

# URA Board Agenda



**Date/Time:** Thursday, February 10, 2022 at 2:00 PM

**Webinar Link:** <https://zoom.us/j/96855758941>

**Webinar Dial In:** 1 (929) 205-6099

**Webinar ID:** 968 5575 8941

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  - iii. Authorization to enter into a Rental Gap Program loan or grant agreement with Gladstone Residences, LP or Hazelwood Initiative, Inc., to be funded with American Rescue Plan Act funds, in the amount of \$2,000,000, contingent upon execution of a reimbursement agreement with the City of Pittsburgh.

#### • Development Services

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- d. Second Avenue – 4800 Block City of Bridges Community Land Trust (*pp. 8-9*)
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# Director's Report

**To:** URA Board of Directors  
**From:** Shaina Madden, Director of Housing Finance  
**Cc:** Greg Flisram, Executive Director  
Diamonte Walker, Deputy Executive Director  
**Date:** February 10, 2022  
**Re:** Agenda Item 5(a): Avenues of Hope – Residential Lending & Investments

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## 5(a) Bedford Dwellings – Bedford Campus

- i. Authorization to enter into a Rental Gap Program loan agreement with Western Manor, Inc. in the amount of up to \$500,000.
- ii. Authorization to enter into Housing Opportunity Fund Demonstration Program grants with Western Manor, Inc., and Center City Apartments Associates in the aggregate amount of up to \$300,000.

### Authorization Details

**Borrower/Grantee:** Wester Manor, Inc. (Owner of Western Manor)  
Centre City Apartments Associates (Owner of Milliones Manor)

**Contractor:** Timbers Construction (for repairs at Western Manor)

**Addresses:** Western Manor – 2851 Bedford Avenue, Pittsburgh, PA 15219  
Milliones Manor – 2827 Bedford Avenue, Pittsburgh, PA 15219

**Neighborhood:** Bedford Dwellings

**Council District:** 6

**Description:** Two senior properties in the Bedford Senior Campus have an emergent need for capital repairs as well as operating income in order to stabilize operations. Hill Community Development Corporation (Hill CDC), assisting as a technical service provider, continues to assemble a long-term redevelopment plan in tandem with URA, the US Dept. of Housing & Urban Development (HUD), the Pennsylvania Housing Finance Agency (PHFA), residents, and community members.

Western Manor is a 32-unit, HUD-202 financed building serving seniors at or below 30% of Area Median Income (AMI). The building has been in its current use since 1992 and certain building systems are well past their useful life. The property has failed several HUD Real Estate Assessment Center (REAC) Assessments and needs immediate attention to avoid HUD potentially terminating operations at the building and destabilizing the lives of current residents. The Housing Opportunity Fund's (HOF) Rental Gap Program (RGP) loan would directly address issues with the current roof system and resulting water infiltration. Given the emergent nature of this request, this loan's approval is independent of other pending sources so that work may commence in an expeditious manner.

Milliones Manor is a 40-unit, Low-Income Housing Tax Credit (LIHTC) project primarily serving seniors at or below 50% AMI. Similar to Western Manor, Milliones Manor has been in service for over 30 years and aging building systems have put a strain on the

finances at the property. Funding is needed to stabilize operations. Such an infusion of operational dollars would attract a highly qualified property manager and help satisfy outstanding payables at Western and Milliones Manors.

Operating funds and the capitalization of reserves are not allowable uses under the HOF RGP program. Staff recommends using a Demonstration Program grant from the HOF which is free of such restrictions. This grant will pay outstanding expenses related to fire protection, insurance, landscaping, appliances, municipal fees, utilities, legal services, elevator maintenance, HVAC, and other building upkeep costs.

- Authority Financing for Review:**
- \$500,000 Rental Gap Program (RGP) loan to Western Manor, Inc. – Funded by HOF 2020 RGP funds.
  - \$300,000 Demonstration Program Grant to Western Manor, Inc., and Centre City Apartments Associates (up to \$150,000 per property) to be reimbursed by American Rescue Plan Act funds.

**Collateral:** Recorded mortgage at Western Manor and affordability deed restrictions recorded on both Western Manor and Milliones Manor.

