

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

May 11, 2017 – 2:00 P.M., E.S.T

Members Present: Messrs. Acklin, Ferlo, Lavelle, Gainey, Mmes. Hall-Russell

Members Absent: None.

Staff Present: Messrs. Rubinstein, Cummings, Kaminski, Clark, Alcorn, Short, Pawlak, Mmes. Straussman, Davidson-Wagner, Davidson, Meier, Bohince, Mitchell, Segal and Schacht.

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

1. Executive Session

- a. The Board held an Executive Session on May 4th regarding personnel, property and legal matters in compliance with the Sunshine Law.

2. General

- a. The minutes of the Regular Board Meeting of April 13, 2017 were approved as written and previously distributed.

3. Announcements

- a. Steel City Codefest & Inclusive Innovation Week wrap-up.
- b. National Main Street Conference wrap-up.
- c. 1776 Challenge Cup announcement – June 28th event.
- d. Pre-application process for Low Income Tax Credits.
- e. 2017 National Ground Film Conference overview.
- f. RFP's, RFQ's and Bids
 - i. Request for Qualifications (RFQ) for consultants to manage the execution of Section 106 and Cultural Resources research and coordination.

Mr. Lavelle asked if the National Main Street Conference consists of individual businesses. Mr. Tom Link, Director of the Center for Innovation and Entrepreneurship answered yes. Mr. Lavelle asked if fliers could be sent to the Board Members. Mr. Link answered yes. Mr. Lavelle asked if

the Authority will help interested parties refine the pitch. Mr. Link answered no, that they are going to rely on the Authority's partners, small business development centers and others to work with those that are interested. Mr. Acklin asked if this had been launched at the White House last year. Mr. Link answered yes.

Mr. Acklin stated that the purpose of the pre-application process for Low Income Tax Credits is to allow projects to be vetted, understanding how much gap financing is needed, and what refinements are needed before an application is formally submitted. Mr. Ferlo asked if this process would preclude private developers that independently submit applications. Mr. Rubinstein answered that this process is for parties that are seeking gap financing. Mr. Cummings stated that the developers are the parties who receive tax credits. The Authority does not, but supports those applications.

Upon approval by Mr. Lavelle, seconded by Mr. Gainey and unanimously carried, the following resolution was adopted:

RESOLUTION 141 (2017)

RESOLVED: That the release of a Request for Qualifications (RFQ) for consultants to manage the execution of Section 106 and Cultural Resources research and coordination is hereby approved.

4. Business Attraction and Expansion -Detective Building LLC and Schoolhouse Electric and Supply Company.
 - a. Final drawings and evidence of financing for Block 83-P, Lot 165 in the 11th Ward, that includes the structure known as the Detective Building.
 - b. Enterprise Zone loan of up to \$300,000.00 to Detective Building LLC.

Mr. Rubinstein requested Board approval of the above items.

These actions are the final Board actions related to the redevelopment of the former Detective Building in East Liberty to facilitate the attraction and expansion of Schoolhouse Electric and Supply Company to Pittsburgh.

At its meeting of October 2016, the Board of this Authority approved execution of a deed for the sale of Parcel A of the Subdivision Plan of Block and Lot 83-P-165 recorded in the Office of the Department of Real Estate of Allegheny County, in Plan Book Volume 290, page 4 (the "Property"). Authorization is now requested to approve final drawings and evidence of financing for the full renovation of the former Detective Building including basement distribution space, ground-floor retail and coffee shop, and second- through fourth-floor creative office space. The renovated building is also planned to contain a design library and community space.

Detective Building LLC is a real estate holding company formed for the purpose of purchasing and

renovating the real property located at 206 North Euclid Avenue, Pittsburgh, PA 15206. The purchase and renovation of 206 N. Euclid Ave will provide approximately 35,000 square feet of creative office, light manufacturing, and retail space in the East Liberty neighborhood of the city.

There will be two (2) primary businesses located at 206 N. Euclid Ave. The first is Schoolhouse Electric and Supply Company, which will occupy the ground floor. The other will be managed co-working creative and design space, which will occupy the three upper floors.

Started in Portland, Oregon in 2002 Schoolhouse Electric and Supply Company ("Schoolhouse") has grown from a small lighting manufacturer into a robust design, manufacturing and supply company with over 120 employees designing, manufacturing and assembling high quality, American-made light fixtures and accessories for homes and businesses. By expanding its operations to Pittsburgh, Schoolhouse expects to gain operational and logistics efficiencies for its mid-Atlantic and east coast markets. Schoolhouse will establish a retail presence in Pittsburgh, and establish a light manufacturing/assembly and distribution facility for its products. Schoolhouse's space will also include a coffee shop, a design library, and community-friendly landscaping features, including a plaza that will be publicly-accessible to neighborhood residents. Additionally, Schoolhouse will work with the Beauty Shoppe – a Pittsburgh based co-working space operator – to provide 310 co-working seats for creative startups and operating businesses.

Total projects costs are \$8,223,455.00 in which financing is secured through Wells Fargo Bank (\$3,350,000.00), Wells Fargo SBA Lending (\$1,760,251.00) a loan through Pittsburgh Urban Initiatives (\$1,940,000.00), a loan from the Urban Redevelopment Authority of Pittsburgh (\$300,000.00), and owner equity (\$873,204.00).

The URA EZ loan funds will be applied to the real estate acquisition and soft costs associated with the project.

Authority Loan Financing	
Enterprise Zone Loan Amount:	up to \$300,000.00
Interest Rate:	4.5%, fixed
Term:	Ten (10) year term (9 1/2 year amortization, 6 months interest only)
General Contractor:	Nelcon Inc.
Architect:	Moss Architects
Loan Review Committee:	approved at the April 19, 2017 URA business loan review committee

M/WBE Review Committee: to be approved—required prior to closing.

