ Dev Ctr for Comm Enhance
Commonwealth Keystone Building
LSA - Monroe County Program
400 North Street, 4th Floor
Harrisburg, PA 17120-0225

DFM MANAGEMENT INC

317 LINDEN ST
SCRANTON, PA 18503-1496

1241

DATE 9-28-18

RB-1/313
100

CHECK MARK

PAY
TO THE
ORDER OF

COMMONWEALTH FINANCIAL AUTHORITY

\$ 100.00

ONE HUNDRED

DOLLARS

Photo
Safe
Deposit
Box

PNC BANK

PNC Bank, N.A. 030

FOR

614 WYOMING Web App # 8220362

Donald Mammano

⑈001241⑈ ⑆031300012⑆ 9022177983⑈

Not for Cash



REAL ESTATE • CONSTRUCTION • MANAGEMENT

317 Linden Street Scranton PA 18503
570-344-1750

October 2, 2018

Steve Heuer, Director
Redevelopment Assistance Capital Program
Bureau of Revenue, Capital and Debt
Office of the Budget, Commonwealth of Pennsylvania
333 Market Street, 18th Floor
Harrisburg, Pennsylvania 17101-2210

RE: Wyoming Ave Development - \$1,000,000 RACP Grant

Dear Mr. Heuer

In accordance with the procedures for application for the Redevelopment Assistance Capital Program (RACP) Grant, please accept this communication as an official acceptance of a RACP award on behalf of Don Mammano president of Mimi Equities as dated in a September 11, 2018 letter.

Don Mammano, President of DFM Properties and Mimi Equities applied for the Wyoming Ave grant under the name of Mimi Equities and is at this time requesting a name change from Mimi Equities to Electric City Development LLC, 317 Linden Street, Scranton, PA. 18503.

The City of Scranton (Federal ID # 24-6000-704) located in Lackawanna County will be the governing entity that will sponsor the project.

Thank you for your attention and consideration in this regard. If I may provide anything further, please don't hesitate to contact me at dfmproperties@yahoo.com or my consultant to the project Jim Wansacz at 570-335- 2492 or wansaczj@gmail.com

Sincerely,

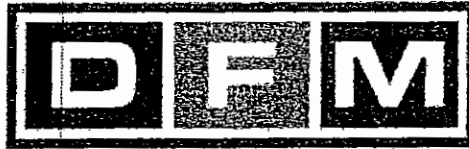
Donald F. Mammano Jr.

President of Mimi Equities and Electric City Development

CC: Linda Abeli, City of Scranton

Wyoming Ave Schedule and Timeline

Acquire the three buildings for 614 Wyoming Ave Project:	October 30, 2018
Submit a budget to RACP for acceptance of grant:	February 21, 2019
Finalize all plans and receive City of Scranton Permit:	March, 2019
Start Demolition of newly acquired building and parking lot construction:	April, 2019
Replace roof and windows at 614 Wyoming Ave:	May 2019
Do fit out of two stories of 614 for office space:	June 2019
Completion of first two stories and parking lot:	September 2019
Ribbon Cutting with Elected Officials and Governor Wolf:	September 2019



REAL ESTATE • CONSTRUCTION • MANAGEMENT

317 Linden Street Scranton PA 18503
570-344-1750

October 2, 2018

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Sincerely,

Donald F. Mammano Jr.

President of Mimi Equities and Electric City Development

CC: Linda Abeli, City of Scranton

Description		Total Of Building 49350 Sq Ft
1290	Construction Contingency	\$99,687.00
1300	Architectural Fees	\$86,000.00
1310	Project Management	\$167,296.50
1350	Permit/Inspections	\$73,038.00
1470	Safety	\$13,818.00
1490	Periodic Clean-Up	\$13,818.00
1491	Final Clean-Up	\$7,402.50
1492	Punchlist	\$5,922.00
1505	Temp Toilet	\$3,948.00
1510	Dumpster Service	\$5,428.50
1620	Small tools	\$3,948.00
2040	Move In/Out	\$1,480.50
2050	Equipment/Crane	\$22,701.00
2055	Equipment Fuel	\$3,948.00
2800	Site Development	\$225,036.00
2820	Vinyl Fence Around Dumpster	\$3,948.00
2900	Landscaping	\$14,805.00
3120	Form Work/Pour Footers/retaining Wall	\$44,908.50
3130	Sidewalk	\$11,844.00
3510	Rebar	\$5,922.00
5500	Finish Stairs	\$11,844.00
6100	Framing	\$144,760.00
6105	Framing Material	\$56,259.00
6130	Exterior Improvements	\$124,855.50
6200	Millwork/Base/Trim Labor and Material	\$106,102.50
6210	Kitchen Cabinetry/Vanity Labor & Material/Granite	\$197,400.00
7205	Installation Labor Install	\$24,839.50
7220	Batt Insulation Roof	\$40,960.50
7225	Batt Insulation Interior Walls	\$13,818.00
7310	Rubber Roof	\$56,752.50
7720	Gutters	\$19,740.00
7800	Fire Sprinklers	\$102,154.50
7810	Sleeves / Core Drilling	\$5,922.00
8050	Interior Doors/Exterior	\$113,505.00
8400	Entry Door (Front/Power)	\$17,272.50
8500	Windows	\$123,375.00
8510	Interior/Exterior Door Hardware	\$25,168.50
9200	Drywall/Acoustical Ceiling	\$268,464.00
9600	Flooring	\$178,153.50
9900	Painting	\$111,860.00
10800	Toilet Room Accessories/Grab Bars	\$28,129.50
11400	Furnishing/Kitchen Equipment/Laundry	N/A
11405	Appliances	\$26,155.50

14200	Elevatror Improvements	\$9,870.00
15050	HVAC	\$393,155.00
15400	Plumbing	\$254,810.50
15420	Plumbing Hook Up Fee	N/A
16200	Electric	\$304,325.00
Description		Total Of Building
		49350 Sq Ft
16205	Exterior Site Electrical Conduits	\$4,441.50
16215	Concrete For Site Conduits	\$5,922.00
16235	Electrical Back-up Generator/ Transfer Switch	N/A
16500	Lighting Allowance	\$50,337.00
16740	Phone	\$138,673.50
16745	Fire Security Sytem	\$96,726.00
Total		\$3,870,651.50
Funding		
RACP GRANT		\$1,000,000.00
Cash on hand for building acquistion		\$350,000.00
Loan for remainder of project		\$2,000,000.00
Total		\$3,350,000.00
LSA Grant		\$500,000.00



Office of Economic and
Community Development

September 24, 2018

Mr. Donald F. Mammano Jr.
President
DFM Properties LLC
317 Linden Street
Scranton, PA 18503

RECEIVED

OCT 22 2018

Re: Commonwealth Finance Authority
Local Share Account
614 Wyoming Avenue
Scranton, Pennsylvania 18503

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Mr. Mammano:

This letter is to express the City of Scranton's strong support for the continuation of revitalization close to the Scranton's Central Business District.

There is a need for new updated modern office space with parking in the 600 block of Wyoming Avenue, Scranton, Pennsylvania conveniently having access to a bus route and is near to the many services in the Central Business District.

If funding for LSA funding is approved this will enable you as the developer to develop a six (6) story abandoned warehouse into a professional office space.

As you indicated in addition, other properties located near 614 Wyoming Avenue are under contract to be acquired to provide for additional parking.

The City of Scranton looks forward to working with you on this worthwhile endeavor.

Very truly yours,

A handwritten signature in cursive script that reads "Linda B. Aebli".

Linda B. Aebli
Executive Director

Lba/



DEPARTMENT OF LAW

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

October 15, 2018

RECEIVED

OCT 15 2018

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

OFFICE OF CITY
COUNCIL/CITY CLERK

Dear Honorable Council Members:

ATTACHED IS A RESOLUTION RATIFYING AND APPROVING OF THE EXECUTION AND SUBMISSION OF THE GRANT APPLICATION BY THE CITY OF SCRANTON, ON BEHALF OF ELECTRIC CITY DEVELOPMENT LLC TO THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH FINANCING AUTHORITY FOR A LOCAL SHARE ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF \$500,000.00 FOR THE PROJECT TO BE KNOWN AS "WYOMING AVENUE LSA" LOCATED AT 614 WYOMING AVENUE, SCRANTON, PENNSYLVANIA 18509, AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF THE CITY OF SCRANTON TO ACCEPT THE GRANT, IF SUCCESSFUL AND EXECUTE AND ENTER INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF \$500,000.00 AWARDED BY THE COMMONWEALTH OF PENNSYLVANIA FOR SUCH PROJECT.

