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April 27, 2015

Via Hand Delivery

Mr. Jonathan Farnham
Executive Director
Philadelphia Historical Commission
Room 576, City Hall
Philadelphia, PA 19107

Re: Financial Hardship Application - Royal Theater

Dear Mr. Farnham:

On behalf of Universal Community Homes and Dranoff Properties, please consider this letter as our request that the Historical Commission consider an application for financial hardship regarding the partial demolition of the Royal Theater.

In compliance with Section 9 of the Commission's Rules and Regulations regarding the submission of a Financial Hardship Application, we have provided the following documents in support of our request:

1. An appraisal by Keystone;
2. A structural condition assessment of the building by Keast & Hood;
3. An economic hardship analysis prepared by Econsult;
4. An historic report by Powers & Co.;
5. A design evaluation by Powers & Co.;
6. Evidence of efforts regarding the sale of the property;
7. Signed affidavit;
8. Deed and title report;
9. Notice of Termination from PIDC;
10. Universal's Timeline;
11. A copy of our building permit application;
12. Phase I Environmental Site Assessment;
13. Proposed development plans including elevations;
14. Past plans for revitalization and feasibility studies; and
15. Original architectural drawings.

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As shown on the plans for development, Universal Community Homes and Dranoff Properties will create an adaptive reuse of this historic property which will reinvigorate this important block of South Street. The primary focus of the redevelopment plan includes the preservation and restoration of the historic façade of the Royal Theater. We are certain that you and the members of the Commission are aware of the fact that numerous proposals for the redevelopment of the Royal Theater have come and gone over the past 40 years. Unfortunately, those plans never came to fruition and the building has deteriorated to a point where only the façade is salvageable. We believe that the current proposal constitutes an excellent reuse of the Theater providing for the preservation of the most important aspect of the Theater, its historic façade.

The proposed redevelopment of the Royal Theater is a mixed-use development, including 45 apartments, underground parking for 20 cars and retail uses on South Street. The residential units facing Kater Street have been designed with a pedestrian scale townhouse façade and our improvements along the building frontage on Kater Street will include pedestrian scale lighting and landscaping.

Over 7,600 square feet of retail space, along the South Street frontage will be provided. The retail included as part of the development will provide an opportunity for a more significant retail space to enhance the South Street West business corridor. At the same time, our proposal respects the scale and character of existing buildings on South Street and Kater Street.

This redevelopment plan represents a collaborative effort and illustrates many of the design changes requested by our neighbors and the South of South Neighbors Association and the South Street West Business Association.

In order to accomplish this development as proposed, City Council approved a change to the zoning designation of the property as well as certain text amendments to the Philadelphia Zoning Code, all of which were included as part of Bill Number 140156.

Please let me know if any additional information is required or if you have any questions. We look forward to working with you, your staff and the members of the Commission throughout the approval process.

Thank you.

Very truly yours,



Thomas A. Chapman