

March 8, 2018

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

March 8, 2018 – 2:00 P.M., E.S.T.

Members Present: Acklin, Gainey, Hall-Russell, Lavelle, Williamson.

Members Absent: None

Staff Present: Alcorn, Bohince, Brooks, Clark, Cummings, Davidson, Edwards, Fedorek, Fitzgibbons, Hobbes, Kaminski, Link, Matthews, Meier, Nemani-Stanger, Pawlak, Powell, Roytas, Rubinstein, Saladna, Schacht, Short, Stec, and Walker,

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

1. General

- a. The minutes of the Regular Board Meeting on February 8, 2018 were approved as written and previously distributed.

2. Executive Session

Mr. Acklin announced that an Executive Session was held on February 8, 2018 regarding advancing the Mayor's agenda for P4.

3. Announcements

a. RFP's, RFQ's and Bids

- i. Request for proposals (RFP) for construction management/construction inspection services for Liberty Green.
- ii. Request for qualifications (RFQ) for façade and residential rehabilitation services Citywide.
- iii. Multiple requests for proposals (RFP's) and/or requests for qualifications (RFQ) for the sale and redevelopment of multiple parcels in the Hill District. The number of RFP's and groups of parcels are still to be determined.
- iv. Request for proposals (RFP) for a firm to draft policies and procedures for the new Housing Opportunity fund.

- b. Mr. Rubinstein requested authorization to bid for the demolition and/or deep construction of the former Homewood School.

- c. Mr. Link, Director of the Center for Innovation and Entrepreneurship, announced that a sponsorship and partnership with the Larimer Consensus Group, East Liberty Development Group, and Paramount Co-Op for a nine-month business incubation program that will target the East End specifically in creating 10 new businesses. This program will launch this year with an Open House being held on March 19 2018.
4. Strip District – Produce Terminal
 - a. Long term ground lease of Block 9-D, Lot 200, in the 2nd Ward (the Produce Terminal) to McCaffery Interests, Inc., Produce Terminal Holdings, LLC, or a related entity to be formed for \$2,500,000.00
 - b. Execution of a deed for the improvements located at Block 9-D, Lot 200, in the 2nd Ward (the Produce Terminal) to McCaffery Interests, Inc., Produce Terminal Holdings, LLC, or a related entity to be formed for \$1.00.
 - c. Right of first refusal agreement for Block 9-D, Lot 200, in the 2nd Ward (the Produce Terminal) with McCaffery Interests, Inc., Produce Terminal Holdings, LLC, or a related entity to be formed.
 - d. Approval of Strip District Business Loan Program guidelines.

Mr. Rubinstein requested Board approval of the above items.

Mr. Rubinstein stated that in early 2014, Fourth Economy Consulting (“FEC”) was engaged by the Mayor’s office and the Urban Redevelopment Authority (“URA”) to assist in the search for and evaluation of redevelopment alternatives for the Produce Terminal, Block 9-D, Lot 200, an approximately 8.156-acre parcel improved with an approximately 125,468-square-foot building (the Produce Terminal) located along Smallman Street between 16th and 21st streets in the Strip District. It was the desire of the Administration to seek options that limited the need for the building’s full or partial demolition while offering uses that presented viable financial and operational strategies. It was also critical that the proposer’s plans be compatible with and add value to the neighborhood and surrounding development plans.

In September 2014, after a public meeting and following the review of multiple RFP responses by a team of individuals representing Council District 7, the Department of City Planning, FEC, the Office of the Mayor, and several departments at the URA, the Board of this Authority approved exclusive negotiations with McCaffrey Interests, Inc., along with one other RFP respondent for the sale of the Produce Terminal.

At its meeting of July 9, 2015, the Board rescinded its prior Exclusive Negotiations authorizations, and authorized exclusive negotiations with McCaffery Interests, Inc. and another potential

development partner for the redevelopment of the Produce Terminal. At its meeting of April 14, 2016, this Board approved the Redevelopment Proposal Package submitted by McCaffery Interests, Inc. only for the Produce Terminal, and authorized the execution of a disposition contract by sale or lease with McCaffery Interests or a related entity.

At this time, we are requesting authorization to execute documents necessary to transfer control of the Produce Terminal to Produce Terminal Holdings, LLC ("Redeveloper"), an entity formed by McCaffery Interests, Inc. for the redevelopment of the Produce Terminal. Typically, staff would also request approval of Redeveloper's final drawings and evidence of financing at this time so that Redeveloper would be able to begin construction of its planned improvements. However, we are not requesting such approvals now. Redeveloper's Disposition Contract was drafted to permit Redeveloper to obtain control of the Produce Terminal for management, stabilization, and maintenance purposes prior to the start of any major construction. We will return to this Board at a later date to obtain approvals of final drawings and final evidence of financing. Accordingly, Redeveloper will not be permitted to begin construction on Redeveloper's planned improvements at this time.

Redeveloper is proposing to redevelop the Produce Terminal in a manner consistent with the Memorandum of Understanding, dated March 10, 2017, between McCaffery Interests, Inc. and the URA, as a mixed-use development including office, retail, and food-centric uses, with at least two pedestrian passages linking Smallman to the property adjacent to the Produce Terminal. The estimated development costs for the Produce Terminal, including proposed dock extension, are \$49,500,000.00.

On a parallel path, and in conjunction with the redevelopment of the Produce Terminal, the City of Pittsburgh's Departments of Mobility and Infrastructure and Planning, along with the URA, PWSA, and McCaffery, are working on finalizing conceptual plans to improve Smallman Street and related public realm enhancements.

