

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

August 8, 2019 – 2:00 P.M., E.S.T.

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

Members Absent: None

Staff Present: Walker, Cummings, Nuemah, Clark, Smith Perry, Moses, Miller, Mitchell, Santiago, Wrenshall, Powell, Rubinstein, Mayer, Taylor, Hudson, Mathews, Saladna, Fedorek, Morris, Reid, Luginski, Reese, Sausedo, Alcorn, Catania, Speigle, Dolan, Reitzell, Bohince and Schacht.

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

1. Mr. Williamson requested a moment of silence for the victims of two stabbings that took place in Downtown Pittsburgh, the multiple shootings that took place in various locations in the United States and for the loss of Officer Calvin Hall, Aggie Brose and Hector Figueoa.

2. Executive Session

Mr. Williamson announced that an Executive Session was held on July 11, 2019, regarding personnel matters and planning issues.

3. General

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

4. Mr. Williamson recognized and thanked Mr. Robert Rubinstein for his service as the Authority's Executive Director. Ms. Diamonte Walker and Mr. Tom Cummings also recognized Mr. Rubinstein for his service as Executive Director of the Authority. Mr. Rubinstein stated that it had been a privilege leading this organization and never took the responsibility lightly. He also stated that he is proud of the Authority's accomplishments.

5. RFP's, RFQ's and Bids

a. Request for qualifications (RFQ) for an artist to complete an Artistic Board-up of the Greater Pittsburgh Coliseum.

b. Request for qualifications (RFQ) for redevelopment of scattered sites in the Centre Avenue Corridor in the Middle Hill neighborhood of the City of Pittsburgh released on July 22, 2019. Key dates:

i. Q&A Session and MWBE Teaming: August 14, 2019 at 1:00 PM at the Jeron X. Grayson Center (1852 Enoch Street);

- ii. Site Tours August 19, 2019 & September 24, 2019 at 9:00 AM – meet at the corner of Centre Avenue and Elmore Street, structures also available to tour;
 - iii. Qualifications due on October 22, 2019 at 12:00 PM.
- c. Request for proposals (RFP) for 4800 Block of Second Avenue in Hazelwood released on July 25, 2019. Key dates:
- i. Q&A session and MWBE teaming: August 15, 2019 from 8:30 AM to 12:00 PM at Fire Fighters Local (120 Flowers Avenue);
 - ii. Proposals due on October 17, 2019.

6. Announcements

- a. The Neighborhood Initiatives Fund application period opened July 15, 2019 and will be open until October 1, 2019.
- b. 2019-2020 Pennsylvania Housing Finance Agency 9% Low Income Housing Tax Credit Program – URA/City of Pittsburgh pre-application issued August 7, 2019 and the due date is September 6, 2019.
- c. CORO Fellow – Contractor Financing study.
- d. Housing / HOF Monthly Dashboard – Affordable Housing Impact Briefing.
- e. CIE Dashboard – Center for Innovation and Entrepreneurship Impact Briefing.

7. 1. Uptown – City’s Edge / Lot F

- a. Final drawings, final evidence of financing, and authorization to execute a deed for the sale of Block 2-H, Lot 108, formerly known as Block 2-H, Lots 108, 110, 111, 111A, 111B, 112, 113, 114, 115, 116, 117, 118, 119, 120, 120A, 120B, 121A, 121B, and 122, and commonly referred to as Lot F, in the 3rd Ward to MidPoint Group of Companies, Inc., or a related entity or entities to be formed for \$1,000,000 plus costs.
- b. Authorization to execute all financing documents required in connection with the City’s Edge/Lot F Parking Tax Diversion (PTD) note issuance in the amount of \$4,200,000, including an administrative fee agreement.
- c. Housing Opportunity Fund Rental Gap Program Loan Agreement in the amount of \$1,000,000 with MidPoint Group of Companies, Inc. or a Limited Partnership to be formed

- d. Authorization to hold one or more Seller's Note(s) in a total amount not to exceed \$1,000,000.

Director's Report

Ms. Jessica Smith Perry, Housing At its meeting of September 6, 2017, the Board of this Authority approved a proposal and authorized execution of a disposition contract to MidPoint Group of Companies, Inc. ("MidPoint") for the sale of nineteen vacant parcels known collectively as "Lot F" in Uptown. The parcels, which were subsequently consolidated, contain approximately 40,100 square feet and occupy the city block bounded by Colwell Street, Stevenson Street, Our Way, and Pride Street. The property also includes the planned vacation of one-half of Colwell Street. Based on the public financing contained in this deal, the URA disposition contract will be amended to include a Right of First Refusal for the URA to purchase the property upon (a) the sale of the property by Midpoint, or (b) a refinancing of the project in which equity is taken out.