Program Benefit: new to Pittsburgh business attraction and expansion, new job creation, community/neighborhood investment, revitalization of a long vacant property, moving a property onto the tax rolls, new real estate taxes.

New Jobs: at least 60 jobs are expected to be created between Schoolhouse Electric and Supply Company, retail space, and co-working space.

SOURCES AND USES OF FUNDS

	<u>TOTAL</u>	<u>Equity</u>	<u>Wells Fargo</u>	<u>SBA 504</u>	<u>PUI Loan</u>	<u>URA EZ Loan</u>
Building	255,000					255,000
Renovations	5,909,917	45,749	3,350,000	574,168	1,940,000	
Tenant fill out costs, incl. lease up	790,256			790,256		
Soft costs	978,816	537,989		395,827		45,000
Financing Costs	<u>289,466</u>	<u>289,466</u>				
Total	8,223,455	873,204	3,350,000	1,760,251	1,940,000	300,000
	100%	11%	41%	21%	24%	4%

Mr. Ferlo asked if this loan is additional URA funding for this project. Mr. Link answered that the other URA funding will be provided by Pittsburgh Urban Initiatives, which is the Authority's New Market Tax Credits affiliate. Mr. Acklin asked for the total project cost. Mr. Link answered about \$8.2 million dollars. Mr. Ferlo asked for the total subsidy amount of this project. Mr. Link answered that 73% of the funding is not subsidy. Mr. Ferlo asked if the construction work on this project is being reviewed. Joe Nelson, of Nelcon Construction, was present. Mr. Nelson stated that demolition work, asbestos abatement, roof replacement has been completed and currently, the upper three floors are being framed. Mr. Ferlo asked for the cost of asbestos removal currently. Mr. Nelson answered about \$500,000.00. Mr. Ferlo said that he has not seen a lot of façade work being done. Mr. Nelson stated that a new roof had previously been put on this building. Mr. Ferlo asked if the construction on this building would cost less than demolishing and rebuilding. Mr. Acklin stated that demolition was the presumption initially. Mr. Acklin asked

for an overall status currently of the jobs this project will create. Mr. Link stated that there will be light assembly, design, administrative and retail positions available. Mr. Acklin asked if there was a restrictive lease or covenant with the initial approval of this project. Ms. Kyra Straussman, Director of Real Estate, answered that the property had been sold to stabilize the building, and a compromise was reached with Brian Faherty, that included a core and shell completion after the sale, and a reverter deed in case the financing could not be obtained. Mr. Acklin asked if this approval would include cancellation of the reverter deed. Ms. Straussman answered that would.

Upon approval by Mr. Lavelle, seconded by Ms. Hall-Russell and unanimously carried, the following resolutions were adopted:

RESOLUTION NO.142 (2017)

RESOLVED: That final drawings and evidence of financing submitted by Detective Building LLC and Schoolhouse Electric and Supply Company for Block 83-P, Lot 165, in the 11th Ward, that includes the structure known as the Detective Building, are hereby approved.

RESOLUTION NO. 143 (2017)

RESOLVED: That a loan to Detective Building LLC for real estate acquisition and soft costs, for an amount not up to \$300,000.00, payable from the Enterprise Zone Loan Fund (EZLF), is hereby approved, and the Executive Director or Director of Finance, 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 same and affix the seal of the Authority thereto.

5. Squirrel Hill Gateway Lofts

- a. Rental Housing Development and Improvement Program (RHDIP) Loan to Squirrel Hill Gateway Lofts LP, in the amount of up to \$500,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Tom Cummings, Director of Housing stated that authorization is requested to enter into the above loan agreement with Squirrel Hill Gateway Lofts LP, for the Squirrel Hill Gateway development. This project was awarded a 2016 Low Income Housing Tax Credit (LIHTC) allocation by the Pennsylvania Housing Finance Agency (PHFA). The new building, located at 2615 Murray Avenue, will be a six-story structure at the site of the former Poli's restaurant. The upper four floors will have 33 affordable rental units, half of which will have a preference for those with intellectual and/or mental health disabilities. The first two floors comprising 11,700 square feet will be developed for Jewish Residential Services, Inc. (JRS) for an expanded Howard Levin Club House and administrative offices as a separate condominium unit.

The developer of the project is ACTION-Housing Inc., which has extensive experience building and operating affordable housing in the city and region. Forty Eighty Architecture designed the

structure and has incorporated many elements of Passive House construction. The location on several bus lines will provide residents and visitors with convenient transportation access. Additionally, providing affordable and supportive housing in Squirrel Hill, one of Pittsburgh's highest income areas, will affirmatively further fair housing and provide the residents with access to the many amenities the community has to offer.

Of the 33 units in Squirrel Hill Gateway Lofts, 29 will be one bedroom apartments, four at 20% area median income (AMI), 13 at 50% AMI, and 12 at 60% AMI and the remaining four units will be two-bedroom apartments, renting to households at or below 60% AMI. The one bedroom units will average 660 square feet and the two bedroom units will be 950 square feet. Additionally, a 23 space parking deck will be built across the street on a triangular lot.

The total development costs are \$16,637,175. The developer has secured an equity commitment from the National Equity Fund in the amount of \$12,063,830 from the sale of the low income housing tax credits and will reinvest up to \$267,597 of its development fee. Additionally, JRS will purchase its commercial condominium unit for \$3,805,748. The requested Authority Rental Housing Development and Improvement Program (RHDIP) loan of up to \$500,000 will complete the project financing. Authority 2016 and 2017 Paygo funds will be the source(s) of the RHDIP loan.

URA Board approval is contingent upon:

- Receipt of final drawings and construction costs and approval of the same by the URA's Engineering and Construction Department.
- Receipt of an M/WBE plan for URA approval.

