

GREATER HILL DISTRICT NEIGHBORHOOD REINVESTMENT FUND

POLICIES AND PROCEDURES

I. BACKGROUND

A. Pittsburgh Arena Real Estate Redevelopment LP, the Hill District Community (represented by Councilman R. Daniel Lavelle), and the Lower Hill Working Group (represented by Marimba Milliones, President and CEO of Hill CDC) (“LHWG”) entered into the Community Collaboration and Implementation Plan dated September 11, 2014 (the “CCIP”), pursuant to which the foregoing agreed to use commercially reasonable efforts to collaborate on the implementation of the CCIP with respect to the Greater Hill District (as shown on Exhibit A to the CCIP).

B. The City of Pittsburgh (the “City”) and Allegheny County (the “County”) joined in the CCIP and agreed to provide support to the CCIP in an effort to assist in and further continued redevelopment of the Greater Hill District.

C. Among other things, the CCIP provides for the establishment of the Greater Hill District Neighborhood Reinvestment Fund (the “Reinvestment Fund”).

D. The CCIP provides for the Project Stakeholders under the CCIP (including PAR, LHWG, the City and the County) would use commercially reasonable efforts to develop a comprehensive plan for the Reinvestment Fund, establish the Reinvestment Fund, and finalize governing documents for the Reinvestment Fund.

E. Capitalized terms used and not otherwise defined herein have the meaning given such terms in the CCIP.

II. PURPOSES AND AUTHORITY OF THE REINVESTMENT FUND

A. Reinvestment Fund. The Reinvestment Fund shall consist of multiple segregated, restricted accounts, each administered by the Urban Redevelopment Authority of Pittsburgh (the “URA”), as more fully set forth below in Section IV below. As more fully set forth in Section IV below, monies in the Reinvestment Fund accounts may be expended only by action of the Board of Directors of the URA, after receipt and review of a report and recommendation of the Reinvestment Fund Advisory Board (the “Advisory Board”) or, in certain limited situations as expressly set forth in Section IV.C.2 below, the Economic Development Department of the URA.

B. Address. The initial address of the Reinvestment Fund shall be c/o Urban Redevelopment Authority of Pittsburgh, 200 Ross Street, Pittsburgh, Pennsylvania 15219.

C. Purpose and Activities. The sole activity and purpose of the Reinvestment Fund shall be to attract funding and generate revenue for implementing the goals, objectives, strategies and process in the CCIP, and for investing in or providing financing for development projects and funding other community needs on the Development Site and elsewhere in the Greater Hill District and to engage in such other activities that may be necessary in connection with the foregoing. The Reinvestment Fund shall have no other activity or purpose except as provided in this Section II.C, and shall not expend any funds or undertake any investment in any property outside the Greater Hill District.

D. Term. The Reinvestment Fund is to have no specific date of dissolution.

III. ADVISORY BOARD

A. Advisory Board Members and Term. The Advisory Board shall consist of an odd number of members (not to exceed 13 members total), appointed pursuant to the terms of these Policies and Procedures.

1. Ten of the initial members of the Advisory Board shall be the representatives of the Member Organizations of the Greater Hill District Development and Growth Fund as listed on Exhibit A hereto. All such initial members of the Advisory Board shall serve a term of one, two, or three years. The terms of such initial members shall be staggered whereby, for the initial Advisory Board four members shall serve for a three-year term, three members shall serve for a two-year term, and two members shall serve for a one-year term; thereafter all members shall serve three-year terms. All new appointees to the Advisory Board that replace members covered by this Paragraph III.A.1. must be representative of the Hill District Institutions as constituted by the Growth Fund.

2. One member of the Advisory Board shall be appointed by the Mayor of the City of Pittsburgh, to serve a three year term. Upon the expiration of such member's term, or upon the removal of such member pursuant to Section III.F below, the Mayor of the City of Pittsburgh shall name such member's replacement.

3. The Board of Directors of the School District of Pittsburgh may appoint one Member of the Advisory Board, to serve a three year term. Upon the expiration of such member's term, or upon the removal of such member pursuant to Section III.F below, the Board of Directors of the School District of Pittsburgh shall name such member's replacement.

4. The Allegheny County Council may appoint the Councilor representing the Hill District (i.e. County Council District 10) as one Member of the Advisory Board, to serve a three year term. Upon the expiration of such member's term, or upon the removal of such member pursuant to Section III.F below, the Allegheny County Council shall name such member's replacement.

