

Minutes of the Regular Board Meeting of the Urban Redevelopment Authority of Pittsburgh, Wherrett Memorial Room, 13th Floor, John P. Robins Civic Building, 200 Ross Street

May 9, 2019 – 2:00 P.M., E.S.T.

Members Present: Williamson, Lavelle, Powell, Gainey, Hirsh

Members Absent: None

Staff Present: Cummings, Nuemah, Nemani-Stanger, Kaminski, Clark, Link, Chintalapalli, Smith Perry, Wrenshall, Brooks, Walker, Moses, Santiago, Saladna, Reese, Reitzell, Davidson, Meier, Bohince and Schacht.

Mr. Williamson called the Meeting to order and declared a quorum present.

1. General

- a. Approval of the Minutes of the Regular Board Meeting of April 11, 2019.

2. Announcements

a. RFP's, RFQ's and Bids

- i. Request for proposals (RFP) for the former Fairywood School site.
 - ii. Request for proposals (RFP) for the 4800 block of Hazelwood Avenue.
 - iii. Request for bids and construction management/construction inspection services for a series of infrastructure projects in the Central Business District.
 - iv. Request for qualifications (RFQ) for miscellaneous civil engineering services citywide.
 - v. Request for qualifications (RFQ) for miscellaneous environmental engineering services citywide.
- b. Report of the Housing Celebration and Resource Fair held on April 30, 2019.
 - c. Building CapaCITY workshops.
 - d. The Larimer Farmers Market will be held on June 23, 2019, July 28, 2019, August 25, 2019, September 22, 2019, October 27, 2019 and November 24, 2019 from 3 PM to 7 PM.

- e. CIE Dashboard – Monthly production report, updates and highlights.
3. 2019 Housing Opportunity Fund Annual Allocation Plan
- a. Presentation and approval of the 2019 Housing Opportunity Fund Annual Allocation Plan.

Mr. Rubinstein requested Board approval of the above item.

Ms. Jessica Smith-Perry, Housing Opportunity Fund Director stated that the Housing Opportunity Fund (HOF) was created in 2016 (via City Council Ordinance #37). The HOF was established to support the development and preservation of affordable and accessible housing within the City. In December 2017, City Council passed a resolution approving the terms of and authorizing the execution and delivery of a Cooperation Agreement with the Authority relating to the administration of the HOF and authorizing the assignment to the Authority of ten million dollars (\$10,000,000) per year, for a period of twelve (12) years, commencing January 1, 2018, for the purpose of implementing the HOF.

For the administration of the fund, Authority staff are working with a 17-member Advisory Board that was appointed by the Mayor and approved by City Council in June 2018. According to the HOF enabling legislation, the Advisory Board will work with URA staff to create and approve an annual allocation plan which outlines proposed funding levels by programmatic category. The Advisory Board will then recommend approval of the allocation plan to the URA Board of Directors, the Governing Board, for final approval. Once the URA Board of Directors approves the allocation plan it will be presented to City Council.

To help inform the 2019 Annual Allocation Plan, in February and March, the HOF staff conducted five public meetings in the five geographic sectors of the City: North, South, East, West, and Central. HOF staff discussed current HOF programs (in the 2018 Allocation Plan) and gathered feedback regarding these programs and proposed new programs. HOF staff compiled the data from the meetings and from a housing survey that was hosted online. Approximately 250 people responded to the survey. The HOF Advisory Board then used the data as discussion points during two public working group sessions held in March. Eleven HOF Advisory Board members then created a proposed 2019 Allocation Plan. The median of all 11 plans was created and discussed at the April 4, 2019 HOF Advisory Board Meeting. The Advisory Board members proposed a couple edits during the meeting and collectively agreed to a draft 2019 Allocation Plan.

The draft 2019 Allocation Plan was posted on the URA website on April 8 with a form for public comment. It remained on the website through April 30. Additionally, on April 30, the HOF Director and a HOF Advisory Board member presented the draft 2019 Allocation Plan to the members of the public who attended the Housing Celebration and Resource Fair. Staff was also on hand at the fair to log public comment. The public had a general consensus of the 2019 Allocation Plan.

Therefore, the allocation plan was presented and approved by the Advisory Board at its May 2, 2019 Advisory Board meeting.

The 2019 Allocation Plan is identified below:

The allocation must satisfy HOF legislation, thus implying the following distribution:

AMI Level:	30% AMI	50% AMI	80% AMI
Required % Allocation:	50% of \$9 million	25% of \$9 million	25% of \$9 million
Required \$ Allocation:	\$4.50 million	\$2.25 million	\$2.25 million

\$1M of the \$10M annual allocation plan will go to administrative expenses including URA staff salaries, consultant fees, annual audit, annual report, bank fees, etc.

AMI Level	30%	50%	80%	ADMIN	Total	Estimated # of units or beneficiaries:
Required Allocation, %	50%	25%	25%		100%	
Required Allocation, \$	\$4.5M	\$2.25M	\$2.25M	\$1M	\$10M	
Rental Gap Financing	2.50	1.25			3.75	85
Housing Stabilization Program	.55	.25			.8	250
Down Payment Assistance			.5 *		.5	80
Homeowner Assistance Program	1.25	.63	.32		2.2	80
For-Sale Acq/Rehab/Resale			1.25		1.25	20
Demonstration Program	.2	.12	.18		.5	50
Administration				1.0	1.0	565

- According to the legislation, Down Payment and Closing Cost Assistance can be used by households at or below 115% AMI.

The below table shows how the funds will be used:

How to use	Draft Plan
Building / fixing up affordable rental units (Rental Gap Program)	\$ 3.75 Million
Helping renters stay in their homes (Housing Stabilization Program)	\$ 0.8 Million
Making it easier to buy a home (Down Payment & Closing Cost Assistance Program)	\$ 0.5 Million
Helping homeowners keep up with repairs (Homeowner Assistance Program)	\$ 2.2 Million
Building / fixing up affordable homes for sale (For Sale Development Program)	\$ 1.25 Million
Trying new things - like helping with deeds and wills or helping with other housing emergencies (Demonstration Dollars)	\$ 0.5 Million
Administration	Up to \$ 1 Million
Total	\$ 10 Million

The following are brief descriptions of the six programs as identified in the annual allocation plan. These programs are all allowable programs in accordance with the legislation. All programs except the Demonstration Program were included in the 2018 Allocation Plan and have approved Program Guidelines.

Housing Stabilization Program (HSP):

Service providers may apply for funding to provide short term rental assistance (maximum of 4 months) and associated services to households at or below 30% and/or 50% AMI who are homeless or at risk of homelessness. Homeless rental assistance also includes eviction prevention services such as legal assistance.

Rental Gap Program (RGP):

The Rental Gap Funding Program will provide secured loans for the new construction and/or preservation of affordable rental units. For projects in the development process that have units serving households at or below 30 and/or 50% AMI, developers may apply for secured loans for acquisition and construction, or renovation/preservation, of rental housing projects.

Down Payment and Closing Cost Assistance (DPCCA):

First time homebuyers with incomes up to 115% of AMI may apply to the URA for down payment and closing cost assistance for the purchase of a house in Pittsburgh.

Home Owner Assistance Program (HAP):

The HAP Program will address unsafe and unhealthy conditions in homes owned by homeowners with incomes at or below 30%, 50% AMI, and/or 80% AMI. Non-profits may apply for funds for renovation and associated services, or households may apply directly to the URA. Examples of eligible repairs are new roofs, furnace replacement, weatherization repairs, and/or accessibility modifications. The HAP program also includes tangled title assistance for homeowners.

For-Sale Development Program (FSDP):

The For-Sale Development Program will expand the pool of quality for-sale housing affordable to households at or below 80% AMI. Developers may apply to HOF for costs associated with the development of residential property including acquisition, rehabilitation, or new construction, and soft costs associated with the property development. Funds will help bridge the gap between total development cost and the future sales price. Funds may also be used in the form of deferred second mortgages for the future homeowners. The homeowners must reside in the property.