Respectfully,

Jessica Eskra (S)
Jessica L. Eskra, Esquire
City Solicitor

JLE/sl

RESOLUTION NO. _____

2018

RATIFYING AND APPROVING OF THE EXECUTION AND SUBMISSION OF THE GRANT APPLICATION BY THE CITY OF SCRANTON, ON BEHALF OF NEIGHBORWORKS NORTHEASTERN PENNSYLVANIA TO THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH FINANCING AUTHORITY FOR A LOCAL SHARE ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF \$78,960.00 FOR THE PROJECT TO BE KNOWN AS "NEIGHBORWORKS HOMEOWNERSHIP CENTER" LOCATED 815 SMITH STREET, SCRANTON, PENNSYLVANIA 18504, AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF THE CITY OF SCRANTON TO ACCEPT THE GRANT, IF SUCCESSFUL AND EXECUTE AND ENTER INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF \$78,960.00 AWARDED BY THE COMMONWEALTH OF PENNSYLVANIA FOR SUCH PROJECT.

WHEREAS, the City of Scranton, through the Office of Economic and Community Development, submitted a grant application on behalf of the NeighborWorks of Northeastern Pennsylvania to the Commonwealth of Pennsylvania ("the Commonwealth") acting through the Commonwealth Financing Authority (the "Grantor") for a Local Share Account Grant, pursuant to the PA Race Horse Development and Gaming Act, for the renovation and remodeling to include space for training and counseling for seniors and families/individuals in need of all phases of home ownership and financial guidance/training at the NeighborWorks Homeownership Center ("Project") located at 815 Smith Street, Scranton, Pennsylvania 18504. A copy of such grant application ("Grant Application") is attached hereto as Exhibit "A" and incorporated herein as if set forth at length; and

WHEREAS, the City of Scranton intends herein to ratify and approve the execution and submission of the Grant Application; and

WHEREAS, the Commonwealth of Pennsylvania will review the Grant Application for funding for the Local Share Account Grant in the amount of \$78,960.00 ("Grant") for the "Project"; and

WHEREAS, if the Grant Application is approved, the City of Scranton intends herein to authorize the execution of the Local Share Account Grant Contract and Commitment Letter, and the acceptance, disbursement, and utilization of the Grant for the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SCRANTON that the execution and submission of the Grant Application is hereby ratified and if approved, the Mayor and other appropriate City Officials are hereby authorized to enter into and execute and submit any additional related paperwork for this Grant, and if successful to accept the grant funds to be used for the Project as detailed in the Grant Application. This approval anticipates and authorizes the execution of any and all related documentation necessary for the Grant or to accept, disburse and utilize the Grant for the Project.

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.



October 9, 2018

Jessica Eskra, Esquire
City Solicitor
340 North Washington Avenue
Scranton, Pennsylvania 18503

Re: NeighborWorks of Northeastern Pennsylvania
Local Share Account
Single Application #20190928449
Resolution - \$78,960.00

Dear Atty. Eskra:

Attached please find the Resolution to apply and if successful accepting and disbursing funding from the Commonwealth of Pennsylvania Local Share Account in the amount \$78,960.00.

This office would appreciate your office review and expedite this Resolution in order for this to pass Council and I will need to forward it to the Commonwealth Finance Authority in order for them to approve the grant. If you have any questions regarding this project, please contact me at 570/348-4216.

Sincerely,

Linda B. Aebli
Executive Director

lba/

cc: Atty. Sean Gallagher, Solicitor, OECD
Mr. Tom Preambo, Deputy Director, OECD
Mr. Jesse Ergotts, NeighborWorks
Ms. Margaret Ryan, Economic Development Analyst, PA DCED

Single Application for Assistance**Web Application Id:** 8220440**Single Application Id:** 201809284449**Applicant:** The City of Scranton**Company:** NeighborWorks Northeastern Pennsylvania**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Applicant Information**

Applicant Entity Type:	Government
Applicant Name:	The City of Scranton
NAICS Code	9211
FEIN/SSN Number	XXXXXXXX
DUNS Number:	136814287
CEO:	William Courtright
CEO Title:	Mayor
SAP Vendor #:	XXXXXX
Contact Name:	Linda Aebli
Contact Title:	Executive Director, OECD
Phone:	(570)-348-4216 Ext.
Fax:	
E-mail:	laebli@scrantonpa.gov
Mailing Address:	Scranton Municipal Building 340 North Washington Avenue
City:	Scranton
State:	PA
Zip Code:	18503

Single Application for Assistance

Web Application Id: 8220440

Single Application Id: 201809284449

Applicant: The City of Scranton

Company: NeighborWorks Northeastern Pennsylvania

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Single Application for Assistance

Web Application Id: 8220440

Single Application Id: 201809284449

Applicant: The City of Scranton

Company: NeighborWorks Northeastern Pennsylvania

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Company Information

Company Entity Type:	Non-Profit Corporation	
Company Name:	NeighborWorks Northeastern Pennsylvania	
Charitable organization?	True	
NAICS Code	9251	
FEIN:	XXXXXXXX	
DUNS Number:	363521873	
CEO:	Jesse J. Ergott	
CEO Title:	President & CEO	
SAP Vendor #:	XXXXXX	
Contact Name:	Jesse Ergott	
Contact Title:	President & CEO	
Phone:	(570)-558-2490	Ext. <input type="text"/>
Fax:	<input type="text"/>	
E-mail:	jergott@nwnepa.org	
Mailing Address:	1510 North Main Avenue	
City:	Scranton	
State:	PA	
Zip Code:	18508	

Single Application for Assistance**Web Application Id:** 8220440**Single Application Id:** 201809284449**Applicant:** The City of Scranton**Company:** NeighborWorks Northeastern Pennsylvania**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Business Specifics**

Current # of Full-time Employees:	
(In PA):	10
(World Wide):	0
Minority Owned:	N/A
	Select
Woman Owned:	N/A
Total Sales \$:	0
Total Export Sales \$:	0
R&D Investment:	5 (% of Budget)
Employee Training Investment:	2 (% of Budget)

Enterprise Type

Indicate the types of enterprises that describe the organization listed above. You may select more than one type.

<input type="checkbox"/> Advanced Technology	<input type="checkbox"/> Agri-Processor	<input type="checkbox"/> Agri-Producer
<input type="checkbox"/> Authority	<input type="checkbox"/> Biotechnology / Life Sciences	<input type="checkbox"/> Business Financial Services
<input type="checkbox"/> Call Center	<input type="checkbox"/> Child Care Center	<input type="checkbox"/> Commercial
<input checked="" type="checkbox"/> Community Dev. Provider	<input type="checkbox"/> Computer & Clerical Operators	<input type="checkbox"/> Defense Related
<input type="checkbox"/> Economic Dev. Provider	<input checked="" type="checkbox"/> Educational Facility	<input type="checkbox"/> Emergency Responder
<input type="checkbox"/> Environment and Conservation	<input type="checkbox"/> Exempt Facility	<input type="checkbox"/> Export Manufacturing
<input type="checkbox"/> Export Service	<input type="checkbox"/> Food Processing	<input type="checkbox"/> Government
<input type="checkbox"/> Healthcare	<input type="checkbox"/> Hospitality	<input type="checkbox"/> Industrial
<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Mining	<input type="checkbox"/> Other
<input type="checkbox"/> Professional Services	<input type="checkbox"/> Recycling	<input type="checkbox"/> Regional & National Headquarters
<input type="checkbox"/> Research & Development	<input type="checkbox"/> Retail	<input checked="" type="checkbox"/> Social Services Provider
<input type="checkbox"/> Tourism Promotion	<input type="checkbox"/> Warehouse & Terminal	

Community Dev. Provider, Educational Facility, Social Services Provider,

Single Application for Assistance**Web Application Id:** 8220440**Single Application Id:** 201809284449**Applicant:** The City of Scranton**Company:** NeighborWorks Northeastern Pennsylvania**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Project Overview****Project Name:**

NeighborWorks Northeastern PA - HomeOwnership Center

Is this project related to another previously submitted project?

No

If yes, indicate previous project name:

Have you contacted anyone at DCED about your project?