It is contemplated that a Smallman Street TIF District Plan will be presented to the URA Board for consideration in April 2018 and then presented to the taxing bodies for consideration after authorization.

Principal:

Dan McCaffery

Produce Terminal Holdings, LLC

McCaffery Interests, Inc.

875 North Michigan Avenue, Suite 1800

Chicago, IL 60611

As part of the Produce Terminal redevelopment efforts, it is suggested that specific support be afforded to local and regional businesses seeking to open in the Produce Terminal and the surrounding Strip District commercial corridor. To that end, the URA is seeking establishment of a revolving public investment fund to support such businesses.

The Strip District Business Loan Fund ("SDBLF") is designed to stimulate the growth of new and existing businesses in the Strip District. The SDBLF will provide market-rate gap financing to businesses based on determination of need, where the applicant is unable to finance fully the proposed project with equity, bank financing and other private and public financing. The SDBLF is available to qualifying businesses located in the "Lower Strip District Certified Redevelopment Area, #68" approved on September 20, 2011. The area is generally bounded by the Allegheny River to the north; 11th Street to the west; 23rd and 24th streets to the east; and Liberty and Penn Avenues to the south.

The SDBLF will be sourced from Smallman Street TIF proceeds, the City of Pittsburgh, the Commonwealth of Pennsylvania Department of Community and Economic Development, and/or the U.S. Department of Housing and Urban Development's Community Development Block Grant (CDBG) sources.

Mr. Rubinstein acknowledged and thanked the Department of City Planning and PWSA and their hard work on Smallman Street. He thanked the Mayor's Office, Councilwoman Gross, and Director Link for their leadership in representing the residents and stake holders on this project. He thanked Mr. McCaffery's team for their patience and flexibility on this project and the Authority staff for their hard work. He stated that everyone shares the vision that this part of Pittsburgh is special and a crown jewel for visitors and residents alike. He believes that this project now is economically feasible and sustainable.

Mr. Acklin stated that there has been a great deal of progress on this project in the last four years. He stated that the original proposal was geared toward a housing development, which has now changed to a mixed-used development that will include small and local businesses. He stated that an MOU that had been issued a year ago led to an approval by the Pittsburgh City Council of this Agreement. He thanked Mr. McCaffery for his patience in this development.

Mr. Daniel McCaffery, of Produce Terminal Holdings, LLC and McCaffery Interests, Inc., was present. Mr. McCaffery explained his plans for redevelopment of the Produce Terminal. Mr. McCaffery stated that he is looking forward to completing this project. He stated that Smallman Street needs to be redeveloped to be safe for, and accommodating to, pedestrians.

Janet McCall, the Executive Director of the Society for Contemporary Craft, was present. Ms. McCall read a statement that is attached.

Susan Yohe, Chair of the Board of Directors of the Society for Contemporary Craft, was present. Ms. Yohe read a statement that is attached.

Deb Gross, Councilwoman for the City of Pittsburgh, was present. Councilwoman Gross thanked the representatives of the Society for Contemporary Craft for their statements. Councilwoman Gross discussed the need to guard against commercial gentrification in the Strip District. She stated that she believed that the signed MOU stipulations had not all been fulfilled. She stated that the terminal building should have historic status. She stated that she agrees with the vision

Mr. McCaffery presented, and is concerned about the financing of this project. She requested that the Board require the redeveloper to sign a lease with the Society for Contemporary Craft and submit a historic review application.

Mr. Acklin stated that the public would be well-protected in the proposed agreement and there are many public benefits that were negotiated as part of this proposal. He stated that the TIF dollars will go into the redevelopment of Smallman Street. Mr. Acklin further note that there are public investments in the development of Smallman Street already underway. He stated that the redevelopers subleases cannot be negotiated today, but that the project will be conditioned on making sure the conversation between the redeveloper and the Society for Contemporary Craft takes place. He stated that the Authority has a fiduciary responsibility to the public to move forward with this development. Mr. Acklin proposed conditions to the approval of the lease in the form of obtaining public comment on the material terms of the lease, with an abstract to be posted on the Authority's website by the following Monday, with the ability for the public to comment for a twenty-five-day period. This would be followed by review of a summary of the comments at the Authority's next regular Board meeting.

Mr. Williamson stated that he has been observing the progress of this development in the last five years and can appreciate the viewpoint of the pubic and the importance of this development to the City. He asked regarding the ability of the redeveloper to sell the building. Nathan Clark, Director of Real Estate for the Authority, answered that the Authority will place restrictions in the Disposition Contract to protect the Authority and the public.

Mr. Lavelle supports the motion to amend these resolutions. He stated that entering a ninety-nine-year lease is a concession being made politically to the public, and feels is not in the best interest of the Authority. He feels the City should own this building not the Authority, but will enter a lease because of community concerns.