Demonstration Program:

The Demonstration Program will provide funding for to-be-determined "housing emergencies" in the City of Pittsburgh, such as rental assistance and/or development assistance when properties lose their affordability deed restrictions.

Next Step:

After the 2019 Annual Allocation Plan is approved by the URA Board of Directors, the Plan will be submitted to City Council for review and approval.

Mr. Williamson asked about remaining 2018 HOF funds. Ms. Smith-Perry answered explaining the timeline that the Authority had in setting up the HOF Program. Ms. Powell asked if there is a way to track and reach out to neighborhoods that are not engaging in the HOF programs. Ms. Smith-Perry answered that the Authority is tracking inquiries and have obtained a community outreach Specialist. Mr. Rubinstein stated that if approved today, the next step will be City Council approval.

Upon a motion to approve by Mr. Lavelle, seconded by Mr. Gainey, and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 111 (2019)

RESOLVED: The 2019 Housing Opportunity Fund Annual Allocation Plan is hereby approved.

4. Home4Good Application

- a. Submission of a Home4Good application for up to \$400,000 and enter into a Contract with Allegheny County Development of Human Services, the Pennsylvania Housing Finance Agency, and/or the Federal Home Loan Bank of Pittsburgh.

Mr. Rubinstein requested Board approval of the above item.

Ms. Smith-Perry stated that the Authority is requesting authorization to apply for up to \$400,000 to the Allegheny County Department of Human Services (DHS) for funding through the Home4Good Program. Home4Good is an initiative between the Federal Home Loan Bank (FHLB) of Pittsburgh and the Pennsylvania Housing Finance Agency (PHFA) to fund projects, programs, or activities that work to prevent homelessness by helping households maintain their current housing situation or to find alternative housing options.

If awarded, the funding will be used as a matching source for the Housing Opportunity Fund's Housing Stabilization Program. The Housing Stabilization Program provides short-term rental assistance to households for up to four months to help stabilize their housing situation and keep them from becoming homeless. The URA uses service providers to administer the program.

Applications are due to the regional Continuum of Care office by July 19, 2019. DHS is Pittsburgh's Continuum of Care office. DHS will submit the applications to PHFA by August 30, 2019. PHFA and FHLB will make award announcements on December 12, 2019.

There was no discussion among the Members.

Upon a motion to approve by Mr. Lavelle, seconded by Mr. Gainey, and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 112 (2019)

RESOLVED: That an application to the Allegheny County Department of Human Services (DHS) for the Home4Good Program grant, for an amount up to \$400,000, as a matching source for the Housing Opportunity Fund's Housing Stabilization Program, is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an application therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto; and it is

RESOLVED FURTHER: That acceptance of a Home4Good Program grant from the Allegheny County Department of Human Services (DHS), for an amount not to exceed \$400,000, as a matching source for the Housing Opportunity Fund's Housing Stabilization Program, is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a grant agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO.113 (2019)

RESOLVED: That an agreement with Allegheny County Development of Human Services, the Pennsylvania Housing Finance Agency, and/or the Federal Home Loan Bank of Pittsburgh to fund projects, programs, or activities that work to prevent homelessness by helping households maintain their current housing situation or to find alternative housing options., for an amount up to \$400,000, is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

5. East Liberty – Mellon’s Orchard South

- a. Rental Housing Development and Improvement Program (RHDIP) loan agreement in the amount of up to \$670,000 with Mellon’s Orchard Housing LLC.
- b. Housing Opportunity Fund Rental Gap Program loan agreement in the amount of up to \$690,000 with Mellon’s Orchard Housing LLC.
- c. Final drawings, final evidence of financing, and authorization to execute a deed for the sale of Block 83-P, Lot 60, and a portion of Block 83-P, Lot 225, in the 11th Ward, to Mellon’s Orchard Housing LLC, for \$600,000.

Mr. Rubinstein requested Board approval of the above items.

Mr. Tom Cummings, Director of Housing stated that at its meeting of January 10, 2019, the Board of this Authority approved a proposal and authorized execution of a disposition contract with Mellon’s Orchard Housing LLC for the sale of one vacant parcel and part of a second vacant parcel in East Liberty. The parcels are located at 5820-5830 Station Street, Block 83-P, Lot 60, and 244-271 N. Beatty Street, Block 83-P, Lot 225. The parcels are being consolidated and subdivided, with approximately 43,204 square feet being conveyed to the developer in this transaction, 21,889 square feet being retained for a future phase, and 18,207 square feet to be dedicated for the reconnection of Harvard and N. Beatty streets. The reconnection of the two streets is one phase of the Penn Circle Two Way Conversion that began in the early 2000’s. Construction of the Harvard / N. Beatty streets phase is expected to begin in the summer of 2019.

TREK Development Group (TREK) has formed a single-purpose entity, Mellon’s Orchard Housing LLC, to acquire and develop the property. The URA-owned parcels will be improved with a 47-unit mixed-income multi-family development including 37 affordable units and 10 market rate units. The project will include 35 apartment units and 12 townhouses. The apartments include 25 one-bedroom and 10 two-bedroom units in a three-story walk-up building. The apartment building will also include a community room that will be available to all residents of the development. Six units will be accessible to individuals with mobility and sensory impairments and a seventh unit will be accessible to individuals with sensory impairments. The townhouses are all one-bedroom units and will have live-work layouts for potential art related sales or gallery

space. The project will meet Enterprise Green Communities Certification, including Energy Star requirements, with a green roof. There will be parking for 33 vehicles and bike racks will be available. Supportive services will be provided to the future residents.

At its May 2, 2019 meeting, the Housing Opportunity Fund (HOF) Advisory Board passed a motion to award Mellon's Orchard Housing LLC a Housing Opportunity Fund Rental Gap Program Loan (HOF RGP) in the amount of \$690,000. The Coalition of Organized Residents of East Liberty (COR) is the 501c(3) non-profit applicant for the HOF funds. Mellon's Orchard Housing LLC has entered into a Memorandum of Understanding (MOU) with COR for COR to assist with Section 3 hiring and other Section 3 related activities for the development. The HOF RGP is intended to help fund the creation of new affordable housing and/or preserve affordable housing City-wide, specifically targeting households with incomes below 30% area median income (AMI) and 50% AMI. The HOF Funding will support 20 units at or below 50% AMI and four (4) units at or below 30% AMI.

The entire project consists of 47 total units of which 37 are affordable. Of the 37 affordable units, four (4) will be rented to households with incomes at or below 20% AMI, 20 units will be rented to households at or below 50% AMI, and 13 units will be rented to households with incomes at or below 60% AMI. The Housing Authority of the City of Pittsburgh (HACP) will provide Project Based Vouchers to subsidize eight (8) of the units. Priority for occupancy will be given to eligible former Penn Plaza residents. The developer is working with the Penn Plaza Support and Action Coalition in this effort.

Authorization is now requested to approve final drawings and final evidence of financing and to execute a deed. Authorization is also requested to enter into the above-mentioned loan agreements with Mellon's Orchard Housing LLC to provide combined construction/permanent financing for the development. Approval of the Authority RHDIP loan is subject to part 58 Request for Release of Funds approval by HUD.

TREK was awarded 2018 Low Income Housing Tax Credits (LIHTC). S & T Bank is the LIHTC investor. The tax credit contribution will be based on \$0.96 per tax credit (LIHTC) totaling \$10,175,034. The balance of the construction and permanent financing is being provided by Pennsylvania Housing Finance Agency (PHFA).

TREK Development Group's office is in the Century Building at 130 7th Street, Suite 300, Pittsburgh, PA 15222. William J. Gatti, is the President.

Details of the development are as follows:

Borrower:	Mellon's Orchard Housing LLC
Developer:	TREK Development Group
Non-Profit HOF Applicant:	Coalition of Organized Resident of East Liberty

Property Location: Station and N. Beatty Streets
East Liberty neighborhood

Ward: 11th Ward

Description: The new construction of a 47-unit mixed income residential development to include 35 apartment units and 12 townhouses. Thirty-seven (37) units are affordable and 10 units are market rate.