Yes

If yes, indicate who:

Paul Macknosky

Single Application for Assistance**Web Application Id:** 8220440**Single Application Id:** 201809284449**Applicant:** The City of Scranton**Company:** NeighborWorks Northeastern Pennsylvania**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Project Site Locations**

Address:	815 Smith Street
City:	Scranton
State:	PA
Zip Code:	18504
County:	Lackawanna
Municipality:	Scranton City
PA House:	Marty Flynn (113)
PA Senate:	John P. Blake (22)
US House:	Matthew Cartwright (17)
Current Employees:	10
Jobs To Be Created:	0
Jobs that Pay:	\$41,232.00
	Created 0 Retained 0
	<p><u>Jobs that Pay</u></p> <p>Jobs that Pay is Part Of Governor Wolf's initiative to improve Pennsylvania's overall job climate and job growth through partnering with the private sector to encourage the creation and retention of jobs that pay at least 80% of the annual average wage in the county where the jobs are located. (See current county listings). Job creation and retention will help ensure that businesses and communities provide employment opportunities for all of the state's residents, improve the local tax base, and achieve prosperity and a higher quality of life for families and communities.</p> <p><u>NOTE:</u> Jobs that Pay required data by the Department is for reporting purposes only and will NOT be used as a criteria for awarding loans, loan guarantees, grants or tax credits.</p>
Designated Areas:	Act 47 Distressed Community

Single Application for Assistance**Web Application Id:** 8220440**Single Application Id:** 201809284449**Applicant:** The City of Scranton**Company:** NeighborWorks Northeastern Pennsylvania**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Project Budget**

	Local Share Account Fund (Gaming Funds) Monroe County	NeighborWorks Northeastern PA Funds Private	Total
General Construction	\$46,700.00	\$.00	
Renovations	\$46,700.00	\$.00	\$46,700.00
Infrastructure / Site Preparation	\$28,500.00	\$.00	
Parking	\$4,100.00	\$.00	\$4,100.00
Demolition	\$11,000.00	\$.00	\$11,000.00
Excavation/Grading	\$13,400.00	\$.00	\$13,400.00
Machinery & Equipment	\$.00	\$15,000.00	
Installation/Building Modification	\$.00	\$15,000.00	\$15,000.00
Miscellaneous	\$3,760.00	\$4,300.00	
City Grant Admin	\$3,760.00	\$.00	\$3,760.00
Landscaping	\$.00	\$4,300.00	\$4,300.00
Total	\$78,960.00	\$19,300.00	
		Budget Total:	\$98,260.00

Basis of Cost

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

Bids/Quotations, Contractor Estimates**Budget Narrative**

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 work contemplated by this proposal includes the following:

- Excavation for a new exterior concrete entry ramp, including pave restoration to provide accessible entry to the Lower Level;

Single Application for Assistance

Web Application Id: 8220440

Single Application Id: 201809284449

Applicant: The City of Scranton

Company: NeighborWorks Northeastern Pennsylvania

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Project Budget

- Replace existing entry door at the Lower Level at new height to correspond with new exterior ramp and add awning above it for protected entry;
- Sealcoating of the entire paved lot, including new line striping;
- Minor landscaping around the building and property;
- Demolition of the existing drive-thru canopy, islands, and columns;
- Masonry patching/repairs at existing exterior stairs and brick walls;
- Remove existing exterior handrails and replace with new powder-coated steel handrails with pickets;
- Storage shed, inclusive of all required grading and ground preparation, the shed itself, as well as wiring from the main building to provide minimal lighting inside the shed.
- We have included an allowance of \$5,000 for any miscellaneous additional sitework that may be required due to there not being actual plans available yet, so there may be work that needs to be done that is not otherwise addressed above.

For accounting purposes, the estimated cost can be broken down as follows:

General Conditions -\$4,000

Excavation for Rear Entry Ramp -\$3,000

Pave Restoration @ Ramp - \$5,500

Sealcoating & Line Striping - \$4,100

Landscaping - \$4,300

Demo Drive Thru - \$7,300

Island Demo @ Drive Thru - \$3,700

Concrete at Rear Entry Ramp - \$4,900

Masonry Restoration @ Exterior Brick & Stairs/Ramp -\$4,900

Misc. Metals / Handrails - with metal pickets, powder coated - \$29,400

New Exterior Door & Frame - \$1,600

Awning @ Rear Entry - \$1,800

Misc. site work - \$5,000

Shed / Storage (expansion of existing? New? Etc.) - \$15,000

Our opinion of the cost to perform the work as described and clarified above is \$ 94,500 (Ninety-four Thousand Five Hundred dollars).

Single Application for Assistance

Web Application Id: 8220440

Single Application Id: 201809284449

Applicant: The City of Scranton

Company: NeighborWorks Northeastern Pennsylvania

Program Selected: Local Share Account Fund (Gaming Funds) Monroe County

Project Narrative

What do you plan to accomplish with this project?

Identify the problem(s) that need to be resolved.

NeighborWorks Northeastern Pennsylvania (NeighborWorks) is planning a redevelopment project in West Scranton, a neighborhood which our organization has targeted for long-term revitalization efforts. The project will convert a former credit union branch building located at 815 Smith Street into our NeighborWorks Homeownership Center™ and administrative headquarters.

Our plan consists of renovating and remodeling the building to include space for training and counseling for seniors and families/individuals in need of home ownership and financial guidance such as financial consulting, upkeep advice, property management, homeownership counseling, foreclosure prevention, and other related assistance.

Additionally, the project will allow us to provide meeting and small event space for local non-profit organizations, community groups, neighborhood associations, and other interested parties in a section of the city that currently lacks comparable convening space.

How do you plan to accomplish it?

Include expected outcomes that are measurable, obtainable, clear and understandable, and valid. Examples of measurable outcomes include jobs created or retained, people trained, land or building acquired, housing units renovated or built, etc.

Having acquired the property in 2017, NeighborWorks has been planning the renovation and relocation project for the past year. We have engaged an architect and construction management company to complete the design and construction estimates for the project. The overall renovation will be completed in two separate phases. The first phase will involve interior demolition and renovations to create the administrative office and counseling space noted earlier. The second phase, which we hope to complete with assistance from Local Share Account funding, will address exterior renovations and accessibility improvements for the classroom portion of our HomeOwnership Center™.

The overall outcome of the project will be a renovated and fully-accessible administrative office and modern classroom / convening space which will be utilized by over 1,000 clients, community members, and partners each year in this underserved neighborhood.

How do you plan to use the funds?

Should include specific use of funds and reflect the budget provided with the application.

The funds from the Local Share Account program will be used for a number of different exterior improvements focused on safety, accessibility, and visibility for the facility. In approximate numbers, these improvements include excavation and paving/concrete work for exterior ADA accessibility to the classroom and meeting space (\$16,800), sealcoating and re-striping the parking area (\$4,100), landscaping (\$4,300), demolishing the existing drive-through teller station and foundations (\$11,000), masonry restoration of existing stairways and wheelchair ramp (\$4,900), replacing all metal handrails with modern, ADA compliant handrails with metal pickets (\$29,400), miscellaneous small general conditions work (\$5,000), and a shed / expanded onsite storage (\$15,000). We are also requesting 5% in administration funds (\$3,760). Our total LSA request is \$78,960. We will have \$19,300 in match. The total project cost will be \$98,260.

Single Application for Assistance**Web Application Id:** 8220440**Single Application Id:** 201809284449**Applicant:** The City of Scranton**Company:** NeighborWorks Northeastern Pennsylvania**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Project Narrative****Projected Schedule and Key Milestones and Dates**

A detailed schedule of activities, including key milestones and dates, must accompany this application if applicable to the project.

We anticipate completing the first phase of the project in the first quarter of 2019 (January-March). The second phase, which is the subject of this application, would be addressed in the second quarter of 2019 (April-June) contingent on the timing and availability of funds.

Single Application for Assistance**Web Application Id:** 8220440**Single Application Id:** 201809284449**Applicant:** The City of Scranton**Company:** NeighborWorks Northeastern Pennsylvania**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Program Addenda**

In addition to the Single Application, the Applicant shall submit the following list of items. All items marked with a red diamond are required to be uploaded to the application. The items that are not required should be uploaded if they are applicable to the project.

1. Provide a description of the project which discusses all of the following: (a) a detailed project description to include specific project activities and expected results; (b) the specific location of the project site; (c) whether the proposed project is consistent with an existing regional, county, or local comprehensive plan; (d) whether the proposed project has been identified as a priority investment in a local or regional economic development plan or strategy; (e) the anticipated employment, investment, and/or community impact of the project; (f) if a difference exists, the historical and proposed use of the project site; and (g) if applicable, the experience of the developer to include a discussion of previously completed projects.

Uploaded Documents

LSA - Detailed Project Description.pdf

2. A projected schedule and detailed timeline for the project;

Uploaded Documents

NeighborWorks - LSA Project Timeline.pdf

3. A budget accompanied by a description of the basis of costs for the project and sources of funding;

Uploaded Documents

NeighborWorks - LSA Project Budget (HomeOwnership Center).pdf

4. Copies of signed bids/quotations, contractor estimates, sales agreements, or engineer estimates verifying project costs. Bids should be current and dated;

Uploaded Documents

Construction Estimates - Phase 2.pdf

5. Evidence of conformity of the project with local and regional comprehensive plans and zoning (in the form of a letter from the applicable planning/zoning office), if applicable;

Uploaded Documents

Lack. County NeighborWorksLSA.pdf

6. A letter of support for the project from the affected community;

Uploaded Documents

Single Application for Assistance**Web Application Id:** 8220440**Single Application Id:** 201809284449**Applicant:** The City of Scranton**Company:** NeighborWorks Northeastern Pennsylvania**Program Selected:** Local Share Account Fund (Gaming Funds) Monroe County**Program Addenda**

LSA Application - Scranton support letter.pdf

7. Provide a resolution duly adopted by the applicant's governing board formally requesting the grant, designating an official to execute all documents, describing briefly the project scope, and identifying the grant amount;

Uploaded Documents

City & NWNEPA RESOLUTION forthcoming.pdf

8. Copies of funding commitment letters from all other project funding sources, if applicable; and

Uploaded Documents

LSA Match commitment letter.pdf

9. Copy of the Applicant's and/or project user's latest financials.

Once submitted, please print one (1) copy of the completed application, to include all required and additional applicable supplemental information, and send via US Mail. Please reference the Application ID number on all mailed documents.