Upon a motion to approve by Mr. Lavelle, seconded by Dr. Hall-Russell and unanimously carried, the following resolutions were adopted, as amended:

RESOLUTION NO. 86 (2018)

RESOLVED: That a lease to McCaffery Interests, Inc., Produce Terminal Holdings, LLC, or a related entity to be formed, for Block 9-D, Lot 200, in the 2nd Ward (the Produce Terminal), for the amount of \$2,500,000.00 is hereby approved, subject to posting of an abstract of the lease terms on the Authority's website with a 25-day public comment period followed by a review of a summary of such comments at the next regular Authority Board meeting and the commencement of substantive sublease negotiations between the redeveloper and the Society for Contemporary Craft, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a long-term ground lease and all documents necessary to effectuate the lease, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO. 87 (2018)

RESOLVED: That a deed to McCaffery Interests, Inc., Produce Terminal Holdings, LLC, or a related entity to be formed, for the improvements located at Block 9-D, Lot 200, in the 2nd Ward (the Produce Terminal), for \$1.00 is 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 conveyance thereof, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO. 88 (2018)

RESOLVED: That a right of first refusal on Block 9-D, Lot 200, in the 2nd Ward (the Produce Terminal) to McCaffery Interests, Inc., Produce Terminal Holdings, LLC, or a related entity to be formed, 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 the same and affix the seal of the Authority thereto.

RESOLUTION NO. 89 (2018)

RESOLVED: That the Strip District Business Loan Program Guidelines are hereby approved.

5. Lawrenceville – Lawrenceville Community Land Trust Phase II
 1. Community Development Investment Fund – grant agreement with Lawrenceville Corporation in an amount not to exceed \$50,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Cummings, Director of Housing, stated that authorization is requested to approve the above agreement for a proposed affordable scattered site land acquisition and housing rehabilitation

project in the Upper Lawrenceville neighborhood. The Lawrenceville Corporation ("LC") is a non-profit community development corporation in the neighborhood. LC and Lawrenceville United ("LU") previously contracted with EvolveEA to lead a community planning process for Upper Lawrenceville with funding from the Design Center. With the input of over 200 residents and a neighborhood steering committee, the Upper Lawrenceville Community Plan was released in the summer of 2013. One of the priorities of the Community Plan is that Upper Lawrenceville must offer "housing for all," and that community partners must move to ensure that both economic diversity and affordability are maintained amidst the exponential growth in the residential real estate market. To help to achieve this goal the LC has utilized a Community Land Trust ("CLT") Model.

A CLT is a tool that creates permanently affordable home ownership opportunities for individuals who have been priced out of the private market. Based on the structure of CLTs, these homes are guaranteed to be permanently affordable. Through the use of a ground-lease, CLTs set a maximum resale price designed to give homeowners a return on their investment, while also ensuring that future homebuyers at the same income level have access to affordable homeownership.

To date, the LC has substantially completed the seven (7) unit first phase CLT initiative and has secured sales contracts for five (5) of the seven (7) properties. Authorization is requested to enter into the above-mentioned Community Development Investment Fund ("CDIF") Grant Agreement for up to \$50,000.00 to be used for pre-development funding for acquisition and soft costs to support the four (4) unit phase II CLT initiative.

Details of the development are as follows:

Developer:	Lawrenceville Corporation Matthew Galuzzo, Executive Director Ed Nusser, Land Use Coordinator The Ice House Studios 100 43 rd St, Pittsburgh, PA 15201
Location:	Scattered sites in Upper Lawrenceville
Ward:	10 th Ward
Description:	Site control, additional holding and pre-development costs related to the second phase of Community Land Trust initiative.
Projected Total Development Cost:	\$1,007,895
Pre-Development Cost:	\$398,979

Projected Sales Price: \$125,000-\$150,000

Pre-Development Financing Sources:

NON URA FINANCING

PNC Line of Credit	\$333,254
Heinz Endowments	<u>\$ 15,725</u>
Total:	\$348,979

URA FINANCING

URA CDIF Grant:	<u>\$50,000</u>
Total:	\$50,000

Total: \$398,979

Authority Financing:

\$50,000 - Community Development Investment Fund (CDIF) Grant.

Program Benefit: This development will help maintain and enhance the economic diversity of Lawrenceville by providing permanent affordable for sale housing

Matthew Galuzzo, Executive Director of Lawrenceville Corporation, was present. Mr. Galuzzo stated that there have been over 300 inquiries for the program and sixty applications submitted. He stated that there two units out of the first seven have closed. He thanked the Authority staff, Councilwoman Gross, and the Mayor’s office for their leadership on this project. He feels that the next phase needs to begin as soon as possible. He stated that part of this process is evaluation of the P4 guidelines and measuring the projects against them and making sure that they are consistent with the Affordable Housing Taskforce recommendations.

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

RESOLUTION NO. 90 (2018)

RESOLVED: That a Community Development Investment Fund grant to Lawrenceville Corporation for a proposed affordable scattered site land acquisition and housing rehabilitation project in the Lawrenceville neighborhood, for an amount not to exceed \$50,000.00, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a Community Development Investment Fund grant agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

6. Hazelwood – Hazelwood Homeownership Incubator Project.

1. Community Development Investment Fund – grant agreement with Hazelwood Initiative in an amount not to exceed \$30,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Cummings stated that authorization is requested to approve the above agreement for a proposed Homeownership Incubator project in the Hazelwood neighborhood. Hazelwood Initiative (“HI”) is the non-profit community development corporation for the neighborhood. HI has a mission to build a strong Hazelwood through inclusive community development and envisions making the neighborhood vibrant, diverse and active. One of HI’s major ongoing initiatives is to improve the existing housing stock for existing long-time residents. The vast majority of the work has been done in partnership with Rebuilding Together Pittsburgh (“RTP”). RTP has been the general contractor for HI’s “Rehab for Resale” houses and is a partner in the Discount Home Repair Program.