Details of the development are as follows:

Borrower:	Squirrel Hill Gateway Lofts LP (a partnership with CHI-Squirrel Hill Gateway Lofts LLC and NEF Assignment Corporation)
Developer:	Action Housing, Inc. Lawrence Swanson, Executive Director 611 William Penn Place, Suite 800 Pittsburgh, PA 15219
Location:	2615 Murray Avenue, Pittsburgh, PA 15217 Squirrel Hill neighborhood
Ward:	14 th Ward

Description: New construction of a six-story building in Squirrel Hill, with the four upper floors consisting of 33 affordable rental units. The first two floors containing 11,700 square feet of commercial space will be developed for Jewish Residential Services, Inc. (JRS) for an expanded Howard Levin Club House and administrative offices.

Architect: FortyEighty Architecture
Jeffrey Davis and Kent Suhrbier, Principals
4 Smithfield Street, 6th Floor
Pittsburgh PA 15222

General Contractor: Mosites Construction Company
Dean Mosites, owner
4839 Campbells Run Rd.
Pittsburgh, PA 15205

Total Development Costs: \$16,637,175

URA Financing Sources:

URA RHDIP loan \$500,000.00 (5% interest; 30-year term, repayment based on cash-flow)

Total URA Financing \$500,000.00

Other Financing Sources:

LIHTC Equity \$12,063,830
JRS Commercial Condo Purchase \$3,805,748
Reinvested Developer Fee \$267,597
Total Other Financing \$16,137,175

Rent Levels: 29 One bedroom units
4 @ \$203 (20% AMI)
13 @ \$588 (50% AMI)
12 @ \$708 (60% AMI)
4 Two bedroom units
4 @ \$833 (60% AMI)

Program Benefit:	Infill new construction mixed use building to include 33 units of affordable housing with preference for residents with disabilities.
Real Estate Loan Review Committee:	To be presented at the May 10, 2017 Real Estate Loan Review Committee.
M/WBE Review:	M/WBE plan to be submitted for URA review and approval

Mr. Ferlo asked if this project will include veteran housing. Ms. Lena Andrews, of Action Housing, Inc, was present. Ms. Andrews answered that a building under new construction in Forest Hills will be specifically for veterans housing, but this one is open to applicants who qualify. Mr. Ferlo asked if this building is limited to six stories based on existing zoning requirements. Ms. Andrews answered that they obtained a height variance when the building was originally seven stories and lost a floor. Ms. Andrews stated that if another story were added the building would have fallen into another zoning category and, therefore, would have raised the cost of this project. Mr. Ferlo asked if the Jewish Residential Services will provide services to tenants. Ms. Andrews answered yes. Mr. Lavelle asked for a description of the National Equity Fund. Mr. Cummings answered that National Equity Fund is the low-income housing tax credit syndicator, but Bank of New York Mellon is providing the equity and a bridge loan. Mr. Acklin stated that from the Administration stand point, having transit near this location was important, and explains why this had a high ranking in terms of the 9% allocation. He stated that this area of the City could support market rate housing, and that the Authority is committed to promoting affordable housing in neighborhoods that are in a better income bracket. Mr. Acklin thanked Action Housing for their efforts throughout the City and with this project, which was one of the top priority projects from last year. Mr. Ferlo wanted to know what the first floor will contain. Ms. Andrews answered that the first floor will be an expanded Howard Levin Clubhouse that will provide programming for adults with intellectual disabilities.

Upon approval by Mr. Lavelle, seconded by Mr. Gainey and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 144 (2017)

RESOLVED: That a loan to Squirrel Hill Gateway Lofts LP for the Squirrel Hill Gateway development, for an amount not to exceed \$500,000.00, payable from the Rental Housing Development and Improvement Program ("RHDIP"), is hereby approved, and the Executive Director or Director of Finance, 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 same and affix the seal of the Authority thereto.

6. Downtown

- a. License agreement with the City of Pittsburgh and/or Public Parking Authority of Pittsburgh for vacant retail space at the Mellon Square parking garage (566 Smithfield Street).
- b. Request for bids for selective interior demolition, cleaning and refurbishment of vacant retail space at the Mellon Square parking garage (566 Smithfield Street).
- c. Request for proposals or business plan competition to identify small retailer(s) for the vacant retail space at the Mellon Square parking garage (566 Smithfield Street).

Mr. Rubinstein requested Board approval of the above items.

Mr. Rubinstein, Executive Director stated that authorization is requested to advertise for bids for interior refurbishment of unoccupied lease space at the former Cartridge World location at 566 Smithfield Street. The work involves selective interior demolition, cleaning, patching, painting and re-lamping light fixtures. Authorization is also requested to issue a request for proposals or a business plan competition for the vacant retail space.

Mr. Acklin stated that this is a high traffic area and would be accommodating to a small entrepreneur who could benefit from it. He stated that the vision is to preserve this space for small local businesses. Mr. Ferlo asked for the rental price of this space. Mr. Rubinstein answered that he was unsure now, but the other tenants are paying various rental rates.

Upon approval by Mr. Gainey, seconded by Mr. Lavelle and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 145 (2017)

RESOLVED: That a license from the City of Pittsburgh and/or the Public Parking Authority of Pittsburgh for the vacant retail space at the Mellon Square parking garage (566 Smithfield Street) for selective interior demolition, cleaning and refurbishment is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a license agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 146 (2017)

RESOLVED: That the advertisement for bids for the vacant retail space at the Mellon Square parking garage (566 Smithfield Street) for selective interior demolition, cleaning and refurbishment is hereby approved.

RESOLUTION NO. 147 (2017)

RESOLVED: That the issuance of a request for proposals or business plan competition to identify small retailer(s) for the vacant retail space at the Mellon Square parking garage (566 Smithfield Street) is hereby approved.