- Required Approvals:**
- RGP Loan
    - URA Real Estate Loan Review Committee (2/2/22)
    - HOF Advisory Board (2/3/22)
  - Demonstration Grant
    - HOF Board (2/3/22)

**Program Sources:** HOF 2020 RGP, HOF Demonstration Dollars

**MWBE:** Narrative approved. Initial project cost calculator approved.

**Commitment Expiration:** June 10, 2022

<b>Sources of Funds – Western Manor Repairs</b>	
URA RGP Loan	\$500,000
To-be identified sources	\$109,674
<b>Total Project Financing</b>	<b>\$609,674</b>

<b>Uses of Funds – Western Manor Repairs</b>	
Mold Inspection	\$25,000
Hard Costs	\$203,600
Contingency	\$120,000
Fees	\$30,000
Miscellaneous Development Expenses	\$231,074
<b>Total Project Uses</b>	<b>\$609,674</b>



# Director's Report

**To:** URA Board of Directors  
**From:** Shaina Madden, Director of Housing Finance  
**Cc:** Greg Flisram, Executive Director  
Diamonte Walker, Deputy Executive Director  
**Date:** February 10, 2022  
**Re:** Agenda Item 5(b): Avenues of Hope – Residential Lending & Investments

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## 5(b) Second Avenue – Gladstone Residences

- i. Authorization to enter into a Rental Gap Program loan agreement with Gladstone Residences, LP in the amount of up to \$1,715,000.
- ii. Authorization to waive Rental Gap Program guidelines to exceed the maximum loan amount of \$1,250,000.
- iii. Authorization to enter into a Rental Gap Program loan or grant agreement with Gladstone Residences, LP or Hazelwood Initiative, Inc. to be funded with American Rescue Plan Act funds in the amount of up to \$2,000,000, contingent upon execution of a reimbursement agreement with the City of Pittsburgh.

### Authorization Details

**Borrower/Grantee:** Gladstone Residences, LLC (Partnership between Hazelwood Initiative & The Community Builders)

**Contractor:** Sota Construction Services

**Address:** 327 Hazelwood Avenue, Pittsburgh, PA 15207

**Neighborhood:** Hazelwood

**Council District:** 5

**Description:** This 9% Low-Income Housing Tax Credit (LIHTC) project involves the rehabilitation of the former Gladstone School in Hazelwood. Located within walking distance of the Second Avenue “Avenues of Hope” corridor and Hazelwood Green, the Gladstone School was originally constructed in 1914. Subsequent additions have been made to the school, including the construction of the Annex Building in 1926. The Annex Building will most likely serve a future community use, as it is not included in the parcel or scope of the 9% LIHTC development.

The rehabilitation of the original 1914 building will result in 51 new units, eight (8) of which will be rented at the market rate and 43 (84%) of which will be affordable. This includes:

- Six (6) units affordable at or below 20% Area Median Income (AMI);
- One (1) unit affordable at or below 30% AMI;
- 20 units affordable at or below 50% AMI; and
- 16 units affordable at or below 60% AMI.

This unit count includes: four (4) studios; 39 one-bedroom units; and eight (8) two-bedroom units. These units are supported by the Housing Authority of the City of Pittsburgh’s Project Based Vouchers (PBV) in addition to HOME funding that will keep

units affordable for a minimum of 40 years. Ten of these units will also be fully ADA accessible.

American Rescue Plan Act (ARPA) funding is a crucial to the development's success. Gladstone Residences already received a \$2 million commitment through the City of Pittsburgh while Pennsylvania Housing Finance Agency's (PHFA) Construction Cost Relief Program (CCRP) second mortgage is expected to be funded with ARPA. There are ongoing conversations regarding how these funds may enter the financial structure, but the URA is seeking authorization to enter into an agreement to allow the project to advance and to provide commitments to the borrower and respective lenders.

- Authority Financing for Review:**
- \$1,715,000 Rental Gap Program (RGP) loan to Gladstone Residences, LLC – Sourced with HOF 2020, HOME 2019, HOME 2020, CDBG 2020, & CDBG 2021
  - \$2,000,000 Rental Gap Program (RGP) loan to Gladstone Residences, LLC or grant to Hazelwood Initiative, or an affiliated entity – Sourced with \$2 million ARPA commitment through the City of Pittsburgh

**Collateral:** Recorded Open-End Mortgage & Security Agreement and Declaration and Agreement of Restrictive Covenants on the Gladstone Residences property

- Required Approvals:**
- RGP Loan – URA Real Estate Loan Review Committee (2/2/22)
  - RGP Loan – Housing Opportunity Fund Advisory Board (2/3/22)

**Program Sources:** HOF 2020 RGP, HOME 2019, HOME 2020, CDBG 2020, & CDBG 2021

**MWBE:** MWBE Narratives, MWBE Cost Calculator, & Initial MWBE Plan reviewed and approved by URA Compliance staff. Final MWBE Plan requires approval prior to closing