HI is now undertaking a “Homeownership Incubator” program where it will renovate a blighted vacant house and transform it into two affordable rental units. HI will lease the units to households that are interested in becoming homeowners but are not ready to become homeowners. The households occupying the units will enroll in monthly homeownership counseling sessions while repairing their credit. Additionally, a portion of the tenant’s monthly rent will be set aside toward their down payment requirements. The expectation is that one household per year will become a homeowner through this incubator program. While the project involves only a single building, HI sees this initiative as a key component of a larger strategy to reduce blight and increase homeownership for low-to-moderate income Hazelwood residents.

Details of the development are as follows:

Developer:	Hazelwood Initiative, Inc. Sonya Tilghman, Executive Director 5344 Second Avenue Pittsburgh, PA 15207
Location:	5243 Gertrude Street Hazelwood
Ward:	15 th Ward
Description:	Acquisition/soft costs for Hazelwood Homeownership Incubator Project
Total Development Cost:	\$197,750

Development Financing Sources:

Non URA FINANCING

Bank Loan	\$82,250
PHFA PHARE Grant	\$25,500
Miller Foundation	\$30,000
Housing Development Fund	<u>\$30,000</u>
Total:	\$167,750

URA FINANCING

URA CDIF Grant:	<u>\$30,000</u>
Total:	\$30,000

Total: \$197,750

Authority Financing:

\$30,000 - Community Development Investment Fund (CDIF) Grant.

Program Benefit: This development will promote homeownership and provide affordable housing in Hazelwood.

Mr. David Brewton of Hazelwood Initiative, Inc., was present. Mr. Brewton stated that Hazelwood Initiative is grateful for the opportunity to be involved in this project. He stated that this would be the last piece of financing required for this project to enable it to take advantage of the PHFA PHARE Grant. He stated that he hoped Hazelwood would be the first neighborhood to get the gentrification equation right. He said that the vision is to develop about five hundred affordable rental units in the next eight to ten years.

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

RESOLUTION NO. 91 (2018)

RESOLVED: That a Community Development Investment Fund grant to the Hazelwood Initiative for a proposed Homeownership Incubator project in the Hazelwood neighborhood, for an amount not to exceed \$30,000.00, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a Community Development Investment Fund grant agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

7. Northside – Northside Leadership Conference
 - a. Urban Development Action Grant (UDAG) Program Income Fund (UPIF) – revolving loan agreement with the Northside Leadership Conference in an amount not to exceed \$300,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Cummings stated that authorization is requested to approve the above revolving loan agreement for proposed scattered site land acquisition and housing rehabilitation projects in various Northside neighborhoods. The Northside Leadership Conference (“NSLC”) is the non-profit community development organization focused on improving Northside neighborhoods. NSLC builds a better Northside by assisting Northside nonprofit organizations with neighborhood preservation and investment programs, real estate development services, and community engagements. As the project manager for many of the Northside developments, NSLC improves the quality of neighborhoods and increases the real estate tax base by facilitating the rehabilitation and restoration of underutilized properties.

NSLC intends to initially use the requested revolving loan funds to acquire and stabilize properties in the Deutschtown, Observatory Hill, and Marshall Shadeland neighborhoods. The requested Authority \$300,000.00 UDAG Program Income Fund (UPIF) loan will enable NSLC to increase its development volume and impact in these neighborhoods.

Initially, a portion of the requested URA funds will be expended on 505 East Ohio Street. 505 East Ohio Street is a 3-story residential building with a retail storefront on the first floor. The proposed terms of the Authority’s UPIF revolving loan are a five (5) year loan term and two percent (2%) per annum interest rate.

The Northside Leadership Conference is located at 1319 Allegheny Avenue, Pittsburgh, PA 15233. Mark Fatla is the Executive Director.

Mark Fatla, Executive Director of The Northside Leadership Conference, was present. Mr. Fatla stated that there are six homes, two store front façades, and one hundred thousand square feet of commercial space under construction. In addition, he stated that there are thirty-five homes, seventy-five apartments, and one hundred twenty-five thousand square feet of commercial space in the pipeline. He stated that his organization is at internal capacity and need this loan to obtain flexibility. Dr. Hall-Russell asked about the status of 505 East Ohio Street. He stated that this location will be acquired at tax sale, and the property on the six hundred block had been nominated for, but had not passed, historic review.

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

RESOLUTION NO. 92 (2018)

RESOLVED: That a revolving loan to the Northside Leadership Conference for proposed scattered site land acquisition and housing rehabilitation projects in various Northside neighborhoods, for an amount not to exceed \$300,000.00, payable from the Urban Development Action Grant (UDAG) Program Income Fund (UPIF), 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 the same and affix the seal of the Authority thereto.

8. Lower Hill District

- a. Grant agreement with the Sports and Exhibition Authority for the I-579 Urban Connector Project in an amount not to exceed \$75,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Cummings stated that authorization is requested to enter into a grant agreement with the Sports and Exhibition Authority ("SEA") to provide \$75,000.00 in grant funds to support the I-579 "Cap" Urban Connector Project (the "Cap Project"). The SEA was awarded a FY 2016 TIGER VIII Grant for the Cap Project from the U.S. Department of Transportation in the amount of \$19.0 million. The total project cost is \$26.44 million. Other projected funding sources include Commonwealth of Pennsylvania Redevelopment Capital Assistance Program ("RACP") funds (\$3.2 million), Department of Community and Economic Development ("DCED") Multimodal funds (\$1.0 million), foundation funds (\$1.75 million), SEA funds (\$515,000) and private funds (\$900,000). The requested Authority funds in the amount of \$75,000 constitute a portion of the required local matching funds and will be used for construction and related costs. Construction is expected to commence in the fourth quarter of 2018.