7. East Liberty

- a. Grant application and grant agreement and/or related contracts with the Commonwealth of Pennsylvania's Department of Community and Economic Development for the Industrial Sites Reuse (ISR) Program in the amount of up to \$45,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Rubinstein stated that the Commonwealth of Pennsylvania's Department of Community and Economic Development (DCED) administers the Industrial Sites Reuse (ISR) Program which provides grants for environmental assessments for industrial sites throughout the Commonwealth of Pennsylvania.

ISR funds are intended to be used on a vacant parcel (the Site) located in the East Liberty Neighborhood of the City of Pittsburgh. The Site is a portion of a larger development site owned by the URA known as Mellon's Orchard South. The URA is currently in exclusive negotiations with Trek Development Group (the Developer) to transform this key site into a mixed-income, mixed-use development that enhances the adjacent residential neighborhoods, while effectively transitioning to and adding to the success of East Liberty's commercial core. The proposed development will include mixed-income housing and small scale commercial and community space.

The Site was historically a retail and gasoline dispensing facility and automotive repair facility. In 2016, KU Resources, Inc. completed an Environmental Site Analysis Plan and Phase II Environmental Site Assessment (ESA). The ESA indicated potential impact to portions of the Site's soil from petroleum related constituents and lead. The work performed with ISR funds will include the drilling of up to ten (10) soil borings and up to three (3) ground monitoring wells. The estimated total project cost is \$60,000.00. The URA intends to seek \$45,000 in ISR funds. The balance of funding will be provided by North Side Industrial Development Company through an Environmental Protection Agency Assessment Grant.

Mr. Lavelle asked for the number of affordable units that will be included in this project. Mr. Rubinstein answered that 56 units will be affordable. Mr. Cummings stated that at least 50% of the units will be affordable and the percentage could go even higher. Mr. Acklin stated that there were restrictions on this site for more affordable units. Mr. Acklin asked if the developer is responsible for this program. Mr. Rubinstein stated that it could be in the future, and this waiting period will be no cost to the Authority. Mr. Lavelle asked if the Board could be notified of the

applications that are received. Mr. Cummings stated that the number of applications received has been staying steady at ten to twelve in the last two to three years.

Upon approval by Mr. Ferlo, seconded by Ms. Hall-Russell and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 148 (2017)

RESOLVED: That application to the Commonwealth of Pennsylvania's Department of Community and Economic Development for an Industrial Sites Reuse (ISR) Program grant for an amount not to exceed \$45,000.00, to be used for environmental services on a vacant parcel that is part of the Mellon's Orchard South development in the East Liberty Neighborhood of the City of Pittsburgh, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an application therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto; and it is

RESOLVED FURTHER: That acceptance of an Industrial Sites Reuse (ISR) Program grant through the Commonwealth of Pennsylvania's Department of Community and Economic Development, for an amount not to exceed \$45,000.00, to be used for environmental services on a vacant parcel that is part of the Mellon's Orchard South development in the East Liberty Neighborhood of the City of Pittsburgh, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a grant agreement and/ or related agreements and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

8. Perry North

- a. Final drawings, evidence of financing, and execution of deed for the sale of Block 115-D, Lot 170 (formerly part of Block 115-D, Lot 172), in the 26th Ward, to Observatory Hill Development Corporation, for \$1.00 plus costs.

Mr. Rubinstein requested Board approval of the above item.

Mr. Kyra Straussman, Director of Real Estate stated that at its meeting of July 14, 2016, the Board approved the proposal submitted by Redeveloper Observatory Hill Development Corporation ("OHDC") to acquire an approximately 3,000 square foot portion of the now subdivided vacant lot located at 101 Bonvue Street to support their rehabilitation of five housing units along Bonvue Street in Perry North into market rate, single-family homes. OHDC will construct a two-car garage on the property it is purchasing from the URA, at a cost of approximately \$30,800.

At this time, authorization is requested to approve final working drawings and evidence of financing and to execute a deed.

The URA will retain ownership of the approximately 7,000 square foot remainder of 101 Bonvue Street, at the southeast corner of Bonvue Street and Capus Way, with OHDC to maintain it as greenspace. This portion of the property has been licensed for three years to OHDC, which has engaged Barley & Bines, an urban hop business, to establish a hop yard there.

Observatory Hill Development Corporation is a Pennsylvania non-profit community development organization with a mailing address of c/o Northside Leadership Conference, 1319 Allegheny Ave., 2nd Floor, Pittsburgh, PA 15233. Glenn Miller is president.

Mr. Lavelle asked if the hop grown in this urban hop farm was the same that is added to beer. Ms. Straussman answered yes. Jonathan Huck., of the Northside Leadership Conference, was present. Mr. Huck stated that he has undertaken the effort to attract a hops farmer by using the 74-foot portion of 101 Bonvue Street and a vacant lot that was privately bought across the street to create the hop farm. He stated that the financing was obtained from four different sources for the real estate and harvesting portion. Mr. Acklin asked if there were any environmental studies needed for hops consumption. Ms. Straussman answered that the property only required lead testing. Mr. Lavelle asked if the hops will be sold to local breweries. Mr. Huck answered yes.

Upon approval by Mr. Ferlo, seconded by Ms. Lavelle and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 149 (2017)

RESOLVED: That the final drawings and evidence of financing submitted by Observatory Hill Development Corporation for Block 115-D, Lot 170 (formerly part of Block 115-D, Lot 172), in the 26th Ward, are hereby approved, and the Executive Director or Director of Finance, 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 same and affix the seal of the Authority thereto.

9. Bluff – 1726 and 1730 Forbes Avenue and 23 Miltenberger Street
 - a. Acquisition of Block 11-J, Lots 95, 96, and 101, in the 1st Ward, from Pittsburgh Housing Development Corporation for \$110,000.00, plus costs.

Mr. Rubinstein requested Board approval of the above item.