**Commitment Expiration:** June 10, 2022

<b>Sources of Funds – Gladstone Residences</b>	
PHFA PHARE Loan (1 <sup>st</sup> Mortgage)	\$1,200,000
PHFA CCRP Loan (2 <sup>nd</sup> Mortgage)	\$2,394,827
HACP Gap Financing Loan (3 <sup>rd</sup> Mortgage)	\$1,000,000
URA RGP Loan & City of Pittsburgh ARPA Commitment	\$3,715,000
LIHTC Equity	\$14,851,799
Developer Equity	\$279,721
Deferred Development Fee	\$375,000
Seller Financing	\$150,000
Anticipated Energy Rebates	\$9,534
<b>Total Project Financing</b>	<b>\$23,975,882</b>

<b>Uses of Funds – Gladstone Residences</b>	
Acquisition	\$437,150
Construction Hard Costs	\$18,303,603
Fees	\$1,156,240
Miscellaneous Development Expenses	\$475,200
Construction & Permanent Loan Financing Charges	\$476,107
Reserves & Developer Fee	\$2,392,209
Syndication Fees & Expenses	\$735,373
<b>Total Project Uses</b>	<b>\$23,975,882</b>



# Director's Report

**To:** URA Board of Directors  
**From:** Jennifer Wilhelm, Chief Lending and Solutions Officer  
**Cc:** Greg Flisram, Executive Director  
Diamonte Walker, Deputy Executive Director  
**Date:** February 10, 2022  
**Re:** Agenda Item 5(c): Avenues of Hope – Development Services

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## 5(c) Larimer – KEEL Partners For-Sale Residential

- i. Authorization to enter into Exclusive Negotiations for six months with East Liberty Development, Inc., or a related entity for the sale of Block 83-S, Lots 271, 273, 275, 276, 277, 278, 279, 282, and 502; Block 124-N, Lots 195 and 198; and Block 125-A, Lots 334, 334-A, 335, 336, 339, and 340, in the 12<sup>th</sup> Ward.

### Authorization Details

Authorization is requested to enter into Exclusive Negotiations with East Liberty Development, Inc. (ELDI) or a related entity for, the sale of the 17 aforementioned vacant parcels totaling approximately 50,963 square feet.

KEEL Partners—a collaborative including Kingsley Association, ELDI, East Liberty Housing Inc. (former owners of East Liberty Garden Apartments), and the Larimer Consensus Group (LCG) — envisions attracting Black professional and working families to Larimer by developing in-fill market-rate and affordable for-sale housing starting at the neighborhood's border along East Liberty Boulevard.

The project will build off of and complement the 334 current or soon-to-be-delivered mixed-income rental units brought to the neighborhood as part of the \$30 million Larimer/East Liberty Choice Neighborhoods Initiative Grant. The collaborative plans to develop 50 or more for-sale houses in multiple phases. Units delivered in early phases will be concentrated along East Liberty Boulevard. Units delivered in later phases will be located to the east and north in the area the August 2020 update of the LCG Larimer Vision Plan identified as the "R1" residential core — an area with a high rate of homeownership that is adjacent to new development.

Plans for the first phase of the for-sale residential development call for a joint venture between ELDI and LCG to develop 16 single family residences, including: 14 attached and detached townhouses along East Liberty Blvd., between the Environment and Energy Community Outreach (EECO) Center and the Kingsley Association; and two (2) detached single-family residences on Carver Street north of Paulson Avenue. The redeveloper has committed to making five (5) of the 16 units (30%) affordable to households at or below 80% AMI.

The preliminary budget for this first phase is \$7.2 million. The redeveloper plans to seek URA assistance in the form of pre-development loans and other financing, which will be presented to the board at a future date.

The Exclusive Negotiations period permits the redeveloper to undertake site due diligence, develop and vet community design approaches, and pursue financing. The project will return to the Board two more times: first for approval of the proposal and disposition contract; and then for approval of final drawings, evidence of financing, and authorization to execute a deed.

Approved MWBE and MWI Narratives are on file.

East Liberty Development, Inc. is a Pennsylvania nonprofit with a mailing address of 211 N. Whitfield Street, Suite 204, Pittsburgh, PA 15206. Maelene Myers is Executive Director.