Uploaded Documents

NWNEPA Audited Financial Statements (FYE 6-30-17).pdf



Pennsylvania Department of Community and Economic Development

Single Application for Assistance

Single Application #: 201809284449

This page must accompany all required supplemental information **Mail to:**

Pennsylvania Department of Community and Economic Development
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 DCED via the Internet, Single Application # 201809284449 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).



Signature: Jesse J. Ergott

Linda B. Abli Executive Director, Scranton City / DECD

The Pennsylvania Department of Community and Economic Development 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.



NeighborWorks® Northeastern Pennsylvania

NeighborWorks HomeOwnership Center™

Local Share Account / Monroe County

-PROJECT DESCRIPTION-

A. Detailed Project Description.

NeighborWorks Northeastern Pennsylvania (NeighborWorks), currently headquartered in North Scranton, is excited about a project we have underway located at 815 Smith Street in the neighborhood of West Scranton, a neighborhood which our organization has targeted for long-term revitalization efforts. The project will convert a former credit union branch building into our NeighborWorks Homeownership Center™ and administrative headquarters.

Our plan consists of renovating and remodeling the building to include space for training and counseling for seniors and families/individuals in need of home ownership and financial guidance such as financial consulting, upkeep advice, property management, homeownership counseling, foreclosure prevention, and other related assistance. The renovation will allow us to expand our offerings of counseling sessions, homebuyer workshops, financial fitness classes, and other group training opportunities for city, county, and regional residents. We also plan to convert a portion of the property into office/administrative space for our team of 10 employees. Additionally, the project will allow us to provide meeting and small special event space for local non-profit organizations, community groups, neighborhood associations, and other interested parties in a section of the city that currently lacks comparable convening space.

Estimates for completion of the project including design, engineering, permitting, demolition, construction, furnishing and fixtures is approximately \$350,000. NeighborWorks purchased this property outright in 2017.

In addition to the \$200,000 investment NeighborWorks has already made in purchasing the property, we currently have nearly 35% of funds needed for the renovation in hand and are working with other major foundations and funding sources, in addition to this application, to secure financing to move the project forward through phase 1.

We seek \$78,960 in LSA funds through this application to complete the second phase of the project in spring of 2019. When completed, we anticipate being able to further expand our staffing and program/service offerings to our neighbors in the City of Scranton and throughout Northeastern Pennsylvania.

About NeighborWorks:

Founded in 1981, NeighborWorks is a private non-profit organization that works to strengthen the financial stability of the families in our community through homeownership creation and preservation. Our vision for strong, healthy northeastern Pennsylvania neighborhoods is built on the concepts of resident empowerment, redevelopment and public/private partnership. To accomplish this vision, NeighborWorks operates a *HomeOwnership Center* through which we provide homebuyer education classes, personalized housing and credit counseling services, and affordable financing products for modest-income families.

NeighborWorks is committed to:

- Increasing homeownership
- Reducing neighborhood blight
- Providing resources for home improvement
- Encouraging private investment by banks, homeowners, commercial and industrial users and landlords
- Forging strong relationships among government officials and residents
- Fostering sustainable change through education, training and leadership development

NeighborWorks is a chartered member of the National NeighborWorks Network, a system of more than 240 organizations working in nearly 4,400 urban, suburban and rural communities across the United States. NeighborWorks operates a full-service *HomeOwnership Center* according to the guidelines and priorities used by NeighborWorks® America. NeighborWorks' *HomeOwnership Center* uses a continuum of strategies to ensure successful and sustainable homeownership for people of modest means throughout Northeastern Pennsylvania. Successful, sustainable homeownership begins with educated consumers who have the tools, capacity and options to make good choices about their homeownership decision, financing and maintenance of their homes. Our *HomeOwnership Center* program includes:

- Pre-purchase Education
- Financial Fitness Training
- Affordability Assistance
- Predatory-Lending Avoidance
- Post-Purchase Education



NeighborWorks Northeastern Pennsylvania
• NeighborWorks HomeOwnership Center •

- Retention of Homeownership through Property Rehabilitation and Responsible Refinancing
- Volunteer-Led Home Repair
- Foreclosure Mitigation Counseling

These user-friendly services provide full access to all the services and training customers need to shop for, purchase, rehabilitate, insure and maintain a home and attract customers who are typically underserved, including single women, minorities and families of modest means. Overall, our customers include a diverse spectrum of single people and families from varied socio-economic backgrounds.

In addition to our direct relationship with NeighborWorks® America, NeighborWorks is a HUD-approved housing counseling agency and a designated pre-and-post purchase counseling provider for the Pennsylvania Housing Finance Agency (PHFA). All of our foreclosure counseling services are conducted in accordance with the National Industry Standards for Homeownership Education & Counseling. NeighborWorks staff also receives regular training in housing counseling, lending, community development activities and financial fitness through completing NeighborWorks® America, PHFA, and HUD training coursework.

B. Project Location.

This project is located at 815 Smith Street in the City of Scranton, Pennsylvania. Smith Street is located in a designated low-moderate income section in the neighborhood of West Scranton, an area which NeighborWorks has targeted for long-term revitalization efforts.

C. Consistency with Existing Plans?

This project is consistent with a number of existing planning efforts, including:

- 1) **The Lackawanna-Luzerne Regional Plan.** Specifically, the project fits into the regional plan's goals of providing new and expanded public and private facilities for community services. It also fits the plan's "Keystone Principles", designed by the Commonwealth, under the goals of "Redevelop First" and "Expand Housing Opportunities".

The plan also references creating additional opportunities for homeownership in urban centers by stating "*Neighborhood stabilization and socioeconomic balance and basic municipal fiscal viability depend on middle income families and individuals being attracted to urban centers. The counties will make urban neighborhoods a top priority and look at a variety of different strategies to address housing needs, including providing more homeownership opportunities and more housing stock choices.*"



NeighborWorks Northeastern Pennsylvania
- NeighborWorks HomeOwnership Center -

Such strategies should include streamlining the site acquisition and housing production process, marketing housing to potential home buyers through employer incentives, and tax abatements for the construction and improvements of residential units." The work of NeighborWorks through our HomeOwnership Center™ directly addresses these issues and advances this strategy.

- 2) **City of Scranton 5-Year Consolidated Plan.** The relevant priorities identified in the Plan include:
 - a. Public Facility and Infrastructure Improvements. *"Fund public facility improvements that benefit low to moderate-income households and persons, and persons with special needs to include senior centers, neighborhood facilities, youth centers, homeless facilities, childcare centers, parks and recreational facilities."*
 - b. Increase Access to Affordable Housing. *"Fund activities that expand the supply and improve the condition of housing affordable to lower income households."*
 - c. Public Services. *"Fund projects that provide supportive services to low and moderate income household as well as persons with special needs."*
 - d. Affirmatively Further Fair Housing. *"Support improved access to community resources."*
- 3) **NeighborWorks West Scranton Revitalization Plan.** NeighborWorks is currently in the early stages of developing a revitalization plan for the neighborhood of West Scranton. A major theme in this plan will be investing in key anchor properties (such as the proposed project) throughout the neighborhood that can be utilized for public purposes.

D. Priority Investment?

Although this project is consistent with many of the goals outlined in a number of existing plans, it has not been specifically identified as a priority investment. However, in discussions with city and county officials and in line with Keystone principles mentioned above and the goals of NeighborWorks, itself, we firmly believe that investment in this project will have long-lasting positive effects on the neighborhood while at the same time affording those on the fringes of home-ownership capabilities the possibilities to successfully own and manage properties in the city. These outcomes translate to positive impacts so desperately needed in urban areas such as Scranton and greatly enhance likelihood for additional public/private investment in these type endeavors.

E. Investment and Community Impact.

The overall community impact from this project is anticipated on a number of fronts:

- 1) Reinvestment in a key area of the city. This property is located near the gateway into the City of Scranton from the borough of Taylor along Main Avenue. It is half a block from another major private development project that is already underway which has significant support (including RACP funding from the Commonwealth). We are also coordinating efforts for our project with the owners of the adjacent gas station, who are also undertaking



NeighborWorks Northeastern Pennsylvania
• NeighborWorks HomeOwnership Center •

a major renovation to add a Dunkin Donuts and other amenities on their site. Taken as a whole, our collective renovations will mark a significant investment and improvement to the western gateway of the city.