Units and Rents:

25 one bedroom	\$196 – \$609 (affordable)
10 one bedroom	\$1,700 (market)
12 two bedroom	\$235 - \$777 (affordable)

Architect: Perfido, Weiskopf, Wagstaff + Goettel Architects
408 Blvd. of the Allies
Pittsburgh, PA 15219

General Contractor: Mistick Construction
1300 Brighton Road
Pittsburgh, PA 15233

Total Development Costs: \$13,606,293

Permanent Financing Sources:

LIHTC Equity	\$10,175,034
PHFA loan	\$ 1,500,000
URA (RHDIP & HOF)	\$ 1,360,000
PHFA PHARE HTF	\$ 500,000
Reinvested Developer Fee	\$ 71,059
LLC Member Contribution	\$ <u>200</u>
Total:	\$13,606,293

Authority Financing:

\$670,000 -	RHDIP Loan – 0% interest rate, 35-year term, 50% cash flow
\$690,000-	HOF RGP Loan – 0% interest rate, 35-year term, 50% cash flow

Total URA financing: \$1,360,000

Program Benefit: The project will add critically needed affordable housing units to this strong neighborhood market.

HOF Advisory Board Review: Approved at the May 2, 2019 meeting

Real Estate Loan Review
Committee Status: Approved at the May 6, 2019 meeting

M/WBE Review
Committee Status: MWBE Narrative approved. A final MWBE plan will be provided prior to closing.

John M. Ginocchi, TREK Development Group, was present. Mr. Ginocchi thanked the Authority Board and Authority staff for supporting affordable housing. He stated that it is fundamental to this project for former Penn Plaza residents to have preference in the affordable housing in this development. He stated that support service staff will be in place to assist relocated Penn Plaza residents.

Alethea Sims, of Coalition of Organized Resident of East Liberty, was present. Ms. Sims thanked TREK Development for the opportunity. She stated that she is excited about this project.

Mr. Williamson stated that he is glad that there is an outreach plan in place at this early stage of development.

Celeste Scott, of Pittsburgh United, was present. Ms. Scott is excited about this development moving forward.

Mr. Lavelle asked if the HOF Rental Gap Assistance program mandates a percentage or number of affordable unit requirement in various developments. Ms. Smith-Perry answered in the negative. Mr. Lavelle stated that as the applications increase for this Program, some larger developments may not have the level of affordability that this development does. Ms. Powell asked about MWBE participation. Ms. Walker explained the process for this development.

Upon a motion to approve by Mr. Gainey, seconded by Mr. Lavelle, and unanimously carried, the following resolutions were adopted:

RESOLUTION NO.114 (2019)

RESOLVED: That a loan to Mellon's Orchard Housing LLC, for the new construction of a 47-unit mixed income residential development to include 35 apartment units and 12 townhouses, in the amount of up to \$670,00, payable from the Rental Housing Development and Improvement Program (RHDIP), is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a loan agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO.115 (2019)

RESOLVED: That a loan to Mellon's Orchard Housing LLC, for the new construction of a 47-unit mixed income residential development to include 35 apartment units and 12 townhouses, in the amount of up to \$690,000, payable from the Housing Opportunity Fund Rental Gap Program is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a loan agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO. 116 (2019)

RESOLVED: That the final drawings and evidence of financing submitted by Mellon's Orchard Housing LLC for the sale of Block 83-P, Lot 60, and a portion of Block 83-P, Lot 225, in the 11th Ward, are hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a deed and all documents necessary to effectuate the sale thereof, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

6. East Liberty New Markets Tax Credit Home Ownership Project

- a. Pittsburgh Development Fund (PDF) – Loan Agreement with East Liberty Development, Inc. in the amount of \$1,500,000.
- b. Housing Recovery Program – Developer (HRP-D) Agreement with East Liberty Development, Inc. in an amount up to \$340,000.

Mr. Rubinstein requested Board approval of the above items.

Mr. Cummings stated that authorization is requested to enter into the above-mentioned agreements with East Liberty Development, Inc (ELDI) to fund costs related to the construction, renovation and sale of 26 homes in East End neighborhoods of the City of Pittsburgh. The project consists of the new construction of six (6) homes and the rehabilitation of 20 homes in highly

distressed census tracts in East Liberty, Larimer and Garfield. Of the 26 total homes, 17 will be sold to low-income families.

The project will use a mixed income approach to create affordable homeownership opportunities in these neighborhoods. The project will meet the home ownership goals of the community plans for East Liberty, Larimer and Garfield. This will also advance critical goals of the East Liberty / Larimer HUD Choice Neighborhoods Implementation Grant that is a comprehensive revitalization approach anchored by a \$30 Million HUD grant.

The subject project was awarded New Markets Tax Credits (NMTC) from Pittsburgh Urban Initiative (PUI). PUI is an LLC affiliated with the Urban Redevelopment Authority of Pittsburgh (URA). This community development entity (CDE) was created in order to apply for and facilitate New Markets Tax Credit deployment for projects and invest in low-income City of Pittsburgh neighborhoods. This is PUI and the URA's first for-sale housing NMTC development.

New Markets Tax Credits are federal income tax credits used to encourage private investment in low-income communities. NMTC investors provide capital to CDE sponsored projects, and in exchange are awarded credits against their federal tax obligations. Investors can claim their allotted tax credits in as little as seven years—5 percent of the investment for each of the first three years and 6 percent of the investment for the remaining four years—for a total of 39 percent of the NMTC project. Using the NMTCs – to be sold to U.S. Bancorp Community Development Corporation (investor) in exchange for equity – ELDI will leverage additional debt to provide flexible, low-cost capital for the development of affordable for-sale housing.

The URA will not record a mortgage on the development properties due to NMTC program guidelines. An ELDI owned account will be set up where home sale proceeds will be deposited. URA will have a pledge on this account and an intercreditor agreement will determine the flow of sales proceeds to satisfy outstanding debt. Repayment of the Dollar Bank and URA PDF loans will be processed through this account. It is expected that the URA PDF loan will be repaid through the sale of each individual home over the next three years.

The requested commitment of Housing Recovery Program- Developer (HRP-D) deferred second mortgages in the aggregate amount up to \$340,000.00 to ELDI will assist ELDI in the resale of 17 units to future low-income owner occupants. The baseline requirement for the New Markets Tax Credit program is that 20% of the units be sold to buyers at 80% or less of area median income (AMI). ELDI intends to sell 14 (53%) of the homes to buyers at or below 80% AMI. Three of the units are intended to be sold to buyers above 80% AMI and below 120% AMI. All of the low-income homeowners will receive pre-purchase counseling, education and support that helps make them become successful homeowners.

ELDI is partnering with several general contractors on this project in order to: (1) provide opportunities to a number of smaller, but proven and highly-qualified, contractors without stretching their capacity, (2) and match the contractors with the home types they are most familiar with, and (3) fully deploy the NMTC benefit within 12 months.

Details of the development are as follows:

Developer: East Liberty Development, Inc.
100 North Sheridan Avenue, Fourth Floor
Pittsburgh, PA 15206

General Contractor(s): New Construction Homes
PWCampbell
109 Zeta Drive
Pittsburgh, PA 15238

Rehabilitated Homes
Six Degrees Consulting
Open Hand Ministries
Work Pittsburgh
Ron Piring
Tony Cerra
Essig Renovation and Design

Architectural Firms: New Construction Homes
Benjamin Maquire Architect, LLC
1208 Mifflin Ave
Pittsburgh, PA 15218

Midland Architecture
219 57th Street, Studio F
Pittsburgh, PA 15201

Rehabilitated Homes
citySTUDIO
5150 Penn Avenue
Pittsburgh, PA 15224

Location(s): 701 and 729 N. Euclid Avenue
315, 317, 509, 511 N. St. Clair Street
112 Auburn Street
705 Chislett Street
5822 Rippey Street
5641 and 5708 Rural Street
208, 519, 521, 310 Fairmont Street
372, 474, 348, 338, 331, 326, 420, 476 Enright
Court
27 Mayflower Street
121 Shetland Street

233 N. Aiken Avenue

Ward(s):

10th, 11th, and 12th

Description:

Development loan for renovation and new construction of 26 homes associated with the ELDI NMTC Homeownership Program.