B. Powers. The Advisory Board shall receive and review all Applications (as defined in Section IV below) and issue Recommendation Reports (as defined below) to the Board of Directors of the URA regarding Applications that have been recommended by action of the Advisory Board pursuant to these policies and procedures. The Advisory Board may also take steps to identify, analyze, and facilitate potential Revenue Streams (as defined in the CCIP).

Members of the Advisory Board act only in an advisory capacity with regards to Applications, the Board of Directors of the URA shall have the sole authority and discretion to approve Applications. provided, however, that except as set forth in Section IV.C.2 hereof, the Board of Directors of the URA cannot take action without receiving a Recommendation Report (as defined in Section IV.C.1 hereof).

C. Meetings. The Advisory Board shall hold regular meetings at least quarterly, or more frequently when it deems expedient and appropriate, at a date, time, and place determined by the Members of the Advisory Board and designated in a written or printed Notice of Meeting that shall be given to the members at least one business day prior thereto.

D. Actions. The presence of at least half of the Advisory Board members then in office shall constitute a quorum and the affirmative vote of a majority of the members of the Advisory Board present at a duly called meeting where a quorum is present shall be necessary for any action to be taken by the Advisory Board. Each member of the Advisory Board shall be entitled to one vote. No proxy voting shall be permitted. Any action required or permitted to be taken at a meeting may be taken without a meeting if 2/3rds of the members then serving consent in writing to such action and such written consents are filed with the records of the minutes of the meetings. Such consents shall be treated for all purposes as a vote at a meeting. Members of the Advisory Board may participate in a meeting of the Advisory Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

E. Conflict of Interest. As more fully explained in the Policy Regarding Conflicts of Interest attached hereto as Exhibit "B", no member of the Advisory Board may obtain a financial interest or benefit from any monies awarded or distributed by the Reinvestment Fund, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for themselves, or those with whom they have family, organizational, or business ties, during their tenure or for one year thereafter. Each member of the Advisory Board shall, at the beginning of his/her term, execute an acknowledgement of the Reinvestment Fund's Policy Regarding Conflicts of Interest, in the form attached hereto as part of Exhibit "B'.

F. Removal of a member of the Advisory Board. Any member of the Advisory Board may be removed by a vote of a super majority of the Advisory Board should, in their judgment, the best interest of the Reinvestment Fund, be served thereby. Failure to attend at least one-half of the Advisory Board's meetings during a calendar year may be considered as a reason for

removal. In addition, should the Advisory Board, by a vote of a super majority of the Advisory Board, determine that a member of the Advisory Board has violated the Reinvestment Fund's Policy Regarding Conflicts of Interest, such member's term on the Advisory Board shall immediately terminate.

G. Vacancies. Except as set forth in Section III.A.2, 3 and 4 above, a vacancy occurring on the Advisory Board shall be filled by a new member, representing the appropriate Hill institution who shall be elected by the remaining members of the Advisory Board and who shall serve for the unexpired term of the Advisory Board member who has left the vacancy.

H. Compensation. Members of the Advisory Board shall not be entitled to compensation for services rendered as such.

I. Committees. The Advisory Board may, in addition to any powers granted herein, establish committees of the Advisory Board and confer upon them such powers as it deems necessary for the conduct of Reinvestment Fund business.

IV. Accounts and Applications.

A. Applications. An individual or entity seeking any sort of grant, loan, financial commitment, or the establishment of any other type of pecuniary relationship with the Reinvestment Fund (an "Applicant") must submit an Application, substantially in the form attached hereto as Exhibit "C" (the "Application"), that shall include, in addition to any other items requested by the Advisory Board, a description of Applicant's proposed project (the "Project"), a statement of how the Project furthers the purposes of the Reinvestment Fund as set forth in Section II herein, and a description of the timing and method of any disbursements.

B. Accounts. The URA shall set up at least two (2) segregated accounts to hold all monies of the Reinvestment Fund (the "Accounts"). The total number of Accounts, and the management of such accounts, shall be at URA discretion, and the URA shall have complete discretion to determine the appropriate Account, and type of Account, for all funds. Accounts will be either of two types:

1. General Accounts. General accounts shall hold funds which may be used for any of the purposes set forth on the Eligible Uses for Reinvestment Funds attached hereto as Exhibit "D".

2. Restricted Accounts. Restricted Accounts shall holds funds which may be used for limited purposes, as set forth by the grantor, enabling legislative body of any public financing vehicle, local law, state law, or federal law.

C. Review and Recommendation of Applications.

1. Provided that no Conflict of Interest exists, the Advisory Board shall review each Application and, by action of the Advisory Board, either recommend an Application to the Board of Directors of the URA, deny an application, or request that an Applicant re-submit an Application with revisions and/or additions. The Advisory Board shall recommend an Application to the Board of Directors of the URA only upon issuing a report that includes: a finding that the Project furthers the purposes of the Reinvestment Fund, as set forth in Section II hereof, a finding that no Conflict of Interest exists with regards to the Project and the Applicant, an identification of the Account and the source of funds recommended for the Project, a finding that the Project is a permitted use for such funds, a description of the method of disbursement (for example: up-front or reimbursement) and planned timing of disbursement for any funds awarded, and a finding containing the tracking, monitoring, and reporting plans and requirements that will be required of the Applicant and the Advisory Board (a "Recommendation Report")

2. Should the Advisory Board deny an application, or fail to issue a final determination on an Application, within sixty (60) days of the submission date of such Application, the Applicant may submit such Application to the Economic Development Department of the URA which may, at its discretion, review the Application and, in its sole discretion, determine whether to issue a Recommendation Report to the Board of Directors of the URA. Any Recommendation Report issued by the Economic Development Department of the URA shall include the information set forth in Section IV.C.1 above.

EXHIBIT A

INITIAL MEMBERS OF THE ADVISORY BOARD

DRAFT

EXHIBIT B

POLICY REGARDING CONFLICTS OF INTEREST

This conflict of interest policy (the “Policy”) is designed to help members of the Advisory Board of the Greater Hill District Neighborhood Reinvestment Fund (the “Reinvestment Fund”) identify situations that present potential conflicts of interest and to provide the Reinvestment Fund with a procedure which, if observed, will allow the Reinvestment Fund to avoid any conflict, or the appearance of conflict, between the personal interests of members of the Advisory Board and the interests of the Reinvestment Fund in dealing with any organization or individual having, or seeking to have, any relationship with the Reinvestment Fund.

All capitalized terms, other than Reinvestment Fund and Policy are defined in Section 2 of this Policy.

1. Conflict of Interest Defined. For purposes of this Policy, the following circumstances shall be deemed to create Conflicts of Interest:

A. Direct Interests. A Contract or Transaction between the Reinvestment Fund and a Responsible Person or Family Member.

B. Indirect Interests. Any Contract or Transaction between the Reinvestment Fund and an entity in which a Responsible Person or Family Member has a Financial Interest or of which such person is a compensated or uncompensated director, officer, agent, partner, associate, trustee, personal representative, receiver, employee, guardian, custodian, conservator or other legal representative.

C. Gifts, Gratuities and Entertainment. A Responsible Person accepting gifts, entertainment or other favors from any individual or entity that:

- (i) does or is seeking to do business with the Reinvestment Fund; or
- (ii) has received or is receiving or is seeking to receive a grant or loan or to secure other financial commitments from the Reinvestment Fund;

under circumstances where it might be inferred that such action was intended to influence or possibly would influence the Responsible Person in the performance of his or her duties. This does not preclude the acceptance of items of nominal or insignificant value or entertainment of nominal or insignificant value which are not related to any particular transaction or activity of the Reinvestment Fund.

2. Definitions.

A. A “Conflict of Interest” is any circumstance described in Part 1 of this Policy.

B. A “Responsible Person” is any person serving as a member of the Advisory Board or as an officer, employee, or representative of the Reinvestment Fund.

C. A “Family Member” is a spouse, parent, child, brother, sister, or spouse of a child, brother, or sister of a Responsible Person.

D. A “Financial Interest” in an entity is a financial interest of any kind.

E. A “Contract or Transaction” is any agreement or relationship involving the sale or purchase of goods, services or rights of any kind, the providing or receipt of a grant or loan, the securing of any financial commitment, or the establishment of any other type of pecuniary relationship with the Reinvestment Fund.

F. “Advisory Board” is the Reinvestment Fund’s Advisory Board as described in the Policies and Procedures.

G. “Policies and Procedures” are the Policies and Procedures of the Reinvestment Fund.

H. “CCIP” shall mean the Community Collaboration and Implementation Plan dated September 11, 2014 between Pittsburgh Arena Real Estate Redevelopment LP, the Hill District Community (represented by Councilman R. Daniel Lavelle) and the Lower Hill Working Group (represented by Marimba Millions, President and CEO of Hill CDC).

3. Policy. A Contract or Transaction involving a Conflict of Interest shall not be approved by the Advisory Board or recommended to the Board of Directors of the URA by action of the Advisory Board.

4. Procedures.

A. Prior to Advisory Board review of an Application, as defined in the Policies and Procedures Contract or Transaction involving a Conflict of Interest, a member of the Advisory Board who knows he or she has a Conflict of Interest shall disclose all facts material to the Conflict of Interest to the Advisory Board, either at a meeting of the Advisory Board, or in a writing transmitted to the Advisory Board.

B. A member of the Advisory Board who does not plan to attend a meeting at which he or she has reason to believe that the Advisory Board will act on a matter in which the person knows he or she has a Conflict of Interest shall disclose to the Advisory Board all facts material to the Conflict of Interest. The Advisory Board shall report the disclosure at the meeting, the disclosure shall be reflected in the minutes of the meeting, and the Advisory Board shall not approve such matter.

C. A person who knows he or she has a Conflict of Interest shall not participate in the Advisory Board's discussions of the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.

D. Responsible Persons who are not members of the Advisory Board, or who have a Conflict of Interest with respect to a Contract or Transaction that is not the subject of Advisory Board action, shall disclose to the Advisory Board any Conflict of Interest that such Responsible Person knows he or she has with respect to such Contract or Transaction. Such disclosure shall be made as soon as the Conflict of Interest is known to the Responsible Person. The Responsible Person shall refrain from any action that may affect the Reinvestment Fund's participation in such Contract or Transaction. The Advisory Board shall promptly report such Conflict of Interest.

E. If it is not entirely clear whether or not a Conflict of Interest exists, then the individual with the potential conflict shall disclose the circumstances to a third party, to be named by the Advisory Board at the initial meeting of the Advisory Board subject to the approval of the Board of Directors of the URA, who shall determine whether there exists a Conflict of Interest that is subject to this Policy.

5. Confidentiality. Each Responsible Person shall exercise care not to disclose confidential information acquired in connection with such status or information the disclosure of which might be adverse to the interests of the Reinvestment Fund. Furthermore, a Responsible Person shall not disclose or use information relating to the business of the Reinvestment Fund for the personal profit or advantage of the Responsible Person or a Family Member.

6. Review of Policy; Annual Disclosure.

A. Each member of the Advisory Board shall be required to review a copy of the Policy and acknowledge in writing that he or she has done so at the beginning of each term that he or she may serve on the Advisory Board. In addition, any new Responsible Person shall be required to review a copy of this Policy and to acknowledge in writing that he or she has done so.

B. Each member of the Advisory Board along with each Responsible Person shall annually complete a two-part disclosure form, in the form included herewith, which shall be submitted to the Advisory Board and kept with the records of the Reinvestment Fund.

C. This Policy shall be reviewed annually by each Responsible Person. Any changes to the Policy shall be communicated immediately to all Responsible Persons.

DISCLOSURE FORM AND ACKNOWLEDGMENT ON FOLLOWING PAGES

DRAFT

Conflict of Interest Information Form – Part I

Name: _____

Please list below the name of each business or nonprofit organization of which you, your spouse (if any), or any dependent children of yours is a director, officer, employee or partner:

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, and agree to abide by, the Greater Hill District Neighborhood Reinvestment Fund's POLICY REGARDING CONFLICTS OF INTEREST

Signature: _____
Name: _____
Position: _____
Date: _____

Conflict of Interest Information Form – Part II

Name: _____

Please list below the name of each business organization in which you, your spouse (if any), or any dependent children of yours have, in the aggregate, an ownership interest of 5% or more:

DRAFT

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, and agree to abide by, the Greater Hill District Neighborhood Reinvestment Fund's POLICY REGARDING CONFLICTS OF INTEREST

Signature: _____
Name: _____
Position: _____
Date: _____

EXHIBIT C

FORM OF APPLICATION

DRAFT

EXHIBIT D

ELIGIBLE USES FOR REINVESTMENT FUND PROCEEDS AND EXAMPLES OF POTENTIAL SOURCES

With examples from the Community Collaboration and Implementation Plan (CCIP), Greater Hill District Master Plan, and GreenPrint

CERTAIN FUNDING SOURCES WILL LIMIT THE USE OF FUNDS. NOT ALL FUNDS MAY BE USED FOR ALL USES.

ELIGIBLE USES:

1. Administration of Community Collaboration and Implementation Plan (CCIP)
 - a. Implementation and Administration of the plan
 - b. Communications, Reporting and Tracking
2. Activities and efforts in support of the CCIP and the Greater Hill District
 - a. Economic Empowerment and Commercial Development
 - i. M/WBE counseling and business development programming
 - ii. Workforce development programming
 - iii. Support of community assessment and job clearinghouse centers
 - iv. Youth-focused job training programs
 - v. Incubator spaces for: non-profits, arts, small businesses, cooperatives
 - vi. Small business support programming
 - vii. Urban Agriculture
 - viii. Individual Development Account programs
 - ix. Micro-Enterprise programs
 - x. Worker-owned cooperatives
 - xi. Resident Investment programs/ Resident owned businesses
 - xii. Employee Wealth Sharing programs
 - xiii. Youth Savings Accounts
 - xiv. Community Development Initial Public Offerings
 - xv. Development of Centre Avenue business district
 - xvi. Development of housing innovation zone
 - xvii. Contractor Support Services (i.e. advance payment, hardware store lines of credit)
 - b. Children and Youth Education
 - i. Lifelong education programs
 - ii. Urban Fellows exchange programs

- iii. Out-of-school programs (before, after, and summer school programming)
 - iv. Youth arts education
- c. Housing + Tenant Development Programs
- i. Homeownership programs
 - ii. Housing education (renting and buying)
 - iii. Home stabilization programs
 - iv. Homeowner and tenant support programs
 - v. Homeowner cooperatives
 - vi. Tenant resource center programming
 - vii. Home Equity Building Programs
 - viii. Mortgage assistance programs
 - ix. Rent assistance programs
 - x. Community Land Trust activities
- d. Planning + Design Activities
- i. Bedford Avenue Corridor
 - ii. Kirkpatrick Street Recreational Corridor
 - iii. Herron Avenue Corridor
 - iv. Hill District Historic Preservation Plan
 - v. Comprehensive parking strategy within the Greater Hill District
 - vi. Update to Comprehensive Vacant Property Strategy
 - vii. Development of comprehensive signage and wayfinding systems
- e. Cultural and Community Legacy Initiatives
- i. Restoration and preservation of historic structures and places
 - ii. Hill History Center activities
 - iii. Activities supporting the implementation of the Greater Hill District Arts Plan
- f. Neighborhood Greening Projects (GreenPrint)
- i. Greenspace
 - ii. Recreational and play space
 - iii. Health and wellness initiatives
- g. Transportation
- i. Ride-sharing initiative
 - ii. Shuttle services
- h. Neighborhood Safety
- i. Neighborhood watch programming

3. Project development within the Greater Hill District – Any expenditure made or estimated to be made, or monetary obligations incurred or estimated to be incurred which are listed in a project plan as costs of public work or improvements or residential, commercial or industrial development or revitalization within the Greater Hill District. Project costs include, but are not limited to:
 - a. Capital costs
 - i. Construction of public works or improvements
 - ii. Residential, commercial or industrial development or revitalization
 - iii. New buildings, structures and fixtures
 - iv. Demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures or fixtures
 - v. Acquisition, upgrade or rehabilitation of machinery or equipment
 - vi. Acquisition, clearing and grading of land
 - b. Real property assembly costs
 - c. Professional services costs
 - i. Architectural
 - ii. Planning
 - iii. Engineering
 - iv. Legal advice and services
 - d. Administration costs
 - i. Reasonable charges for the time spent by employees of a municipality or an authority in connection with the implementation of a project plan
 - e. Relocation costs
 - f. Organizational costs
 - i. Environmental impact and other site-related studies
 - ii. Informing the public with respect to implementation of project plans

EXAMPLES OF POTENTIAL SOURCES:

1. Matching funds to leverage existing URA and City of Pittsburgh programs for the benefit of Greater Hill District Neighborhood Residents, Businesses and Developers
 - a. Residents
 - iii. Neighborhood Housing Program
 - iv. For-Sale Single Family Development Second Mortgage Program
 - v. Residential Façade Improvement Program
 - vi. Mortgage Postponement Program
 - vii. First time homeownership programs that target homeownership for families earning up to 120 percent of Area Median Income, as defined by HUD
 - viii. City of Pittsburgh Summer Youth Employment Program
 - b. Businesses

- ix. Business Energy Savings Program
- x. Urban Development Fund Program
- xi. Pittsburgh Business Growth Fund Program
- xii. Pittsburgh Entrepreneur Growth Fund Program
- xiii. Streetface Program
- xiv. Storefront Renovation Program

c. Developers

- xv. Public Art Program (with City Planning and the Office for Public Art)

2. Other Potential Sources:

- Proceeds resulting from the Lower Hill LERTA District
- Philanthropic donations
- Public sector funds
- Corporate donations
- Loans
- One dollar (\$1) per car surcharges on structured parking development on the Development Site
- Surcharges on the disposition of real property
- Other financial structures to be identified, analyzed, and implemented, as approved by the Board of the URA