Ms. Straussman stated that Pittsburgh Housing Development Corporation ("PHDC") purchased these three contiguous properties, then all improved with structures, in the Bluff neighborhood in 2010 with the intent to complete a shell renovation and then find a local developer to complete the interior work. Two of the three structures turned out to be so unstable that they had to be demolished.

A Request for Proposals for adaptive reuse was issued in February 2015, but no responses were received. PHDC has more recently been approached by several different developers who are interested in acquiring the properties, but PHDC lacks the capacity to oversee and effectively guarantee that a prospective redeveloper completes their project as proposed and within a reasonable timeframe. PHDC has asked the URA to purchase the properties so the URA can steward the development process.

Authorization is requested to execute an agreement of sale for the properties for a purchase price of \$110,000.00, plus costs.

Block 11-J, Lot 95, at 1730 Forbes Avenue, is a vacant parcel containing approximately 605 square feet. Block 11-J, Lot 96, at 23 Miltenberger Street, is an approximately 833 square foot site improved with a vacant three-story structure formerly occupied by ground floor retail with residential above. Block 11-J, Lot 101, at 1726 Forbes Avenue, is a vacant parcel containing approximately 1,756 square feet.

The funding sources will be UDAG loan funds in the amount of \$100,000.00, with the balance from 2013 City Bond Funds.

Mr. Lavelle asked if an RFP will be submitted once the acquisition is complete. Ms. Straussman answered yes. Mr. Lavelle wanted to be notified once the RFP is used. Ms. Straussman stated that the Councilman and his staff will be involved in the process. Mr. Ferlo asked what the difference is between the Authority issuing the RFP versus PHDC. Ms. Straussman answered that it is the level of partnership and ownership. Mr. Ferlo asked why PHDC obtained this property, and not the Authority. Mr. Cummings answered that at the time of the acquisition, the Authority thought the redevelopment process would be easier in stabilizing the buildings to a shell rehab, and then finding a local developer who could purchase the property. Mr. Cummings stated that PHDC issued an RFP at least twice at the time. He stated that PHDC has been approached with ideas, but it does not have the legal mechanisms to control the disposition process. Mr. Ferlo would like to see more oversight of the progress.

Upon approval by Mr. Ferlo, seconded by Mr. Gainey and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 150 (2017)

RESOLVED: That the acquisition of Block 11-J, Lots 95, 96, and 101, in the 1st Ward, from the Pittsburgh Housing Development Corporation, for \$110,000.00, plus costs, payable from UDAG loan funds and 2013 City Bond funds, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is authorized to execute an agreement of sale and all documents required for said acquisition, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

10. Central Business District/Bluff

1. Request for Proposals for the sale and redevelopment of Block 2-P, Lots 110 and 120, in the 1st Ward.

Mr. Rubinstein requested Board approval of the above item.

Ms. Straussman stated that authorization is requested to issue a Request for Proposals ("RFP") for 661 1st Avenue (2-P-110) and 700 2nd Avenue (2-P-120), on the border between the Central Business District and the Bluff. These contiguous parcels, which contain approximately 29,808 and 7,700 square feet, respectively, according to County records, are currently City-owned, and are used for parking. By Resolution No. 247 (2016), at its July 2016 meeting, this Board authorized acquisition of several parcels from the City, including Block 2-P, Lots 110 and 120. As discussed at the July 2016 meeting, it is the desire of the City to transfer certain City-owned properties, currently used by the City as facilities for various agencies, to the URA over time so that it may rely on the URA's development expertise to steward the development process, evaluate proposals, and ultimately sell the properties as development parcels. The current Property is projected to be the first of these properties to move through this City to URA process.

The URA plans to issue an RFP for the Property and, upon selection of a developer, the URA will acquire the Property for a purchase price of \$1.00 plus costs. It is currently contemplated that, upon the URA's sale of the Property to redeveloper, the URA will be reimbursed from sale proceeds for costs incurred by the URA in clearing title to the property, marketing the property, and the sale of the Property. Eighty percent (80%) of the remaining sale proceeds will be remitted to the City, and twenty percent (20%) of the remaining sale proceeds will remain with the URA pursuant to the terms of a Cooperation Agreement that is currently being finalized between the URA and the City.

Mr. Acklin asked if this property had been included with other properties approved by a previous Board Action. Ms. Straussman answered yes. Mr. Ferlo asked if this site would be more useful for the Parking Authority to own and not the Authority. Ms. Straussman answered that there has been private market interest and evaluation that could supplement some of the current uses. Mr. Acklin stated that the Authority is trying to get a handle on our real estate holdings and what makes the most sense in terms of projects. Mr. Lavelle asked if this was part of the property list that included the Public Works building and others. Mr. Acklin answered yes.

Upon approval by Mr. Lavelle, seconded by Mr. Gainey and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 151 (2017)

RESOLVED: That the issuance of a request for proposals for the sale and redevelopment of Block 2-P, Lots 110 and 120, in the 1st Ward, is hereby approved.

11. Citywide – Pittsburgh Land Bank

- a. Tri-Party cooperation agreement with the City of Pittsburgh and Pittsburgh Land Bank regarding the coordination and administrative services.

Mr. Rubinstein requested Board approval of the above item.

Ms. Straussman stated that authorization is requested to enter into a Tri-Party cooperation agreement between this Authority, the City of Pittsburgh, and the Pittsburgh Land Bank regarding the coordination of entities on the transfer of properties in and out of respective portfolios, as well as the possible future provisions of shared administrative services.

This Cooperation Agreement is required by City of Pittsburgh Ordinance 2014-0025, section 174A.12(d), which created the Pittsburgh Land Bank (PLB). It is further referenced in the Pittsburgh Land Bank's inaugural Policies and Procedures, and must be in place prior to the PLB being able to acquire its own inventory of properties.