The transformational Cap Project structure will span over the Interstate 579 Crosstown Boulevard highway creating a new urban public connector that will improve pedestrian and bicycle movement, remediate a physical and psychological barrier that currently separates the historic Hill District and the Central Business District and increase job and economic opportunities for the residents of the Hill District community.

The SEA is located at 171 10th Street, 2nd Floor, Pittsburgh, PA 15222. Mary Conturo is the Executive Director. The source of the Authority grant funds is Hill District Project funds.

Mr. Cummings asked about the commencement of this project. Rifat Qureshi, of the Sports and Exhibition Authority, was present. Mr. Qureshi answered that this project has final designs on the way.

Mr. Lavelle expressed concern about funding from the Pittsburgh Penguins so that the federal funding can be acquired. Mr. Rifat stated that it is an eighty percent and twenty percent split, and there is enough of a match from other sources to acquire federal dollars.

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

RESOLUTION NO. 93 (2018)

RESOLVED: That a grant to the Sports and Exhibition Authority to support the I-579 Urban Connector Project, in an amount not to exceed \$75,000.00, payable from Hill District Project 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 and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

9. Hill District – Miller Street Side Yard

- a. Quit-claim deed for the conveyance of the remaining interest in Block 2-D, Lot 385, in 3rd Ward to Miller Street LP for \$3,200.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Clark, Director of Real Estate, stated that Miller Street LP is constructing a 36-unit Low Income Housing Tax Credit project on property it owns at 328 Miller Street in Crawford-Roberts. Due to elevation issues, substantial grading work is required. At its meeting of September 14, 2017, the Board of this Authority authorized an easement agreement in favor of Miller Street LP on Block 2-D, Lot 385, an L-shaped URA property that contains approximately 5,040 square feet and wraps around Miller Street LP's parcel so that Miller Street could construct temporary and permanent retaining walls, as well as certain subsurface infrastructure.

In December 2017, URA conveyed a non-exclusive, perpetual easement over, under, across and through Block 2-D, Lot 385. At this time we are requesting authorization to quit-claim the URA's remaining interest in the parcel to the developer. The consideration for the easement was \$3,200.00, and if Miller Street LP closes on the acquisition of the property by December 2019, then that consideration will serve as the full purchase price.

Miller Street LP is a Pennsylvania limited partnership with a mailing address at c/o Bridging the Gap Development II, LLC, Energy Innovation Center, 1435 Bedford Avenue, Pittsburgh, PA 15219. Derrick Tillman is sole member of Miller Street LP's general partner.

There was no discussion among the Members.

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

RESOLUTION NO. 94 (2018)

RESOLVED: That a deed to Miller Street LP for the remaining interest in Block 2-D, Lot 385, in the 3rd Ward of the City of Pittsburgh, for \$3,200.00 is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a deed therefore, and all documents necessary to effectuate the conveyance thereof, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

10. East Liberty - Larimer-Choice Neighborhoods

- a. Agreement of sale, and/or an assignment of agreement of sale, with Pentecostal Temple Development Corporation for the acquisition of Block 124-N, Lot 351, in the 12th Ward for \$15,000.00, plus costs.

Mr. Rubinstein requested Board approval of the above item.

Mr. Clark stated that by an Agreement for Services dated December 8, 2016, the URA contracted with East Liberty Development Incorporated (“ELDI”) for ELDI to negotiate assignable sale agreements on behalf of the URA for the acquisition of parcels in the Larimer neighborhood. ELDI has negotiated such an agreement for one parcel, and authorization is now requested for the URA to enter into an agreement of sale, or assignment of the existing agreement of sale, for this parcel. Block 124-N, Lot 351, is a 1,900-square foot parcel of vacant land at 6343 Stoebner Way.

The neighborhoods of Larimer and East Liberty are the site of a Federal Choice Neighborhoods Implementation Grant award in the amount of \$30 million for the comprehensive redevelopment of the Choice Neighborhoods area. The comprehensive redevelopment will focus on three core goals/components: housing, people, and neighborhood. These acquisitions will advance Choice housing redevelopment.

The funding source for this acquisition is Leased Land, Larimer Project Funds, and/or UDAG loan funds.

ELDI is a Pennsylvania non-profit corporation with an address of 100 N. Sheridan Ave., 4th Floor, Pittsburgh, PA 15206. Maelene Myers is Executive Director and Kendall Pelling is Director of Land Recycling. Pentecostal Temple Development Corporation is a non-profit corporation with a mailing address of 6300 E. Liberty Boulevard, Pittsburgh, Pennsylvania PA 15206. Loran E. Mann is the Chairman.

There was no discussion among the Members.

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

RESOLUTION NO. 95 (2018)

RESOLVED: That the acquisition of Block 124-N, Lot 351, in the 12th Ward, from Pentecostal Temple Development Corporation, for \$15,000.00, plus costs, payable from Leased Land, Larimer Project funds, and/or UDAG loan 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/or an assignment of agreement of sale and all documents required for said acquisition, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

11. One Grandview Development Redevelopment Assistance Capital Program (RACP) Grants – Mount Washington

- a. Application to, and execution of contracts with, the State Budget Office for a Redevelopment Assistance Capital Program (RACP) grant for the One Grandview project.
- b. Subgrant Agreement and Administrative Fee Agreement with Grandview Realty, LLC, or a related entity, for the RACP grant.
- c. Cooperation Agreement with the City of Pittsburgh concerning the application and grant.

