

**THE PARKING AUTHORITY OF THE CITY OF SCRANTON, PENNSYLVANIA**

**RESOLUTION OF THE BOARD # 9 of 2022**

A RESOLUTION OF THE PARKING AUTHORITY OF THE CITY OF SCRANTON, PENNSYLVANIA (“**AUTHORITY**”) TO APPROVE AND ADOPT THE THIRD AMENDMENT TO CONCESSION AND LEASE AGREEMENT AND AUTHORIZE TODD A. JOHNS, ESQUIRE EXECUTIVE DIRECTOR TO EXECUTE THE AMENDMENT ON BEHALF OF THE SCRANTON PARKING AUTHORITY.

WHEREAS, The Authority is a public body corporate and politic and a parking authority of the Commonwealth of Pennsylvania duly established and existing under Chapter 55 of Title 53 of the Pennsylvania Consolidated Statutes (the “**Act**”); and

WHEREAS, the Authority, hereby formally Approves and Adopts the Third Amendment to Concession and Lease Agreement and authorizes Todd A. Johns, Esquire, Executive Director to execute the Amendment on behalf of the Scranton Parking Authority.

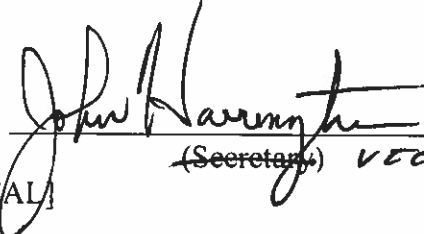
NOW, THEREFORE, the Board of the Authority hereby resolves as follows:

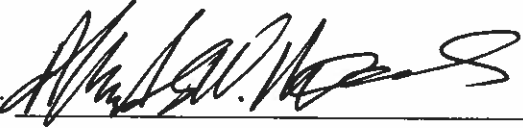
The Third Amendment to the Concession and Lease Agreement is hereby approved and adopted and Todd A. Johns, Esquire, Executive Director is authorized to execute the Amendment on behalf of the Scranton Parking Authority.

Adopted by at least a majority of the Board of the Authority this the 19<sup>th</sup> day of October 2022.

**ATTEST**

**THE PARKING AUTHORITY OF THE  
CITY OF SCRANTON, PENNSYLVANIA**

By:   
[SEAL] (Secretary) *VICE CHAIRMAN*

By:   
Title: *Chairman*

## **THIRD AMENDMENT TO CONCESSION AND LEASE AGREEMENT**

**THIS THIRD AMENDMENT TO CONCESSION AND LEASE AGREEMENT** (this "**Second Amendment**") is made and entered into as of this \_\_ day of \_\_\_\_\_, 2022 by and among **THE PARKING AUTHORITY OF THE CITY OF SCRANTON, PENNSYLVANIA**, a public body corporate and politic and a parking authority of the Commonwealth of Pennsylvania (the "**Commonwealth**") duly established and existing under Chapter 55 of Title 53 of the Pennsylvania Consolidated Statutes (the "**Authority**"); the **CITY OF SCRANTON**, a municipality and a city of the Second Class A of the Commonwealth duly organized and existing under the Constitution and laws of said Commonwealth and the City of Scranton Home Rule Charter (the "**City**"), and **COMMUNITY DEVELOPMENT PROPERTIES, SCRANTON, INC.**, a Delaware nonprofit corporation (the "**Concessionaire**").

### **RECITALS**

WHEREAS, the Authority, the City and Concessionaire are parties to the Scranton Parking Facilities System Concession and Lease Agreement dated as of August 23, 2016 (the "**Original Agreement**"), as amended by First Amendment to Concession and Lease Agreement dated as of August 23, 2016 (the "**First Amendment**" and collectively with the Original Agreement, the "**Agreement**"), under which the Concessionaire agreed to lease the Parking Facilities System from the Authority and obtain a grant from the Authority of the right to operate, maintain and improve the Parking Facilities System and to provide Parking Facilities Services in connection therewith; and

WHEREAS, in the course of operating the Parking Facilities System, the Concessionaire identified capital repairs and improvements to be made to the Parking Facilities System, and, the Authority and City agreed with the Concessionaire that, to strengthen the performance of the Parking Facilities System, the identified capital repairs and improvements should be made. To that end, the parties to the Original Concession and Lease Agreement agreed to the terms of the Second Amendment to the Concession and Lease Agreement in June of 2018; and

WHEREAS, the Scranton Parking Facilities System has since experienced a decline in revenue as a result of the COVID-19 pandemic, which has affected its ability to meet its debt obligations. In order to address the adverse economic impacts of the pandemic and to promote parking facilities, the parties hereto find it necessary to further amend the Parking Facilities System Concession and Lease Agreement to extend the term of the existing Agreement, revise the current rate structure, provide for contemplated capital improvements, and update the current calendar of meter closure holidays.