Total Development Costs:

\$8,048,000

Construction Financing Sources:

Tax Credit Equity (US Bank)	\$2,211,300
URA PDF Loan	\$1,500,000
Dollar Bank Loan	\$2,349,265
LISC/Neighborhood Allies Grant	\$ 500,000
ELDI Equity	\$ 200,000
ELHI (East Liberty Housing Inc) equity	\$ 239,435
ELDI loan (costs prior to 6/30/2017)	\$ 503,393
URA predevelopment loan	\$ 160,000
FCB FHLB bridge loan	<u>\$ 384,607</u>
Total	\$8,048,000

Authority Financing:

\$1,500,000 –	Pittsburgh Development Fund (PDF) Loan, 3-year term, 3% interest rate
\$340,000 –	Housing Recovery Program – Developer (HRP-D), 0% interest rate, due on sale

Real Estate Loan Review

Committee Status:

Approved at the May 6, 2019 Real Estate Loan Review Committee.

M/WBE Review

Committee Status:

M/WBE narrative submitted and approved. Preliminary MWBE plan submitted. Final MWBE plan will be approved prior to closing.

Mr. Lavelle asked about the affordable units. Mr. Cummings stated that the affordable unit sales price will range from \$120,000 up to \$225,000 but most will be below \$150,000. Mr. Lavelle asked what number of units must be affordable. Mr. Cummings stated that there is a

commitment of fourteen affordable units out of twenty-six in this development. Mr. Lavelle asked about MWBE. Ms. Diamonte Walker, Director of Performance and Compliance explained her findings. Mr. Rubinstein stated that this process has not been an easy one, and the Authority has been studying this for many years. He also applauded ELDI for their hard work on this project moving forward.

Mr. Gainey thanked Kendall Pelling, of ELDI for working with Ms. Walker in generating diversity in choosing developers for projects.

Ms. Powell asked about the online availability of the units. Kendall Pelling, of East Liberty Development Corporation, was present. Mr. Pelling answered stating that some of the units will be ready for sale this summer and available online in 2020 and a few after that. Mr. Pelling stated that they offer a home ownership program and are working with Circles of Greater Pittsburgh and East Liberty Circles Group. Mr. Pelling stated that Mary Hester is their Home Ownership Specialist and runs the Door Program and manages the connection between the Circles Program and the Door Program.

Upon a motion to approve by Mr. Gainey, seconded by Mr. Lavelle, and unanimously carried, the following resolutions were adopted:

RESOLUTION NO.117 (2019)

RESOLVED: That a loan to East Liberty Development, Inc. to fund costs related to the construction, renovation and sale of 26 homes in East End neighborhoods of the City of Pittsburgh, in the amount of \$1,500,000, payable from the Pittsburgh Development Fund (PDF), is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a loan agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO.118 (2019)

RESOLVED: That an agreement with East Liberty Development, Inc. to assist ELDI in the resale of 17 units to future low-income owner occupants, in the amount up to \$340,000, payable from the Housing Recovery Program (HRP) is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an HRP agreement therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

7. Larimer – Former Larimer School 540 Larimer Avenue – Environmental Remediation and Stabilization
 - a. Grant Agreement with the Housing Authority of the City of Pittsburgh in the amount up to \$1,800,000.
 - b. Subgrantee agreement with the Housing Authority of the City of Pittsburgh for the Redevelopment Assistance Capital Program (RACP) grant in the amount of \$1,000,000 and administrative fee agreement.
 - c. Internal Pittsburgh Development Fund (PDF) bridge loan in the amount up to \$2,000,000.

Mr. Rubinstein requested Board approval of the above items.

Mr. Cummings stated that authorization is requested to enter into the above agreement(s) with the Housing Authority of the City of Pittsburgh (HACP) for the environmental remediation and stabilization of the former Larimer School located at 540 Larimer Avenue in the Larimer neighborhood.

In 2013, HACP and the City of Pittsburgh were approved for a U.S. Department of Housing and Urban Development (HUD) Choice Neighborhoods Initiative (CNI) grant for up to \$30 million. Under the housing component of the CNI grant, a total of 334 mixed income rental units are to be developed to replace East Liberty Gardens (ELG) and the Hamilton-Larimer housing projects. McCormack Baron Salazar (MBS) is serving as the housing implementation entity in partnership with HACP's non-profit development affiliate, Allies and Ross Management and Development Corporation (ARMDC). The housing plan calls for a total of four high-quality mixed-income developments plus the development of scattered sites units. Phase I (85 units) is fully occupied and Phase II (150 units) is expected to be completed by July 2019.

In November 2018, MBS and ARMDC submitted Low Income Housing Tax Credit applications to the Pennsylvania Housing Finance Agency (PHFA) for Phases III and IV of the housing plan. PHFA is expected to announce awards in July 2019. Phases III and IV propose 42 units each for a total of 84 units. The remaining 15 CNI replacement housing units are scattered site public housing units.

Phase IV includes the adaptive reuse and historic rehabilitation of the former Larimer School. The reuse of the building is a high priority for the community. The school and the adjoining gymnasium and auditorium have been vacant for over 30 years and show signs of severe deterioration. The Authority purchased the property on December 19, 2016. The original school building is intended to be developed as 35 rental apartment units as part of Phase IV. The proposed reuse of the auditorium and gymnasium will be commercial development with a focus on food-oriented services with the expectation that this use will be an asset to the entire community.

At its meeting of February 8, 2018, the Authority board approved the submission of an application to and the execution of an agreement with the State Budget Office for a Redevelopment Assistance Capital Program (RACP) grant in the amount of \$1.0 million for the core and shell improvements of the former Larimer School. At that time a subgrantee for the RACP grant was not anticipated. Since that time, it has been determined that HACP will be the subgrantee of the RACP funds. Authorization is requested to enter into subgrantee and administrative fee agreements with HACP.

The estimated total stabilization/remediation cost is \$3,219,490, which is to be funded through a combination of the RACP grant, Larimer CNI Community Development Block Grant (CDBG) funds, City Bond funds and Paygo funds which have been or will be provided to the Authority by the City of Pittsburgh (and granted to HACP) and HACP funds. An internal Pittsburgh Development Fund (PDF) bridge loan in the amount up to \$2.0 million is requested to bridge the RACP and/or 2019 CDBG funds.

The requested stabilization and remediation funds are needed to preserve the building and advance the project to the next level which is a complete historic renovation. The scope of stabilization is to allow the entire property to maintain structural stability and weather tightness. The work entails but is not limited to repairing/replacing various roofs, parapet repair, masonry repair, widow protection, door replacement, and masonry step deconstruction and salvage. The remediation work includes the complete abatement of asbestos-containing materials, partial removal of lead-based paint and removal of hazardous materials. Selective demolition will also be completed to remove certain ceilings and walls. All stabilization work has been reviewed and is in conformance with the Secretary of the Interior's Standards for Historic Preservation and the City Historic Review Commission.

HACP will enter into an additional services agreement with MBS to complete the work. The stabilization scope of work was developed by Pfaffman and Associates under contract to the Authority. The environmental remediation scope was developed by KU Resources under contract to MBS. The work was publicly bid by MBS. Four (4) bid responses were received. The low bidder has been selected to complete the work.

Approval of the URA grant is subject to part 58 Request for Release of Funds approval by HUD.