Mr. Rubinstein requested Board approval of the above items.

Ms. Susheela Nemani-Stanger, Director of Economic Development stated that the One Grandview Development project, located in Mount Washington, has received an award letter from the State Office of the Budget for a \$1 Million RACP grant award. The One Grandview project consists of the creation of a new hotel and conference center with parking garage, spa and fitness center, ballroom and public grand plaza with outdoor dining. Council District: 2

Principal contact: Beau Beemsterboer is the project developer/owner

Beau Beemsterboer, project developer/owner of, Grandview Realty LLC, was present. Mr. Beemsterboer stated that they had closed on their last parcel two months ago. Dr. Hall-Russell asked about the total cost of this project. Mr. Beemsterboer answered that the total cost is approximately \$95M. Mr. Lavelle asked if they were going to still be building into the hillside. Mr. Beemsterboer answered no. Mr. Williamson requested communication with Mr. Beemsterboer to discuss wages for workers involved with this project. Mr. Acklin acknowledged Mr. Beemsterboer and Councilwoman Theresa Kail-Smith for their leadership and hard work on advancing this development.

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

RESOLUTION NO. 96 (2018)

RESOLVED: That application to the Commonwealth of Pennsylvania Budget Office for a Redevelopment Assistance Capital Program (RACP) grant, for an amount not to exceed \$1,000,000.00, for the One Grandview Development project, 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 the same and affix the seal of the Authority thereto; and it is

RESOLVED FURTHER: That acceptance of a Redevelopment Assistance Capital Program (RACP) grant from the Commonwealth of Pennsylvania Budget Office, for an amount not to exceed \$1,000,000.00, for the One Grandview Development project, 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 related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO. 97 (2018)

RESOLVED: That a Redevelopment Assistance Capital Program (RACP) subgrant to Grandview Realty, LLC or related entity, for the One Grandview Development project, for an amount not to exceed \$1,000,000.00, and an administrative fee to be paid to the Authority, are hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is authorized to execute a subgrant agreement and an administrative fee agreement therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO. 98 (2018)

RESOLVED: That a cooperation agreement with the City of Pittsburgh for the Redevelopment Assistance Capital Program (RACP) application and grant for the One Grandview Development project is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute said cooperation agreement, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

12. Hays Woods - Hays

1. Acceptance of a grant from the Western Pennsylvania Conservancy (WPC) in the amount of \$2,000,000.00 to be used to defray the Hays Woods acquisition costs, including due diligence, holding, and related costs.

Mr. Rubinstein requested Board approval of the above item.

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Ms. Nemani-Stanger stated that the grant from the Western Pennsylvania Conservancy, which was made possible through a grant to WPC from the Richard King Mellon Foundation, is part of the URA's fundraising efforts to defray the costs associated with the acquisition of 643 acres of land, including Hays Woods. As intended, most of the land (approximately 553 acres) will be preserved as a park under a DCNR conservation easement. Ownership of the park will be transferred to the City of Pittsburgh upon completion of fundraising efforts. Around 81 acres has been set aside for potential future development.

In June 2016, the URA Board authorized the Authority to acquire the property from Pittsburgh Development Group II, L.P. for the amount of \$5,000,000.00 plus applicable closing, due diligence, holding, and related costs payable through a URA bridge loan from Pittsburgh Development Fund, City Bond and/or City PayGo sources.

Fundraising efforts to date include obtaining a \$800,000.00 Community Conservation Partnership Program (C2P2) grant from the Commonwealth of Pennsylvania Department of Conservation and Natural Resources (DCNR). The URA has expended approximately \$5,300,000.00 to date to fund acquisition, due diligence, holding, and related costs. After acceptance of this grant, pending Board approval, the funding gap will be approximately \$2,000,000.00.

Principal contact:

Michael Knoop
Land Protection and Planning Manager
Western Pennsylvania Conservancy
800 Waterfront Drive
Pittsburgh, PA 15222
Phone: 412-586-2352
Email: mknoop@paconserve.org

Mr. Rubinstein thanked the Western Pennsylvania Conservancy and the Richard King Mellon Foundation for their partnership on this project. Mr. Acklin stated that there will be permanent security for this property as a park, and that a portion was still being considered for potential future housing. He stated that this is the first investment by the Authority's Partners and Foundations committed to helping backfill the acquisition costs.

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

RESOLUTION NO. 99 (2018)

RESOLVED: That acceptance of a grant from the Western Pennsylvania Conservancy (WPC), in the amount of \$2,000,000.00, to be used to defray the Hays Woods acquisition costs, including due diligence, holding, and related costs, is hereby approved and the Executive Director or Director of Finance, on behalf of the Authority, is authorized to execute an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

13. Next Act Fund, LLC – women owned business focused venture fund

- a. Investment in Next Act Fund LLC., or related entity, in an amount not to exceed \$100,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Tom Link, Director of the Center For Innovation and Entrepreneurship stated that Next Act Fund, LLC (“Next Act”) is an early stage women-owned business focused venture fund. Next Act’s mission is to invest in early-stage, women-owned companies in Pittsburgh. The fund will be up to \$5 million.

Next Act will fill an important gap in Pittsburgh’s early stage business capital flow by focusing on women-led companies. Next Act is already building significant interest from local women entrepreneurs with over 50 Pittsburgh companies preliminarily engaged for possible funding.