NOW THEREFORE, in consideration of the mutual promises contained herein and in the Agreement, the Parties, intending to be legally bound, hereby agree as follows:

1. **Recitals.** The Recitals set forth above are incorporated herein by reference as if set forth in full.



2. Amendments to Article 2, Section 2.1. Notwithstanding any provisions of Article 2 of the Agreement to the contrary, the Parties agree as follows:

(a) The Parties agree that the term of the Parking Facilities System Concession and Lease Agreement shall be extended to forty-five (45) years from date of execution of this Amendment, to conclude and terminate no later than the anniversary of the forty-fifth (45<sup>th</sup>) year following execution of this agreement, to wit, in 2067.

3. Amendments to Article 7, Section 7.1(a)(i). Notwithstanding any provisions of Article 7, Section 7.1(a)(i) of the Agreement to the contrary, the Parties agree as follows:

(a) The existing rate structure shall be modified to reflect the rates outlined in Exhibit "A" attached hereto.

4. Amendments to Article 4. Notwithstanding any provisions of Article 4 of the Agreement to the contrary, the Parties agree as follows:

(a) Utilizing funds made available to the City from the American Rescue Plan, Concessionaire may make application for, and the City shall prioritize, a maximum of \$450,000 of American Rescue Plan funding for necessary capital improvements as outlined in Exhibit "B" attached hereto.

(b) With respect to all capital improvements to be performed and implemented as provided in this Third Amendment, including but not limited to Required Capital Improvements and such improvements via the use of American Rescue Plan funds, the Parties agree as follows:

(i) If awarded funding through the City's allocated American Rescue Plan funds, Concessionaire shall adhere to all procurement, compliance, and reporting requirements, subject to repayment in full to the City for failure to adhere to such requirements.

(ii) Except as hereinafter provided, Concessionaire, at Concessionaire's sole cost and expense, shall retain the services of an expert to oversee construction of such improvements and Concessionaire shall provide periodic updates of the progress of such capital improvement projects to the City. Notwithstanding the prior sentence, only to the extent that the fees of any expert retained are an eligible and reimbursable cost under the American Rescue Plan Act, may funds released from the City to be used to pay for services provided by such expert.

(iii) The City retains the right to request of Concessionaire that the City engineer, or any qualified third party engineer, inspect all work performed by contractors retained by Concessionaire, to ensure compliance with all bid documents. Concessionaire shall reasonably respond to such requests as soon as possible and permit such inspection during normal business hours.

(iv) The Concessionaire agrees to meet with the City, in person and on a regular basis or as otherwise required by the City, for purposes of discussing updates to the Capital Improvements and any other capital improvement projects during the term of the Agreement.

(c) Except as otherwise expressly provided herein, neither the Authority nor the City shall have any further obligations to make any further payments towards the costs of any Required Capital Improvements. Except as otherwise provided expressly herein, Concessionaire's obligations under Article 4 of the Original Agreement, including inter alia, Section 4.1, shall remain in full force and effect and Concessionaire shall remain responsible for all future capital improvements. It is further agreed that Concessionaire shall cause all of the Required Capital Improvements to be timely completed.

5. Amendments to Exhibit G. Notwithstanding any provisions of Exhibit G of the Agreement to the contrary, the Parties agree as follows:

(a) The enumerated listing of meter closure dates shall be updated to reflect the inclusion of Juneteenth based upon its recognition as a federal holiday. Juneteenth shall occur on June 19th of each calendar year, or if occurring on a Saturday that preceding Friday, or if occurring on Sunday that following Monday.

6. Additional Provisions.

(a) The Concessionaire, at the direction of the City, will play a significant role with respect to informing community stakeholders, via presentations and any other reasonable means deemed necessary by the City on the financial outlook of the Parking Facilities. Community stakeholders shall include the Mayor, City Council, the Board and other local groups as determined by the City and the Authority. All presentation materials prepared by Concessionaire shall be approved by the City and Authority. Concessionaire's presentations will include:

(i) Outlining the revenues and expenditures of the Parking Facilities System on a quarterly basis;

(ii) A progress report on Concessionaire activities including capital improvements and operational enhancements; and

(iii) Such other matters as the City and Authority deem reasonable.

(b) The Parties each agree to be responsible for their respective professional fees associated with documenting this Third Amendment and the Required Capital Improvements Escrow Agreement Amendment. Should the City and Concessionaire determine that legal assistance is necessary to alter or modify the existing debt of the Parking Facilities System, as provided above, the City and Concessionaire agree to share equally in such fees and costs.