- 2) **Housing Services Delivery.** After the renovation of the administrative offices and HomeOwnership Center™ is complete, we will be able to significantly increase the amount of education classes and client services provided by the organization due to having additional space and the increased efficiency that comes from having all of our services under one roof. We expect to increase the amount of clients receiving homeownership services from approximately 250 to 450 each year. This will mean many more of our neighbors will receive pre-purchase counseling, homebuyer education, foreclosure prevention services, and financial coaching – all which have a significant positive effects on both the individuals receiving the services and the neighborhoods in which they reside.
- 3) **Community Convening Space.** West Scranton has few locations for community groups and civic organizations to meet. Since we have owned the property, we have already had multiple requests for the use of the space after it is renovated from groups such as the American Legion and neighborhood associations. We've also had requests from other organizations seeking classroom space for their own trainings. In addition, NeighborWorks is actively pursuing funding for a neighborhood revitalization plan for the West Scranton neighborhood. Our building represents a key community asset in the neighborhood and a potential anchor location, so along with our own use of the meeting space for homebuyer classes and other mission-oriented work, we seek to make the property a resource for the entire neighborhood.

F. Historical and Proposed Use.

Originally built as a social hall for a local American Legion post in the 1950's, the building was acquired by the St. Ann's Credit Union over 20 years ago. More recently, the Cross Valley Credit Union operated a branch out of the location through early 2017. Whether as an American Legion site or a credit union, the property has always been a hub of activity on the western edge of the City of Scranton. We intend to honor this history by continuing to encourage the community's use of the building for civic and resident-convening purposes.

G. Experience of Developer.

NeighborWorks has extensive construction project management experience for single-family home remodels and full renovations. We have also renovated another former bank building for a previous office we occupied.



Attachments

- 1) Project Schedule and Detailed Timeline
- 2) Budget and Cost Basis
- 3) Copy of Signed Contractor Estimate
- 4) Conformity with Local and Regional Comprehensive Plans and Zoning
- 5) Letter of Support
- 6) Resolution
- 7) Funding Commitment Letters
- 8) Most Recent Financials





Local Share Account / Monroe County

-PROJECT TIMELINE-

June 2018 – October 2018

- Secure architect and construction management firm
- Site planning, design, and MEP
- Construction estimating

October 2018-December 2018

- Finalize plans
- Complete fundraising/financing
- Assemble final bid documents

January 2019-March 2019

- Construction bidding for Phase 1
- Phase 1 interior renovations:
 - o Interior selective demolition
 - o Rough carpentry
 - o Glass install and glazing
 - o Drywall install and finishing
 - o Carpeting/floor coverings
 - o Ceilings
 - o Painting
 - o Casework and cabinetry
 - o Plumbing/HVAC
 - o Electrical
 - o Furnishings

April 2019-June 2019

- Construction bidding for Phase 2
- Phase 2 exterior renovations:
 - o ADA accessible entrance at rear of building (classroom entrance)
 - o Landscaping
 - o Repairs/repointing of exterior masonry
 - o Sealcoating / line striping
 - o Demolition of drive through
 - o Removal of old railings / installation of new railings
 - o Exterior shed and expanded storage

NEIGHBORWORKS NORTHEASTERN PENNSYLVANIA
Project Budget - LSA / Monroe County
NeighborWorks HomeOwnership Center - 815 Smith Street, Scranton

Project Investment to-date: NeighborWorks invested \$185,000 of our own existing capital to acquire the property in 2017. Since that time, we have invested approximately \$12,000 in additional funds on improvements and holding costs for the property, for a total current investment of \$197,000.

Total Renovation Budget: Construction estimates for the entire renovation project total \$352,500 over two phases (\$258,000 for Phase 1; \$94,500 for Phase 2). NeighborWorks anticipates completing the first phase of the project during the first quarter of 2019 (prior to the announcement of LSA awards) utilizing other funds. We currently have approximately \$118,200 in-hand designated for Phase 1, with multiple requests for the remainder of the funds in the works. This LSA application is specifically for Phase 2 of the renovation.

DETAILED PROJECT COSTS - Phase 2	TOTAL PROJECT BUDGET	NWNEPA FUNDS	LSA / Monroe County Funds
General Conditions	\$ 4,000.00		\$ 4,000.00
ADA Entryway for Classroom			
Excavation	3,000.00		3,000.00
Pave Restoration @ ramp	5,500.00		5,500.00
Concrete at entryway	4,900.00		4,900.00
Awning	1,800.00		1,800.00
Door and Frame	1,600.00		1,600.00
Sealcoating & Line Striping	4,100.00		4,100.00
Landscaping	4,300.00	4,300.00	
Demolition of Drive-Through			
Demo structure	7,300.00		7,300.00
Island/foundation demo	3,700.00		3,700.00
Exterior Masonry Restoration (Stairs/Ramp)	4,900.00		4,900.00
Misc. Metals / ADA Handrails	29,400.00		29,400.00
Misc. Site Work	5,000.00		5,000.00
Shed and Expanded Storage on Site	15,000.00	15,000.00	
TOTAL PROJECT COSTS	\$ 94,500.00	\$ 19,300.00	\$ 75,200.00
LSA Grant Administration (5%)	3,760.00		3,760.00
TOTAL (Including Grant Admin.)	\$ 98,260.00	\$ 19,300.00	\$ 78,960.00

Budget Cost Basis Narrative: The cost estimates for the project were provided by D&O Enterprises, LLC, a Scranton firm specializing in general construction and commercial construction management services. All estimates include prevailing wage, materials, permitting, and other cost details.

D&O

Enterprises, LLC

September 27, 2018

Mr. Jesse Ergott
President & CEO
NeighborWorks Northeastern Pennsylvania
1510 N. Main Avenue
Scranton, PA 18508

Re: Site & Accessibility Renovations for the new NeighborWorks
Northeastern Pennsylvania Office Building in Scranton, PA

Dear Mr. Ergott:

Thank you for the opportunity to provide you with a proposal for the desired modifications to your property at 815 Smith Street in Scranton, PA.

As you are aware, no firm plans are currently available for the modifications anticipated on your property. Based on our discussions, we have come up with a scope of work that we believe to be necessary and offer the below opinion of the cost of this scope of work.

The work contemplated by this proposal includes the following:

- Excavation for a new exterior concrete entry ramp, including pave restoration to provide accessible entry to the Lower Level;
- Replace existing entry door at the Lower Level at new height to correspond with new exterior ramp and add awning above it for protected entry;
- Sealcoating of the entire paved lot, including new line striping;
- Minor landscaping around the building and property;
- Demolition of the existing drive-thru canopy, islands, and columns;
- Masonry patching/repairs at existing exterior stairs and brick walls;
- Remove existing exterior handrails and replace with new powder-coated steel handrails with pickets;
- We have included an allowance for providing a new storage shed at the property of \$15,000, inclusive of all required grading and ground preparation, the shed itself, as well as wiring from the main building to provide minimal lighting inside the shed.
- We have included an allowance of \$5,000 for any miscellaneous additional sitework that may be required due to there not being actual plans available yet, so there may be work that needs to be done that is not otherwise addressed above.
- All work of this proposal shall be performed during normal working hours.
- It is assumed that our personnel will be able to utilize the existing toilet facilities as well as electricity and water in the building as needed without charge.
- We have not included any costs for builder's risk insurance nor for payment or performance bonds. D&O's standard insurance coverage shall apply.
- We have *not* included the cost of a design professional, nor of drafting /preparing formal plans and/or specifications.
- We have assumed that there are no hazardous materials present. No hazardous materials testing or abatement is included in our proposal.

Mr. Jesse Ergott
NeighborWorks Northeastern Pennsylvania
September 27, 2018
Page Two

- No electrical or mechanical work is included in our proposal.
- For accounting purposes only, the estimated cost can be broken down as follows:

General Conditions	\$4,000
Excavation for Rear Entry Ramp	\$3,000
Pave Restoration @ Ramp	\$5,500
Sealcoating & Line Striping	\$4,100
Landscaping	\$4,300
Demo Drive Thru	\$7,300
Island Demo @ Drive Thru	\$3,700
Concrete at Rear Entry Ramp	\$4,900
Masonry Restoration @ Exterior Brick & Stairs/Ramp	\$4,900
Misc. Metals / Handrails - with metal pickets, powder coated	\$29,400
New Exterior Door & Frame	\$1,600
Awning @ Rear Entry	\$1,800
Misc. site work	\$5,000
Shed / Storage (expansion of existing? New? Etc.)	\$15,000

Our opinion of the cost to perform the work as described and clarified above is \$ 94,500 (Ninety-four Thousand Five Hundred dollars).

If you have any questions, please don't hesitate to contact me. We look forward to working with you on this project that will certainly enhance the ability of your organization to provide valuable services and training to your clients.

Sincerely,



Natalie P. O'Hara
President



Lackawanna County

REGIONAL PLANNING COMMISSION

Lackawanna County
Commissioners
Patrick M. O'Malley
Jerry Notarianni
Laureen A. Cummings

Planning Commission
Patrick Dempsey, Chairman
John Pocius
Bruce Zero, Esq.
Joseph Lorince
Rosemary Broderick
David Johns
Germaine Carey
Harry Lindsay
Cindy Campbell

September 25, 2018

NeighborWorks NEPA
1510 N. Main Avenue
Scranton, PA 18508

RE: Local Share Account (Monroe County) Grant Application
Home Ownership Center and Headquarters

To Whom It May Concern:

The Lackawanna County Planning Commission has reviewed the correspondence for the above-referenced grant application.