Details of the development are as follows:

Grantee: Housing Authority of the City of Pittsburgh
200 Ross Street
Pittsburgh, PA 15219
Caster Binion, Executive Director

Developer: McCormack Baron Salazar
720 Olive Street, Suite 2500
St. Louis, MO 63101

Vincent Bennett, President

Contractor:	ABMECH Acquisitions LLC 976 Forest Avenue Homestead, PA 15120
Location:	540 Larimer Avenue
Ward:	12 th Ward
Description:	Stabilization and remediation of the former Larimer School
Total Costs:	\$3,219,490
URA Financing Source(s):	
Larimer CNI CDBG/Bond/Paygo	\$1,800,000
RACP	<u>\$1,000,000</u>
Total URA Financing	\$2,800,000
Other Financing Sources:	
HACP Moving to Work/Other	<u>\$419,490</u>
Total Other Financing	\$3,219,490
Program Benefit:	Redevelopment of the former Larimer School will preserve and significantly improve a strategic neighborhood historic resource. The developed property will also provide affordable housing and commercial development that will include job creation.
M/WBE Review:	MWBE Narrative approved. A final MWBE plan will be provided prior to issuance of a Notice to Proceed to the selected contractor.

Rob Pfaffman, of Pfaffman and Associates, was present. Mr. Pfaffman emphasized the importance of the stabilization of this building.

Mr. Gainey thanked the Administration and the Authority staff for their hard work on this project. He stated that this is a significant project for the Larimer neighborhood and looking forward to the completion of this building.

Ms. Powell asked if the gymnasium and auditorium will be a commercial development. Mr. Cummings answered in the affirmative.

Mr. Williamson asked if an RFP will go out after the completion of this development. Mr. Cummings answered that the Authority or PEIDC could obtain possible ownership.

Upon a motion to approve by Mr. Gainey, seconded by Mr. Lavelle, and unanimously carried, the following resolutions were adopted:

RESOLUTION NO.119 (2019)

RESOLVED: That a grant with the Housing Authority of the City of Pittsburgh for the environmental remediation and stabilization of the former Larimer School, located at 540 Larimer Avenue, in the Larimer neighborhood, in an amount up to \$1,800,000.00, payable from Larimer, CDBG, City Bond, Paygo and/or other Larimer Project Funds is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a grant agreement therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO. 120 (2019)

RESOLVED: That a Redevelopment Assistance Capital Program (RACP) subgrant with the Housing Authority of the City of Pittsburgh for the environmental remediation and stabilization of the former Larimer School, located at 540 Larimer Avenue, in the Larimer neighborhood, for \$1,000,000.00, and an administrative fee to be paid to the Authority, are hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is authorized to execute a subgrant agreement and an administrative fee agreement therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO.121 (2019)

RESOLVED: That an internal bridge loan for the environmental remediation and stabilization of the former Larimer School, located at 540 Larimer Avenue, in the amount of \$2,000,000, payable from the Pittsburgh Development Fund (PDF) that will be reimbursed from RACP and/or 2019 CDBG funds, is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a bridge loan agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

8. Larimer - 520 & 522 Larimer Avenue Phase 1b Archeological Investigation

- a. Amendment to the Agreement with GAI Consultants, Inc. dated July 14, 2018 for professional services to provide additional archeological investigation services for an increase up to \$24,263 for a new total amount not to exceed \$28,000.

Mr. Rubinstein requested Board approval of the above item.

Mr. Cummings stated that authorization is requested to amend the July 14, 2018 Agreement with GAI Consultants, Inc. to provide additional archeological investigation services related to the subject properties. Through a Request for Proposal (RFP) process, GAI Consultants, Inc. was selected to complete a Phase 1a archeological investigation that was required by the Pennsylvania State Historic Preservation Office (SHPO) for the properties located at 520 and 522 Larimer Avenue. The two sites are included in the proposed Larimer Choice Neighborhoods Initiative (CNI) Phase III housing development. Based on the results of the Phase 1a report, the SHPO is requiring a Phase 1b investigation of the two sites to determine whether intact historic archeological remains are present on these properties. There is an existing building on 522 Larimer Avenue that is to be demolished and 520 Larimer Avenue is a vacant site.

The original agreement amount with GAI was \$3,737 and the amended agreement will not exceed \$28,000. Funding for this agreement will be from Larimer CNI CDBG, City Bond or Paygo funds or other Larimer Project funding sources. GAI Consultants, Inc. is located at 385 E. Waterford Drive, Homestead, PA 15120-5005. Anthony Morrocco is the President.

There is no discussion among the Members.

Upon a motion to approve by Mr. Gainey, seconded by Mr. Lavelle, and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 122 (2019)

RESOLVED: That amendment of the Agreement with GAI Consultants, Inc., dated July 14, 2018, for professional services to provide additional archeological investigation services, for an increase of up to \$24,263, for a total Agreement amount not to exceed \$28,000, payable from Larimer, CDBG, City Bond and/or Paygo funds, is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an amendment therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

9. Garfield – Laurentian Hall Apartments – 5321 Penn Avenue

- a. Community Development Investment Fund (CDIF) grant agreement with Bloomfield Garfield Corporation in the amount of up to \$50,000.00.
- b. Forgiveness of Rental Housing Development and Improvement Program (RHDIP) loan to Laurentian Hall Associates, Inc. in the amount of \$25,000 dated August 12, 2011.

Mr. Rubinstein requested Board approval of the above items.

Mr. Cummings stated that authorization is requested to approve the above actions related to the Laurentian Hall Apartments building located at 5321 Penn Avenue in the Garfield neighborhood.

The subject project, owned by Laurentian Hall Associates, Inc., provides affordable housing to 36 very low income elderly households. The owner is a single purpose entity that was created for the purpose of developing the property in the late 1980's and has no staff. All residents receive project based rental assistance from the U.S. Department of Housing and Urban Development (HUD). The project was originally financed by HUD and was subsequently restructured in 1998 through HUD's Mark to Market initiative.

The project owner, with the assistance of Bloomfield Garfield Corporation (BGC) and Action Housing, Inc. (AHI) has been working for approximately two (2) years to address and resolve certain findings from a HUD Office of the Inspector General (OIG) audit of the subject project. The findings are largely administrative and primarily relate to the property owner not following certain HUD protocols and/or obtaining HUD approval prior to (1) completing certain repairs to the building, (2) funding certain repairs from operations instead of the reserve for replacement account, (3) leasing basement space for commercial use, and (4) borrowing funds from the Authority for project capital repairs. The administrative responsibility for such approvals was delegated to the project property manager, RSI Property Management (RSI). Today, RSI is essentially defunct and its principal is deceased.

While the owner has taken the necessary steps to replace the property manager so that it is able to fulfill all of its HUD obligations and the property is fully occupied and properly maintained, the owner is required to remit payment to HUD to replenish the project operating account based on the OIG findings. BGC, AHI and the owner have worked diligently with HUD to reduce the amount of the HUD OIG findings to approximately \$100,000. If the owner fails to make such reimbursement, HUD has the ability to abate the project Housing Assistance Payment contracts jeopardizing the project's economic viability and the housing stability of the residents.

Accordingly, authorization is requested to enter into a Community Development Investment Fund (CDIF) grant agreement in the amount of up to \$50,000 with the Bloomfield Garfield Corporation (BGC). BGC will grant the URA CDIF funds to the property owner to replenish the project operating account. AHI also intends to provide a recoverable grant to BGC in the amount up to \$50,000 for this same purpose. Authorization is also requested to forgive the \$25,000 URA Rental Housing Development and Improvement Program (RHDIP) loan provided to the owner on August 12, 2011 without HUD's prior approval. The original URA loan secured by the project in the amount of \$714,542 will remain in place.

Laurentian Hall Associates' office is located at 5149 Penn Avenue, Pittsburgh PA 15224. Richard Swartz is the current board President.

Richard Swartz, of Laurentian Hall Associates', was present. Mr. Swartz explained the need for the grant that is being approved today.