The project calls for new construction of a ten-story mixed-use structure. The 309,208 square foot structure will consist of a 508-space parking garage on the first five floors, 17,187 square feet of commercial and community space on the first floor, and 110 units of housing on the top five floors (the "Project"). Current plans call for the storefronts to house a daycare, a minority/women-owned business incubation space, and a restaurant. The commercial parking facility will include a mix of leased and transient parking. The residential units will include 77 income-restricted units. The remaining 33 units will be market-rate. The Project will also include a publicly-accessible plaza and a rooftop deck for residents.

The total Project cost is estimated at \$61.4 million. The Project is expected to create 50 construction jobs and 30 permanent jobs. City's Edge low-income residents will be given priority in hiring for jobs in the facility.

Authorization is now requested to approve final drawings and final evidence of financing, contingent on staff review and approval of the same, and to execute a deed. The Project's approved MWBE plan calls for 35.2% MBE participation and 5.9% WBE participation, for total MWBE participation of 41.1%. Authorization is also requested to execute all financing documents required in connection with the Parking Tax Diversion Note Issuance.

Authorization is also requested to enter into the above-mentioned Housing Opportunity Fund (HOF) Rental Gap Program (RGP) loan agreement with MidPoint Group of Companies, Inc. or a Limited Partnership to be formed to provide combined construction/permanent financing for the residential portion of the City's Edge development. At its August 1, 2019 meeting, the Housing Opportunity Fund Advisory Board passed a motion to award this Project a HOF RGP loan in the amount of \$1,000,000. The HOF RGP is intended to help fund the creation or preservation of affordable rental housing City-wide, specifically targeting households at or below 30% AMI and 50% AMI.

City's Edge will have a total of 110 units of rental housing, 77 of which will be affordable. HOF funds will be tied to 41 of these affordable units - deed restrictions will ensure that 8 of these

units are rented to households at or below 30% Area Median Income, and 33 units will be rented to households at or below 50% Area Median Income. The length of the HOF deed restriction will be for at least 35 years with 99 years preferred. Additionally, the developer has secured a Project Based Voucher from the Housing Authority of the City of Pittsburgh.

The non-profit applicant for the HOF RGP loan for City's Edge is the Hill Community Development Corporation ("Hill CDC"). Hill CDC's role in the Project will be as the property manager for the 10,000 square feet of commercial/community facilities in City's Edge. Hill CDC will also have significant roles in the evaluation and retention of the residential property management firm and the garage management firm.

Additionally, authorization is requested to accept a Seller's Note (or Notes) at closing in lieu of immediate receipt of funds for the purchase price. As part of the financing, the URA has agreed to reduce the purchase price to \$1,000,000. The purchase price may be divided over the three condominium units, and the Redeveloper is requesting that the URA provide a Seller's Note with each unit owner. Any and all Sellers' Note(s) shall have payment priority ahead of Developers Fee(s).

MidPoint or a related entity or entities will be the owner of Lot F. MidPoint Group of Companies, Inc. is a Pennsylvania business corporation with a mailing address of 112 Washington Plaza, Suite 3k, Pittsburgh, PA 15219. P. Nathaniel Boe, Esq., is the President and CEO.

The above authorizations are contingent upon the following:

- (1) All financing sources are committed.
- (2) There is no funding gap.
- (3) Outstanding litigation is dismissed with prejudice and the property has clean title.
- (4) The 41 units funded by the HOF RGP loan have a 99-year affordability period or at least have some level of affordability that is greater than 35 years and agreed to by the HOF Advisory Board.
- (5) The URA obtains a Right of First Refusal to purchase the property upon (a) the sale of the Property by Midpoint, or (b) a refinancing of the Project in which equity is taken out.

Details of the development are as follows:

Developer:	MidPoint Group of Companies, Inc. P. Nathaniel Boe, Esq., President and CEO 112 Washington Place, Suite #3K Pittsburgh, PA 15219
Property Location:	1450 Colwell Street Uptown
Ward:	3 rd Ward

Description: New construction of ten-story mixed-use structure, including 77 affordable rental units

Architect: Strada Architecture LLC

General Contractor: Mosites Construction

Total Development Costs (Residential Portion): \$39,034,767

Total Development Costs (Commercial Portion): \$22,018,700

TOTAL \$61,053,472

Sources of Financing - Residential

Source of Funds	4% Condo – Residential	9% Condo – Residential	Total
LIHTC Equity	\$4,291,798	\$8,789,131	\$13,080,929
Bond Financing / First Mortgage	\$9,839,493	\$1,700,000	\$11,539,493
Parking Tax Diversion	\$3,563,890	\$636,110	\$4,200,000
Deferred Developer's Fee	\$457,860	\$365,885	\$823,745
HACP PBV/Gap Financing	\$5,000,000		\$5,000,000
URA Seller's Note	\$324,550	\$116,050	\$440,600
Housing Opportunity Fund	\$1,000,000		\$1,000,000
PHFA PHARE (RTT&HTF)	\$1,500,000		\$1,500,000
Bridgeway Capital (pending)	\$750,000		\$750,000
FHLB AHP (pending)	\$500,000	\$180,000	\$680,000
Duquesne Light – Energy Rebate	\$14,000	\$6,000	\$20,000
TOTAL SOURCES	\$27,241,591	\$11,793,176	\$39,034,767