The URA plays an important and significant role in support of Pittsburgh’s entrepreneurial ecosystem. URA direct business investment programs such as the Pittsburgh Entrepreneur Fund and URA supported investment tools and programs such as Keystone Innovation Zones, Riverfront Ventures, Alpha Lab Gear, several co-working spaces, and more are critical elements of this ecosystem--- creating and growing hundreds of Pittsburgh businesses creating thousands of jobs across the City of Pittsburgh.

As the URA advances its commitment to p4, Next Act provides an opportunity to strengthen our commitment in support of women entrepreneurs and to expand our impact by leveraging substantial private investment.

Next Act plans to use its initial \$2.5 million fund raise to invest in up to 40 companies. The average investment will be \$75,000 per company with a range of \$50,000 to \$100,000. The vast majority of these companies are likely to be located in the City of Pittsburgh. Additionally, the substantial majority of those investing in the funds are women investors making their first angel investments.

Developer / Principals	Yvonne Campos, President
Location:	5850 Centre Avenue, Suite 411
Description:	Early Stage venture capital fund
Authority Financing:	
Amount:	\$100,000
Term:	Member limited partner equity
Program Benefit:	New job creation, emerging company expansion, increased taxes, support underserved entrepreneurs

Funding will be through Pittsburgh Entrepreneur Fund and/or Pittsburgh Development Fund and/or state UDF repayments.

Yvonne Campos, President of the Next Act Fund, LLC, was present. Ms. Campos stated that she had started this fund a year ago and currently has fifty women investors. She stated that they have invested in three companies to date. She stated that they cap their male membership to ten percent. She stated that their goal is for Pittsburgh to be known as the best place for women entrepreneurs. Mr. Acklin asked how they source their potential investment companies. She answered their entrepreneurs, who are sourced by their members and different programs. Mr. Acklin asked if a convertible note is a form of their investment. Ms. Campos answered that they use a convertible note as well as equity. Dr. Hall-Russell requested a conversation about how to attract women of color to this program.

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

RESOLUTION NO. 100 (2018)

RESOLVED: That investment in Next Act Fund LLC, or a related entity, in an amount not to exceed \$100,000.00, payable from the Pittsburgh Entrepreneur Fund and/or Pittsburgh Development Fund and/or state UDF repayments, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute all documents necessary to effectuate such investment, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

14. NEXT 3 Days Program

- a. Engagement of NEXTPittsburgh to provide services for the coordination, branding and promotion of the Homewood Next Weekend (formerly Next 3 Days) event in 2018, in an amount not to exceed \$45,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Link stated that the Next Weekend (formerly Next 3 Days) is a program designed to showcase a neighborhood in one weekend, bringing together business district revitalization activities and promotion of the residential neighborhood into one concentrated blitz. The overall goal is to work with community and business district groups to take the concepts behind the URA's successful community outreach programs implement them in a single weekend showcase.

In 2015, 2016, and 2017 Next 3 Days events were held in Troy Hill, Mt. Washington/Allentown, Garfield and Carrick. Thousands of neighbors attended the Friday and Saturday events, which included pedi-cab tours, neighborhood bake-offs, musical entertainment, a dance-off, food, arts and crafts vendors, homeowner/homebuyer information booths and, in Garfield, a community football game. Each three-day event was capped off on Sunday with a self-directed real estate tour of the neighborhood that included maps of available homes for sale.

For 2018, in an effort to avoid duplication of costs and activities, the decision was made to consolidate the community events into one day, and eliminate the Friday evening event. In addition, staff, working closely with the Homewood community, is actively pursuing sponsorships for the events.

NEXTPittsburgh served as the media sponsor for the events. Revive Marketing Group, as a subcontractor to NEXTPittsburgh, was the event planner. NEXT published weekly stories about N3D and the neighborhoods. Revive set up Facebook pages for both the Friday and Saturday events, as well as Twitter feeds. Revive also handled all of the details of planning and implementing the event, including vendor coordination, street closing and other permits, entertainment, and event set up and take down.

In 2018, Revive will work closely with the Homewood Brushton Business Association and other community organizations to plan and implement the event. The overall theme will be "Come Back to Homewood," and will feature local artists, food and entertainment. We anticipate that the event in Homewood will be bigger and better than ever. We are working with groups throughout the community and will be expanding the homebuyer/homeowner activities.

Budget Line	Amount
Food costs	\$1,500
Beverage	\$2,500
Entertainment	\$2,500
Insurance (minimum)	\$2,500
Rentals (tables, chairs, etc)	\$5,000
Printing	\$500
Activities and art	\$3,000
Permits (police, health dept, etc)	\$2,000
Event supplies	\$300
Prizes (bake-offs, dances contest, etc)	\$500
Neighborhood point person	\$5,000
Revive staff time	\$15,000
NEXTPittsburgh staff/editorial	\$10,000
TOTAL	\$50,300

The Next Weekend program will be funded with Mainstreet City Bond, Paygo, and/or CDBG funds.

Mr. Acklin asked if a one-day event would be held. Josette Fitzgibbons of the Authority answered that the program would be hosting a two-day event this year with a prolonged day on Saturday. She stated that Sunday would include an art walk in addition to the walking tour of the neighborhood.

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

RESOLUTION NO.101 (2018)

RESOLVED: That engagement of NEXTPittsburgh, to provide services for the coordination, branding, and promotion of the Homewood Next Weekend (formerly Next 3 Days) event in 2018, for an amount not to exceed \$45,000.00, payable from Mainstreet City Bond, Paygo, and/or CDBG 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 the same and affix the seal of the Authority thereto.