Upon a motion to approve by Mr. Gainey, seconded by Mr. Lavelle, and unanimously carried, the following resolutions were adopted:

RESOLUTION NO.123 (2019)

RESOLVED: That a grant with Bloomfield Garfield Corporation to replenish the Laurentian Hall Apartments project operating account, in the amount of up to \$50,000.00, payable from the Community Development Investment Fund (CDIF) is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a grant agreement therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO. 124 (2019)

RESOLVED: That forgiveness of the Rental Housing Development and Improvement Program (RHDIP) loan to Laurentian Hall Associates, Inc. in the amount of \$25,000 dated August 12, 2011 is hereby approved and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

10. Larimer – Habitat for Humanity

- a. Final drawings, final evidence of financing, and execution of a deed for the sale of Block 125-B, Lot 145, and Block 124-N, Lot 52, in the 12th Ward to Habitat for Humanity of Greater Pittsburgh for \$10,000.

Mr. Rubinstein requested Board approval of the above item.

Mr. Nathan Clark, Director of Real Estate stated that at its meeting of November 10, 2016, the Board authorized the Authority to enter into a Memorandum of Understanding (MOU) amongst the Authority, Habitat for Humanity of Greater Pittsburgh (Habitat), and the City. The three parties to the MOU agreed to collaborate in a partnership to offer homeownership opportunities to homeless and disabled veterans in the City of Pittsburgh. The Authority agreed to sell properties to Habitat at a discounted price, not to exceed \$5,000. Habitat agreed in turn to rehabilitate the properties and sell them to eligible homeowners with incomes below 60% of the area median income (AMI). Habitat will offer zero or low interest financing with minimal down payments and no private mortgage insurance premium requirement.

At its meeting of October 11, 2018, the Board authorized the Authority to accept Habitat's proposal to renovate two houses in Larimer that the URA is in the process of acquiring out of the City's tax-foreclosed inventory. Block 125-B, Lot 145, at 406 Lowell Street, is a vacant structure on an approximately 830 square foot lot. Block 124-N-, Lot 52, at 132 Mayflower Street, is a vacant structure on an approximately 2,400 square foot lot. Habitat plans complete renovations to include new roofs; new windows; new interior and exterior doors; new siding; new electrical,

plumbing, and HVAC (furnace and air conditioning unit); new kitchens and baths; and new drywall and flooring. Total project costs are budgeted at approximately \$337,400.

The preliminary MWBE plan on file for the project calls for 20% MBE and 7% WBE participation. A final MWBE plan will be required prior to closing.

Authorization is now requested to approve Habitat’s final drawings and final evidence of financing and to execute a deed.

Habitat for Humanity of Greater Pittsburgh is a Pennsylvania non-profit corporation with a mailing address of 6435 Frankstown Avenue, Pittsburgh, PA 15206. Dr. Howard B. Slaughter is President and CEO.

Mr. Gainey asked if these units are compatible to the Homewood units. Derek Kendall-Morris, of Habitat for Humanity of Greater Pittsburgh, was present. Mr. Kendall-Morris answered by stating that the units in this project are existing homes that will be renovated and updated. Mr. Gainey asked what specific veteran organizations they are working with. Mr. Kendall-Morris answered stating that they are working with Veteran’s Place, Veteran’s Leadership Program and the Wounded Warrior Project, and they are currently accepting new applications for other veteran organizations. Ms. Powell asked if they can keep these units affordable in perpetuity. Mr. Kendall-Morris answered stating that their requirement of new homeownership is a five-year residency for the soft second mortgage they provide to be forgiven. He stated that if a homeowner wishes to sell after the five years, Habitat can buy back the home because of a right of first refusal clause added to the mortgage agreement which is based on their budget.

Upon a motion to approve by Mr. Lavelle, seconded by Mr. Gainey, and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 125 (2019)

RESOLVED: That the final drawings and evidence of financing submitted by Habitat for Humanity of Greater Pittsburgh Block 125-B, Lot 145, and Block 124-N, Lot 52, in the 12th Ward, are hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a deed and all documents necessary to effectuate the sale thereof, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

11. California-Kirkbride – Northside Properties Side Yards/Accessory Uses

- a. Proposal, form of disposition contract, final drawings, final evidence of financing, and authorization to execute a deed for the sale of the following parcels to Northside Properties R&S LLC for \$5,500):

<u>Ward</u>	<u>Block/Lot</u>	<u>Property Address</u>
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21st	22-C-109	1016 Morrison Ave.
25th	22-G-186	California Ave.
25th	22-G-187	932 California Ave.
25th	22-G-194	949 Lysle St.
25th	22-H-41	920 California Ave.
25th	22-H-41A	929 Lysle St.
25th	22-H-42	Lysle St.
25th	22-H-43	921 California Ave.
25th	22-H-51	903 Lysle St.
25th	22-H-184	Brighton Pl.
25th	22-H-185	Brighton Pl.

Mr. Rubinstein requested Board approval of the above item.

Mr. Clark stated that the 11 vacant parcels above contain a total area of approximately 19,459 square feet. Located along Morrison Avenue, California Avenue, Lysle Street, and Brighton Place in California-Kirkbride, they adjoin residential buildings owned by Northside Properties Residences and/or North Side Associates. The properties at 1016 Morrison Avenue and 921 California Avenue are improved with trash enclosures serving 1014 Morrison Avenue and 918 California Avenue, respectively, Block 22-H, Lot 184 (Brighton Place) is improved with a trash enclosure serving 1740 Brighton Place and parking for 1737 McCullough Street. The remaining parcels are side yards or rear yards to other adjoining buildings owned by entities related to the redeveloper.

Authorization is requested to approve Northside Properties R&S LLC's redevelopment proposal, as well as to enter into a disposition contract, approve the final drawings and evidence of financing, and to execute a deed. The sale price will be \$5,500. Total landscaping costs are budgeted at \$10,000.

Total project costs are below the \$250,000 threshold for MWBE participation requirements.

After the sale, if at any point in the future Northside Properties R&S LLC or a related entity decides to develop any of these parcels, they are required to return to the Board for approval of final drawings, and there would be an adjustment to the purchase price for the parcel(s).

Northside Properties R&S LLC is a Pennsylvania limited liability company with a mailing address of 1300 Brighton Road, Pittsburgh, PA 15233. Robert Mistick and Sarah Mistick are Managing Members.

There was no discussion among the Members.

Upon a motion to approve by Mr. Lavelle, seconded by Mr. Gainey, and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 126 (2019)

RESOLVED: That the Redevelopment Proposal submitted by Northside Properties R&S LLC, for the following properties, and execution of a disposition contract by sale to Northside Properties R&S LLC, for the amount of \$5,500 are hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute said disposition contract and related documents to effectuate said sale, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto; and it is

RESOLVED FURTHER: That the final drawings and evidence of financing submitted by Northside Properties R&S LLC for the following properties, are hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a deed and all documents necessary to effectuate the sale thereof, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.:

<u>Ward</u>	<u>Block/Lot</u>	<u>Property Address</u>
21st	22-C-109	1016 Morrison Ave.
25th	22-G-186	California Ave.
25th	22-G-187	932 California Ave.
25th	22-G-194	949 Lysle St.
25th	22-H-41	920 California Ave.
25th	22-H-41A	929 Lysle St.
25th	22-H-42	Lysle St.
25th	22-H-43	921 California Ave.
25th	22-H-51	903 Lysle St.
25th	22-H-184	Brighton Pl.
25th	22-H-185	Brighton Pl.

12. Knoxville – 325 Jucunda Street

- a. Conveyance of Block 14-K, Lot 177, in the 30th Ward, to Pittsburgh Land Bank for \$1.00 plus a percentage of sale proceeds.

Mr. Rubinstein requested Board approval of the above item.

Mr. Clark stated that the URA acquired this vacant residential structure, located on a 2,500-square-foot lot, through foreclosure in 2009. There have been inquiries about the property over the years, but the complexity of the URA’s disposition process has proven challenging for the individuals who have sought to acquire and renovate the structure. Authorization is now requested to convey the property to the Pittsburgh Land Bank so that it can facilitate the sale and redevelopment of the structure, returning it to productive use. This will be the first conveyance of property from the URA to the PLB. URA Real Estate staff is working with the PLB to prepare a Standard Operating Procedure and a pricing structure for such transfers. At this time

we recommend that this parcel be conveyed to the PLB for \$1.00 and a percentage of the PLB's sale proceeds to be determined based end use.