Be advised that the project does not conflict with any Lackawanna County comprehensive land-use, sewage facilities, or environmental plan.

The Planning Commission fully supports the endeavor. The project meets the goals of the Lackawanna-Luzerne Regional Plan, specifically the Community Facilities Goals to provide new and expanded public and private facilities for community services.

Please feel free to call me should you require further assistance.

Sincerely,

Mary Liz Donato
Regional Planning Manager



Office of Economic and
Community Development

September 12, 2018

Mr. Jesse J. Ergott
President & CEO
NeighborWorks® Northeastern Pennsylvania
1510 N. Main Avenue
Scranton PA 18508

Re: NeighborWorks HomeOwnership Center
West Scranton, Pennsylvania

Dear Mr. Ergott:

It is my pleasure to offer the support of the community for the new NeighborWorks HomeOwnership Center planned for West Scranton. I personally know the exceptional work NeighborWorks has performed dating back to the 1980's when its name was Scranton Neighborhood Housing Services, Inc.

The proposed plan is to renovate and remodel a structure located at 815 Smith Street in Scranton. The building is to include space for training and counseling for seniors and families/individuals in need of home ownership and financial guidance, property management, homeownership counseling, foreclosure prevention and other related assistance along with converting a portion of the building into office/administrative space.

NeighborWorks revitalization efforts and expansion of housing programs in West Scranton meet an urgent public need for Scranton residents. The Administration is in full support of this project and I personally look forward to working with you on this project and supporting the forthcoming housing programs.

Sincerely,

A handwritten signature in black ink that reads "Linda B. Aebli".

Linda B. Aebli
Executive Director

Lba/

RESOLUTION

Please note: A formal resolution from the applicant (The City of Scranton) is forthcoming.



RESOLUTION #18-9.1

Local Share Account – Monroe County Application

I hereby certify that I am the Secretary of Scranton Neighborhood Housing Services d/b/a NeighborWorks Northeastern PA, a corporation of the State of Pennsylvania. The Board of Directors passed the following resolution dated September 19th, 2018, which is now in force and is not in conflict with the Charter or Bylaws of the Corporation.

WHEREAS, the Commonwealth of Pennsylvania has issued a notice of funding availability for local projects through the Local Share Account – Monroe County Program and

WHEREAS, NeighborWorks Northeastern PA, in partnership with the City of Scranton, wishes to apply for and receive an allocation of LSA funds from the Local Share Account for its NeighborWorks HomeOwnership Center project located at 815 Smith Street in the City of Scranton,

NOW THEREFORE, BE IT RESOLVED that NeighborWorks Northeastern PA authorizes the submittal of an application in the amount of \$78,960 to Local Share Account program in partnership with the City of Scranton to be considered to receive an allocation of funds through said program. The President & CEO or Board Chair are hereby authorized to execute in the name of NeighborWorks Northeastern PA all necessary applications, contracts, payment requests, agreements, and amendments hereto for the purposes of securing LSA funds and to implement and carry out the purposes specified in the application.

FURTHER RESOLVED THAT THE Board of Directors has accepted and approved the action above.

Authorized Agent: _____

Michele Bannon - Chair

IN WITNESS WHEREOF, I have executed this resolution in my capacity as Secretary of the Corporation this 19th day of September, in the year 2018.

Kurt R. Bauman
ATTEST: Secretary- Kurt Bauman



September 28, 2018

Pennsylvania Dept. of Community & Economic Development
400 North Street, 4th Floor
Harrisburg, PA 17120

RE: LSA/Monroe County Application

To Whom It May Concern:

As stated in this LSA / Monroe County application, NeighborWorks Northeastern Pennsylvania (NeighborWorks) is in the midst of a renovation project at a property located at 815 Smith Street in the City of Scranton. When complete, this property will be the home of NeighborWorks' administrative offices and HomeOwnership Center™ where we will serve clients with a variety of financial, homeownership, and community development services.

To date, NeighborWorks has invested approximately \$197,000 in acquisition and holding costs for the project. We also currently have another \$118,200 in-hand towards Phase 1 of the renovation project.

For the purposes of this LSA application, we are focused on Phase 2 of the project. We are able to commit \$19,300 in existing funds to match the \$78,960 LSA request, for a total Phase 2 cost of \$98,260.

Thank you for your consideration of this important project.

Sincerely,

A handwritten signature in black ink, appearing to read "Jesse J. Ergott", is written over a horizontal line.

Jesse J. Ergott
President & CEO

SCRANTON NEIGHBORHOOD HOUSING
SERVICES, INC.

DBA NEIGHBORWORKS
NORTHEASTERN PENNSYLVANIA

JUNE 30, 2017 AND 2016

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McGrail Merkel Quinn & Associates, P.C.

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS

Clay Avenue Professional Plaza
1178 Clay Avenue
Scranton, PA 18510
570 961-0345
Fax: 570 961-8650
mmq.com

Independent Auditor's Report

To the Board of Directors of
Scranton Neighborhood Housing Services, Inc.
dba NeighborWorks Northeastern Pennsylvania
Scranton, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of Scranton Neighborhood Housing Services, Inc. dba NeighborWorks Northeastern Pennsylvania (a not-for-profit organization) which comprise the statements of financial position as of June 30, 2017 and 2016, and the related statements of activities and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Authorized to use the RSM US Alliance logo



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To the Board of Directors of
Scranton Neighborhood Housing Services, Inc.
dba NeighborWorks Northeastern Pennsylvania
Scranton, Pennsylvania

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Scranton Neighborhood Housing Services, Inc. dba NeighborWorks Northeastern Pennsylvania as of June 30, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

Mc Nail, Markel, Quinn
+ Associates, P.C.

Scranton, Pennsylvania
December 15, 2017

SCRANTON NEIGHBORHOOD HOUSING SERVICES, INC
DBA NEIGHBORWORKS NORTHEASTERN PENNSYLVANIA

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2017 AND 2016

	<u>ASSETS</u>	
	<u>2017</u>	<u>2016</u>
Cash	\$ 616,754	\$ 648,635
Program receivables	158,719	27,506
Prepaid expenses	17,214	17,195
Current portion of mortgage loans receivable	63,135	55,418
Foreclosure receivables, less loss reserve of \$40,593 and \$38,484 in 2017 and 2016, respectively	11,196	10,820
Total current assets	<u>867,018</u>	<u>759,574</u>
Cash restricted by permanent funds	32,752	469,946
Noncurrent portion of mortgage loans receivable, less loan loss reserve of \$65,894 and \$56,681 in 2017 and 2016	685,658	635,444
Property and equipment, net	193,425	180,329
Foreclosed properties held for resale, less reserve of \$ 55,328 in 2017 and 2016	-	-
Program properties held for resale	241,352	44,500
Property held for sale	<u>169,724</u>	<u>-</u>
Total assets	<u>\$ 2,189,929</u>	<u>\$ 2,089,793</u>
<u>LIABILITIES AND NET ASSETS</u>		
Liabilities		
Accounts payable	\$ 6,839	\$ 3,811
Accrued expenses	26,359	33,911
Agency funds	11,836	7,621
Deferred revenue	<u>435,715</u>	<u>355,737</u>
Total liabilities	<u>480,749</u>	<u>401,080</u>
Net assets		
Unrestricted		
Undesignated	1,063,824	791,034
Investment in property and equipment	193,425	180,329
Total unrestricted	<u>1,257,249</u>	<u>971,363</u>
Temporarily restricted	-	-
Permanently restricted - (Schedule 1)	<u>451,931</u>	<u>717,350</u>
Total net assets	<u>1,709,180</u>	<u>1,688,713</u>
Total liabilities and net assets	<u>\$ 2,189,929</u>	<u>\$ 2,089,793</u>

The accompanying Notes are an integral part of these Financial Statements.

SCRANTON NEIGHBORHOOD HOUSING SERVICES, INC.
DBA NEIGHBORWORKS NORTHEASTERN PENNSYLVANIA

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2017 AND 2016

	2017				2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Unrestricted revenues and gains								
Grant income	\$ 224,006	\$ -	\$ -	\$ 224,006	\$ 182,306	\$ -	\$ 50,000	\$ 232,306
Administrative fees on grant contracts	6,695	-	-	6,695	6,558	-	-	6,558
Fees and commissions	2,047	-	-	2,047	2,440	-	-	2,440
Contributions	291,765	-	-	291,765	578,111	1,302	-	579,413
Homebuyer Education	16,111	-	-	16,111	2,270	-	-	2,270
Mortgage interest and late fee income	32,694	-	-	32,694	30,201	-	-	30,201
Other interest income	322	-	-	322	370	6	-	376
Miscellaneous income	-	-	-	-	8,088	-	-	8,088
Gain on sale of property held for resale	-	-	-	-	35,647	-	-	35,647
Fundraising events, net of \$78,400 and \$55,598 of related expenses in 2017 and 2016, respectively	24,118	-	-	24,118	25,292	-	-	25,292
Net assets released from restriction	265,419	-	(265,419)	-	81,275	(7,125)	(74,150)	-
Total revenues and gains	863,177	-	(265,419)	597,758	952,558	(5,817)	(24,150)	922,591
Expenses								
Program services	279,770	-	-	279,770	274,490	-	-	274,490
Management and general	232,244	-	-	232,244	253,618	-	-	253,618
Fundraising	65,277	-	-	65,277	50,938	-	-	50,938
Total expenses - Schedule 2	577,291	-	-	577,291	579,046	-	-	579,046
Change in net assets	285,886	-	(265,419)	20,467	373,512	(5,817)	(24,150)	343,545
Net assets, beginning of year	971,363	-	717,350	1,688,713	597,851	5,817	741,500	1,345,168
Net assets, end of year	\$ 1,257,249	\$ -	\$ 451,931	\$ 1,709,180	\$ 971,363	\$ -	\$ 717,350	\$ 1,688,713

The accompanying Notes are an integral part of these Financial Statements.