# Director's Report

**To:** URA Board of Directors  
**From:** Jennifer Wilhelm, Chief Lending and Solutions Officer  
**Cc:** Greg Flisram, Executive Director  
Diamonte Walker, Deputy Executive Director  
**Date:** February 10, 2022  
**Re:** Agenda Item 5(d): Avenues of Hope – Development Services

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## **5(d) Hazelwood – 4800 Block City of Bridges Community Land Trust**

- i. Proposal and form of contract for the sale of Block 56-F, Lots 326, 326A, 327, 330, 331 in the 15<sup>th</sup> Ward to City of Bridges Community Land Trust, or a related entity, for \$20,000 plus costs.

### **Authorization Details**

Authorization is requested to accept the Redevelopment Proposal and enter into a disposition contract with the City of Bridges Community Land Trust (CBCLT), or a related entity for the sale of five (5) publicly owned parcels along Chatsworth and Hazelwood Avenues in Hazelwood for \$20,000 plus cost. The site contains a total area of approximately 9,765 square feet. CBCLT will serve as the developer of four (4) new construction, affordable, for-sale homes to be situated within the residential block between Chatsworth Avenue and Osprey Way. The introduction of these homes offers larger households an opportunity to participate financially in the resurgence of the Hazelwood neighborhood while strengthening the existing residential fabric within this gateway block that is presently fragmented by interspersed vacant and underutilized parcels. Further, through a Community Land Trust model, the stewardship of land on which the residences are located will be managed through a community nonprofit.

CBCLT's development includes two phases and will build a total of 12 new permanently affordable for-sale units that will be sold to households between 50% and 80% Area Median Income. Phase One of this project requires authorization to further develop four (4) of the 12 new permanently affordable for-sale units. An option agreement to this effect was signed in September 2021.

The project will be financed through first and second position construction financing equal to the expected sales revenue, philanthropic funds, a 2021 Federal Home Loan Bank of Pittsburgh Affordable Housing Program (AHP) Award, and Housing Opportunity Fund/URA funding.

Total development costs for Phase 1 are estimated to be \$1.78 million.

### **Background**

In July 2019, the URA released a Request for Proposal (RFP) for multiple publicly owned sites along the Second Avenue/Irvine Street corridor in Hazelwood. The RFP's goal was to select a Redeveloper who could complete a high-quality, mixed-use redevelopment project that is reflective of the concepts and principles contained in the Greater Hazelwood Neighborhood Plan (GHNP). Responses were due on October 17, 2019, and the URA received six (6) responses by that deadline. The URA selected a partnership between The Community Builders, Inc., and the CBCLT. The Community Builders Inc. was awarded Exclusive Negotiations at the December 2020 Board meeting and is working to submit a 9% Low Income Housing Tax Credit Application to the Pennsylvania Housing Finance Agency.



The CBCLT project will develop two (2) two-bedroom townhomes, six (6) three-bedroom townhomes, two (2) one-bedroom flats, and two (2) three-bedroom quad units. Sale prices will range from \$87,000 to \$135,000. The duplex units respond to the Neighborhood Plan's desire for housing that serves the "Missing Middle" within the community. The total development cost is \$7,186,661. The Hazelwood units have been selected as one of 15 projects nationwide to be a participant in the International Living Future Institute's Affordable Housing Pilot for the Living Building Challenge.

Prior to the sale of the property, the proposed development will again be presented to the URA Board for approval of final drawings and evidence of financing and for authorization to execute the deed. Further, such final approvals will not include authorization to begin construction on infrastructure improvements, unless designs have been thoroughly vetted by URA staff.

The MWBE Program Officer has reviewed and approved MWBE and MWI Narratives for this project.

City of Bridges Community Land Trust is a Pennsylvania nonprofit with a mailing address of 100 43<sup>rd</sup> Street, Suite 106, Pittsburgh, PA 15201. Ed Nusser is the Executive Director.

# Director’s Report

**To:** URA Board of Directors  
**From:** Jennifer Wilhelm, Chief Lending and Solutions Officer  
**Cc:** Greg Flisram, Executive Director  
 Diamonte Walker, Deputy Executive Director  
**Date:** February 10, 2022  
**Re:** Agenda Item 5(e): Avenues of Hope – Development Services

## 5(e) Hazelwood - Woods Village

- i. Authorization to extend Exclusive Negotiations with Oak Moss Consulting LLC for a period of 90 days for the sale of the following City of Pittsburgh-owned parcels (the “Property”) in the 15<sup>th</sup> Ward:

<u>Block &amp; Lot</u>	<u>Address</u>	<u>Block &amp; Lot</u>	<u>Address</u>
55-P-140	4666 SYLVAN AVE	55-P-159-A	4635 CHANCE WAY
55-P-141	4664 SYLVAN AVE	55-P-159-B	4637 CHANCE WAY
55-P-142	4662 SYLVAN AVE	55-P-16	4605 CHATSWORTH ST
55-P-146	4656 SYLVAN AVE	55-P-162	4634 SYLVAN AVE
55-P-148	4654 SYLVAN AVE	55-P-162-A	4628 SYLVAN AVE
55-P-149	4650 SYLVAN AVE	55-P-162-B	4630 SYLVAN AVE
55-P-149-A	4648 SYLVAN AVE	55-P-163	4618 SYLVAN AVE
55-P-15	4607 CHATSWORTH ST	55-P-166	4614 SYLVAN AVE
55-P-150	4646 SYLVAN AVE	55-P-166	4614 SYLVAN AVE
55-P-151	4644 SYLVAN AVE	55-P-167	4612 SYLVAN AVE
55-P-151-A	4642 SYLVAN AVE	55-P-168	4610 SYLVAN AVE
55-P-152	4641 CHANCE WAY	55-P-45	4612 MONONGAHELA ST
55-P-152-A	4643 CHANCE WAY	55-P-57	4658 MONONGAHELA ST
55-P-152-B	4645 CHANCE WAY	55-P-58	4656 MONONGAHELA ST
55-P-152-C	4639 CHANCE WAY	55-P-60	4648 MONONGAHELA ST
55-P-152-D	4649 CHANCE WAY	55-P-62	MONONGAHELA ST
55-P-152-E	4647 CHANCE WAY	55-P-64	4636 MONONGAHELA ST
55-P-154	4640 SYLVAN AVE	55-P-67	4626 MONONGAHELA ST
55-P-154-A	4638 SYLVAN AVE	55-P-68	4613 MONONGAHELA ST
55-P-154-B	4636 SYLVAN AVE	55-P-69	4611 MONONGAHELA ST
55-P-154-D	4632 SYLVAN AVE	55-P-70	4609 MONONGAHELA ST
55-P-157	4629 CHANCE WAY	55-P-71	4607 MONONGAHELA ST
55-P-158	4631 CHANCE WAY	56-B-37	BERWICK ST
55-P-159	4633 CHANCE WAY	56-B-41	375 BERWICK ST

## Authorization Details

At the September 2021 Regular Board meeting, the URA authorized Exclusive Negotiations with Oak Moss Consulting, LLC (“Oak Moss”) for the sale of 48 publicly owned parcels. These parcels are to be developed by Oak Moss into a mixed-use residential community of 62 duplexes surrounding the Woods House in between Tullymet and Serwick Streets. Due to the delay of professional services caused in part by the COVID-19 pandemic, key predevelopment tasks – obtaining storm drainage studies, geotechnical studies, and an ecological assessment or



tree survey – have taken more time than expected and have lengthening Oak Moss’s project timeline. As such, authorization is now requested to extend the Oak Moss Exclusive Negotiations period until June 2022.

## Background

The 62-unit mixed-use development will be comprised primarily of market-rate and affordable housing over 56,000 square feet, including:

- Eight (8) studio units;
- Four (4) one-bedroom units
- 45 two-bedroom units;
- Five (5) three-bedroom units;
- Attached garages for 50 of the 65 units, and;
- Eight (8) 500-square foot commercial studios available for lease by entrepreneurs and small businesses.

Plans call for making at least six (6) units affordable to households at or below 80% AMI. URA staff recommend the Redeveloper work with the URA housing and lending team during the Exclusive Negotiation period to increase project affordability and ensure rents align with the Pennsylvania Housing Finance Authority’s limits.

The project has generated substantial community interest, including both positive and negative feedback. While some residents and organizations favor the density, others would prefer to maintain the parcels as unofficial greenway to later develop into walking or biking paths. In addition, several environmental concerns have been raised that require thorough vetting prior to the project moving forward. In the next phase of development, Oak Moss will prepare a geotechnical, stormwater, soil erosion and sedimentation plan to address the hilltop topography and mitigate potential land slide and flooding issues.

Oak Moss will also be required to submit a zoning plan that outlines the benchmarks the project must hit to secure proper zoning. Specifically, Oak Moss will need to have the parcels rezoned or apply for a zoning variance as most of the parcels are now zoned as “Hillside,” which is typically reserved for low density development. The project must also be developed in accordance with the Greater Hazelwood Neighborhood Plan. The project furthers the Greater Hazelwood Neighborhood Plan by developing vacant parcels into a productive use and offering a workforce program that will train and employ neighborhood residents.