The Pittsburgh Land Bank is a land bank with a mailing address of 200 Ross Street, Pittsburgh, PA 15219. Bethany Davidson is Director.

There was no discussion among the Members.

Upon a motion to approve by Mr. Gainey, seconded by Mr. Lavelle, and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 127 (2019)

RESOLVED: That the conveyance of Block 14-K, Lot 177, in the 30th Ward, to the Pittsburgh Land Bank, for \$1.00 plus a percentage of sale proceeds, is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is authorized to take any and all actions and execute such documents as are related and proper to effectuate the terms of the conveyance, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

13. Citywide – OpportunitySpace Web-Mapping Application

- a. Agreement with OpportunitySpace, Inc., dba Tolemi, for its BuildingBlocks cloud-based web application in an amount not to exceed \$25,000.

Mr. Rubinstein requested Board approval of the above item.

Mr. Clark stated that the URA implemented BuildingBlocks in early 2017 in an effort to equip staff with analytical tools to guide decision making and inform policy decisions at the Authority. Tolemi is a Boston-based “smart city” data analytics company that provides tools specializing in delivering mapping, visualizations, and advanced analytics.

The URA has already utilized Tolemi's BuildingBlocks program to combine its own internal data with information from City departments of Finance, PLI, and Planning; Western Pennsylvania Regional Data Center; PA Spatial Data Access; US Census Bureau; and more to create an interface that gives staff the flexibility to investigate areas of interest at a deeper level, all instantly and in one place.

Since 2017, the URA has used BuildingBlocks as a tool to help guide strategic planning on property acquisition, identify nuisance properties, and provide real estate market level analysis. In 2019, the URA will continue to utilize BuildingBlocks for such processes. The 2019 road map also includes increased reporting functionality for staff as well as additional engagement between Tolemi and small staff groups across various URA departments, with the intention of finding gaps and pain-points in workflows where data and effective reporting may be helpful Authority-wide.

The 2019 cost of \$25,000 to utilize Tolemi allows for the URA to have unlimited staff users and also includes continuing development and hosting of a land pricing model used by the Real Estate Department.

The funding source for this item is the Leased Land Fund.

OpportunitySpace, Inc., is a Massachusetts corporation with an address of 76 Summer Street, Third Floor, Boston, MA 02110. Andrew Kieve is Co-founder and CEO.

There was no discussion among the Members.

Upon a motion to approve by Mr. Gainey, seconded by Mr. Lavelle, and unanimously carried, the following resolution was adopted:

RESOLUTION NO.128 (2019)

RESOLVED: That an agreement with OpportunitySpace, Inc., dba Tolemi for its BuildingBlocks cloud-based web application, in an amount not to exceed \$25,000, payable from the Leased Land Fund is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

14. Greenways, Trails and Recreation Program (GTRP) grant applications to Department of Community and Economic Development (DCED).
 - a. Submission of two Greenways, Trails and Recreation Program (GTRP) grant applications to the Department of Community and Economic Development (DCED) for the Hays Woods acquisition and the construction of trails and park amenities for the Frick Park Extension–Summerset Phase 2, both in the amount of \$250,000.

Mr. Rubinstein requested Board approval of the above item.

Ms. Susheela Nemani-Stanger, Director of Economic Development stated that authorization is being requested to submit two grant applications to DCED's Greenways, Trails, and Recreation Program for funding for the Hays Woods acquisition and the Frick Park Extension-Summerset Phase 2, as described below:

Hays Woods Acquisition: Authorization is being requested to submit a GTRP Grant application in the amount of \$250,000 for the Hays Woods Acquisition. If awarded, the grant funds will be used to defray the costs associated with the acquisition of 643 acres of land colloquially known as Hays Woods.

The URA expended approximately \$5,300,000.00 to fund the Hays Woods acquisition, including due diligence, holding, and related costs. Fundraising efforts are ongoing and focused on local foundations and state programs. To date the URA has secured \$3,300,000 for reimbursement of

the acquisition of Hays Woods. These funds consist of (1) an \$800,000 grant from the Department of Conservation and Natural Resource's Community Conservation Partnership Program, (2) a \$2,000,000 grant from the Western Pennsylvania Conservancy, and (3) a \$500,000 grant from the Heinz Endowments.

The moneys used to fund the acquisition and due diligence costs will be used as matching funds to the extent they are eligible. If awarded, the funding gap would be approximately \$1,750,000.00.

Frick Park Extension-Summerset Phase 2: Authorization is being requested to submit a GTRP Grant application in the amount of \$250,000 to support the construction of trails and park amenities for the Frick Park Extension-Summerset Phase 2 ("Frick Park Extension"). This project will create trails and other park amenities within the Frick Park Extension which will connect the 114-acre addition to Frick Park and overall increase accessibility to and utilization of parkland.

The URA has been a partner in the Summerset at Frick Development since 1995 when the URA acquired the land. The land had been a former slag heap. Since 1997, the URA has worked with the private developer Summerset Land Development Associates (SLDA) to bring residential development to the site. The URA has been responsible for much of the site preparation, remediation and public infrastructure, while private infrastructure and residential housing construction has been done by SLDA. This collaboration resulted in a total of about 361 single family units and 132 apartments completed to date along with all the necessary road and water and sewer infrastructure.

Matching funds for this grant will come from the Summerset at Frick Park Tax Increment Financing (TIF) Fund. This project has an estimated total cost of \$2,050,000.

There was no discussion among the Members.

Upon a motion to approve by Mr. Lavelle, seconded by Mr. Gainey, and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 129 (2019)

RESOLVED: That an application to the Department of Community and Economic Development (DCED) for a Greenways, Trails and Recreation Program (GTRP) grant for an amount of \$250,000, for the Hays Woods acquisition, is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an application therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto; and it is

RESOLVED FURTHER: That acceptance of a Greenways, Trails and Recreation Program (GTRP) grant from the Department of Community and Economic Development (DCED), for an amount of \$250,000, for the Hays Woods acquisition, is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a grant agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO. 130 (2019)

RESOLVED: That an application to the Department of Community and Economic Development (DCED) for a Greenways, Trails and Recreation Program (GTRP) grant, for an amount of \$250,000, for the construction of trails and park amenities for the Frick Park Extension–Summerset Phase 2, is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an application therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto; and it is

RESOLVED FURTHER: That acceptance of a Greenways, Trails and Recreation Program (GTRP) grant from the Department of Community and Economic Development (DCED), for an amount of \$250,000, for the construction of trails and park amenities for the Frick Park Extension–Summerset Phase 2, is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a grant agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

15. East Liberty

- a. Development Agreement with PWSA for the Penn Circle Two-Way Conversion Project.

Mr. Rubinstein requested Board approval of the above item.

Mr. Marty Kaminski, Director of Engineering and Construction stated that authorization is requested for the URA to enter into a Development Agreement with the Pittsburgh Water and Sewer Authority (PWSA) to assign URA/PWSA responsibilities with respect to the construction, inspection and testing, ownership, maintenance and acceptance of modified storm sewers and

appurtenances as well as the associated green stormwater infrastructure to be constructed through Station Street and Euclid Avenue in East Liberty.

There was no discussion among the Members.

Upon a motion to approve by Mr. Lavelle, seconded by Mr. Gainey, and unanimously carried, the following resolution was adopted:

RESOLUTION NO.131 (2019)

RESOLVED: That an agreement with Pittsburgh and Water and Sewer Authority (PWSA) for the Penn Circle Two-Way Conversion Project is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a development agreement therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

16. Scattered Sites

- a. Third amendatory agreement with SE Technologies, LLC to provide environmental engineering services for various properties located throughout the City of Pittsburgh – for an increase of \$13,500 for a new total amount not to exceed \$203,500.

Mr. Rubinstein requested Board approval of the above item.