This Authority seeks to work in partnership with the Pittsburgh Land Bank and the City of Pittsburgh on the recycling of distressed properties to more effectively achieve its mission. The Commonwealth has granted certain special powers to land banks which are not available to redevelopment authorities regarding the efficient acquisition of properties and funding of its activities.

Key provisions of this cooperation agreement include:

- Replacement of Pittsburgh Property Reserve Memorandum of Understanding.
- Agreement for this Authority to provide, and the Land Bank to pay for, staffing for professional and administrative services for the PLB, specific services and terms to be defined in future contracts between the two parties.
- Rules for the transfer of real property between the PLB, the City, and this Authority, including priority for the City and the URA from the PLB's inventory, and additional priority for Community Development Corporations within their established jurisdictions, subject only to City and/or URA requests.

Mr. Ferlo is not sure why this item is on the agenda because nothing is being approved at this point, and because there is ongoing work to refine the terms of a future formal cooperation agreement. He is on board with the Pittsburgh Land Bank, but thinks that recently, there are more opportunities economically with the private sector in the real estate market. He expressed concern about the participation of CDC's in the land recycling process. Mr. Acklin stated that he shares Mr. Ferlo's concerns. He asked if the Authority is authorizing the negotiation and execution of this document. Ms. Straussman answered that the Authority is expending a great deal of time on this project, and it is currently in the drafting process. She believes that input from the three entities will be critical in finalizing the agreement. She would like all of the entity

Boards to understand the priorities of the Authority, the Pittsburgh Land Bank and the City in this process. She stated that the Authority does not want to authorize a final draft now, and that the final draft, to be introduced to City Council, is being worked on. Mr. Acklin asked if both the Executive Director and the Board Chairs would be signatories to the cooperation agreement. Ms. Straussman answered yes. Mr. Acklin stated that this is one of several efforts underway for land recycling. Mr. Ferlo requested a reverse sequential planning document that explains in detail the terms once this process is consummated. Ms. Straussman stated that she would prepare such a document.

Upon approval by Mr. Lavelle, seconded by Ms. Hall-Russell and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 152 (2017)

RESOLVED: That the negotiation with the City of Pittsburgh and the Pittsburgh Land Bank for coordination and administrative services relating to the Pittsburgh Land Bank is hereby approved.

12. Lawrenceville

- a. Consent Order and Agreement with the Commonwealth of Pennsylvania Department of Environmental Protection for Block 120-C, Lot 10 and a portion of 120-C, Lot 55 in the 10th Ward.

Mr. Rubinstein requested Board approval of the above item.

Mr. Marty Kaminski, Director of Engineering and Construction stated that the URA currently has a lease with Friends of the Pittsburgh Urban Forest d/b/a Tree Pittsburgh for the use of the northern portion of the 62nd Street Industrial Park, generally bounded by the Allegheny River to the north and the Allegheny Valley Railroad Line to the south, in the Lawrenceville section of the City. This parcel is known as 32 62nd Street, and is identified as Lot 3B in the URA – Tippins Plan as recorded with the Allegheny County Department of Real Estate at Plan Book Volume 291, Page 142. By Resolution No. 270 (2015), at its Meeting of September 10, 2015, this Board accepted the Proposal and authorized the execution of a Disposition Contract with Tree Pittsburgh for Lot 3B. By Resolutions No. 97 and No. 98 (2017), this Board authorized the execution of a Lease with Tree Pittsburgh, and granted Tree Pittsburgh the option to purchase Lot 3B. In preparation for closing on the leasing of this site, Tree Pittsburgh has led efforts to obtain environmental clearances, and the URA and Tree Pittsburgh have negotiated a Consent Order and Agreement with the Pennsylvania Department of Environmental Protection (the “DEP”). At this time, we are requesting authorization for the URA, as the owner of Lot 3B, to enter into a Consent Order and Agreement with DEP for Lot 3B.

Mr. Ferlo asked for an explanation of the Consent Order. Mr. Kaminski answered that currently there is a Consent Order with DEP for the south parcel, and that now that there is a use for the north parcel, we can move forward to obtain a Consent Order for that parcel, as well. Mr. Ferlo

asked what the compliance costs cover. Mr. Kaminski answered that this includes restrictions for soil and structure uses, and would cover any structure that would be placed on this site. Mr. Ferlo asked who would be paying for this. Mr. Kaminski answered Tree Pittsburgh. Mr. Ferlo requested a copy of the Consent Order. Mr. Kaminski stated that the Consent Order is in draft form currently.

Upon approval by Mr. Ferlo, seconded by Ms. Hall-Russell and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 153 (2017)

RESOLVED: That negotiations with the Pennsylvania Department of Environmental Protection for environmental work on parcels known as Block 120-C, Lot 10 and a portion of Block 120-C, Lot 55, in the 10th Ward, is hereby approved, and the Executive Director or the Director of Finance is hereby authorized on behalf of the Authority, to execute a Consent Order and Agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

13. Pittsburgh Technology Center

- a. Engagement of A. Merante Contracting, Inc. for Pittsburgh Technology Center, Site Preparation Contract No. 14 for \$247,103.70.
- b. Engagement of SAI Consulting Engineers, Inc. for construction management/construction inspection services for Pittsburgh Technology Center Site Preparation Contract No. 14 for an amount not to exceed \$45,000.00.

Mr. Rubinstein requested Board approval of the above items.

a. Mr. Kaminski stated that authorization is requested to enter into an agreement with A. Merante Contracting, Inc. for Pittsburgh Technology Center, Site Preparation Contract No. 14. The work will include the construction of a new lane along the west side of the existing street (Technology Drive) at the intersection with Second Avenue. The right of way needed for this work was planned for in prior subdivision plans. The additional lane will enable the creation of exclusive left and right turn lanes for traffic entering the Pittsburgh Technology Center from the Second Avenue/Bates Street intersection. The additional traffic capacity created by the new lane will allow the roadway to serve the Hotel Indigo, which is currently under construction at this location, as well as future development within the Pittsburgh Technology Center. The construction will be performed in advance of the opening of the hotel to minimize disruptions to the hotel operations.