Sources of Financing – Commercial

Source of Funds	Total
NMTC Equity (pending)	\$3,732,300
Leveraged Loan / Permanent – Crews & Assoc. (Taxable A Bonds)	\$7,267,700
Direct Loan – Crews & Assoc. (Taxable B Bonds)	\$6,709,300
Developer's Hard Equity	\$750,000
URA's Seller's Note	\$559,400
General Contractor's Construction Note	\$2,000,000
Deferred Developer's Fees	\$1,000,000

TOTAL SOURCES	\$22,018,700
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Authority Financing:

\$1,000,000 - HOF Rental Gap Program (RGP) Loan
 – 0% interest rate, 35-year term, a to
 be determined % of cash flow

\$1,000,000 Seller’s Note(s)

Total URA financing:

\$2,000,000

HOF Advisory Board Review:

Approved at the HOF Advisory Board meeting on
 August 1, 2019

M/WBE Review:

The Project’s approved MWBE plan calls for 35.2%
 MBE participation and 5.9% WBE participation, for
 total MWBE participation of 41.1%.

Nate Boe, of MidPoint Group of Companies, Inc., was present. Mr. Boe thanked the Authority Staff, Mr. Gainey, Ms. Walker the Mayor and others for their support of this project. He introduced his team on this project. He stated that this is a financially complex project.

Mr. Lavelle thanked the team for their hard work on this project. He stated that over the course of the last two years in getting it to this point, as Mr. Boe already stated, there are still some additional hurdles to overcome.

Ronell Guy, of Landless Peoples Alliance, was present. Ms. Guy stated that we need to figure out better ways to use our housing dollars and get more “bang for our buck” than 77 units for \$62 million dollars. She requested that we “open your eyes people and do the math”.

Mr. Lavelle respectfully disagreed with Ms. Guy stating that the real cost in putting this project together was the garage. He stated that initially this development had entailed building a garage and the affordability had been introduced with a higher and better use of what we had initially intended on building. He stated that the cost is really the structure and not the housing above. He stated that sadly, we are stretching our dollars, and to get affordable housing in that area would otherwise have not.

Ms. Guy stated that there is a ton of affordable housing, and the money should be invested in other areas that can be preserved. She stated that we are just “walking around in circles”. She stated that there are better ways to develop affordable housing.

Ms. Celeste Scott, of Pittsburgh United, was present. Ms. Scott stated that if a million dollar in funding is not reached and the HOF money being only 10% of the financing can the Housing Opportunity Funding continue. She felt that this project was being rushed because of the PFA requirements.

Mr. Williamson confirmed Ms. Scott's question as to whether the million dollars from the Housing Opportunity Fund financing is filling the financial gap.

Ms. Smith Perry answered Ms. Scott's question by stating that this project has several financial gaps and one of the reasons that the contingencies were requested.

Mr. Boe stated that a separate condominium for the affordable housing portion was established. He stated that the financing for the garage can not be used to finance the affordable housing.

David Serbin, Real Estate Development Manager, of the Hill CDC, was present. Mr. Serbin stated that there is a development review panel that is made up of various agencies and representatives. There was a quarterly meeting that residents engaged in regarding this project.

Ms. Guy stated that she will "never trust the Hill CDC again". She stated that "a grocery store was lost and the Hill House." She stated that the Hill CDC is not a good development community partner. She asked why the public would give another \$62 million dollars to an organization that "broke the hearts of everyone on the Hill".

Mr. Williamson answered Ms. Guy's question by stating that the Hill CDC is not the developer in this case.

Swain Uber, of PPSA was present. Mr. Miller asked why a parking garage is being development on what is essentially the BRT. Mr. Boe answered that there will be a loss of 2,500 of street parking spaces because of this redevelopment.

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

RESOLUTION NO. 210 (2019)

RESOLVED: That the final drawings and evidence of financing submitted by MidPoint Group of Companies, Inc., or a related entity or entities to be formed for the sale of Block 2-H, Lot 108, formerly known as Block 2-H, Lots 108, 110, 111, 111A, 111B, 112, 113, 114, 115, 116, 117, 118, 119, 120, 120A, 120B, 121A, 121B, and 122, and commonly referred to as Lot F in the 3rd Ward, are hereby approved, subject to four contingencies: (1) committed financing sources, (2) resolution of the funding gap, (3) dismissal of the outstanding litigation with prejudice, and (4) an executed Amendment to the Disposition Contract providing the URA with a Right of First Refusal upon (a) the sale of the Property by Midpoint, or (b) a refinancing of the Project in which equity is taken out. The Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a deed and all documents necessary to effectuate the sale thereof, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto. This resolution, and all approvals here in, shall expire on December 12, 2019 unless the Executive Director or Interim Executive Director reports to this Board that all necessary real estate and financial closings have occurred for the Project.