The property is currently owned by the City of Pittsburgh. The URA will acquire the property from the City and move the Redeveloper through the URA’s standard Disposition Process. The project will return to the URA Board before the URA formally accepts the proposal and executes a disposition contract with the Redeveloper.

A preliminary MWBE Narrative for this project has been reviewed and approved by the MWBE Officer. The Redeveloper plans to leverage an apprenticeship program to identify trades and help fill positions to meet the City’s 12 percent minority workforce inclusion goal.

Oak Moss Consulting, LLC is a limited liability company with a mailing address of 322 North Shore Dr, Pittsburgh, PA 15212. Krish Pandya is the Managing Member.

# Director's Report

**To:** URA Board of Directors  
**From:** Jennifer Wilhelm, Chief Lending and Solutions Officer  
**Cc:** Greg Flisram, Executive Director  
Diamonte Walker, Deputy Executive Director  
**Date:** February 10, 2022  
**Re:** Agenda Item 6(a): Development Services

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## 6(a) South Side Works – Multifamily Project

- i. Final evidence of financing, final drawings, and authorization to execute a deed for the sale of a portion of Block 26-E, Lot 9, in the 16<sup>th</sup> Ward to Pittsburgh SSW Waterfront, LLC or a related entity for \$425,000 per acre plus costs.

### Authorization Details

Authorization is requested to accept final drawings, final evidence of financing, and to execute a deed with Pittsburgh SSW Waterfront, LLC, or a related entity for the sale of a portion of Block 26-E, Lot 9, commonly referred to as Parcel B3b. The site is estimated to total 1.7792 acres or \$756,160 plus costs. Pittsburgh SSW Waterfront, LLC is an affiliate entity of SomeraRoad Inc. (hereinafter referred to as “SomeraRoad”).

SomeraRoad proposes constructing a seven-story, 246-unit residential building along the Southside Works riverfront in the South Side Flats neighborhood. The complex will be privately financed and include:

- 49 studio units, 170 one-bedroom units, and 27 two-bedroom market-rate units
- Parking for 180 vehicles
- Over 30,000 square feet of indoor and outdoor residential amenity space
- Upgrades to the S. Water Street scape and linkages to the South Shore Riverfront Park and Heritage Trail

The development will advance the URA’s mission by accomplishing several public goals. SomeraRoad will accomplish the following in its redevelopment of the Southside Works site:

- Leverage more than \$26 million in private investment to revitalize a former brownfield steel mill site, which will require major geotechnical and remediation work. The land currently sits vacant and represents an environmental liability to the URA.
- Generate significant City tax revenue (approximately \$922,500/year or \$9.225 million over 10 years).
- Deliver 17 affordable units to the area at the neighboring property, The Flats. These units will become low-income housing upon tenant turnover. SomeraRoad will have 24 months to deliver the affordable units and is obligated to provide the URA with updates on the turnover progress.
- Increase higher MWBE participation goals by 7% for minority-owned businesses or 25% total; and 3% for women-owned businesses, or 10% total.
- Invest \$4.7 million in public infrastructure and improvements, including, but not limited to, public art, streetlights, an ice-skating rink, a playground, and a town square community event space.
- Contribute \$1.5 million towards annual maintenance over a 10-year period, keeping South Shore Riverfront Park, Tunnel Park, and surrounding greenspace in clean condition.
- Reserve 5,000 square feet of below market-rate retail space for locally owned businesses (\$15 NNN per square foot—market rate is \$30 NNN per square foot). This space will be available to SomeraRoad’s existing tenants and must survive any sale or assignment to another entity.

The total development cost is estimated to be \$75.3 million.



## Background

In July 2020, the URA executed a Development Agreement with SomeraRoad, assigning development rights to several SouthSide Works parcels including B3b and D3a.

Due to the global pandemic, labor shortages, rising materials costs, and unforeseen geotechnical condition which have increased the overall project budget, URA staff recommend making the following changes to the Development Agreement:

- Convert the B3b annual lease price of \$27,072/acre into a fee simple purchase price of \$425,000/acre and extend the term through May 31, 2022.
- Extend the D3a development rights through April 12, 2026.
- Reduce the D3a annual lease price of \$78,209/acre to \$37,564/acre and hold the term through April 12, 2024, after which the lease price will increase to \$93,913 until the development rights expire.

The above changes will increase the viability of the project and help the URA further its agency-wide goals, including creating more affordable housing. SomeraRoad has provided final evidence of funding and it has been approved by the Funding Feasibility Review Team.