The project was publicly bid by the URA and bids were opened on April 26, 2017. Seven bids were received for the work. A. Merante Contracting, Inc. was the lowest responsible bidder.

Merante Contracting, Inc. is located at 4740 Streets Run Road, Pittsburgh, PA 15236 and Mr. Anthony Merante is the President.

Authorization is contingent upon the contractor receiving tax clearance from the City of Pittsburgh and submission of an acceptable MBE/WBE Plan.

Funding will be from the Pittsburgh Technology Center fund.

b. Authorization is requested to enter into an agreement for construction management/construction inspection services with SAI Consulting Engineers, Inc. for Pittsburgh Technology Center Site Preparation Contract No. 14. The URA solicited proposals from six firms. Three firms submitted proposals. These proposals were reviewed by the Engineering & Construction Department staff and SAI Consulting Engineers, Inc. was deemed to have the best proposal for the project.

SAI Consulting Engineers, Inc. is located at 1350 Penn Avenue, Suite 300, Pittsburgh, PA 15222-4211. Mr. James J. Lombardi, P.E. is the Executive Vice President.

Funding will be from the Pittsburgh Technology Center fund.

There was no discussion among the Members.

Upon approval by Mr. Ferlo, seconded by Mr. Lavelle and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 154 (2017)

RESOLVED: That the engagement of A. Merante Contracting, Inc. for Pittsburgh Technology Center, Site Preparation Contract No. 14, for an amount not to exceed \$247,103.70, payable from the Pittsburgh Technology Center Fund, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 155 (2017)

RESOLVED: That the engagement of SAI Consulting Engineers, Inc. for Pittsburgh Technology Center, Site Preparation Contract No. 14, for an amount not to exceed \$45,000.00, payable from the Pittsburgh Technology Center Fund, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

14. East Liberty

- a. Agreement for engineering design services with Mackin Engineering Company for the conversion of North and South Euclid Avenue and Station Street (formerly Penn Circle) to two-way traffic and the extension of Beatty Street and Harvard Street, for an amount not to exceed \$675,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Kaminski stated that authorization is requested to enter into an Agreement for engineering design services with Mackin Engineering Company for design improvements to convert the remaining segments of North and South Euclid Avenue and Station Street to two-way traffic, and to construct a new segment of Beatty Street from Station Street to Harvard Street and a new segment of Harvard Street from Euclid Avenue to Beatty Street. The URA solicited proposals from five firms. These firms were selected to submit an RFP based on their qualifications that were previously submitted to the Engineering and Construction Department via the Request For Qualifications that was issued in March, 2014. Three firms submitted proposals in response to the April 5, 2017 Request for Proposals. Based upon review by members of the URA Engineering and Construction staff, Mackin Engineering Company was deemed to have the best proposal and was therefore selected to perform the design of the improvements.

Mackin Engineering Company is located at R.I.D.C. Park West, 117 Industry Drive, Pittsburgh, PA 15275-1015. Mr. Thomas E. Riester is the President.

Funding will be from the East Liberty TRID Phase I account, East Liberty Paygo funds, and/or other sources.

Mr. Acklin asked if this item only includes the design. Mr. Kaminski answered yes, and that a traffic study and surveys have been completed.

Upon approval by Mr. Gainey, seconded by Mr. Lavelle and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 156 (2017)

RESOLVED: That the engagement of Mackin Engineering Company for the conversion of North and South Euclid Avenue and Station Street (formerly Penn Circle) to two-way traffic and the extension of Beatty Street and Harvard Street, for an amount not to exceed \$675,000.00, payable from the East Liberty TRID Phase I account, East Liberty Paygo funds, and/or other sources, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

15. Acceptance of slates of Bond Counsel and Underwriters

Mr. Rubinstein requested Board approval of the above item.

Mr. Tom Short, Director of Finance stated that authorization is requested to name the below listed firms as the approved slates of bond professionals to be used by the URA over the next three years. During March and April of 2017, twenty law firms and twenty-seven investment banking firms were invited to submit qualifications to establish interest in serving as either bond counsel or underwriter for the Authority's bond financings. Responses were received from eight law firms and ten investment banking firms.

A selection committee comprised of Authority staff from several Operating Departments, Legal, Compliance and Finance reviewed the responses and made a recommendation to our Executive Director. Law firms were evaluated primarily on their previous relevant experience, knowledge of bond and tax law, and minority/women business participation and local presence. Underwriting firms were evaluated primarily on their previous relevant experience, ability to market and distribute URA bonds, and minority/women business participation and local presence.

Depending upon expertise, firms on the slates will be invited to respond to a request for proposal as bond issues are contemplated. The bid responses will be evaluated according to such criteria such as fee, support of URA MBE/WBE strategy, and specific qualifications and/or factors pertinent to the particular bond issue. Depending on the size and complexity of a proposed financing, one or more firms will be selected to serve on the team for that particular bond issue. Please note the Board of Directors will then approve the contract amounts when the specific bond issue is brought before the Board for issuance authorization.

