

Spruce Hill Community Association 257 South 45th Street Philadelphia, PA 19104

SHCA Board Meeting Minutes April 12, 2022

Attendees: Richard Moore, Craig Santoro, Sugirtha Stathis, Al Suh, Terry Mond, Barry Grossbach, Evan Johnstone, Libby Rosof, Monica Calkins

Guests: Kathy Dowdall, Nicole McCoy, Fran Byers, Amy Lambert, Anthony West, Paul Steinke

Hybrid Meeting Site: Chapter House of Woodland Presbyterian Church (401 S. 42nd St., SE corner of 42nd & Pine) and VIA ZOOM

Welcome and Introductions (Richard Moore)

Review and Approval of Meeting Minutes (February and March 2022) – motion to approve, seconded. Minutes approved.

Guest Speaker:

Jon Chopp, Campus Apartments

- See Slides in Appendix
- Mr. Chopp gave history of Campus Apartments in community (stated preserving buildings in west philadephia for over 60 years). Wants to find common ground for discussion about their proposed new headquarters which would involve demolishing several buildings
 - They have 150 properties in the neighborhood.
 - Founded in 1958.
 - Preserved 4200 Pine. Then 4300 Spruce, selected that to offer home ownership. One of the first things that did. Preservation had a purpose.
 - And they stated that they do a lot on a daily basis. Financial investment in spruce hill.
 Providing mulch and improving streetscapes. Important that presenting that type of environment. Corporate headquarters are here.
 - Desire unified office space, including building on their success. Currently, their offices are spread out.
- 41st & Walnut Street
 - Walnut street is a commercial corridor stated that contextually that corridor is intended and designed to do what they propose to do

- Do understand the challenges want to talk about their goals which is to provide a mixed use building. Student housing along with their headquarters.
- They have been having a harder time competing losing a lot of vacancies to modernized properties
- The site in question is completely CMX with the exception of one row of houses on S 41st street (213-219 S 41st Street) and the rotunda which are RSA5 that is the portion that creates their need to be here (see slide). There is what they describe as a quirk in the code.
- Hope we can dive in where we want to be. Opportunity to re-invest. Presents some challenges. On whether or not they can even stay here. They know where they want to be, states they have demonstrated that over all these years. They claim that ability to do this is a matter of survival to some degree.
- Barry summing up the RSA5 section has a couple of houses 217 and 219, want to take them down and then seek a variance. Issue here is buildings that have some architectural merit for demolition, at the same time as we are proposing an historic district. If those buildings stood, why would that impede ability to build what they want to build
- Response: If forced onto existing site, then would have to build higher.
- Big part of this is creating an office for campus apartments currently they are scattered.
- Filed application but have not pulled demo permit. It's a pretty simple math equation (to them), a matter of efficiencies. They desire a mixed use property including their offices and student housing.
- Suggested there could be further erosion of some of their properties if they can't do what they want? Because of course the older properties are more difficult to maintain.
- Barry But currently there are empty houses that used to be filled with students. Empty Greek fraternities.
- Would have to go through zoning
- Monica have they considered adaptive reuse of anything they already own for their headquarters? Response: don't have anything the correct size (the one that is possible is rented to amazon). Q: Are the workers under hybrid work arrangement (i.e., do they really need more space?) Response: yes but their corporate folks will eventually each have their own space and be expected to be in office most days. And they have people from around the country travel to see them– corporate folks do have designated office space.
- Craig affordable housing, and preservation. Hard to replace to historic buildings with anything let alone things people will be happy with. How we can help you preserve? Not sure how student housing affects affordable housing – not every penn student can afford market rate housing. Consider affordable housing. You do have a record of preservation that should be lauded. Tear downs have been recent. Is this a shift for you guys? Response: no.
- Barry care of the exterior of their buildings is good.
- John Their address on walnut street means something to them. He hopes there is a common ground.
- Question Can they build higher and leave the buildings intact? They said they started there (in planning process) and it didn't work for several reasons.

- Barry these are issues that the Board has to weigh in on, not just zoning. We have been dealing with demolitions. Barry has posed to the board - Are there any circumstances where demolition is acceptable?
- Discussed further below
- Nicole McCoy Penn Police update the police chief is resigning after many years on the job. Some other positions they are seeking. Penn Relays are back. Will be scaled down. With COVID restrictions initially lifting, students have been granted more parties, if residents experience any noise, then should call 573-3333. Students are supposed to register their parties, even off campus, and if we call they may shut down the party. **Let her know details about May Fair, they would like to participate.

Committee Updates

- May Fair (Monica Calkins/Evan Johnstone)
 - Evan music jazz fusion band from West Philly. Provide their own equipment.
 - Porta-potties have a quote for 3. No zoo, so no wash station. Laura Line. Quote higher than its been in the past.
 - Yard signs are going up (thank you Leslie and all who are distributing)
 - Raffle tickets pending. Andrew setting up online component of that, still needed for letters. Rich G has set up the page on the website.
 - Food Trucks Terry reaching out to food trucks a number confirmed for the day.
 - Regent Square Evan reached out. Will keep it open.
 - Kids activities did not get the zoo this year. There is a large two person slide. Didn't go for bounce house. Sugirtha has been looking at getting a bunch of games during the event. Have done that in the past. Returning to that model. Games with prizes? Could do that. There will also be a Staceys Face painting "mobile".
 - Volunteers need all hands on deck for day of Fair responsibility of all board members to support and participate in the Fair. If you will be away on the day of the Fair, please sign up to help with a task in advance of the Fair. To sign up for day of fair: <u>https://docs.google.com/spreadsheets/d/1FXzxd28tC6ACqbzbw74jdHD_o-</u> <u>n4joESwW136F5gP18/edit?usp=sharing</u>
 - To sign up to help with Pre-fair activities: https://docs.google.com/spreadsheets/d/1KMSOCcgy8HIGIpfZIEb6y5mufOH3MuhJ1kXs B527Lj4/edit#gid=0
 - Vendors 33 signed up so far, not quite as many as prior years, but still rolling in. Monica outreaching to past vendors and local community organizations, schools. Please help spread the word to small businesses/orgs you might know, Monica can send you the vendor outreach letter.
 - All please circulate the flyer within your networks. We need all hands on deck!!!
 - Adam Sherr contact for Penn Band get them to attend May Fair? Leslie will reach out to Adam.
- Note re: UCD porch fest trying to spread the word –aiming to engage broader community support and broaden the talent participating in porch fest. Get in touch with Barry if you have ideas.
- Zoning (Barry Grossbach)
 - Scheduled meeting next Wednesday night.