15. Agreement with International Financial Group for employee recruitment services in an amount not to exceed \$30,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Rubinstein stated that authorization is requested to execute an agreement with International Financial Group for employee recruitment services, specializing in the area of finance, in an amount not to exceed \$30,000.00.

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International Financial Group is an international recruitment services firm, specializing in financial services. The local office is located at Foster Plaza, Suite 650, 750 Holiday Drive, Pittsburgh, PA 15220.

The funding source will be the Administrative Revolving Fund (ARF).

There was no discussion among the Members.

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

RESOLUTION NO.102 (2018)

RESOLVED: That engagement of International Financial Group, for employee recruitment services, for an amount not to exceed \$30,000.00, payable from the Administrative Revolving Fund (ARF), 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 the same and affix the seal of the Authority thereto.

AGENDA "B"

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

1. 2010 City Bond Funds

- a. Reallocation of up to \$23,000.00 from the Beechview line item to the Larimer line item.

RESOLUTION NO.103 (2018)

RESOLVED: That the reappropriation of \$23,000.00 of 2010 City Bond funds from the Beechview line item to Larimer line item is hereby approved.

2. 2013 City Bond Funds

- a. Reallocation of up to \$27,000.00 from the Lawrenceville line item to the Larimer line item.

RESOLUTION NO.104 (2018)

RESOLVED: That the reappropriation of \$27,000.00 of the 2013 City Bond funds from the Lawrenceville line item to the Larimer line item is hereby approved.

3. 2014 City Bond Funds

- a. Reallocation of up to \$15,000.00 from the Crafton Heights line item to the Larimer line item

RESOLUTION NO.105 (2018)

RESOLVED: That the reappropriation of \$15,000.00 of the 2014 City Bond funds from the Crafton Heights line item to Larimer line item is hereby approved.

4. 2015 Paygo Funds

- a. Reallocation of up to \$4,000.00 from the Hill District August Wilson line item to the St. Clair Village line item.
- b. Allocation of \$30,000.00 to the St. Clair Village line item.
- c. Allocation of \$85,000.00 to the Larimer line item.

- d. Reallocation of \$100,000.00 from Home Improvement Loan Program (“HILP”) loan repayments to the Pittsburgh Home Rehabilitation Program (“PHRP”) to establish a front fund at Dollar Bank.

RESOLUTION NO.106 (2018)

RESOLVED: That the reappropriation of \$4,000.00 of 2015 City Paygo funds from the Hill District August Wilson line item to the St. Clair Village item is hereby approved.

RESOLUTION NO. 107 (2018)

RESOLVED: That the appropriation of up to \$30,000.00 of 2015 City Paygo funds to the St. Clair Village line item is hereby approved.

RESOLUTION NO. 108 (2018)

RESOLVED: That the appropriation of up to \$85,000.00 of 2015 City Paygo funds to the Larimer item is hereby approved.

RESOLUTION NO. 109 (2018)

RESOLVED: That the reappropriation of \$100,000.00 of 2015 City Paygo funds from the Home Improvement Loan Program (“HILP”) loan repayments to the Pittsburgh Home Rehabilitation Program (“PHRP”) is hereby approved.

5. 9 Mile Run – 110-111

- a. Certificate of Completion for MRRC Summerset II, L.P. for Lot 271 a/k/a Block 88-R-86 in Phase 2C in the 14th Ward, and authorization to return the Good Faith Deposit (residential construction – 1770 Parkview Blvd).
- b. Ratification of Certificate of Completion for MRRC Summerset II, L.P. for Lot 272 a/k/a Block 88-R-86 in Phase 2C, in the 14th Ward, and authorization to return the Good Faith Deposit (residential construction – 1766 Parkview Blvd).

RESOLUTION NO. 110 (2018)

RESOLVED: That issuance of a Certificate of Completion to MRRC Summerset II, L.P for Lot 271 a/k/a Block 88-R-86 in Phase 2C, in the 14th Ward, and return of the Good Faith Deposit (residential construction – 1770 Parkview Blvd) are hereby approved, and the Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute said Certificate of Completion, and the Secretary or the Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO. 111 (2018)

RESOLVED: That issuance of a Certificate of Completion to for MRRC Summerset II, L.P. for Lot 272 a/k/a Block 88-R-86 in Phase 2C, in the 14th Ward, and return of the Good Faith Deposit (residential construction – 1766 Parkview Blvd) are hereby ratified, and the Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute said Certificate of Completion, and the Secretary or the Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

6. Perry South-112


- a. Rescission of Resolution No. 322 (2012), which approved the proposal and form of disposition contract for the sale of Block 22-D, Lots 119, 132, 133, 134, 135, 136 and 137, in the 25th Ward to Janitorial Resources, Inc., for \$7,500.00 plus costs.

RESOLUTION NO. 112 (2018)

RESOLVED: That Resolution No. 322 (2012) which approved the proposal and form of disposition contract for the sale of Block 22-D, Lots 119, 132, 133, 134, 135, 136 and 137, in the 25th Ward to Janitorial Resources, Inc., for \$7,500.00 plus costs, is hereby rescinded.

Ms. Laura Wiens, of Pittsburgh For Public Transit, was present. Ms. Wiens stated her concerns in regard to the application for a Federal Transit Administration (FTA) Small Starts Grant regarding the proposed Bus Rapid Transit ("BRT") that was presented at the July 2017 Board meeting. Two concerned citizens also spoke stating their concerns regarding the effect the BRT would have on their use of transit.

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



Assistant Secretary