Bond Counsel:

1. Ballard Spahr
2. Buchanan Ingersoll & Rooney
3. Campbell & Levine
4. Dinsmore & Shohl
5. Eckert Seamans
6. Saul Ewing *
7. Thorp Reed & Armstrong
8. Clark Hill *
9. Cohen & Grigsby

*New

Underwriters:

1. Janney Montgomery
2. Raymond James
3. George K. Baum & Company
4. Mellon Capital Markets
5. PNC Capital Markets
6. Stifel *
7. Sturges Company *
8. Cabrera (MBE) *
9. Piper Jaffray *

Mr. Ferlo asked for an explanation of the process in choosing these companies. Mr. Short answered that with regard to the list of bond counsel, a specific company is selected for a specific RFP. He stated that with regard to the list of underwriters, there is sometimes a coordination between one or more, and the Authority will try to choose a local company. Mr. Ferlo asked if the City still maintained the CRA (Community Reinvestment Act) requirements, and if the Authority coordinates any CRA reviews. Mr. Rubinstein answered that the Authority sits on the City's committee that conducts the annual review and has input in that process. The Authority also takes into consideration those companies that are investing in the Authority's projects.

Upon approval by Mr. Ferlo, seconded by Ms. Hall-Russell and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 157 (2017)

That acceptance of the following slate of Bond Counsel candidates is hereby approved:

- Ballard Spahr
- Buchanan Ingersoll & Rooney
- Campbell & Levine
- Dinsmore & Shohí
- Eckert Seamans
- Saul Ewing *
- Thorp Reed & Armstrong
- Clark Hill *
- Cohen & Grigsby

*New

RESOLUTION NO. 158 (2017)

That acceptance of the following slate of Underwriter candidates is hereby approved:

- Janney Montgomery
- Raymond James
- George K. Baum & Company
- Mellon Capital Markets
- PNC Capital Markets
- Stifel *
- Sturges Company *
- Cabrera (MBE) *
- Piper Jaffray *

*New

16. Fox Rothschild LLP – Legal Services

- a. Engagement of Fox Rothschild LLP for legal for services related to general litigation for an amount not to exceed \$60,000.00.

Mr. Rubinstein requested Board approval of the above item.

The URA is seeking authorization to retain the law firm of Fox Rothschild LLP to provide legal services related to general litigation matters. John Gotaskie, Esquire will be the lead contact. The fees will be paid from Project funds and/or TIF funds.

Fox Rothschild LLP
John Gotaskie, Esquire
BNY Mellon Center
500 Grant Street, Suite 2500
Pittsburgh, PA 15219

There was no discussion among the Members.

Upon approval by Mr. Ferlo, seconded by Ms. Hall-Russell and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 159 (2017)

RESOLVED: That the engagement of Fox Rothschild LLP for legal services related to general litigation, for an amount not to exceed \$60,000.00, payable from Project funds and/or TIF funds, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

AGENDA "B"

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

1. CENTER FOR INNOVATION AND ENTREPRENEURSHIP
 - a. City Bond 2012 - 160
 1. Reallocation of up to \$30,000.00 of the 2012 City Bond Mainstreets Program to the Storefront Renovation Program.

RESOLUTION NO. 160 (2017)

RESOLVED: That appropriation of up to \$30,000.00 of the 2012 City Bond Mainstreets Program allocation to the Storefront Renovation Program is hereby approved.

2. ENGINEERING AND CONSTRUCTION

- a. Property Maintenance – Landcare Tier 1
 - 1. Pending receipt of Paygo funds, use of Leased Land Fund, for an amount not to exceed \$285,000.00, as bridge funding source for Agreement with City Source Associates, Inc. for Landcare Tier 1 property maintenance services
- b. Upper Lawrenceville
 - 1. Dedication to the Pennsylvania Department of Transportation of a portion of Block 120-G, Lot 155, now identified as “Area To Be Dedicated for Roadway Purposes” in the URA-Tippins Plan, as recorded with the Allegheny County Department of Real Estate at PBV 291, PG 142.

RESOLUTION NO. 161 (2017)

RESOLVED: That pending receipt of Paygo funds for Landcare Tier 1 property maintenance services as a bridge funding source for Agreement with City Source Associates, Inc., for an amount not to exceed \$285,000.00 is hereby approved.

RESOLUTION NO. 162 (2017)

RESOLVED: That dedication to the Pennsylvania Department of Transportation of a portion of Block 120-G, Lot 155, now identified as “Area To Be Dedicated for Roadway Purposes” in the URA-Tippins Plan, as recorded with the Allegheny County Department of Real Estate at PBV 291, PG 142, is hereby approved.

3. REAL ESTATE

- a. 9 Mile Run – 163-165
 - 1. Certificate of Completion for MRRC Summerset II, L.P. for Lot 240 a/k/a Block 88-L, Lot 75 in the 14th Ward, and return of Good Faith Deposit (residential construction 1643 Biltmore Lane).
 - 2. Certificate of Completion for MRRC Summerset II, L.P. for Lot 241 a/k/a Block 88-L, Lot 75 in the 14th Ward, and return of Good Faith Deposit (residential construction 1645 Biltmore Lane).
 - 3. Certificate of Completion for MRRC Summerset II, L.P. for Lot 269 a/k/a Block 88-R, Lot 108 in the 14th Ward, and return of Good Faith Deposit (residential construction 1777 Parkview Blvd.).

RESOLUTION NO. 163 (2017)

RESOLVED: That issuance of a Certificate of Completion to MRRC Summerset II, L.P. for Lot 240 a/k/a Block 88-L, Lot 75 in the 14th Ward, and return of the Good Faith Deposit are hereby approved.

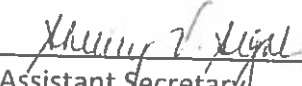
RESOLUTION NO. 164 (2017)

RESOLVED: That issuance of a Certificate of Completion to MRRC Summerset II, L.P. for Lot 241 a/k/a Block 88-L, Lot 75 in the 14th Ward, and return of the Good Faith Deposit are hereby approved.

RESOLUTION NO. 165 (2017)

RESOLVED: That issuance of a Certificate of Completion to MRRC Summerset II, L.P. for Lot 269 a/k/a Block 88-R, Lot 108 in the 14th Ward, and return of the Good Faith Deposit are hereby approved.

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


Assistant Secretary