

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.

June 8, 2017 – 2:00 pm., E.S.T.

Members Present: Kevin Acklin, Jim Ferlo, R. Daniel Lavelle and Cheryl Hall-Russell

Members Absent: Edward Gainey

Staff Present: Robert Rubinstein, Executive Director, Thomas Cummings, Director of Housing, Thomas Link, Director of the Center for Innovation and Entrepreneurship, Martin Kaminski, Director of Engineering and Construction, Thomas Short, Director of Finance, Shelley Segal, Nathan Clark, Gigi Saladna, Elizabeth Osborn, Julie Edwards, Jennifer Breeze, Dana Bohince, M.L. Meier, Nick Cotter, Eddie Palmer, Shaina Madden, Jake Pawlak, Chuck Alcorn, Bethany Davidson, Katie Grauer, Jessica Smith-Perry, Jason Hobbes, Josette Fitzgibbons, Kryn Sausedo, Kevon Copeland, David Thomas

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

1. General

- a. The minutes of the Regular Board Meeting of May 11, 2017 were approved as written and previously distributed.

2. Announcements

- a. RFP's, RFQ's and Bids
 - i. Request for Qualifications (RFQ) from audit firms to compete for the various secondary audits to be completed by the URA Finance Department as required by our multiple funders.
 - ii. Invitation for Bids for maintenance of the Authority's portfolio of vacant land.

Mr. Robert Rubinstein, announced that the URA will shortly be releasing an invitation for bids and asking for authorization to release. Auditing services - We have previously had Board authorization for what we call a single audit, and for auditing our mortgage revenue bonds. There are smaller components that require auditing, as well. We think these are great opportunities for some of the smaller firms in town and some of the minority women-owned firms in the City. We are asking for authorization to issue that request for qualifications and then, as opportunities come up, we would request proposals from that slate.

We'd also like to issue the invitation for bids for maintenance of our vacant lands. You may recall that we created two tiers. Tier 2 is the one at issue today. This tier contains the smaller

neighborhood based lots and parcels. Tier 1 consists of everything else. Over the past year we have been working with G-Tech and staff to prepare more applicants. Last year we approved seven (7) subcontracts under Tier 2. This year we will be looking at a maximum of nine (9).

Mr. Lavelle said he heard that the meetings held by staff about how to bid were helpful.

Mr. Ferlo requested that the Board receive copies of whatever reports are available, showing what was achieved and the number of lots affected.

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

RESOLUTION NO. 166 (2017)

RESOLVED: That issuance of a request for bids for maintenance of the Authority's portfolio of vacant land is hereby approved.

3. Lawrenceville - Business Expansion

- a Enterprise Zone Revolving Loan Fund loan not to exceed \$683,000.00 to Doughboy Square Partnership, LP and/or related entities.

Mr. Rubinstein requested approval of this item.

Mr. Thomas Link stated that this loan will provide financing to allow Desmone Architects to expand their growing operations in Lawrenceville. Desmone Architects is a Pittsburgh born, family owned firm established in 1958.

In 1993, Charles L. Desmone through Doughboy Square Partnership, LP developed a former bank building at 3400 Butler Street (Doughboy Square) to house Desmone Architects. Originally constructed in 1902, the development of the iconic former Pennsylvania National Bank building in 1993 helped jump start the redevelopment of Doughboy Square zone of Lawrenceville. Growing from 5 employees in 1993 to over 40 today with planned additional growth, Desmone Architects has outgrown its current 7,500 s.f. at their Doughboy Square headquarters. Attached to the current building is a parking lot with 18 spaces. Doughboy Square Partnership, LP will develop a 17,397 s.f. expansion to its existing building. Desmone Architects will master lease the entire building. The lower level will have 18 parking spaces. The main level will house Desmone Architects' expanded offices. The upper level will be leased to 3rd party tenants. The building will meet high environmental and sustainable design standards, including LEED Silver and WELL Building Gold.

Limited Partners:

Charles L. Desmone
Charles L. Desmone II

Location: 3400 Butler Street, Pittsburgh PA, 15201
(Lawrenceville)

Description: Real Estate Development.

Total Project Costs: \$6,983,000.00

SOURCES AND USES OF FUNDS

	<u>TOTAL</u>	<u>Equity</u>	<u>PIDA</u>	<u>Dollar Bank</u>	<u>URA</u>
Mortgage Refinancing	\$320,000	\$ 0		\$320,000	\$0
Hard Costs	\$4,360,000	\$0	\$2,000,000	\$2,360,000	\$0
Soft Costs	\$1,503,000	\$700,000	\$0	\$803,000	\$0
Tenant Improvements	\$800,000	\$0	\$0	\$117,000	\$683,000
Total	\$6,983,000	\$700,000	\$2,000,000	\$3,600,000	\$683,000
	100%	10.0%	28.6%	51.6%	9.8%

Authority Loan Financing
Enterprise Zone Revolving Loan Fund Loan: \$683,000.00

Interest Rate: 4.5%

Term: Ten (10) year term

General Contractor: Jendoco

Architect: Desmone Architects

Loan Review Committee: To be presented at the June 21, 2017 Business LRC meeting

M/WBE Review Committee:	To be reviewed- approval required prior to closing.
Program Benefit:	Community/neighborhood investment. New taxes (real estate and business). New job creation. LEED and WELL Building Gold construction.
Jobs:	48 – including architects, designers and administrative/back office

Funding will be provided through the Pittsburgh Enterprise Revolving Loan Fund program.

Chip Desmone, AIA, LEED AP, Principal
DESMONE ARCHITECTS
3400 Butler Street
Pittsburgh, PA 15201

Mr. Link stated that the URA financing contemplated is up to \$683,000.00 (a little less than 10% of the total project cost of \$6.9 million total). The balance is to be funded by Dollar Bank as lead lender. PIDA (Pennsylvania Industrial Development Authority), the Commonwealth's redevelopment authority, has committed \$2 million for the balance of the project as equity.

This project will result in the creation of jobs with a growing company of 40+ employees (over 50 throughout its operations), expansion of a business within the City, and additional tax revenue.

Luke Desmone and Terry Oden, of Desmone Architects, were there to answer questions.

Mr. Ferlo asked for clarification on the parking. Mr. Oden answered that some will be across the street and there will be surface parking at the site.

Mr. Ferlo asked about zoning. Mr. Oden responded that everything is cleared and they are now waiting for this financing. Mr. Desmone thanked the URA for helping them in 1993. Without that help, the project would not have been possible. He believes that all of the good things happening in Lawrenceville came from this.

Mr. Ferlo said that this project kick-started the quarter's redevelopment 25 years ago and a great, beautiful historic building was saved west of 40th Street. He appreciates Mr. Desmone being a pioneer. This project was based on Main Street principals.

Mr. Ferlo asked if there were any historical concerns. Mr. Desmone stated that the original buildings will be unchanged visually from the outside. The new addition will have a contemporary context.

Mr. Matt Galluzzo from Lawrenceville Corporation was present. He was happy to report that their team had gone through their review process and that this project received rave reviews, especially in the way parking is being incorporated. They are happy to see this property being developed.

Upon motion to approve made by Ms. Cheryl Hall-Russell, seconded by Mr. Ferlo and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 167 (2017)

RESOLVED: That a loan to Doughboy Square Partnership, LP, and/or a related entity(ies), for expansion of operations, for an amount not to exceed \$683,000.00, 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.

4. Affordable Housing – Multifamily Tax Exempt Financing

- a. California-Kirkbride, Central Northside and Perry South - Northside Properties Residences Phase I
 1. Engagement of Buchanan Ingersoll & Rooney, PC as bond counsel, for an amount not to exceed \$30,000.00, plus costs.