SomeraRoad, the URA, and Max Marina have executed a settlement agreement to clarify SomeraRoad's boundary line and resolve the Marina's concerns regarding their agreement with the previous developer. The URA agrees to provide Max Marina a total sum of \$35,000 in rent discounts, amortized equally over three consecutive years. SomeraRoad agrees to pay Max Marina a total sum of \$20,000 in a one-time cash payment within 30 days of financial closing on the Somera Project. Simultaneously with the execution of the agreement, Max Marina will execute an amendment to the Lease to redefine the parcel boundary.

The MWBE Program Officer has reviewed updates to the MWBE Plan for this project and agrees that said updates are sufficient to move forward. The final MWBE plan must be approved by URA staff prior to construction.

Such final approvals will not include authorization to begin construction on infrastructure improvements unless final drawings and the final MWBE plan have been thoroughly vetted by URA staff.

Pittsburgh SSW Waterfront, LLC is a limited liability company with a mailing address of 130 West 42nd Street Floor 22, New York, New York 10036. Ian Ross is principal/founder of both Pittsburgh SSW Waterfront, LLC and SomeraRoad Inc.

**Regular Board Meeting  
February 10, 2022  
DISCLOSURE AGENDA**

**1. Agreements/Amendments**

- a. Guidelines update for Avenues of Hope Line of Credit program
- b. Guidelines update for Minority Business Recovery and Growth Loan program
- c. HAP Program Administrator Contract Extension – The Hilltop Alliance
- d. HAP Program Administrator Contract Extension – Habitat for Humanity of Greater Pittsburgh
- e. Amendment of Resolution No. 410 (2019), which approved the acquisition of 18 publicly owned parcels in the 18<sup>th</sup> Ward in Allentown for Hilltop Alliance and Gatesburg Development’s scattered site Low Income Housing Tax Credit development, to add Strategic Site Acquisition to the funding sources.
- f. Authorization to enter into an Option Agreement with Max Marina, INC d/b/a Southside Marina for the purchase of Parcel B3B2, in the 16<sup>th</sup> Ward, for a purchase price to be determined by appraisal at the time of the exercise of the Option, with the term of the Option coinciding with the Initial Lease Term between the URA and Max Marina.

**2. Acquisition and Dispositions**

- a. Homewood – Hale Street Playground
  - i. Authorization to enter into Exclusive Negotiations with Rhonda Sears or a related entity for a period of six months for the sale of Block 175-C, Lot 308 (0 Hale Street), in the 13<sup>th</sup> Ward.
- b. St. Clair – Hilltop Urban Farm
  - i. Authorization to acquire Tracts A, B, and D of the former St. Clair Village property, comprising to-be-subdivided portions of Block 32-G, Lot 1, in the 16<sup>th</sup> Ward and totaling 75.54 acres, from the Housing Authority of the City of Pittsburgh for \$1.36 million using a Loan from PDF funds and contingent on the ability to secure reimbursement for the purchase price from Allegheny Land Trust.
  - ii. Authorization to enter into an option agreement with Allegheny Land Trust for the sale of Tracts A, B, and D of the former St. Clair Village property, comprising to-be-subdivided portions of Block 32-G, Lot 1, in the 16<sup>th</sup> Ward and totaling 75.54 acres, for \$1.36 million. Such option to be exercised by submission of a complete Redevelopment Proposal Package acceptable to URA staff and approved by the URA board, and contingent upon successful acquisition of the property by the URA.
- c. Conveyance of Block 2-K, Lot 5, in the 1<sup>st</sup> Ward (Gumberg Library, 915 Locust Street) to Duquesne University of the Holy Spirit for \$92,300 pursuant to the option contained in a ground lease executed in 1966 and modified and assigned in 1976.
- d. Extension of exclusive negotiations with Module Design, Inc., or a related entity for the sale of Block 50-G, Lots 60, 62, 63, 65, 66, 68, 69, 70, and 72, in the 10th Ward, for a period of six months.



# Appendix - February 2022 Resolutions

## 5. AVENUES OF HOPE

### Item 5(a)

#### RESOLUTION NO. \_\_\_\_ (2022)

RESOLVED: That a loan with Western Manor, Inc., in an amount of up to \$500,000, payable from the Housing Opportunity Fund (HOF) Rental Gap Program is hereby approved, and the Executive Director, Deputy Executive Director and/or the 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.