Mr. Kaminski stated that authorization is requested to amend the May 31, 2011 Agreement with SE Technologies, LLC to provide environmental engineering services for various properties located throughout the City of Pittsburgh. SE Technologies, LLC was selected through an evaluation of proposals that were submitted in response to the Authority's Request for Proposals dated March 29, 2011.

Under this amendatory agreement, SE Technologies, LLC will be reimbursed for providing full time asbestos abatement monitoring required during the demolition of the three structures located at 4, 6 and 8 West North Avenue. Since the buildings were unsafe to enter for conventional abatement prior to the start of building demolition, the entire building structures were treated as being comprised of asbestos containing materials. Therefore, full time monitoring of the work was performed by SE Technologies.

Under this Amendatory Agreement, they will also perform various types of environmental assessments, tests and remediation activities on residential and brownfield properties throughout the City of Pittsburgh. This is the third amendment presented to the Board for this agreement. First Amendatory dated October 9, 2014, Resolution No. 364 (2014). Second Amendatory dated October 11, 2018, Resolution No. 388, 2018).

The total amount of the Agreement after this Amendment will not exceed \$203,500.00. SE Technologies, LLC is located at 98 Vanadium Road, Building D, Bridgeville, PA 15017 and Mr. Roger Dhonau is the President.

Funding for this amendatory agreement will be from various programs and funding sources as the project dictates.

There was no discussion among the Members.

Upon a motion to approve by Mr. Gainey, seconded by Mr. Lavelle, and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 132 (2019)

RESOLVED: That a third amendment of the Agreement with SE Technologies, LLC, dated May 31, 2011, to provide environmental engineering services for various properties located throughout the City of Pittsburgh, for an increase of up to \$13,500, for a total Agreement amount of \$203,500, payable from various programs and funding sources as the project dictates is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an amendment therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

17. Property Maintenance

- a. Amendment to the city-wide sidewalk replacement Agreement with DePasquale Construction Services, LLC (DePasquale) for \$19,940.77.

Mr. Rubinstein requested Board approval of the above item.

Mr. Kaminski stated that authorization is requested to amend the November 28, 2018 Agreement, Resolution No. 287 (2018), with DePasquale Construction Services, LLC.

The amended Agreement amount, if authorized, would be for \$86,019.03, representing a \$19,940.77 increase over the original Agreement amount of \$66,078.26.

The URA's portfolio of property requires the maintenance of the sidewalks abutting them. The URA directed DePasquale to perform additional concrete work along URA owned properties at locations in the Hill District (Soho Street), East Liberty (East Liberty Boulevard) and the South Side (Sidney Street). The quantities for the work were field verified by the URA's construction coordinator and found to be acceptable.

DePasquale Construction Services, LLC is located at 2111 Orchard Street, Munhall, PA 15120 and Mr. Bart DePasquale is the President.

Funding for this Amendatory Agreement will be provided from the Industrial Land Reserve Fund (ILRF). and/or Residential Land Reserve Fund (RLRF).

There was no discussion among the Members.

Upon a motion to approve by Mr. Lavelle, seconded by Mr. Gainey, and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 133 (2019)

RESOLVED: That amendment of the Agreement with DePasquale Construction Services, LLC (DePasquale), dated November 28, 2018, for additional concrete work along URA owned properties at locations in the Hill District (Soho Street), East Liberty (East Liberty Boulevard) and the South Side (Sidney Street), for an increase of up to \$19,940.77, for a total Agreement amount of \$86,019.03, payable from the Industrial Land Reserve Fund (ILRF) and/or Residential Land Reserve Fund (RLRF) is hereby approved, and the Executive Director or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an amendment therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

18. Executive

- a. Adoption of the Paid Safe Leave, PTO Donation and Transgender Employment Policies for Authority employees and members of the Board of Directors.

Mr. Rubinstein requested Board approval of the above item.

Mr. Columbus Brooks, Director of Human Resources stated that authorization is requested to adopt the Paid Safe Leave, PTO Donation and Transgender Employment Policies for Authority employees and members of the Board of Directors. The Policies incorporate best practices for the URA organization.

There was no discussion among the Members.

Upon a motion to approve by Mr. Lavelle, seconded by Mr. Gainey, and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 134 (2019)

RESOLVED: That adoption of the Paid Safe Leave Policy, PTO Donation Policy and the Transgender Employment Policy for the URA organization is hereby approved.

AGENDA "B"

The Members reviewed the items on Agenda "B" upon motion made by Mr. Lavelle, seconded by Mr. Gainey, and unanimously carried, the following resolutions were adopted:

1. Amendment of Resolution No. 300 (2018), which approved exclusive negotiations with Northside Residences IV – Northside Properties R & S LLC, or a related entity, for the sale of Block 22-B, Lots 278, 280, 281, 282, 282A, 283, 284, 285, 286, 286A, 287, 288, 289, 293, Block and Lot 22-C-74, Block 22-F, Lots 4, 5, 6, 7, 8, 9, Block 22-G, Lots 14, 20, 23, 24, 25, 128, and 128A, in the 21st Ward, through May 31, 2019, with a one (1) year extension at the discretion of the Executive Director, to extend the initial exclusive negotiations period through September 30, 2019.

RESOLUTION NO.135 (2019)

RESOLVED: That Resolution No. 300 (2018) is hereby amended to extend the initial exclusive negotiations period through September 30, 2019.

2. Amendment of Resolution No. 301 (2018), which approved exclusive negotiations with Block 83-P, Lot 225, in the 11th Ward, through May 31, 2019, with a one (1) year extension at the discretion of the Executive Director, to extend the initial exclusive negotiations period through September 30, 2019.

RESOLUTION NO.136 (2019)

RESOLVED: That Resolution No. 301 (2018) is hereby amended to extend the initial exclusive negotiations period through September 30, 2019.

3. Amendment of Resolution No. 302 (2018), which approved exclusive negotiations with Garfield Highlands – Garfield Highlands Housing LP, or a related entity, for the sale of Block 50-H, Lot 11 and Block 50-M, Lots 1, 4, 5, 8, 44, 180, 181, and 186 in the 10th and 11th Wards, through May 31, 2019, with a one (1) year extension at the discretion of the Executive Director, to extend the initial exclusive negotiations period through September 30, 2019.

RESOLUTION NO.137 (2019)

RESOLVED: That Resolution No. 302 (2018) is hereby amended to extend the initial exclusive negotiations period through September 30, 2019.

4. Amendment of Resolution No. 303 (2018), which approved exclusive negotiations with New Granada Square Apartments – New Granada Square Apartments, L.P., or a related entity, for the sale of Block 10-N, Lots 255, 257, 258, 258A, 267, 268, 269, 270, 274, 275, 276, 278, 279, 280, 287, 288, 289, and 290, in the 5th Ward, through May 31, 2019, with

a one (1) year extension at the discretion of the Executive Director, to extend the initial exclusive negotiations period through September 30, 2019.

RESOLUTION NO.138 (2019)

RESOLVED: That Resolution No. 303 (2018) is hereby amended to extend the initial exclusive negotiations period through September 30, 2019.

5. Housing Opportunity Fund Down Payment and Closing Cost Assistance Program

- a. Disclosure of Evan Miller (an Urban Redevelopment Authority of Pittsburgh employee) to receive a Down Payment Closing Cost Assistance Deferred Loan in the amount of \$5,000.00.

RESOLUTION NO. 139 (2019)

RESOLVED: That the disclosure of Evan Miller (an Urban Redevelopment Authority of Pittsburgh employee) to receive a Down Payment Closing Cost Assistance Deferred Loan in the amount of \$5,000.00 is hereby approved.

6. Amendment of Resolution No. 42 (2019) to increase the 2019-2020 HOME allocation by \$655,155.00 (from \$1,500,000.00 to \$2,155,155.00).

RESOLUTION NO.140 (2019)

RESOLVED: That Resolution No. 42 (2019) is hereby amended to increase the 2019-2020 HOME allocation by \$655,155.00 (from \$1,500,000.00 to \$2,155,155.00).

There being no further actions to come before the Members, the Meeting was adjourned.


Assistant Secretary