Mr. Rubinstein requested approval of this item.

Mr. Thomas Cummings stated that at the February 9th, 2017 Board Meeting, the Authority took official action pursuant to Resolution No. 52 (2017) to Register the Intent to Issue Multifamily debt for the redevelopment of Northside Properties Residences Phase I. Authorization is now requested to engage Buchanan Ingersoll & Rooney, PC to serve as the Authority's bond counsel for the development.

The Authority issued a Request for Proposals to six (6) firms on the Authority pre-qualified slate. Four (4) proposals were received and reviewed by representatives of the housing, finance and legal departments. Buchanan Ingersoll is being recommended based on price and qualifications. The firm is located at One Oxford Centre, 301 Grant Street, 20th Floor, Pittsburgh, PA 15219. Margaret B. Angel will be the principal relationship partner to the Authority in this transaction.

North Side Associates (NSA) currently owns 324 units located in 239 separate buildings spread out among the historic Northside. The units are a mix of 1, 2, 3, 4, and 5 bedroom townhouses and flats. While moderate improvements have been made to the units over time, a full development-wide capital improvement program has not taken place. In order to undertake this

plan and to extend the long-term affordability of the development, the principals are creating a phased plan for all 324 units. This plan includes substantial rehabilitation of a majority of the units and new construction/replacement of the obsolete units in a phased approach over the next eight (8) years. Phase 1 includes the rehabilitation of 75 units located within 40 buildings. Renovations will include new roofs, windows, flooring, appliances and updated kitchens and bathrooms. Most the units will be gutted and reframed. The approximate construction cost per unit is \$142,000.

Proposed preliminary financing sources include a \$7.0 million permanent first mortgage (Dollar Bank), \$6.6 million in 4% LIHTC equity, \$2.3 million in historic tax credit equity, a to be requested \$500,000 Rental Housing Development and Improvement (RHDIP) loan from the Authority, \$1.875 million in seller financing, \$649,000 in interim income, \$614,000 in a deferred developer fee and \$99,000 in an escrow transfer. Dollar Bank will provide a construction loan in the amount \$12.8 million. Seven million of the \$12.8 million will convert to a permanent loan and \$5.8 million will be repaid with tax credit equity upon stabilization.

The application for Tax-Exempt Volume Cap will be submitted to the Pennsylvania Housing Finance Agency (PHFA) in June of 2017. Closing is planned for the fourth quarter of 2017.

The current owner of the North Side Properties is a limited partnership called North Side Associates (NSA). The principal of NSA is Robert Mistick. Northside Properties Residences I LLC (NPRI), is a new entity that will consist of Robert and Sarah Mistick as principals and will be created to purchase and redevelop the phase 1 properties.

Mr. Thomas Cummings stated that the Authority intends to close Phase I later in 2017. The Authority will be asked later in the year to issue tax-exempt bonds for this development.

Mr. Cummings stated that the Authority is recommending Buchanan Ingersoll & Rooney, PC as bond counsel. The fee will be an amount not to exceed \$30,000.00, plus costs.

Mr. Ferlo inquired if any fear or concern exists as to potential changes to the Tax Code. Mr. Cummings answered that a slight fear is the possible chilling effect on the tax credit market, and tax credit pricing is down slightly from 6 months to one year ago. He said that this has been factored into the projection. However, the biggest fear is probably the threat to local funds that might be put into projects like this. President Trump's proposed budget would have more than a chilling effect and we wouldn't be able to do deals like this. The Federal administration has proposed to eliminate programs in 2018.

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

RESOLUTION NO. 168 (2017)

RESOLVED: That the engagement of Buchanan Ingersoll & Rooney, PC as bond counsel for the Northside Properties Residences Phase 1 – Multifamily Tax Exempt Financing, for an amount not to exceed \$30,000.00 plus costs, 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.

5. Affordable Housing – Multifamily Tax Exempt Financing (continued)

a. Fineview - Allegheny Dwellings Phase I

1. Engagement of Dinsmore & Shohl LLP as bond counsel, for an amount not to exceed \$40,000.00, plus costs.

Mr. Rubinstein requested approval of this item.

Mr. Thomas Cummings stated that at the December 8, 2016 Board Meeting, the Authority took official action pursuant to Resolution No. 428 (2016) to register the Intent to Issue Multifamily debt for the redevelopment of Allegheny Dwellings Phase I in the amount of up to \$10 million. Authorization is now requested to engage Dinsmore & Shohl LLP to serve as the Authority's bond counsel for the development.

The Authority issued a Request for Proposals to six (6) firms on the Authority pre-qualified slate. Four (4) proposals were received and reviewed by representatives of the housing, finance and legal departments. Dinsmore & Shohl LLP is being recommended based on price and qualifications. The firm is located at One Oxford Centre, 301 Grant Street, Suite 2800, Pittsburgh, PA 15219. Christopher Brewer and Sujyot S. Patel will be the primary contacts for this transaction.

Allegheny Dwellings was built in the 1940s as a barrack style public housing community in the Fineview Neighborhood by the Housing Authority of the City of Pittsburgh (HACP). There are currently 272 units of affordable housing units. The overall redevelopment plan is to replace the entire Allegheny Dwellings in multiple phases over multiple years, culminating in a total of 372 mixed income units. The Phase I redevelopment will consist of 65 mixed income housing units (47 affordable/18 market rate). Phase I of the development will demolish the lower portion of Allegheny Dwellings that includes 97 units.

The project is preliminary expected to be funded with a \$16.2 million HACP loan, \$5.3 million in 4% LIHTC equity, \$500,000 in a to-be requested Authority Rental Housing Development and Improvement Program (RHDIP) loan, and a \$2.2 million conventional loan. The Authority will issue short term tax-exempt bonds that will be used as construction period financing.

The application for 4% LIHTC will be submitted to the Pennsylvania Housing Finance Agency (PHFA) in June 2017. Closing on permanent financing is expected by the fourth quarter of 2017.

Trek Development was selected by HACP for the developer of the project. Mistick Construction will be the general contractor and Rothschild Doyno Collaborative is the project architect.

Mr. Cummings stated that this is the first phase of the redevelopment of the Allegheny Dwellings project. Phase I will consist of 65 units, most of which are on-site and a small number are on City/URA parcels.

Mr. Ferlo asked if Trek is dealing with any relocation during construction. Mr. Cummings responded that this development is being done in phases. He believes the residents for Phase I, have been relocated by the Housing Authority primarily to vacancies on the site.

RESOLUTION NO. 169 (2017)

RESOLVED: That the engagement of Dinsmore & Shohl LLP as bond counsel for the Allegheny Dwellings Phase 1 – Multifamily Tax Exempt Financing, for an amount not to exceed \$40,000.00 plus costs, 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.

6. Affordable Housing – Multifamily Tax Exempt Financing Crawford Roberts - Crawford Square Redevelopment
 - a. Engagement of Cohen & Grigsby, P.C. as bond counsel for an amount not to exceed \$35,000.00, plus costs based on a competitive review of proposals that were issued to the slate.
 - b. Engagement of PNC Capital Markets LLC as underwriter for an amount not to exceed \$126,000.00, plus costs.

Mr. Rubinstein requested approval of these items.

Mr. Cummings stated that at the May 12th, 2016 Board Meeting, the Authority took official action pursuant to Resolution No. 163 (2016) to Register the Intent to Issue Multifamily debt for the redevelopment of Crawford Square Redevelopment in the amount of up to \$36 million. Authorization is requested to engage Cohen & Grigsby, P.C. to serve as the Authority's bond counsel for the development. Authorization is also requested to engage PNC Capital Markets LLC to serve as the Authority's underwriter for the development. This issuance requires an underwriter because the bonds will be sold publicly (the bonds are not being privately placed).