RESOLUTION NO. 211 (2019)

RESOLVED: That execution of all financing documents required in connection with the City's Edge/Lot F Parking Tax Diversion (PTD) note issuance in the amount of \$4,200,000 is hereby approved, subject to three contingencies: (1) committed financing sources, (2) resolution of the funding gap, and (3) dismissal of the outstanding litigation with prejudice. The Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute all financial documents thereof, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto. This resolution, and all approvals here in, shall expire on December 12, 2019 unless the Executive Director or Interim Executive Director reports to this Board that all necessary real estate and financial closings have occurred for the Project.

RESOLUTION NO.212 (2019)

RESOLVED: That a loan to MidPoint Group of Companies, Inc. or a Limited Partnership to be formed., to provide combined construction/permanent financing for the residential portion of the City's Edge development, in the amount of up to \$1,000,000.00, payable from the Housing Opportunity Fund Rental Gap Program is hereby approved, subject to four contingencies: (1) committed financing sources, (2) resolution of the funding gap, (3) that the 41 units funded by the HOF RGP loan have a 99-year affordability period or affordability greater than 35-years, and (4) dismissal of the outstanding litigation with prejudice. The Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a loan agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto. This resolution, and all approvals here in, shall expire on December 12, 2019 unless the Executive Director or Interim Executive Director reports to this Board that all necessary real estate and financial closings have occurred for the Project.

RESOLUTION NO.213 (2019)

RESOLVED: That retention of the Seller's Note(s) at closing in lieu of immediate receipt of funds for the purchase price in a total amount not to exceed \$1,000,000 is hereby approved, subject to five contingencies: (1) committed financing sources, (2) resolution of the funding gap, (3) dismissal of the outstanding litigation with prejudice giving the property clean title, (4) any and all Sellers' Note(s) shall have payment priority ahead of Developers Fee(s), and (5) an executed amendment to the disposition contract providing the URA with a Right of First Refusal upon (a) the sale of the Property by Midpoint, or (b) a refinancing of the Project in which equity is taken out. This resolution, and all approvals here in, shall expire on December 12, 2019 unless the Executive Director or Interim Executive Director reports to this Board that all necessary real estate and financial closings have occurred for the Project.

8. Hazelwood Affordable Rental Preservation Program (HARPP)
 - a. Housing Opportunity Fund Rental Gap Program Loan Agreement in the amount of \$400,000 with Hazelwood Initiative, Inc. for the preservation of 22 units of scattered site affordable rental housing throughout Hazelwood.

Ms. Walker requested Board approval of the above item.

Ms. Smith Perry presented that authorization is requested to enter into the above-mentioned agreement with Hazelwood Initiative, Inc. to provide combined construction/permanent financing for the acquisition and moderate rehabilitation of 22 existing rental units in the Hazelwood neighborhood of the City of Pittsburgh. The project is currently in the final stages of fundraising and plans to close early fall 2019.

Hazelwood Affordable Rental Preservation Program (HARPP) is a three-phased, multi-year rental preservation strategy in Hazelwood being spearheaded by Hazelwood Initiative (HI). HI has entered into a purchase agreement with David Cunningham, a retired Pittsburgh firefighter and landlord who grew up in Glen Hazel, to purchase 63 affordable rental units scattered throughout the Hazelwood neighborhood. Many are occupied by Section 8 Housing Choice Voucher tenants. Other “market rate” units are rented at extremely affordable rates. Many tenants have lived in their current units for 10+ years. Mr. Cunningham is now looking to retire and to sell the units to a purchaser who will continue to rent them affordably. He, therefore, has agreed to sell the units to HI in three phases.

The transfer of the first phase consisting of 22 units will occur in September 2019. By HI purchasing these units, the affordability will be preserved for the next 35 years. 17 of the 22 units are in good to excellent shape and will not require any work once the sale occurs. Five of the units will need a moderate level of repair and updating.

The Greater Hazelwood community has worked with the Department of City Planning over the past 18 months to develop a comprehensive neighborhood plan. In its draft plan, one of the highest priorities identified by existing residents is to ensure future development does not come at the cost of displacement of longtime residents. The Hazelwood Green site calls for 3,200 new units of housing, the majority of which may be market rate. The purchase of the HARPP portfolio is an effort to get ahead of rising property values and rents that seem likely to occur in the Hazelwood community.

Hazelwood Initiative also currently operates a robust rehab for resale program in the neighborhood, renovating homes and providing affordable homeownership opportunities to Hazelwood residents. Combined with HARPP, these offerings serve as invaluable resources to a neighborhood experiencing such rampant speculation and transformation.

HOF funds will be tied to 17 units. A deed restriction will be recorded to ensure that 5 units will be rented to households at or below 30% AMI and 12 units will be rented to households at or below 50% AMI. The length of the HOF deed restriction will be for 35 years. Additionally, the Hazelwood Initiative is working to secure a commitment of Project-Based Section 8 rental assistance through the Housing Authority of the City of Pittsburgh (HACP).