7. Ratification. The Parties hereto ratify and confirm the terms of the Agreement and agree that it continues to bind the Parties, as amended hereby. Unless modified by the terms of this Third Amendment, the Agreement and the terms, covenants and agreements contained therein shall remain in full force and effect.

8. Governing Law; Successors and Assigns. This Third Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania and shall be binding on and shall inure to the benefit of the parties hereto and their respective successors and assigns.

9. Counterparts. This Third Amendment may be executed in any number of counterparts which, taken together, shall constitute one and the same agreement. This Third Amendment shall be effective when it has been executed by each Party and delivered to all Parties. To evidence the fact that it has executed this Third Amendment, a Party may send a copy of its executed counterpart to the other Parties by facsimile transmission or PDF. Such Party shall be deemed to have executed and delivered this Third Amendment on the date it sent such facsimile transmission or PDF.

[SIGNATURES ON FOLLOWING PAGE]

**EXHIBIT A**

**Amended Rate Structure**

Schedule of Parking Rates and Fees

Inflation Rate: 3%

Inflation Rate: 3%

Inflation Rate: 3%

Garage - Monthly Rate

Garage - Transient

On Street Metered Parking

Year	Bond Year Ending	Posted Monthly Rate (\$)	Growth Rate
5	2021	\$ 92.00	
6	2022	\$ 92.00	
7	2023	\$ 92.00	
8	2024	\$ 92.00	
9	2025	\$ 92.00	
10	2026	\$ 95.00	3.26%
11	2027	\$ 98.00	3.16%
12	2028	\$ 101.00	3.06%
13	2029	\$ 104.00	2.97%
14	2030	\$ 107.00	2.88%
15	2031	\$ 110.00	2.80%
16	2032	\$ 113.00	2.73%
17	2033	\$ 117.00	3.54%
18	2034	\$ 120.00	2.56%
19	2035	\$ 124.00	3.33%
20	2036	\$ 127.00	2.42%
21	2037	\$ 131.00	3.15%
22	2038	\$ 135.00	3.05%
23	2039	\$ 139.00	2.96%
24	2040	\$ 143.00	2.88%
25	2041	\$ 148.00	3.50%
26	2042	\$ 152.00	2.70%
27	2043	\$ 157.00	3.29%
28	2044	\$ 161.00	2.55%
29	2045	\$ 166.00	3.11%
30	2046	\$ 171.00	3.01%
31	2047	\$ 176.00	2.92%
32	2048	\$ 182.00	3.41%
33	2049	\$ 187.00	2.75%
34	2050	\$ 193.00	3.21%
35	2051	\$ 198.00	2.59%
36	2052	\$ 204.00	3.03%
37	2053	\$ 210.00	2.94%
38	2054	\$ 217.00	3.33%
39	2055	\$ 223.00	2.76%
40	2056	\$ 230.00	3.14%
41	2057	\$ 237.00	3.04%
42	2058	\$ 244.00	2.95%
43	2059	\$ 251.00	2.87%
44	2060	\$ 259.00	3.19%
45	2061	\$ 267.00	3.09%
46	2062	\$ 275.00	3.00%
47	2063	\$ 283.00	2.91%
48	2064	\$ 291.00	2.83%
49	2065	\$ 300.00	3.09%
50	2066	\$ 309.00	3.00%
51	2067	\$ 318.00	2.91%

Year	Bond Year Ending	Posted Hourly Rate (\$)	Growth Rate
5	2021	\$ 4.00	
6	2022	\$ 4.00	
7	2023	\$ 1.00	-75.00%
8	2024	\$ 1.00	
9	2025	\$ 1.00	
10	2026	\$ 1.25	25.00%
11	2027	\$ 1.25	
12	2028	\$ 1.25	
13	2029	\$ 1.25	
14	2030	\$ 1.25	
15	2031	\$ 1.25	
16	2032	\$ 1.25	
17	2033	\$ 1.50	20.00%
18	2034	\$ 1.50	
19	2035	\$ 1.50	
20	2036	\$ 1.50	
21	2037	\$ 1.50	
22	2038	\$ 1.50	
23	2039	\$ 1.75	16.67%
24	2040	\$ 1.75	
25	2041	\$ 1.75	
26	2042	\$ 1.75	
27	2043	\$ 1.75	
28	2044	\$ 2.00	14.29%
29	2045	\$ 2.00	
30	2046	\$ 2.00	
31	2047	\$ 2.00	
32	2048	\$ 2.00	
33	2049	\$ 2.25	12.50%
34	2050	\$ 2.25	
35	2051	\$ 2.25	
36	2052	\$ 2.25	
37	2053	\$ 2.50	11.11%
38	2054	\$ 2.50	
39	2055	\$ 2.50	
40	2056	\$ 2.75	10.00%
41	2057	\$ 2.75	
42	2058	\$ 2.75	
43	2059	\$ 2.75	
44	2060	\$ 3.00	9.09%
45	2061	\$ 3.00	
46	2062	\$ 3.00	
47	2063	\$ 3.25	8.33%
48	2064	\$ 3.25	
49	2065	\$ 3.50	7.69%
50	2066	\$ 3.50	
51	2067	\$ 3.50	