The Authority issued a Request for Proposals to nine (9) law firms for bond counsel and nine (9) entities for underwriting services from the Authority pre-qualified slates. Five (5) bond counsel

proposals and six (6) underwriter proposals were received and reviewed by representatives of the housing, finance and legal departments.

Cohen & Grigsby, P.C. is being recommended for bond counsel based on price and qualifications. The firm is located at 625 Liberty Avenue, Pittsburgh, Pennsylvania 15222. Andrew C. Maher is the primary contact for this transaction. PNC Capital Markets LLC is being recommended for underwriter based on price and qualifications. The firm is located at the Tower at PNC Plaza, 11th Floor, 300 Fifth Avenue, Pittsburgh, Pennsylvania 15222. Antonio T. Misiti is the Managing Director.

The Crawford Square redevelopment will include the acquisition and moderate rehabilitation of 347 units; 135 one-bedroom, 186 two-bedroom, and 26 three-bedroom units. Up to 60 units will be assisted through a Housing Authority of the City of Pittsburgh (HACP) Housing Assistance Payment (HAP) contract. One-hundred and ninety-four (194) units (roughly 55%) will remain affordable to households with incomes at or below 60% of area median income, and 153 units will be rented at market rents.

The rehabilitation scope will typically include new roofs, windows, flooring and appliances, as well as updated kitchens and bathrooms. HVAC systems older than five years will be replaced with high-efficiency models, all appliances will be replaced with energy star models, and plumbing equipment will be replaced with water conserving fixtures. Site improvements include the milling and paving of all parking areas; replacement of site lighting with LED fixtures; and the construction of walkways, parking stalls, trash enclosures, and public right-of-way improvements to achieve UFAS compliance. The development budget includes approximately \$48,000 per unit in renovation costs.

The preliminary permanent project sources include a \$26 million 221(d)4 FHA first mortgage loan through Gershman Mortgage, \$9.7 million in 4% LIHTC equity, \$6 million in ARMDC Funds, existing URA debt of \$14.8 million, existing PHFA debt of \$1.3 million, interim income of \$1,033,000, an escrow transfer of \$1,520,000, and a \$1.0 million deferred developer's fee. The Authority will issue the tax-exempt bonds in the amount of up to \$36 million that will be used as construction period financing.

The tax-exempt bonds will be fully collateralized with a combination of FHA-insured loan proceeds and LIHTC equity and/or an equity bridge loan. Once the rehabilitation has been completed and associated investor requirements have been met, the bonds can be paid off in their entirety.

The current owners of the Crawford Square development are three separate limited partnerships: Crawford-Roberts Limited Partnership; Crawford Square Apartments II, L.P.; and Crawford Square Apartments III, L.P. The development entities are McCormack Baron Salazar, Inc. and Allies & Ross Management and Development Corporation (ARMDC). Crawford 123, L.P. is the "to be created" entity to purchase and redevelop the properties.

Mr. Cummings stated that the Authority has had positive experiences with PNC. PNC came to the table when this project was in danger of going to market. PNC made a loan to entities controlled by McCormack Barron Salazar to enable them to buy out the previous limited partners.

Crawford Square will be more of a moderate rehab. The first phase was built in the early 90's and later phases were built in the mid to late 90's. All three (3) phases will be consolidated (347 units) into one phase, owned by a limited partnership of which McCormack Baron Salazar will be the General Partner. The unit mix as to affordability will stay the same.

The Housing Authority also came to the table last year when former limited partners needed to be bought out. The Housing Authority will also stay in the deal. The Authority has a considerable sum invested in this project from the original financings, which will be reinvested.

Mr. Ferlo asked if an auditor, in the past or future, is being used determine if the 194 units remain affordable. Mr. Cummings responded that the Pennsylvania Housing Finance Authority (PHFA) monitors affordability, and that projects must be monitored to get the tax credits each year.

Mr. Ferlo asked if this must be reported as public information. Mr. Cummings said he did not know, but would inquire. Antonio Mesiti, of PNC, was present to answer questions.

Chairman Acklin thanked the URA Staff for all their hard work, noting that these are three big investments we have made collectively here as a Board and staff to preserve and build new affordable housing across the City.

The Chairman asked for any further questions or comments. There were none.

Upon motion to approve made by Mr. Ferlo, seconded by Ms. Hall-Russell and Mr. Lavelle and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 170 (2017)

RESOLVED: That the engagement of Cohen & Grigsby, P.C. as bond counsel for the Crawford Square Redevelopment – Multifamily Tax Exempt Financing, for an amount not to exceed \$35,000.00, plus costs, 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. 171 (2017)

RESOLVED: That the engagement of PNC Capital Markets, LLC as underwriter for the Crawford Square Redevelopment – Multifamily Tax Exempt Financing, for an amount not to exceed \$126,000.00, plus costs, 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.

7. Business Expansion – Pittsburgh Manufacturing Assistance Program

- a. Amendment of Agreement with Catalyst Connection to provide technical assistance to City of Pittsburgh manufacturers for an increase of up to \$25,000.00 and extension of term to May 31, 2020.

Mr. Rubinstein asked for approval of this item.

Mr. Thomas Link stated that the Pittsburgh Manufacturing Assistance Program (PMAP) is the refunding and reauthorization of a partnership that dates back to 2001 between Catalyst Connection and the URA to provide technical assistance services to City of Pittsburgh located manufacturers.

Since 2006, the program has invested about \$82,400.00 of URA monies, leveraging \$302,000.00 in private and Catalyst Connection matching funds to assist 39 City of Pittsburgh located manufacturers on a variety of projects, including workforce training, manufacturing process improvements, operations planning and more.

Companies that have benefited from the program since 2012, include Carnegie Robotics, Paper Products, Dawar, RE Squared, Process Instruments, Caldwells Windoware, Acutronic, ActivAided, McConway and Torley, AK.U.stica, Gamma Sports, IngMar Medical, Franklin Trust, and others.

In 2014, the Pittsburgh region employed over 96,000 people in 3,000 manufacturing enterprises, representing \$12.9B in output for approximately 11% of the region's total. Manufacturing remains a vital growth sector in the Pittsburgh region and the City of Pittsburgh.

The basic features of the PMAP program include a URA, up to \$2,000, matching grant toward the cost of a jointly (URA and Catalyst Connection) approved technical assistance engagement with a Pittsburgh located manufacturer.

This authorization will provide sufficient funding to assist approximately 15 manufacturers. Businesses who participate in the program must be located in the City of Pittsburgh, current on all on federal, state or local taxes and any existing private or publicly financed loan and will be required to sign an affidavit to that effect. Manufacturers will also be required to provide follow-up reporting to the URA as to the implementation of recommended improvements, job creation and increased sales.

Catalyst Connection is an economic development organization with over 28 years of experience dedicated to helping Pittsburgh region small manufacturers improve their competitive performance in a global market place. In 2016 alone, Catalyst worked with 240 regional

manufacturers, retaining and increasing \$128 million in sales of client improvement projects while creating and retaining 958 jobs by these manufacturers.

The Funding Source will be Entrepreneurship Support and/or CDBG Repayments.