At its August 1, 2019 meeting, the Housing Opportunity Fund Advisory Board passed a motion to award this project a Housing Opportunity Fund Rental Gap Program Loan (HOF RGP) in the amount of \$400,000. The HOF RGP is intended to help fund the creation or preservation of affordable rental housing City-wide, specifically targeting households at or below 30% AMI and 50% AMI.

Details of the project are as follows:

Borrower:	Hazelwood Initiative, Inc. Sonya Tilman, Executive Director
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Property Location: 4901 Second Avenue
 Pittsburgh, PA 15207
 Scattered Sites throughout Hazelwood

Ward: 15th Ward

Description: Phase one (22 units) of a 63-unit affordable acquisition and preservation strategy throughout the Hazelwood neighborhood

Architect: N/A

General Contractor: DTC Hazelwood, LLC (seller)

Total Project Costs: \$2,044,000

URA HOF FINANCING FOR REVIEW:

URA HOF Rental Gap Program Loan \$400,000
 Terms: 35 year term, 35 year amortization, 0% interest

OTHER FINANCING SOURCES

Bank First Mortgage TBD	\$ 990,000
RK Mellon Foundation	\$ 220,000
Hillman Foundation Predevelopment	\$ 20,000
Hillman Foundation	\$ 330,000
HI Equity	\$ 19,000
Anonymous Foundation	\$ 65,000
Total Non-URA Financing:	\$ 1,625,000

Total Financing: \$ 2,044,000

HOF Advisory Board Review: Approved at the HOF Advisory Board meeting on August 1, 2019

M/WBE Review: MWBE Narrative has been submitted by the Borrower. A Final M/WBE Plan must be approved prior to project closing.

Sonya Tilghman, Executive Director of the Hazelwood initiative, was present. Ms. Tilghman stated that this project is the first part of a larger portfolio of the sixty-three units. She stated that most of these families are either in naturally occurring affordable housing or a tenant base section 8, both of which make them incredibly vulnerable as property values rise. She stated that this is a critical strategy for them. She stated that they appreciate the Authority's consideration.

Mr. Williamson thanked the Hazelwood Initiative for their hard work.

Ms. Powell asked if the Hazelwood Initiative will be the property manager and if they will be accepting the vouchers. Ms. Tilghman answered in the affirmative.

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

RESOLUTION NO.214 (2019)

RESOLVED: That a loan to Hazelwood Initiative, Inc. for the preservation of 22 units of scattered site affordable rental housing throughout Hazelwood, for an amount of up to \$400,000, payable from the Housing Opportunity Fund Rental Gap Program is hereby approved, and the Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a loan agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

9. West Oakland – Oakland Affordable Living
 - a. Second Amendment to Rental Housing Development and Improvement Program (“RHDIP”) loan agreement with Quippa, LP in an amount not to exceed \$200,000, for a new total amount not to exceed \$1,850,000.

Ms. Walker requested Board approval of the above item.

Mr. Tom Cummings, Director of Housing presented that the Authority closed on a \$1,525,000 Rental Housing Development and Improvement Program (“RHDIP”) loan to Quippa, LP (“Developer”) for the development of Oakland Affordable Living (“OAL”) on August 9, 2017. There are two components of the 49-unit OAL affordable housing development including the preservation / rehabilitation of 24 existing affordable rental units (“Allequippa Place”) and the new construction of 25 affordable rental units on Wadsworth Street. The construction of OAL is complete, and the units are 98% occupied.

At its meeting of July 11, 2018, pursuant to Resolution No. 206 (2018) the Authority approved a RHDIP loan increase in the amount of \$125,000 for a revised total loan amount not to exceed \$1,650,000. The first amendment to the loan agreement was executed on August 9, 2008. After the start of construction, the general contractor discovered several underground voids which required a more expensive caisson foundation system and the need for the increase to the RHDIP loan.

Authorization is now being requested for a second amendment to the RHDIP loan agreement to increase the RHDIP loan from \$1,650,000 to an amount not to exceed \$1,850,000. The source(s) of funds for the requested increase will be a combination of Community Development Block Grant (“CDBG”) and HOME funds.

A major reason for the second loan increase is because the project had significant delays due to the sub-surface issues which caused the project to be unable to meet the original required placed in service date of December, 2018. The developer needed to obtain a subsequent year allocation of Low-Income Housing Tax Credits which required that additional tax credit fees be paid to PHFA. The developer has contributed a significant portion of its developer fee to cover project expenses. In addition, because the project did not meet its original completion deadline and occupancy projections, the developer will likely incur a downward equity adjuster of up to \$195,000 which will further reduce the developer fee to be earned.