SCRANTON NEIGHBORHOOD HOUSING SERVICES, INC.
DBA NEIGHBORWORKS NORTHEASTERN PENNSYLVANIA

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Operating activities		
Increase in net assets	\$ 20,467	\$ 343,545
Adjustments to reconcile increase in net assets to net cash (used in) provided by operating activities		
Noncash donation	(113,545)	(450,004)
Amortization	6,041	3,109
Depreciation	7,611	9,500
Provision for doubtful accounts	(678)	47,554
Write-down of foreclosed property held for resale	-	55,328
Gain on sale of property held for resale	-	(35,647)
(Increase) decrease in operating assets:		
Program receivables	(131,213)	(11,245)
Foreclosure receivables	(2,485)	(16,639)
Prepaid expenses	(19)	11,894
Increase (decrease) in operating liabilities:		
Accounts payable	3,028	(6,430)
Accrued expenses	(7,552)	831
Agency funds	4,215	3,857
Deferred revenue	79,978	183,780
Net cash (used in) provided by operating activities	<u>(134,152)</u>	<u>139,433</u>
Investing activities		
Purchase of property and equipment	(190,431)	(900)
Purchase and costs of property held for resale	(196,852)	(130,103)
Proceeds from sale of property held for resale	-	121,250
Change in cash restricted for the neighborhood reinvestment revolving loan and capital projects fund	437,194	(7,358)
Principal collected on mortgage loans	52,360	118,985
Net cash provided by investing activities	<u>102,271</u>	<u>101,874</u>
Financing activities		
None	<u>-</u>	<u>-</u>
Net (decrease) increase in cash	(31,881)	241,307
Cash, at beginning of year	<u>648,635</u>	<u>407,328</u>
Cash, at end of year	<u>\$ 616,754</u>	<u>\$ 648,635</u>

The accompanying Notes are an integral part of these Financial Statements.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Nature of Activities and Summary of Significant Accounting Policies

Nature of Activities

Scranton Neighborhood Housing Services, Inc. dba NeighborWorks Northeastern Pennsylvania (the Organization) was incorporated on July 17, 1981. The Organization is a not-for-profit corporation whose purpose is to revitalize neighborhoods and create opportunities for individuals and families to improve their lives through quality housing and financial guidance. The Organization is supported primarily from contributions from financial institutions and governmental nonprofit organizations. The Organization received approximately 31% and 23% of its revenues from NeighborWorks America for the years ended June 30, 2017 and 2016, respectively.

Basis of Accounting

The financial statements, prepared in accordance with accounting principles generally accepted in the United States of America, are presented on the accrual basis.

The Organization follows the requirements of the Revenue Recognition Topic of the FASB Accounting Standards Codification. In accordance with those requirements, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions.

The Organization also follows the requirements of the Not-for-Profit Entities Topic of the FASB Accounting Standards Codification. Under those requirements, an Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Accounts Receivable and Other Receivables

Accounts receivable and other receivables are reported at amounts management expects to collect on balances outstanding at the year-end. The Organization established loan loss reserves based on historical collection percentages and management's evaluation of collectability.

Note 1 - Nature of Activities and Summary of Significant Accounting Policies - (Continued)

Property and Equipment

Property and equipment are recorded at cost for purchased assets and fair market value as of the date of donation for donated assets. Depreciation is computed using the straight-line method over the estimated useful lives of the related asset.

Deferred Revenue

Income from grants to provide counseling services and rehabilitation of residences received in advance is deferred and recognized over the periods in which the services and rehabilitation will be performed.

Temporarily Restricted Net Assets

Temporarily restricted net assets are those whose use by the Organization has been limited by donors to a specific time period or purpose.

Permanently Restricted Net Assets

Permanently restricted net assets represent funds permanently restricted for making affordable loans and capital projects. This amount is permanently restricted although proceeds on capital projects, or interest earned, over and above the corpus may be transferred to unrestricted net assets for furthering the Organization's mission.

Restricted and Unrestricted Support

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Expense Allocation

The costs of providing the programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program and supporting services based on management's calculation of time spent by staff personnel on program services verse administrative duties.

Advertising

Advertising costs are charged to operations as incurred and were \$1,571 and \$4,730 for the years ended June 30, 2017 and 2016, respectively.

Cash Flows

For purposes of the Statement of Cash Flows, cash excludes permanently restricted cash.

Note 1 - Nature of Activities and Summary of Significant Accounting Policies - (Continued)

Reclassifications

Certain items on the prior year's financial statements have been reclassified to conform to the current year's format.

Income Taxes

The Organization is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal income taxes.

In accordance with The Financial Accounting Standards Board guidance on accounting for uncertainty in income taxes, Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustments to the financial statements to comply with the provisions of this guidance. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S., state or local tax authorities for years before 2013.

Subsequent Events

The Organization has evaluated subsequent events through December 15, 2017 the date that these financial statements were available to be issued, and concluded no events or transactions occurred during that period requiring recognition or disclosure.

Noncash Donation

The Organization received several non-cash donations totaling \$113,545 and \$450,004 during 2017 and 2016, respectively, in the form of additional partial interests in a pool of mortgage loans, referred to as "consortium loans". The Organization had previously owned a minor portion in the portfolio and also serviced the entire portfolio. The value of the donation was determined by calculating the present value of the future cash flow of each loan using a fair market rate of interest. Also, a reserve for possible loan losses was calculated.

Note 2 - Mortgage Loans Receivable

In previous years, loans have been granted to low- and moderate-income residents of Lackawanna County, Pennsylvania for the purchase of new homes and rehabilitation of existing homes. These loans were made in agreement with grant restrictions. The loans were made to individuals who are unable to qualify for conventional financing and are below market interest rates.

Mortgage loans receivable are reported net of the applicable allowance for loan losses. The provision for loan losses represents management's determination of the amount necessary to bring the allowance for loan losses to a level that management considers adequate to reflect the risk of future losses inherent in the Organization's loan portfolio.

As noted above, the Organization is a partial owner of a pool of consortium loans which had been previously granted by financial institutions to facilitate home acquisition by low and moderate income families. The loans are reported net of an allowance for possible loan losses, which was determined by management through reference to historical loan loss trends in the portfolio.

Note 2 - Mortgage Loans Receivable - (Continued)

Mortgage loans receivable consisted of the following at June 30, 2017 and 2016:

	2017			
	Home Ownership Loans	NeighborWorks America Fund	Consortium Loans	Total
Mortgage loans receivable	\$ 66,231	\$ 128,327	\$ 620,129	\$ 814,687
Less: loan loss reserves	17,069	2,565	46,260	65,894
Mortgage loans receivable, net of loan loss reserves	<u>\$ 49,162</u>	<u>\$ 125,762</u>	<u>\$ 573,869</u>	<u>\$ 748,793</u>
	2016			
	Home Ownership Loans	NeighborWorks America Fund	Consortium Loans	Total
Mortgage loans receivable	\$ 69,701	\$ 153,404	\$ 524,438	\$ 747,543
Less: loan loss reserves	1,394	28,927	26,360	56,681
Mortgage loans receivable, net of loan loss reserves	<u>\$ 68,307</u>	<u>\$ 124,477</u>	<u>\$ 498,078</u>	<u>\$ 690,862</u>

The provision for bad debts included in program expenses was (\$2,787) and \$47,074 for the years ended June 30, 2017 and 2016, respectively.

Note 3 - Property and Equipment

Property and equipment consists of the following at June 30, 2017 and 2016:

	2017	2016
Land	\$ 58,417	\$ 25,000
Building	-	163,844
Improvements	-	96,092
Office furniture and equipment	61,025	61,025
Software	28,797	28,797
Construction in progress	132,014	-
	<u>280,253</u>	<u>374,758</u>
Less: Accumulated depreciation	<u>86,828</u>	<u>194,429</u>
Property and equipment, net	<u>\$ 193,425</u>	<u>\$ 180,329</u>

Depreciation expense was \$7,611 and \$9,500 for the years ended June 30, 2017 and 2016, respectively.