Petra Mitchell
President & CEO
Catalyst Connection
200 Technology Drive
Pittsburgh, PA 15219

Mr. Link stated that the role we often play in helping business expansion in the City of Pittsburgh is providing direct sources of capital in the form of loans. Sometimes businesses don't need direct capital, they need help. For the last 17 years, the URA has been partnering with Catalyst Connection through the Pittsburgh Manufacturing Assistance Program, where we'll provide direct technical assistance to City based manufacturing companies. With today's manufacturing advances, this may mean, precision manufacturing and clean tech. Optimist Technologies, for example, is a company we recently helped through this program. We work with Catalyst to identify how to help a company with technical assistance. This might involve training for clean manufacturing, quality assurance, layout of processes and equipment, and other activities. We spend approximately \$8,000.00 to \$10,000.00 per year for this program. The Authority is requesting \$25,000.00 to reinvest in this program, which should cover three (3) years. Our exposure is less than \$2,000.00 per engagement to help 3 or 4 companies per year.

Mr. Matt Holjes, of Catalyst Connection, was present to answer questions.

Mr. Lavelle asked how one engages with Catalyst. Mr. Holjes explained that one way is through its website. Often times it's through its work in the marketplace. They engage with companies daily as part of their service.

The Chairman invited further questions or discussion. There was none.

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

RESOLUTION NO. 172 (2017)

RESOLVED: That amendment of the Agreement with Catalyst Connection, dated June 6, 2013 (provision of technical assistance to City of Pittsburgh manufacturers), for an extension of the term to May 31, 2010 and for an increase of up to \$25,000.00, payable from Entrepreneurship Support and/or CDBG repayments, for a total Agreement amount not to exceed \$60,000.00, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority,

is hereby authorized to execute an amendment therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

8. Perry South

- a. Assignment of mortgage recorded against 1917 S. Perrysville Avenue in the 25th Ward, to Perry Hilltop Citizens Council, Inc. for \$1.00.

Mr. Robert Rubinstein requested approval of this item.

Mr. Thomas Cummings stated that on May 26, 1993, the URA loaned the sum of \$235,000.00 to Perry Hilltop Association for Successful Enterprises, Inc. ("PHASE"), and secured the loan with a mortgage on 1917 S. Perrysville Avenue, commonly called the "Button Factory." The property was renovated and contained five (5) apartments. Since the original loan was made, PHASE has ceased operations, and the Button Factory has become vacant and dilapidated. A fire occurred at the property in 2015, further worsening the condition of the property. The URA Engineering and Construction Department examined the property and advised that redevelopment of the property would likely not be feasible due to its poor condition. The property also has delinquent taxes and municipal liens. Consequently, the URA does not believe its existing lien is recoverable.

Perry Hilltop Citizens Council, Inc. is interested in obtaining an engineering feasibility study and possibly developing the Button Factory into residential housing. The URA is proposing to assign its mortgage lien to Perry Hilltop Citizens Council, Inc. in exchange for \$1.00. This will allow Perry Hilltop Citizens Council, Inc. to evaluate the property, initiate foreclosure, and redevelop the property as it sees fit.

Perry Hilltop Citizens Council, Inc. is a non-profit community based organization with an office at 2344 Perrysville Avenue, Pittsburgh, Pennsylvania 15214. Joanna Deming is the Program Manager for the organization.

When PHASE ceased operations some time ago, the URA acquired the remaining part of PHASE's inventory, and has been working to dispose of it. We could not do so with this property because we were not the sole lender. The building is vacant and deteriorated. We were concerned about foreclosing on it and potentially being subject to a demolition lien or having to manage a vacant property. We have been approached by the Perry Hilltop Citizens Council, which wants to see the building renovated. They are working with a developer who believes that renovation into a viable housing development is possible. We seek approval to assign our mortgage to Perry Hilltop to enable it to foreclose on the property and convey it to a developer.

Joanna Demming, a program manager with Perry Hilltop, was present. She works both in Perry Hilltop and in Fineview. Bob Damewood, an attorney who has been providing legal assistance to Perry Hilltop was also present.

Mr. Ferlo asked about the URA's liability. Mr. Cummings answered that the Authority was a lienholder, not the owner. The Authority would be assigning its lien, and would no longer have any interest in the property.

Mr. Ferlo asked if this would make Perry Hilltop the sole lienholder. Mr. Cummings answered that there is a municipal lien. Mr. Ferlo expressed concern that we would be taking a loss on this \$200,000.00. Mr. Cummings responded that while there was thought of foreclosing, there was concern that a developer might have a difficult time with this property. Mr. Cummings clarified that Perry Hilltop does not intend to develop the property itself, but to identify a developer. One developer that thinks there might be some viability in this property is Oak Glade, with whom the URA has worked previously. Mr. Cummings believes this developer has the expertise to determine if the building is viable. Mr. Cummings said the goal is to put this property back into use.

The Chairman invited further questions or discussion. There was none

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

RESOLUTION NO. 173 (2017)

RESOLVED: That assignment of the mortgage recorded against 1917 S. Perrysville Avenue, in the 25th Ward, to Perry Hilltop Citizens Council, Inc., for \$1.00, is hereby approved.

9. Central Northside – Federal North – Allegheny Commons Park Restoration

- a. Grant to Pittsburgh Parks Conservancy for an amount not to exceed \$250,000.00 for a portion of public space restoration in Allegheny Commons Park.

Mr. Rubinstein requested approval of this item.

Mr. Rubinstein stated that authorization is requested to enter into the above grant agreement to pay for a portion of the restoration of Allegheny Commons Park in the Central North Side. The Pittsburgh Parks Conservancy is working with the Allegheny Commons Initiative, along with the Northside Leadership Conference, to restore the historic Allegheny Commons Park. Allegheny Commons was designed in 1867. It consists of 60 acres of broad lawns, tree-line paths, fountains, benches, a lake, monuments, and other aspects. The community has been working to restore the park to its former glory. In 2002, a master plan was developed by Pressley Associations of Cambridge Massachusetts.

The first phase of restoration work by the Pittsburgh Parks Conservancy will include reconstructing the fountain in the North Commons section of the park. Future phases will include

the restoration of Lake Elizabeth, adding storm water features, rebuilding sidewalks/pathways, and rehabilitating park amenities.

The Pittsburgh Parks Conservancy has spearheaded over \$100 million in capital improvements in the city's four major parks and in neighborhood parks throughout the city. Meg Cheever is the President and CEO. The organization is located at 45 South 23rd Street, Suite 101, Pittsburgh, PA 15203.

The source of the Authority grant will be Federal North TIF funds.

Mr. Rubinstein stated that the Authority was asking for support for that area across from the Garden Theatre block, referred to as the North Promenade. The grant would go toward pedestrian lighting, repaving (asphalt) pathways, tree plantings, restoration, and railings. Upon motion to approve made by Ms. Hall-Russell, seconded by Mr. Lavelle and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 174 (2017)

RESOLVED: That a grant to Pittsburgh Parks Conservancy to provide funding for a portion of public space restoration in Allegheny Commons Park, for an amount not to exceed \$250,000.00, payable from Federal North TIF funds, is hereby approved, and the Executive Director or director of Finance, on behalf of the Authority, is hereby authorized to execute a grant agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

10. Beechview – 1532 Beechview Avenue

- a. Grant to Cut 'N' Run Productions, L.L.C., or a related entity, for an amount not to exceed \$40,000.00 for public space improvements at 1532 Beechview Avenue, Pittsburgh Pennsylvania 15216, in the 19th Ward

Mr. Rubinstein requested approval of this item.

Mr. Rubinstein first pointed out a typographical error in the address in the Agenda, which should read 1532 Beechview Avenue. Mr. Rubinstein stated that Cut 'N' Run Productions is a small video production and photography business that has been located in Beechview for approximately one year. Situated at the gateway to the Beechview business corridor, vaulted sidewalks in front of the property have recently begun collapsing into the basement and are need of repair. This Public Space Improvement grant is a 1:1 match and will allow Cut 'N' Run to complete the public space work to repair the vaulted sidewalks in conjunction with planned façade improvements. Funding for this grant will be City Paygo funds – Beechview or other related Beechview funding source.

incipal:

Jordan McMillen
Cut 'N' Run Studios
1532 Beechview Avenue
Pittsburgh, PA 15216
(412) 343-3600

Mr. Ferlo asked if the grant would be used on the public portion of the property and questioned if it is technically outside the scope of the usual Main Street type program (the Authority's Neighborhood Business District Program). Mr. Rubinstein answered that the grant is a public space improvement grant and will be used for public sidewalks. He explained that the Authority's NBD Program has two (2) different grant/loan programs- the façade program and public space improvement program, which is typically for larger public space projects. There will also be a façade forgivable loan made for this property.

Mr. Ferlo expressed concern about problems with underground vaults. He questioned if the Authority would be responsible for additional sums if problems arose. Mr. Rubinstein answered that the Authority's participation would be limited to the amount of the grant. He stated that Cut'N'Run was paying for matching funds and any overage. He stated that the Authority has reviewed the engineering specifications internally.

The Chairman invited further questions or discussion. There was none.

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

RESOLUTION NO. 175 (2017)

RESOLVED: That a public space improvement grant to Cut 'N' Run Productions, L.L.C., or a related entity, to provide funding for public space improvements at 1532 Beechview Avenue, Pittsburgh, Pennsylvania 15216, for an amount not to exceed \$40,000.00, payable from City Paygo-Beechview funds or other related Beechview funding sources, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a grant agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

11. Homewood

- a. Engagement of Trans Associates Engineering Consultants, Inc. for design and engineering services for the Homewood pedestrian and Transit Improvements, for an amount not to exceed \$204,134.39.

Mr. Rubinstein requested approval of this item.

Mr. Kaminski stated that the URA was recently awarded Transportation Alternatives Program construction funds from the Southwestern Pennsylvania Commission and the Pennsylvania

Department of Transportation. Funds will support construction of pedestrian, bicycle, and traffic calming improvements surrounding Faisson School, in the Homewood neighborhood bounded by Homewood, Braddock and Hamilton Avenues and the Martin Luther King Jr. East Busway (Busway). Funds will also support improved lighting and new bus shelters.

This project is anchored by several assets -- a neighborhood school, business district, and accessibility to the Busway at Homewood Station. Funds will leverage a planned rehabilitation of the Port Authority's Homewood Avenue and Braddock Avenue Bridges. Additionally, street and pedestrian improvements on Tioga Street and Panke Avenue will complement the 45-unit scattered site affordable housing development, Susquehanna Homes, currently in construction. The project will also implement many of the infrastructure improvements identified in the Safe Routes to School and Homewood TOD studies.

The URA requested proposals from six firms for engineering and design services to support pedestrian and transit improvements around Faisson School, including pedestrian-scale lighting, traffic signal upgrades, upgrades to pedestrian level lighting. Firms were selected to receive the RFP based upon their qualifications that were previously submitted to the URA's Engineering and Construction Department, via a Request for Qualifications that was issued in March 2014. In addition, the RFP was advertised on the URA website. Proposals were received from five firms. Trans Associates Engineering Consultants, Inc. was determined to have the best proposal for the work.

Trans Associates Engineering Consultants, Inc. is located at 4955 Steubenville Pike, Suite 400, Pittsburgh, Pennsylvania 15205. Robert E. Goetz is the CEO.

Funding will be from 2014-2015 Homewood CDBG and/or other sources.

The Chairman invited further questions or discussion. There was none.

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

RESOLUTION NO. 176 (2017)

RESOLVED: That the engagement of Trans Associates Engineering Consultants, Inc. for design and engineering services for the Homewood Pedestrian and Transit Improvements, for an amount not to exceed \$204,134.39, payable from 2014-2015 Homewood CDBG 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.

12. South Side Works

- a. Amendment of Agreement with LGA Partners, L.P. (formerly known as Lami Grubb Architects, L.P.), dated December 10, 2014, as amended on June 15, 2016, for

professional electrical engineering services to complete the electrical installation of various amenities related to the renovation of the South Shore Riverfront Park, for an increase of up to \$4,000.00, for a total Agreement amount of \$99,000.00.

Mr. Rubinstein requested approval of this item.

The Authority seeks an increase of \$4,000.00 to the December 10, 2014 Agreement with LGA Partners, L.P. (LGA), formerly known as Lami Grubb Architects, L.P., as amended on June 15, 2016, for electrical engineering services to supply an alternate source of power to amenities within the Tunnel Park area, located east of S. 27th Street, and to provide the valet shelter with sufficient power for a future air conditioning system. The contract documents called for boring beneath S. Water Street to provide electric power to decorative lights and receptacles within the Tunnel Park. However, when the URA's construction contractor applied for the permit to perform the boring work, he was informed that the City of Pittsburgh DPW prohibits boring beneath city streets and would only allow the electrical power supply to be installed via an open cut in the street. Installation of the electrical power supply by the open cut method versus boring would have doubled cost of the work. Subsequently, a DPW representative allowed the URA to tie into a nearby electrical junction box for street lights within Tunnel Park, thereby eliminating the need for a street crossing to provide power to the light amenities. In order to ensure a proper design of this connection, LGA's electrical consultant will be engaged for this work.

With the increase of \$4,000.00, the Agreement would be for a total amount not to exceed \$99,000.00. Funding will be from South Side Works/LTV Project Fund and/or insurance proceeds from the damaged kiosk.

LGA Partners, LP is located at 1425 Forbes avenue, Suite 400, Pittsburgh, PA 15219. Mr. Jonathan Glance is Vice President.

The Chairman invited questions or further discussion. There was none.

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

RESOLUTION NO. 177 (2017)

RESOLVED: That amendment of the Agreement with LGA Partners, L.P. (formerly known as Lami Grubb Architects, L.P.), dated December 10, 2014, as amended on June 15, 2016, for professional electrical engineering services to complete the electrical installation of various amenities related to the renovation of the South Shore Riverfront Park, for an increase of \$4,000.00, payable from Southside Works/LTV Project Fund and insurance proceeds from the damaged kiosk, for a total Agreement amount not to exceed \$99,000.00, is hereby approved, and the Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute an amendment therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

13. North Side

- a. Joint engagement with North Side Industrial Development Corporation, of K.U. Resources, Inc. (hereinafter referred to as ("KU")) to conduct through completion Pennsylvania's Land Recycling and Environmental Remediation Standards Act (Act 2) process for Block 83-P, Lot 60, owned by the Authority, for an amount not to exceed \$60,000.00.

Mr. Rubinstein requested approval of this item.

Mr. Martin Kaminski stated that authorization is requested to enter into a joint agreement with North Side Industrial Development Corporation (NSIDC) to engage K.U. Resources, Inc. to enter and complete Pennsylvania's Act 2 process.

The work will be performed 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, K.U. Resources, Inc. was engaged by NSIDC through their procurement process to complete an Environmental Site Analysis Plan and Phase II Environmental Site Assessment (ESA) with funding through an Environmental Protection Agency (EPA) Assessment Grant. The ESA indicated potential impact to portions of the Site's soil from petroleum related constituents and lead. This Agreement will allow K.U. Resources to perform necessary additional sampling including the drilling of up to ten (10) soil borings and up to three (3) ground monitoring wells to advance an Act 2 process.