Details of the development are as follows;

Developer:	Quippa, LP
General Partner:	Quipps, GP (Oakland Planning & Development Corporation)
Property Location:	2561 Allequippa Street 2520 Wadsworth Street
Architect:	Loysen + Kreuthmeier Architects 5115 Penn Avenue Pittsburgh, PA 15224 Peter Kreuthmeier, Principal
General Contractor:	Sota Construction Services, Inc. 80 Union Street Pittsburgh, PA 15202 Ernie Sota, Principal
Total Development Costs:	\$16,292,369
Construction Financing:	
LIHTC Equity (PNC Multifamily Capital)	\$11,464,550
Seller Note	\$ 1,000,000
FHLB Affordable Housing Program	\$ 650,000
PHFA PHARE/RTT	\$ 380,000
General Partner Loan	\$ 237,774
PNC Bridge Loan Equity	\$ 526,781
Deferred Fee	<u>\$ 183,264</u>
Total Other Construction Financing	\$14,442,369

Previously Approved Authority Financing:

URA RHDIP loan amount \$ 1,650,000 - 5% interest rate, 30-year term, 50% of cash flow

Authority Financing Under Review:

URA RHDIP loan increase \$ 200,000 - 5% interest rate, 30-year term, 50% of cash flow

Real Estate Loan Review

Committee Status: Loan increase to be presented at the August 7, 2019 Real Estate Loan Review Committee

M/WBE Review Committee Status: Approved July 14, 2017

Mr. Cummings acknowledged Collette O’Leary for her hard work.

Ellie Fisher, of OPDC, was present. Ms. Fisher expressed her gratitude for the Authority’s consideration of this project, and announced the ribbon cutting ceremony that will take place of Tuesday August 27, 2019 at 1:00 PM. She stated that everyone was welcome.

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

RESOLUTION NO. 215 (2019)

RESOLVED: That a second amendment of the Loan Agreement with Quippa, LP, originally dated August 9, 2017, as amended on August 9, 2018, for an increase of up to \$200,000, for a total Agreement amount not to exceed \$1,850,000, payable from the Rental Housing Development and Improvement Program (“RHDIP”) is hereby approved, and the Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a second amendment therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

- 10. Administrative – Pittsburgh Housing Development Corporation
 - a. Reappointment of Andrew Dash to the Board of Pittsburgh Housing Development Corporation (3 year term).

Ms. Walker requested Board approval of the above item.

Mr. Cummings presented that Pittsburgh Housing Development Corporation (PHDC) is the not for profit 501 (c) 3 housing development affiliate of the Authority. PHDC is governed by a Board of Directors appointed by the Authority Board. Authorization is requested to make the following reappointment:

Appointment: Andrew Dash
Acting Director
Department of City Planning – City of Pittsburgh
(3 year term)

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. 216 (2019)

RESOLVED: That the reappointment of the following individual to the Board of Pittsburgh Housing Development Corporation is hereby approved:

- Andrew Dash
Acting Director
Department of City Planning – City of Pittsburgh
(3 year term)

11. Crawford-Roberts – The Center that C.A.R.E.S.

- a. Acquisition of publicly owned property known as Block 9-S, Lot 253, in the 3rd Ward, for \$1.00 plus costs.

Ms. Walker requested Board approval of the above item.

Mr. Nathan Clark, Director of Real Estate presented that authorization is requested to acquire the vacant parcel listed above which is owned by the City as Trustee for the Three Taxing Bodies (3TB) by virtue of Treasurer’s Sale for tax delinquency. The parcel is located at 1812 Enoch Street in the Crawford-Roberts neighborhood of the Hill District. The parcel contains approximately 1,106 square feet and will be acquired for \$1.00 plus costs using the Leased Land funding source.

The parcel is being acquired for conveyance to The Center that C.A.R.E.S. for expanded parking to serve the adjacent Jeron X. Grayson Center at 1816 Enoch Street. The Center that C.A.R.E.S. is a partnership of community organizations whose mission is to offer education, recreation, and supportive services to children and adults in the Hill District and surrounding communities, offered at their Grayson Center community space.

There was no discussion among the Members.

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

RESOLUTION NO. 217 (2019)

RESOLVED: That the acquisition of publicly owned property known as Block 9-S, Lot 253, in the 3rd Ward, for \$1.00 plus costs, payable from the Leased Land Fund, is hereby approved, and the Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is authorized to execute 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.

12. Middle Hill – CommunionPLACE, LLC

- a. Acquisition of publicly owned properties known as Block 27-A, Lots 125 and 126, in the 5th Ward, for \$1.00 plus costs.

Ms. Walker requested Board approval of the above item.

Mr. Clark presented that authorization is requested to acquire the two parcels listed above which are owned by the City as Trustee for the Three Taxing Bodies (3TB) by virtue of Treasurer's Sale for tax delinquency. The parcel located at 2932 Wylie Avenue (Block 27-A, Lot 126) in the Middle Hill neighborhood contains a vacant structure; the adjacent parcel at 0 Wylie Avenue (Block 27-A, Lot 125) is a vacant lot. Together the parcels contain approximately 2,465 square feet. They will be acquired for \$1.00 plus costs using the Leased Land funding source.

The parcels are being acquired for conveyance to Lakeisha Byrd, Architectural Associate and founder of CommunionPLACE, LLC, an organization that provides community building, architectural and community design, and real estate development services. The proposed project is to redevelop the structure as first floor commercial with apartments above; the lot will be a newly constructed addition to the building. Ms. Byrd plans to relocate CommunionPLACE to this site and develop rental opportunities above.

There was no discussion among the Members.

RESOLUTION NO.218 (2019)

RESOLVED: That the acquisition of publicly owned property known as Block 27-A, Lots 125 and 126, in the 5th Ward, for \$1.00 plus costs, payable from the Leased Land Fund, is hereby approved, and the Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is authorized to execute 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.

13. Manchester – Pittsburgh Water and Sewer Authority

- a. Acquisition of publicly owned property known as Block 22-F, Lot 38, in the 21st Ward, for \$1.00 plus costs.

Ms. Walker requested Board approval of the above item.

Mr. Clark presented that authorization is requested to acquire the vacant parcel listed above, which is owned by the City as Trustee for the Three Taxing Bodies (3TB) by virtue of Treasurer's Sale for tax delinquency. The parcel is located at 0 Beldale Street in Manchester and contains approximately 994 square feet. It will be acquired for \$1.00 plus costs using the Leased Land funding source.

The parcel is being acquired for conveyance to Pittsburgh Water and Sewer Authority as part of site assemblage to construct stormwater management infrastructure and a facility.

There was no discussion among the Members

RESOLUTION NO.219 (2019)

RESOLVED: That the acquisition of publicly owned property known as Block 22-F, Lot 38, in the 21st Ward, for \$1.00 plus costs, payable from the Leased Land Fund, is hereby approved, and the Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is authorized to execute 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.

14. Central Business District – Uptown - Oakland

- a. Cooperation Agreement(s) and/or Subgrant Agreement(s) with the Port Authority of Allegheny County and the City of Pittsburgh.
- b. Reimbursement Agreement with the Port Authority of Allegheny County for administrative fees.

Ms. Walker requested Board approval of the above items.

Ms. Emily Mitchell, of the Economic Development Department presented that the URA, in collaboration with the Port Authority of Allegheny County (PAAC), Allegheny County, and the City of Pittsburgh, submitted applications for the Federal Transit Administration (FTA) Small Starts grant program in May 2017 and September 2018. The FTA Small Starts grant program provides funding for corridor-based BRT systems and extensions to existing systems throughout the country.

The applicant for the 2019 submission will be PAAC, not the URA. However, the URA may continue to work in collaboration with PAAC on certain aspects of the project. As a result, authorization is sought to enter into a Cooperation Agreement(s) and/or Subgrant Agreement(s) with the PAAC and the City of Pittsburgh. The URA may also seek reimbursement from the PAAC for grants management, project management, legal, and other staff time spent on the BRT project.

If awarded, Small Starts funding would be used for design, engineering, and construction of the Downtown-Uptown-Oakland-East End BRT project. The grant would be administered by PAAC staff, while the project would be led by Pittsburgh's Department of Mobility and Infrastructure, the Port Authority of Allegheny County and their team of consultants. Potential match funding sources are still under evaluation and will be identified and secured by the BRT stakeholders including PAAC, Allegheny County and other public agencies.

Principal:

Katharine Eagan Kelleman, Chief Executive Officer
Port Authority of Allegheny County
345 Sixth Avenue, 3rd Floor
Pittsburgh, PA 15222
412-566-5500
kkelleman@portauthority.org

Amy Silverman, of Port Authority, was present. Ms. Silverman thanked the Authority for being an advocate of this project for the last two years.

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

RESOLUTION NO.220 (2019)

RESOLVED: That cooperation agreement(s) and/or subgrant agreement(s) with the Port Authority of Allegheny County and the City of Pittsburgh is hereby approved, and the Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a cooperation agreement(s) and/or subgrant agreement(s) therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

RESOLUTION NO. 221 (2019)

RESOLVED: That an agreement with Port Authority of Allegheny County for administrative fees is hereby approved, and the Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute a reimbursement agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

15. Homewood

- a. Amendment of Agreement with Ken Reilly Contracting for the Homewood School Demolition and Site Clearance, for an increase of up to \$90, 016.74 for a total Agreement amount not to exceed \$417,016.74.

Ms. Walker requested Board approval of the above item.

Mr. Charlie Miller, of the Engineering and Construction Department presented that authorization is requested to amend the September 13, 2019 agreement with Ken Reilly Contracting, by an amount of up to \$90,016.74. This deconstruction project followed LEED guidelines that required careful demolition, separation and removal of materials. During the deconstruction and separation process additional asbestos containing materials (ACM) that were initially hidden at the time that the asbestos survey was performed, were subsequently discovered requiring additional abatement, as well as additional fire doors and roof flashing.