- What does board think about the Campus Apartments presentation? Board discussed various perspectives on the presentation. How can units be made for affordable housing? Currently properties near penn campus are having trouble filling up with students. Buildings were empty. Students appear to want modern facilities, like the buildings going up on chestnut street (one of which next LvL, where the wine store was moved to, just sold for 88 million dollars!). Can affordable units be considered? Will graduate students start living elsewhere (currently grad students tend to live 42nd street westward). Undergoing shift out here.
- Historic district want to make sure that our positions make sense, and also that we have support of developers.
- Hard to get a sense via hybrid meeting, people with reactions/thoughts should email Barry, and we will discuss again in May.
- How do we organize feedback? Time at May meeting? Yes, let's discuss. They have some things to think about. Can discuss additional thoughts.
- We can't stop them from demolishing the buildings. No commitments made. Affordable housing – how we can use that to protect whatever buildings we want. We won't be able to stop development.

The following committees did not report as time was spent on May Fair updates and discussion of Campus Apartment presentation

- Executive Committee (Richard Moore)
- Education (Rebecca Geller-Puchalsky)
- Operations (Chris Bole)
- Community Engagement (Vicki McGarvey/Alexa Bosse)
- Neighborhood Beautification (Laura Line)
- Safe Streets & Commercial Corridors (Eric Santoro/Evan Johnstone)
- Crosstown Coalition (Barry/Eric/Monica)

All Other Business

Meeting Adjourned 9:09 PM

Next Meeting: Tuesday, May 10, 2022 7:30PM

Company Overview

Experienced, vertically integrated operator

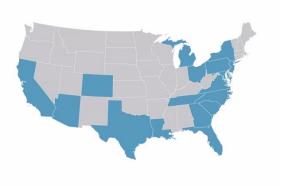
Over 60-years experience: Founded in 1958, one of the nation's largest privately-held owners of student housing in the U.S.

Vertically integrated operating platform:

- Over 600 employees nationwide
- Expertise in acquisitions, development, asset management, financing, property management and technology
- Over \$2.0 billion in gross AUM
- Portfolio consists of student housing, millennial-oriented multifamily, retail, hotel, and office properties that are anchored by "Eds & Meds" demand drivers

Broad footprint: Owns and/or manages over 21,000 beds in 16 states; serving over 50 colleges and universities

As of the date hereof.



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Active University City Stakeholder

Campus Apartments employs 140 people that work in University City/ West Philadelphia

Financial investment in Spruce Hill

- CA, a founding member, has contributed over \$1 million to the University City District (UCD) over the past decade (\$165,000 in 2021.) David Adelman currently serves as Vice Chairman. Was integral part of UC Green and UC Bright over the past 25 years.
- Physical improvements include repairing and upgrading sidewalks, installation of garbage cans and planting
 of trees in sidewalks throughout the neighborhood.
- Maintain sidewalks and other areas by picking up trash, emptying garbage cans and mulching sidewalk trees.







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University City Preservation Efforts

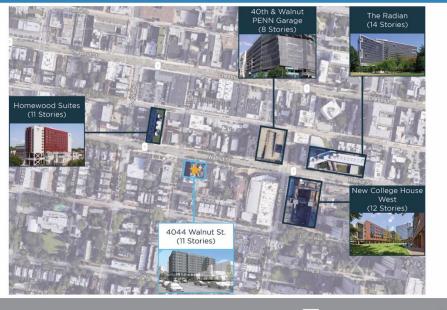
Campus Apartments has been preserving buildings in West Philadelphia for over 60 years.

- CA owns 150 individual properties in University City and has preserved all but two buildings (1.5%.) Both buildings were unable to be saved due to extensive deferred maintenance.
- CA has provided ownership opportunities for the neighborhood:
 - 4200 Pine was a partnership with PENN providing condo ownership while preserving the existing structure, including "the mansion."
- 4300 Spruce was a condo conversion of 25 units while preserving the existing structure.
- CA completed an adaptive re-use of Pine Arms converting the existing office building to residential apartments.



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Property Location Map



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Zoning Map

Entire block between Walnut, Chancellor, 41st Street and the Rotunda is Zoned CMX-3 except 213-219 S 41st Street, which are RSA-5.

Under CMX-3 no variances would be required. Because of an odd rule in the code, the RSA-5 provisions control the site.

Therefore, we need variances for the following:

- Group Living/ Retail (3,240 sf) / Office (11,500 sf) use
- FAR 750% with bonus as per CMX-3
- Elimination of 8.79 ft front yard setback
- Elimination of 9 ft rear yard setback
- Elimination of maximum height of 38 feet
 Reduction of required vehicle parking by 7 spaces