On May 11, 2017, the board authorized the URA to submit a grant application to Department of Community & Economic Development (DCED) for Industrial Site Reuse (ISR) Program funds in the amount of \$45,000 to fund a portion of this work. The URA has received a letter of no prejudice to proceed with the work in advance of an award, so that the Developer can have the necessary information to apply to the Pennsylvania Housing Finance Agency for a Low-Income Housing Tax Credit application in the fall of this year.

The balance of the funding will be provided by NSIDC with the remaining funds from the EPA Assessment Grant. Because NSIDC is providing the balance of the funding, the URA and NSIDC will enter into a joint agreement with K.U. Resources. The funding sources will be EPA Assessment Grant, ISR Funds, East Liberty Project Funds and/or other sources.

K.U. Resources, Inc. is located at 22 South Linden Street, Duquesne, Pennsylvania. Mr. Mark Urbassic is the President.

Mr. Ferlo asked if the entire area can be done at one time for every potential use. Mr. Kaminski answered that this work only applies to the area possibly impacted by the gasoline dispensing facility, which is what the funding source will cover.

The Chairman invited further questions or comments. There were none.

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

RESOLUTION NO. 178 (2017)

RESOLVED: That the joint engagement with North Side Industrial Development Corporation of K.U. Resources, Inc. to conduct through completion Pennsylvania's Land Recycling and Environmental Remediation Standards Act (Act 2) process for Block 83P, Lot 60, owned by the Authority, for an amount not to exceed \$60,000.00, payable from the EPA Assessment Grant, ISR funds, East Liberty Project 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(s) therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

14. Chateau – Western Avenue Parking

- a. Revised Proposal and Amended and Restated Disposition Contract for the sale of Block 7-G Lots 11, 12, 13, 13A, 14, 37 and 54, in the 21st Ward, to Western Avenue Associates for \$200,000.00.
- b. Final drawings, evidence of financing, and execution of a deed for the sale of block 7-G, Lots 11, 12, 13, 13A, 14, 37, and 54, in the 21st Ward, to Western Avenue Associates for \$200,000.00.

Mr. Rubinstein requested approval of these items.

Mr. Nathan Clark, speaking for Ms. Kyra Straussman, Director of Real Estate, stated that at its meeting of November 9, 2006, the Board of this Authority approved a proposal and a form of disposition contract for the sale of Block 7-G, Lots 11, 12, 13, 13A, 14, 37, and 54, in the 21st Ward, to Western Avenue Associates. These parcels are located at the intersection of Western Avenue and Fulton Street and, when combined with parcels currently owned by Western Avenue Associates, will produce an approximately 2 acre site. Western Avenue Associates coordinated with the URA in the assemblage of these properties, which were acquired through excess right-

of-way disposition from the Pennsylvania Department of Transportation, purchase of City-owned parcels, vacation of paper streets, and some private property acquisition. The combined site is currently undeveloped and used for event parking. As stated in the minutes for the 2006 action, Western Avenue Associates intended to develop the combined parcel as a "Get Go" facility. Western Avenue Associates was unable to complete its planned development, and at this time, we are requesting authorization to enter into an Amended and Restated Disposition Contract reflecting Western Avenue Associates' current plans to consolidate these parcels and construct a completed surface parking lot to service the North Shore. Western Avenue Associates has had productive discussions with the Manchester Citizens Corporation about this planned development. Should Western Avenue Associates decide to further develop this property in the future, it will have to present plans to this Authority, and go back through the community vetting process. At this time, we are also requesting authorization to execute a deed for the conveyance of the Property.

These approvals and authorizations are contingent upon Western Avenue Associates' continuing submission of updated drawings and construction costs, approval of the same by the URA's Engineering and Construction Department, and upon receipt of evidence of financing and approval of the same by the URA's Real Estate Department, and upon appropriate approval of the Redeveloper's MWBE plan.

Western Avenue Associates is a Pennsylvania limited partnership with an office c/o Ross Development Company, 5989 Centre Avenue, Pittsburgh, PA 15206. Anthony Ross is the President and CEO of Ross Development Company.

Mr. Clark stated that Western Avenue Associates paid \$200,000.00 to the URA, and we then acquired several properties at the Manchester and Chateau border. A \$2,000.00 closing fee will be paid to the URA by Western Avenue Associates at closing.

Mr. Anthony Ross of Western Avenue Associates, and counsel, Mr. Thomas Solomich, were present to answer questions.

Mr. Lavelle asked if the URA owns parcels within the lots. Mr. Clark responded that the URA does. Mr. Lavelle recalled that we previously had zoning issues and Mr. Clark agreed.

Mr. Ferlo asked if this was to be a surface parking lot or a garage, and questioned whether this was the highest and best use for the property. Mr. Ross responded that the use will continue as is, but that they will continue to market it for a higher and better use. If attainable, they would come back to the Authority for that approval. Mr. Ross said it was necessary to have site control to market the property.

Mr. Ferlo asked how the \$200,000.00 purchase price was determined. Mr. Solomich responded that that was the amount the Authority paid to Penn Dot for the lots.

The Chairman invited further questions or discussion. There was none.

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

RESOLUTION NO. 179 (2017)

RESOLVED: That the revised Redevelopment Proposal submitted by Western Avenue Associates and the amendment and restatement of the Disposition Contract dated May 9, 2007 to substantially conform therewith, for the sale of Block 7-G, Lots 11, 12, 13, 13A, 14, 37 and 54, in the 21st Ward, for \$200,000.00 (previously paid) are hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an amended and restated disposition contract by sale therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 180 (2017)

RESOLVED: That the final drawings and evidence of financing submitted by Western Avenue Associates for the sale of Block 7-G, Lots 11, 12, 13, 13A, 14, 37 and 54, in the 21st Ward, are hereby approved, subject to the continuing submission of updated drawings and construction costs and the approval thereof by the Authority's Engineering and Construction Department, the submission of evidence of financing and the approval thereof by the Authority's Real Estate Department, and the Authority's approval of an MWBE plan; and it is

RESOLVED FURTHER: That execution of a deed and all documents necessary to effectuate the sale of Block 7-G, Lots 11, 12, 13, 13A, 14, 37 and 54, in the 21st Ward, to Western Avenue Associates, for the sum of \$200,000.00 (previously paid) is hereby approved, with the conditions that the deed include a covenant that any change to the use of or modifications to the improvements be submitted to the Authority for prior approval and be submitted to local community groups for public input, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a deed therefor and all documents necessary to effectuate said sale, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

15. Lower Hill/Uptown – EcoInnovation District

- a. Proposal and form of contract for the sale of Block 2-H, Lot 53, in the 3rd Ward (also known as Lot 5-B in NRG Subdivision Plan No. 1, and as a portion of Lot E), to NRG Energy Center Pittsburgh LLC for \$238,875.00.

Mr. Rubinstein requested approval of this item.

Mr. Nathan Clark, speaking for Ms. Kyra Straussman, Director of Real Estate, stated that at its meeting of February 9, 2017, the Board of this Authority authorized the sale of a 15,607 square foot portion of Lot E (now known as Lot 5-A in the NRG Subdivision Plan No. 1 pursuant to a

recent subdivision), located along Colwell Street, Stevenson Street, and Our Way in the 3rd Ward, to NRG Energy Center Pittsburgh LLC for a purchase price of \$25.00 per square foot, or \$541,475.00. At the same meeting, this Board authorized the execution of a right of first refusal on the approximately 9,555 square foot remainder of the parcel for potential future expansion of the district energy plant (now known as Lot 5-B in the NRG Subdivision Plan No. 1). As part of the disposition of Lot 5-A, Redeveloper agreed to maintain Lot 5-B as green space until such time as Lot 5-B was developed. The main initial client for the district energy plant is UPMC Mercy. In the time since closing, UPMC Mercy has increased its requested supply from the district energy plant. While Redeveloper is not prepared to expand the district energy plant onto Parcel 5-B at this time, the increased size of subsurface utility lines, and the layout of existing PWSA infrastructure, has made the planned placement of the plant's utility lines in Our Way impractical. Redeveloper has requested to purchase Lot 5-B, place the subsurface infrastructure in this parcel, and develop a landscaped green space on Lot 5-B until such time as the district energy plant is expanded. The purchase price for Lot 5-B will be \$25.00 per square foot, or \$238,875.00. A closing fee will also be paid to the Authority at closing.

Authorization is now requested to accept the proposal of NRG Energy Center Pittsburgh LLC for the redevelopment of a Block 2-H, Lot 53 (Lot 5-B in the NRG Subdivision Plan No. 1), and enter into a disposition contract with NRG Energy Center Pittsburgh LLC for the conveyance Block 2-H, Lot 53 for subsurface utility installation, and construction of a landscaped green space.

The green space development costs are estimated at \$178,882.00. Prior to the sale of this property, the proposed development will again be presented to the URA Board for approval of final working drawings, evidence of financing, and for authorization to execute the deed.

Any future phases of the district energy plant will require URA staff approval of drawings and evidence of financing, along with an additional community process.

NRG Energy Center Pittsburgh LLC is a Delaware limited liability company. It has a mailing at 111 South Commons, Pittsburgh, PA 15212.

Mr. Clark stated that the Authority had met with NRG, and determined that Lot 5-B could not be a development parcel, regardless of whether the lines ran through it. Mr. Clark stated that the proposal, which will return to the Board for final action, is to sell Lot 5-B to NRG, allow them to put the lines where needed and landscape it through plans approved by the Uptown Partners of Pittsburgh. When ready to expand, they will go back to City Planning and the Authority, but they will own the parcel. Mark Miller and Ashley Luttner of NRG were present to answer questions.

Mr. Ferlo asked if the purchase price was for the entire Lot 5-B. Mr. Clark responded that it was.

The Chairman invited further questions or discussion. There was none.

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

RESOLUTION NO. 181 (2017)

RESOLVED: That the Redevelopment Proposal submitted by NRG Energy Center Pittsburgh LLC, for Block 2-H, Lot 53 (Lot 5-B in the NRG Subdivision Plan No. 1), in the 3rd Ward, and the sale thereof to NRG Energy Center Pittsburgh LLC for \$238,875.00 are hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a disposition contract by sale in substantial conformity with said Redevelopment Proposal, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

16. Lawrenceville – Sociable City Brand Pilot

- a. Grant to Lawrenceville Corporation for an amount not to exceed \$30,000.00 for development of the Sociable City Brand pilot program.

Mr. Rubinstein requested approval of this item.

Mr. Nathan Clark, speaking for Ms. Kyra Straussman, Director of Real Estate, asked Ms. Jozette Fitzgibbons, the Authority's Neighborhood Business District Manager, to present this item. Ms. Fitzgibbons stated that in 2012 the City of Pittsburgh hired the Responsible Hospitality Institute to develop a plan for Pittsburgh's nighttime economy. The Pittsburgh Sociable City Plan that was developed established five action teams in the areas of public safety, development and district management, hospitality, community-college accountability, and transportation. URA staff has been highly involved throughout this process.

In 2014 the Lawrenceville Hospitality Committee proposed a neighborhood-based campaign to encourage responsible behavior by patrons in the business district and applied to the Urban Redevelopment Authority for funding. At the time, this proposal coincided with the hiring of the city's first Nighttime Economy Manager, and the URA, working with the communities, determined that a broader campaign should be developed that would be coordinated by the Nighttime Economy Manager, piloted in Lawrenceville and then launched shortly thereafter in the South Side. However, turnover in the Nighttime Economy Manager position and programmatic changes led to a delay in the development of the Sociable City Brand initiative.

The Lawrenceville Corporation has agreed to take the lead on this initiative and to develop a pilot program that will be replicable in other neighborhoods, including the South Side. Deliverables will include educational materials and programs, as well as informational support for businesses. The program will be coordinated with input from the Neighborhood Business District Manager, working closely with other URA staff, City staff, and the Nighttime Economy Manager to fit the campaign into existing business district activities.

Lawrenceville Corporation is a Pennsylvania non-profit with a mailing address at Ice House Studios, 100 43rd Street, Suite 106, Pittsburgh, PA 15201. Matthew Galluzzo is Executive Director.

The Pittsburgh Sociable City Brand program will be funded with 2012 City Bond funds.

Mr. Matt Galluzzo, of the Lawrenceville Corporation, was present to answer questions. Mr. Ferlo asked for clarification of the committee and the scope of services. Mr. Galluzzo said that a third party firm would be hired. He said that an initial scope of services had been drafted for the Authority several years ago.

Mr. Ferlo asked how Lawrenceville differs from the South Side corridor. Mr. Galluzzo answered that Lawrenceville has almost fifty nighttime establishments. Last year they took nine (9) through their community process and this year there have been four (4). The goal is to establish a set of standards and expectations. Mr. Ferlo clarified that this was not for marketing, but geared towards conduct or interaction between residential and commercial parties. Mr. Galluzzo said businesses are interested in the program because they want Lawrenceville to grow.

Chairman Acklin stated that he has asked the City's Nighttime Economy Manager, Allison Harnden, to be involved. Ms. Harnden was formerly with the Sociable City Commission. The Chairman offered the support of the Public Safety Department and Ms. Harnden. The Chairman also asked if parking enhancement was being studied.

Mr. Ferlo asked if valet parking issues were being considered. Mr. Galluzzo responded that they have examined valet and shared parking arrangements.

The Chairman invited further questions or discussion. There was none.

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

RESOLUTION NO. 182 (2017)

RESOLVED: That a grant to Lawrenceville Corporation for development of the Sociable City Brand pilot program, for an amount not to exceed \$30,000.00, payable from 2012 City Bond funds, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a grant agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

17. Vacant Building Insurance

- a. Acquisition of vacant building insurance through James L. Smith Insurance Agency for a first-year premium not to exceed \$22,475.00, with options for two (2) one-year renewals.

Mr. Rubinstein requested approval of this item.

Mr. Nathan Clark, speaking in for Ms. Kyra Straussman, Director of Real Estate, stated that obtaining insurance coverage for the URA's portfolio of twenty-six (26) vacant buildings is challenging because of the higher risk involved with buildings being kept for rehabilitation. The existing insurance expires on July 15, 2017, and we are seeking authorization at this time to enter into a contract to purchase vacant building insurance through James L. Smith Insurance Agency, Inc. with Lloyd's of London as the carrier for a first-year amount not to exceed \$22,475.00, with options for two (2) one-year renewals.

Baily Raabe & Associates is the URA's insurance advisor. Earlier this year Jerry Raabe, the principal of Baily Raabe, worked in conjunction with the URA Insurance Committee to examine best practices for the URA's primary coverages of property, general liability on both operations and vacant land inventory, automobile, umbrella, and public officials/employment practices liability which led to obtaining these coverages starting March 1.

We followed a similar selection process for the evaluation and purchase of vacant building insurance. Based on Mr. Raabe's experience and advice, proposals were sought from three (3) insurance brokers with Pittsburgh offices. In total, over 15 insurance companies were assigned to these brokers. Similar to the above listed coverages this approach enabled competition amongst both brokers and insurers instead of just brokers. After careful scrutiny of the proposals by Mr. Raabe and the internal Insurance Committee, James L. Smith Insurance Agency is recommended to obtain coverage to meet the URA's needs.

Funding for this insurance will be the Leased Land Fund.

James L. Smith Insurance Agency, Inc. is located at 304 Cochran Road, Pittsburgh, PA 15228. Its principal is Daniel Smith.

Mr. Clark stated that given the condition of many of the buildings, obtaining liability insurance can be a challenge. The URA Insurance Committee worked with a third party consultant to seek proposals to select a company.

Mr. David Thomas, of the Authority's Insurance Committee, was present to answer questions. Upon motion to approve made by Mr. Lavelle, seconded by Mr. Ferlo and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 183 (2017)

RESOLVED: That the acquisition of vacant building insurance through the James L. Smith Insurance Agency, Inc., with Lloyd's of London as the insurance carrier, for a first year premium not to exceed \$22,475.00, payable from the Leased Land Fund, and with options for two (2) one year renewals, is hereby approved.

18. Redemption of Single Family Mortgage Bonds 2006 C Series - \$345,000.00

Mr. Rubinstein requested approval of this item.

Mr. Thomas Short stated that part of the Authority's standard bond maintenance program, the Authority has determined the amount of income from prepayments and excess revenue will be available to pay down future debt. In accordance with the Indenture, these receipts are to be used for the early Redemption of Bonds. The economic benefit of calling the Bonds is estimated at \$83,000.00 in interest savings over the term of the Bonds shown below:

\$ 345,000.00 principal amount 2006 Series C

The payoff of debt interest rates ranges from 4.25% to 4.8% with a maturity ranging from 2017 to 2028. This debt reduction is following the 10-year rule established for the Mortgage Revenue Bond parity indenture.

Mr. Short stated that this is our 6-month request to redeem \$345,000.00 of Single Family Mortgage Revenue Bonds. It's a required part of the indenture that we have seen before and will see again in another 6 months. The estimated savings to the URA will be approximately \$83,000.00. He offered to answer questions.

Mr. Ferlo asked for clarification. Mr. Short responded that this is a breakdown of the outstanding bonds and their interest rate over the term. Mr. Ferlo further asked the cost of professional fees. Mr. Short answered approximately \$1,900.00.

The Chairman invited questions or further discussion. There was none.

Upon motion to approve made by Mr. Hall-Russell, seconded by Mr. Ferlo and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 184 (2017)

Re: REDEMPTION OF
SINGLE FAMILY MORTGAGE REVENUE BONDS

WHEREAS, the Authority has heretofore previously issued its Single Family Mortgage Revenue Bonds in order to carry out its Pittsburgh Home Ownership Program and Pittsburgh Housing Recovery Program (the "Program"); and

WHEREAS, to carry out the Programs, the Authority has determined that it will be necessary for the Authority to effect a redemption of certain Mortgage Revenue Bonds pursuant to the Special

Redemption Provisions thereof, and in connection therewith for the Authority to authorize such other actions in connection with the foregoing as are necessary,

NOW, THEREFORE, BE IT

RESOLVED: That the following series of Mortgage Revenue Bonds in the principal amounts set forth below are to be redeemed from monies attributable to prepayments (and scheduled amortization payments on First Mortgage Loans and excess revenues):

\$345,000.00, the principal amount of Mortgage Revenue Bonds, 2006 Series C ,

and it is

RESOLVED FURTHER: That all actions taken or to be taken to accomplish such redemption are hereby authorized, ratified and approved; and it is

RESOLVED FURTHER: That the maturities to be redeemed shall be selected by the Director of Finance.

The Chairman announced that this concludes Agenda "A".

AGENDA "B"

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

1. Finance
 - a. Use of City Bond 2013 Northside Funds to reimburse the following sources used to Purchase property on E. Ohio Street in the following amounts:
 1. CWM CDBG 2001 in the amount of \$5,782.50
 2. CDIF CDBG 2003 in the amount of \$50,000.00

RESOLUTION NO. 185 (2017)

RESOLVED: That the use of City Bond 2013 Northside Funds to reimburse the following sources used to purchase property on East Ohio Street in the following amounts is hereby approved:

- b. CWM CDBG 2001 in the amount of \$5,782.50
- c. CDIF CDBG 2003 in the amount of \$50,000.
- d. Reduce the HOME Front Fund appropriation from the URA General Fund from \$1,600,000.00 to \$800,000.00.

Redemption Provisions thereof, and in connection therewith for the Authority to authorize such other actions in connection with the foregoing as are necessary,

NOW, THEREFORE, BE IT

RESOLVED: That the following series of Mortgage Revenue Bonds in the principal amounts set forth below are to be redeemed from monies attributable to prepayments (and scheduled amortization payments on First Mortgage Loans and excess revenues):

\$345,000.00, the principal amount of Mortgage Revenue Bonds, 2006 Series C ,

and it is

RESOLVED FURTHER: That all actions taken or to be taken to accomplish such redemption are hereby authorized, ratified and approved; and it is

RESOLVED FURTHER: That the maturities to be redeemed shall be selected by the Director of Finance.

The Chairman announced that this concludes Agenda "A".

AGENDA "B"

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

1. **Finance**
 - a. Use of City Bond 2013 Northside Funds to reimburse the following sources used to Purchase property on E. Ohio Street in the following amounts:
 1. CWM CDBG 2001 in the amount of \$5,782.50
 2. CDIF CDBG 2003 in the amount of \$50,000.00

RESOLUTION NO. 185 (2017)

RESOLVED: That the use of City Bond 2013 Northside Funds to reimburse the following sources used to purchase property on East Ohio Street in the following amounts is hereby approved:

- b. CWM CDBG 2001 in the amount of \$5,782.50
- c. CDIF CDBG 2003 in the amount of \$50,000.
- d. Reduce the HOME Front Fund appropriation from the URA General Fund from \$1,600,000.00 to \$800,000.00.

RESOLUTION NO. 186 (2017)

RESOLVED: That reduction of the HOME Front Fund appropriation from the URA General Fund from \$1,600,000.00 to \$800,000.00 is hereby approved.

2. Real Estate

a. Northside

1. Acquisition of any and all rights of the Pennsylvania Department of Transportation in Block 9-A, Lots 193A, 209, and 212 (three – parcels owned by the Authority with clouded title located along vacated Voeghtly Street), in the 23rd Ward.

RESOLUTION NO. 187 (2017)

RESOLVED: That the acquisition of any and all rights of the Pennsylvania Department of Transportation in three parcels owned by the Authority, known as Block 9-A, Lots 193A, 209, and 212, located along vacated Voeghtly Street, in the 23rd Ward, is hereby approved, and the Executive Director or the Director of Finance, on behalf of the Authority, is authorized to execute an agreement of sale therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

b. Hill District

1. Redevelopment proposal, disposition contract, evidence of financing and execution of deed for the sale of Block 10-H, Lot 182, in the 5th Ward, to Denise Wilson, for \$500.00 (sideyard – 531 Morgan Street).

RESOLUTION NO. 188 (2017)

RESOLVED: That the Redevelopment Proposal and evidence of financing submitted by Denise Wilson for Block 10-H, Lot 182 (sideyard – 531 Morgan Street), in the 5th Ward, and the sale thereof for \$500.00 are hereby approved, and the Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute a disposition contract by sale in substantial conformity with said Redevelopment Proposal and a deed for said property and all documents necessary to effectuate the sale thereof, and the Secretary or the Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

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


Assistant Secretary