Year	Bond Year Ending	Posted Hourly Rate (\$)	Growth Rate
5	2021	\$ 2.00	
6	2022	\$ 2.00	
7	2023	\$ 2.00	
8	2024	\$ 2.00	
9	2025	\$ 2.00	
10	2026	\$ 2.25	12.50%
11	2027	\$ 2.25	
12	2028	\$ 2.25	
13	2029	\$ 2.50	11.11%
14	2030	\$ 2.50	
15	2031	\$ 2.50	
16	2032	\$ 2.50	
17	2033	\$ 2.75	10.00%
18	2034	\$ 2.75	
19	2035	\$ 2.75	
20	2036	\$ 3.00	9.09%
21	2037	\$ 3.00	
22	2038	\$ 3.00	
23	2039	\$ 3.25	8.33%
24	2040	\$ 3.25	
25	2041	\$ 3.25	
26	2042	\$ 3.50	7.69%
27	2043	\$ 3.50	
28	2044	\$ 3.75	7.14%
29	2045	\$ 3.75	
30	2046	\$ 3.75	
31	2047	\$ 4.00	6.67%
32	2048	\$ 4.00	
33	2049	\$ 4.25	6.25%
34	2050	\$ 4.25	
35	2051	\$ 4.50	5.88%
36	2052	\$ 4.50	
37	2053	\$ 4.75	5.56%
38	2054	\$ 4.75	
39	2055	\$ 5.00	5.26%
40	2056	\$ 5.25	5.00%
41	2057	\$ 5.25	
42	2058	\$ 5.50	4.76%
43	2059	\$ 5.50	
44	2060	\$ 5.75	4.55%
45	2061	\$ 6.00	4.35%
46	2062	\$ 6.00	
47	2063	\$ 6.25	4.17%
48	2064	\$ 6.50	4.00%
49	2065	\$ 6.75	3.85%
50	2066	\$ 6.75	
51	2067	\$ 7.00	3.70%

**EXHIBITB**

**Proposed Capital Improvements**



**Scranton Parking - Capital Needs Schedule**

<i>Priorities across the parking system</i>	<i>Estimated expense</i>
ABM Equipment Lease Balance as of Sept-2022	\$894,350
New work truck	\$45,000
Mifflin Street Lot surface repairs	\$45,000
New equipment for Marketplace at Steamtown	\$48,663
Medallion Garage plumbing	\$38,556
Door fixes across portfolio	\$10,000
Casey Garage fire panel	\$10,684
Linden Garage Mulberry Street elevator	\$97,030
Linden Garage parapet repair	\$10,000
Linden Garage stairwell bulkhead repair	\$15,000
Linden Garage office floor repair	\$4,000
Grading surface lot adjacent to Linden Garage	\$5,000
Power wash Linden Garage and Casey Garage	\$40,000
Casey Garage office A/C replacement	\$3,000
Storefront to Casey Garage Center Street retail space	\$30,000
Casey Garage pigeon control barrier	\$75,000
<b>Subtotal</b>	<b>\$1,371,283</b>

<i>Leaseable retail space Improvements</i>	<i>Estimated expense</i>
Center Street retail space MEP construction	\$167,750
Center St retail space allowance	\$156,454
Medallion Garage (former Colosseum) retail space fit out	\$545,000
HVAC upgrades for retail spaces	\$150,000
<b>Subtotal</b>	<b>\$1,019,204</b>

<b>Grand Total</b>	<b>\$2,390,487</b>
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IN WITNESS WHEREOF, the Parties have caused this Third Amendment to be duly executed as of the day and year first above written.

**THE PARKING AUTHORITY OF THE CITY OF  
SCRANTON, PENNSYLVANIA**

By: \_\_\_\_\_  
Executive Director

**ATTEST:**

**CITY OF SCRANTON**

By: \_\_\_\_\_  
Frank Voldenberg, City Clerk

By: \_\_\_\_\_  
Paige G. Cagnetti, Mayor

By: \_\_\_\_\_  
John Murray, City Controller

**APPROVED AS TO FORM:**

By: \_\_\_\_\_  
Jessica Eskra, Esquire, City Solicitor

**COMMUNITY DEVELOPMENT PROPERTIES,  
SCRANTON, INC.**

By: \_\_\_\_\_  
Name:  
Title: