

Commitment to a Brighter Future

Catalyzing Investment in the Lower and Greater Hill District

Term Sheet Summary for Blocks B and E, October 2019



What is the term sheet?

This document **formalizes commitments made by the URA, SEA, and the developer at this stage** in the process of negotiating the redevelopment of several specific pieces of a large site in the Lower Hill. **Some commitments and responsibilities are already in place** under the Option Agreement from June 2018 and others trace back many years before then.

What is the developer proposing?

The term sheet describes what the developer would like to build, own, and operate on specific pieces of the site: **Block E and Block B with a small portion of Block A.**

Block E would be a **parking structure with retail and a live music venue**. Block B would be a **multi-family residential building** along with **parking and open space**.

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What are the URA and SEA's responsibilities?

- Work with the City, County, and School Board to amend the LERTA Declaration so that the “LERTA funding” can be split with half going to the Greater Hill District Reinvestment Fund and the other half going to on-site improvements. “LERTA funding” will come from a portion of the increased real estate taxes from the completed project that will be redirected in this way due to a prior agreement. The developer would not request money later from the URA, SEA, or City for public infrastructure.
- Advance a 75% parking tax diversion plan for City Council consideration and adoption to be applied to development costs.
- Invest \$3M in support of parking garage construction.
- Advance \$1 million in affordable housing investments to exceed CCIP affordability levels.

What are the developer's responsibilities?

- Make 50% of the “LERTA funding” available up front for the Greater Hill District Reinvestment Fund. “LERTA funding” will come from a portion of the increased real estate taxes from the completed project that will be redirected to the Greater Hill District Reinvestment Fund and on-site improvements. This means projects can be funded soon, rather than waiting until after the project is complete.
- Move a Rescue/EMS station to Block E without using any “LERTA funding” to do so.
- Include a 1,200 sq. ft. space in the retail portion of the parking structure for the Catapult MWBE business incubator, rent it to the URA for \$1/year for 29 years, and support program costs. The URA would have an option to buy the space after five years.
- Pursue financing through the Housing Authority of the City of Pittsburgh and others so that 20% of the units on Block B would be required to meet federal and HACP affordability requirements for at least 20 years, or make a best effort to exceed the affordability levels identified in the CCIP.
- Fix up the Ammon Community Recreation Center including a multipurpose space, playground, basketball court, and technology for STEM programs for children (Rec2Tech).
- Help Partner4Work bring a First Source Center to help make sure jobs at that location can be filled by local workers, plus provide Intro to the Trades classes and training programs for building service and hospitality jobs. This would be in addition to all of the workforce goals outlined in the CCIP.
- Fill a funding gap for the Curtain Call project design and installation. Walter Hood, the artist, collected countless images from the community to preserve the cultural legacy of the Hill District for this project.