Note 4 - Agency funds

Agency funds consist of the following at June 30, 2017 and 2016:

	2017	2016
Property Deposit	\$ 5,000	\$ -
Consortium insurance and tax escrow	1,468	987
Consortium principal and interest	5,368	6,634
	<u>\$ 11,836</u>	<u>\$ 7,621</u>

Note 5 - Foreclosure Receivables

The Organization services loans that were originally made by the Organization with its own private capital and through a collaborative effort of the Organization and twelve (12) financial institutions (consortium loans).

At June 30, 2017 and 2016, the Organization was in the process of foreclosing on certain consortium loans, as per the consortium contracts. Once a loan becomes 90 days delinquent the foreclosure process begins. A receivable has been established for the various processing costs that the Organization incurred as a result of the foreclosure process.

Foreclosure receivables are reported net of the applicable allowance for losses. The allowance for losses represents management's determination of that portion of the expenses incurred on behalf of the consortium lenders, which will not be recovered once the foreclosure of these residential properties is complete. The properties will be brought to sheriff's sale and proceeds of the sale will be allocated to the Organization and consortium lenders on a pro-rata basis.

Foreclosure receivables consisted of the following at June 30, 2017 and 2016:

	2017	2016
Foreclosure receivables	\$ 51,789	\$ 49,304
Less: Loss reserve	40,593	38,484
Foreclosure receivables, net of loss reserve	<u>\$ 11,196</u>	<u>\$ 10,820</u>

The provision for bad debts was \$2,109 and \$480 for the years ended June 30, 2017 and 2016, respectively.

Note 6 - Restrictions on Net Assets

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows:

	2017	2016
Purpose restriction accomplished:		
Crowley Park Rehabilitation	\$ -	\$ 7,125
Total net assets released from donor restrictions	<u>\$ -</u>	<u>\$ 7,125</u>

Note 6 - Restrictions on Net Assets – (Continued)

Permanently restricted net assets of \$451,931 and \$717,350 represent the balance in the Neighborhood Reinvestment Fund at June 30, 2017 and 2016, respectively. This amount is restricted to investments in perpetuity, the income of which is expendable to support the operations of the Organization. During 2017 and 2016, NeighborWorks America allowed the Organization to release \$265,419 and \$74,150, respectively, of previously permanently restricted net assets to unrestricted net assets. During 2016, the Organization was awarded \$50,000 to be restricted to its acquisition or renovation of operating facilities.

Note 7 - Concentration of Credit Risk

The Organization maintains cash balances at several financial institutions located in Northeastern Pennsylvania. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2017, there were no funds deposited in excess of the FDIC limit. At June 30, 2016, \$14,406 was deposited in excess of the FDIC limit.

Note 8 - Retirement Plan

The Organization sponsors a 401(k) defined contribution plan. Contributions to the plan are discretionary on an annual basis. The Organization historically provides a matching contribution of up to 3% of an employee's annual salary. Retirement plan expense was \$8,444 and \$7,396 for the years ended June 30, 2017 and 2016, respectively.

Note 9 - Lines of Credit

As of June 30, 2017, the Organization had a \$75,000 line-of-credit facility with a bank. Interest is charged at 1% over the bank's prime rate (5.25% at June 30, 2017) and is payable monthly based on the balance outstanding. The line is secured by a mortgage on the Organization's office building and is renewable annually at the discretion of the bank. There was no balance outstanding at June 30, 2017 and 2016.

During the fiscal year, the Organization obtained an additional \$100,000 line-of-credit facility with a bank. Interest is charged at .50% over the bank's prime rate (4.75% at June 30, 2017) and is payable monthly based on the balance outstanding. The line is unsecured and is renewed annually at the discretion of the bank. There was no balance outstanding at June 30, 2017.

Note 10 - Foreclosed Properties Held for Resale

The Organization foreclosed on two properties that are being held for resale. The properties are recorded at the lower of its carrying value or fair value of the property at the transfer date. Due to the small amount of proceeds expected and processing costs being carried, the properties were written down to zero during the fiscal year ended June 30, 2016. Costs to maintain the properties are expensed as incurred, while processing costs are typically capitalized (See Note 5).

Note 11 – Program properties held for resale

During the fiscal year ended June 30, 2016, the Organization started a Property Acquisition and Rehabilitation Program in which the Organization purchases abandoned/foreclosed properties throughout Lackawanna County for redevelopment and resale within the local affordable housing market. The Organization capitalizes costs of purchase and rehabilitation, while holding costs are expensed as incurred. At June 30, 2017, the Organization held four properties, three of which were acquired in the fiscal year ended June 30, 2017. No properties have been sold during the year ended June 30, 2017. At June 30, 2016, the Organization held one property. During the year ended June 30, 2016, the organization also acquired, renovated and sold one property resulting in a gain of \$35,647.

Note 12 – Operating Facility

During the fiscal year ended June 30, 2015, the Organization's operating facility sustained a fire, causing the Organization to relocate to temporary offices. During the year ended June 30, 2017, the Organization made a decision to sell the damaged facility and purchase a new property which will be used as its main operating facility. This is recorded as construction in progress at June 30, 2017. The former facility is reported as property held for sale at June 30, 2017. The damaged building was sold subsequent to year end for \$110,000. Insurance proceeds received of \$149,826 are included in deferred revenue at June 30, 2017 and will be recognized as income at the time of the sale.

SCRANTON NEIGHBORHOOD HOUSING SERVICES, INC.
DBA NEIGHBORWORKS NORTHEASTERN PENNSYLVANIA

STATEMENTS OF FINANCIAL POSITION - SCHEDULE 1

NEIGHBORHOOD REINVESTMENT FUND

JUNE 30, 2017 AND 2016

	<u>ASSETS</u>	
	<u>2017</u>	<u>2016</u>
Cash	\$ 32,752	\$ 469,946
Mortgage loans receivable	128,327	153,404
Building improvements	49,500	49,500
Property held for resale	<u>241,352</u>	<u>44,500</u>
	<u>\$ 451,931</u>	<u>\$ 717,350</u>
 <u>NET ASSETS</u>		
Permanently restricted	<u>\$ 451,931</u>	<u>\$ 717,350</u>

The accompanying notes are an integral part of these Financial Statements.

SCRANTON NEIGHBORHOOD HOUSING SERVICES, INC.
DBA NEIGHBORWORKS NORTHEASTERN PENNSYLVANIA

SCHEDULE OF EXPENSES - SCHEDULE 2

YEARS ENDED JUNE 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Salaries	\$ 321,313	\$ 297,548
Payroll taxes and benefits	50,671	51,804
Program expenses	101,832	97,630
Professional fees	28,946	19,433
Marketing	1,571	4,730
Depreciation	7,611	9,500
Office expense	5,089	4,611
Continuing education	11,217	8,755
Repairs and maintenance	3,253	3,256
Equipment rental	4,879	5,421
Insurance	6,380	5,801
Occupancy	17,827	8,520
Provision for bad debts	(678)	47,554
Computer expense	2,470	2,056
Telephone	2,443	2,395
Travel	2,655	4,201
Due and subscriptions	3,857	2,277
Meeting expense	2,260	1,340
Postage	1,581	1,057
Donations	1,654	777
Bank Charges	460	380
	<u>\$ 577,291</u>	<u>\$ 579,046</u>

The accompanying notes are an integral part of these Financial Statements.



DEPARTMENT OF LAW

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

October 15, 2018

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OCT 15 2018

OFFICE OF CITY
COUNCIL/CITY CLERK

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 OF THE EXECUTION AND SUBMISSION OF THE GRANT APPLICATION BY THE CITY OF SCRANTON, ON BEHALF OF NEIGHBORWORKS NORTHEASTERN PENNSYLVANIA TO THE COMMONWEALTH OF PENNSYLVANIA ACTING THROUGH THE COMMONWEALTH FINANCING AUTHORITY FOR A LOCAL SHARE ACCOUNT GRANT, PURSUANT TO THE PA RACE HORSE DEVELOPMENT AND GAMING ACT IN THE AMOUNT OF \$78,960.00 FOR THE PROJECT TO BE KNOWN AS "NEIGHBORWORKS HOMEOWNERSHIP CENTER" LOCATED 815 SMITH STREET, SCRANTON, PENNSYLVANIA 18504, AND AUTHORIZING THE MAYOR AND OTHER APPROPRIATE CITY OFFICIALS OF THE CITY OF SCRANTON TO ACCEPT THE GRANT, IF SUCCESSFUL AND EXECUTE AND ENTER INTO A LOCAL SHARE ACCOUNT GRANT CONTRACT AND COMMITMENT LETTER WITH THE COMMONWEALTH OF PENNSYLVANIA TO ACCEPT AND UTILIZE THE GRANT IN THE AMOUNT OF \$78,960.00 AWARDED BY THE COMMONWEALTH OF PENNSYLVANIA FOR SUCH PROJECT.

Respectfully,

Jessica Eskra (s)
Jessica L. Eskra, Esquire
City Solicitor

JLE/sl