Upon completion of the deconstruction work, per the contract specifications, geotextile and stone were placed in the footprint of the demolished building to provide temporary parking for neighborhood events. The surrounding grade on the school property differed significantly; resulting in less usable and somewhat dangerous conditions for the proposed use of the site as a temporary parking lot. The safest and most straight forward solution was deemed to be adding additional stone to fill voids and smooth uneven grades, to create a larger parking field. The URA and the contractor discussed this, and the contractor performed this additional work.

Ken Reilly Contracting is located at 6113 Valencia Road, Valencia, PA 16059 and Ken Reilly is the Owner.

Funding will be from Paygo – major projects, CDBG and/or Homewood Project funds.

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. 222 (2019)

RESOLVED: That an amendment of the Agreement with Ken Reilly Contracting, dated September 13, 2019, for the Homewood School Demolition and Site Clearance, for an increase of up to \$90,016.74, for a total Agreement amount not to exceed \$417,016.74, payable from, PAYGO – major projects, CDBG and/or Homewood Project funds is hereby approved, and the Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an amendment therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

16. Government Relations Services

- a. Agreement with Buchanan Ingersoll & Rooney PC for a term of up to two years for state and federal lobbying and governmental relations services.

Ms. Walker requested Board approval of the above item.

Ms. Walker presented that the Authority has engaged Buchanan Ingersoll & Rooney PC for state and federal lobbying and governmental relations services for several years. The current contract is set to expire at the end of September 2019 and URA staff recommends extending our engagement with Buchanan Ingersoll & Rooney PC for a two-year period through September 30, 2021. The services include expert representation in Harrisburg and Washington, D.C., required to secure state and federal funding in response to an increasingly challenging and competitive funding environment. The URA will engage these services at a cost of up to \$108,000.00 per year, plus expenses not to exceed \$10,000.00 per year, for a total up to \$118,000.00 per year.

Funding source: General Fund

Charles J. Kolling, Jr.
Government Affairs Consultant
Buchanan Ingersoll & Rooney
20th Floor, One Oxford Centre
Pittsburgh, PA 15219
412-392-1679
charles.kolling@bipc.com

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. 223 (2019)

RESOLVED: That an agreement with Buchanan Ingersoll & Rooney PC for state and federal lobbying and governmental relations services, for up to a two-year term, payable from the General Fund, is hereby approved, and the Executive Director, Interim Executive Director, Deputy Director, Interim Deputy Director and/or Chief Financial Officer, on behalf of the Authority, is hereby authorized to execute an 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.

Mr. Williamson noted that last month Diamonte Walker had been appointed as Deputy Director and Robert Rubinstein's last day as Executive Director of the Authority was July 31, 2019. He stated that there is a public announcement for the search of a new Executive Director that was executed the prior week. He stated that Ms. Walker will serve as the Interim Executive Director with no motion as it is in her job description.

AGENDA "B"

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

1. City Wide - 224
 - a. Amendment of Resolution No. 257 of 2018 to extend the term of the eight professional services (property maintenance) contracts by 2.5 months and \$60,734.26 for a new collective not to exceed amount of \$352,258.74. Funding source is PAYGO. The eight professional services contracts to be extended are with:
 - CENTER FOR EMPLOYMENT OPPORTUNITIES, INC.
 - CENTER THAT C.A.R.E.S.
 - CHATMAN PROPERTIES LLC
 - ERVIN HOME BEAUTIFICATION LLC
 - HILLTOP RISING, LLC
 - KRJ ENTERPRISES, INC.
 - NATURE'S GROOMING LLC
 - POORLAW

RESOLUTION NO. 224 (2019)

RESOLVED: That Resolution No. 257 of (2018) is hereby amended, to extend the term of the eight professional services (property maintenance) contracts by 2.5 months and \$60,734.26 for a new collective not to exceed amount of \$352,258.74. The eight professional services contracts to be extended are with:

- CENTER FOR EMPLOYMENT OPPORTUNITIES, INC.
- CENTER THAT C.A.R.E.S.
- CHATMAN PROPERTIES LLC
- ERVIN HOME BEAUTIFICATION LLC
- HILLTOP RISING, LLC
- KRJ ENTERPRISES, INC.
- NATURE'S GROOMING LLC
- POORLAW

2. Housing Recovery Program – Developer (HRP-D)

- a. Approval of Justin Belton (Housing Department employee), to purchase 5450 Broad Street, Pittsburgh, PA 15206 from the Authority's non-profit housing development affiliate, Pittsburgh Housing Development Corporation and to participate in the Housing Recovery Program Developer (HRP-D).

RESOLUTION NO. 225 (2019)

RESOLVED: That acquisition of 5450 Broad Street, Pittsburgh, PA 15206 to Justin Belton (Housing Department employee), from the Authority's non-profit housing development affiliate, Pittsburgh Housing Development Corporation and to participate in the Housing Recovery Program Developer (HRP-D) is hereby approved.

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


Assistant Secretary