



VACANT SCHOOL FINDS NEW LIFE

URA approves sale and financing of the former South Hills High School

(PITTSBURGH) January 15 – The Urban Redevelopment Authority (URA) Board of Directors authorized today the sale of and financing for the former South Hills High School on Mount Washington for a \$22.5 million conversion into senior housing.

South Hills Retirement Residences is a project of developer a.m. Rodriguez Associates, inc. that will provide 106 rental units for seniors, along with first floor commercial space at 101 Ruth Street. The project will be the developers third LEED certified retirement residence.

The massive structure has been vacant for over 20 years, and through a partnership with the City of Pittsburgh, URA, Pittsburgh Public Schools Board of Education, Pennsylvania Housing Finance Agency, and Mount Washington community the project will now become a reality. Completion is expected by the fourth quarter of 2010.

“This project will provide much needed senior housing in the Mount Washington neighborhood, and serves as a model for the re-use of our closed schools,” Mayor Luke Ravenstahl said. “We are proud of the partnerships that we have been able to form with the school board in order to continue to move Pittsburgh forward.”

Last year the Board of Education put \$3.5 million into abatements and repairs so that the 155,000 square foot building could be converted to a new use. The URA acquired the property from the Board of Education in September 2008. Today’s board action will allow for the sale of the building to a.m. Rodriguez for \$1 plus any related acquisition closing costs.

The URA board also approved today \$6.5 million in financing for the project. \$1.5 million comes as a grant through State Senator Wayne Fontana’s office and the Redevelopment Assistance Capital Program. The Rental Housing Development and Improvement Program will provide \$3 million in the form of a deferred loan as permanent gap financing. Pittsburgh Development Fund loan funds in the amount of \$2 million will be used as a partial equity bridge loan.

“I was proud to be able to secure the \$1.5 million in RACP funds for this project because of its importance to the community,” State Senator Wayne D. Fontana said. “This development could be the key to revitalizing the entire neighborhood. I, and many others, look forward to the redevelopment of the school and the many projects we hope to see that spring from it.”

“The project has been very challenging, especially in these tough financial times, but we have great partners whom are dedicated to the project, including the Mount Washington CDC, URA, PHFA, John Hancock, and especially Senator Wayne Fontana, which will help make it a success,” Victor Rodriguez, Senior Vice President Operations & Administration, a.m. Rodriguez Associates, Inc. said. “The project has exciting green aspects which will make it a shining example of a green adaptive reuse of a large blighted part of the Mount Washington community.”

Plans for the units include one and two bedroom apartments with complete kitchens and full baths for independent senior living. Additional building amenities include game and craft rooms, a library, community room, wellness center, hair care center, media room, and exercise area. The projects operating budget also allows for an accessible van and a Services Coordinator position provided by Action Housing.

Proposals for the commercial space include a YMCA and space for an early childhood development program.

Sota Construction Services will serve as the general contractor, and design work was completed by Rothschild Doyno Architect and Laura Nettleton Architects.

Additional financing for the project comes from the U.S. Department of Housing and Urban Development, Capstone Bank, PHFA PennHOMES, Federal Home Loan Bank of Pittsburgh, PNC Bank, and Low Income Housing Tax Credits secured through John Hancock.

“This project is a perfect example of how partnerships and patience breed success. No less than a dozen partners have persisted for years to make this project a reality, in a challenged section of the community. We are very excited to break ground,” Chris Beichner, Executive Director, Mt. Washington Community Development Corporation said.

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The Urban Redevelopment Authority of Pittsburgh (URA) is the City of Pittsburgh's economic development agency, committed to creating jobs, expanding the City's tax base and improving the vitality of businesses and neighborhoods. The URA achieves this mission by assembling, preparing and conveying sites for major mixed-use developments; and by providing a portfolio of programs that include financing for business location, relocation and expansion, housing construction and rehabilitation, and home purchases and improvements.

Founded in 1974, a. m. Rodriguez Associates is a real estate development company dedicated to the creation of affordable housing in Western Pennsylvania and Ohio. They have developed 3,000 units in thirty-seven separate projects that include adaptive reuse of historic structures, as well as newly built facilities. They specialize in creating elegant and affordable, independent living options for senior citizens as well as housing opportunities for families.