#### RESOLUTION NO. \_\_\_\_ (2022)

RESOLVED: That a grant (s) with Western Manor, Inc. and Center City Apartments Associates in the amount in the amount of up to \$300,000 payable from the Housing Opportunity Fund (HOF) Demonstration program is hereby approved, and the Executive Director, Deputy Executive Director, and/or Director of Finance, on behalf of the Authority, is hereby authorized to execute a grant(s) agreement, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

### Item 5(b)

#### RESOLUTION NO. \_\_\_\_ (2022)

RESOLVED: That a loan with Gladstone Residences, LP, in an amount of up to \$1,715,000, payable from the Housing Opportunity Fund (HOF) Rental Gap Program is hereby approved, and the Executive Director, Deputy Executive Director and/or the 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; and it is

RESOLVED FURTHER: That a waiver of the Rental Gap Program guidelines to exceed the maximum loan amount of \$1,250,000.

#### RESOLUTION NO. \_\_\_\_ (2022)

RESOLVED: That a loan or grant with Gladstone Residences, LP or Hazelwood Initiative, Inc., in an amount of up to \$2,000,000, payable from the Housing Opportunity Fund (HOF) Rental Gap Program, American Rescue Plan funds is hereby approved, and the Executive Director, Deputy Executive Director and/or the Director of Finance, on behalf of the Authority, is hereby authorized to execute a loan agreement and related documents or a grant agreement therefor, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto. Contingent upon execution of a reimbursement agreement with the City of Pittsburgh.

### Item 5(c)

#### RESOLUTION NO. \_\_\_\_ (2022)

RESOLVED: That exclusive negotiations with East Liberty Development, Inc., or a related entity for the sale of Block 83-S, Lots 271, 273, 275, 276, 277, 278, 279, 282, and 502; Block 124-N, Lots 195 and 198; and Block 125-A, Lots 334, 334-A, 335, 336, 339, and 340, in the 12<sup>th</sup> Ward, for a period of six (6) months is hereby approved.

### Item 5(d)

#### RESOLUTION NO. \_\_\_\_ (2022)

RESOLVED: That the Redevelopment Proposal submitted by City of Bridges Community Land Trust, or a related entity, for the sale of Block 56-F, Lots 326, 326A, 327, 330, 331 in the 15<sup>th</sup> Ward, and execution of a disposition contract by sale to City of Bridges Community Land Trust, or a related entity, for \$20,000 plus costs, are hereby approved, and the Executive Director, Director of Finance and/or Director of Finance, on behalf of the Authority, is hereby authorized to execute said disposition contract and related documents to effectuate said sale, and the Secretary or Assistant Secretary is authorized to attest the same and affix the seal of the Authority thereto.

Item 5(e)

**RESOLUTION NO. \_\_\_\_ (2022)**

**RESOLVED:** That extension of exclusive negotiations with Oak Moss Consulting LLC, for the sale of the following publicly owned properties, for a period of ninety (90) days, is hereby approved:

<b>Block &amp; Lot</b>	<b>Address</b>	<b>Zoning</b>	<b>Owner</b>
55-P-140	4666 SYLVAN AVE	Other - H: Hillside	CITY
55-P-141	4664 SYLVAN AVE	Other - H: Hillside	CITY
55-P-142	4662 SYLVAN AVE	Other - H: Hillside	CITY
55-P-146	4656 SYLVAN AVE	Other - H: Hillside	CITY
55-P-148	4654 SYLVAN AVE	Other - H: Hillside	CITY
55-P-149	4650 SYLVAN AVE	Other - H: Hillside	CITY
55-P-149-A	4648 SYLVAN AVE	Other - H: Hillside	CITY
55-P-15	4607 CHATSWORTH ST	Residential - R1D-H: Single-Unit	CITY
55-P-150	4646 SYLVAN AVE	Other - H: Hillside	CITY
55-P-151	4644 SYLVAN AVE	Other - H: Hillside	CITY
55-P-151-A	4642 SYLVAN AVE	Other - H: Hillside	CITY
55-P-152	4641 CHANCE WAY	Other - H: Hillside	CITY
55-P-152-A	4643 CHANCE WAY	Other - H: Hillside	CITY
55-P-152-B	4645 CHANCE WAY	Other - H: Hillside	CITY
55-P-152-C	4639 CHANCE WAY	Other - H: Hillside	CITY
55-P-152-D	4649 CHANCE WAY	Other - H: Hillside	CITY
55-P-152-E	4647 CHANCE WAY	Other - H: Hillside	CITY
55-P-154	4640 SYLVAN AVE	Other - H: Hillside	CITY
55-P-154-A	4638 SYLVAN AVE	Other - H: Hillside	CITY
55-P-154-B	4636 SYLVAN AVE	Other - H: Hillside	CITY
55-P-154-D	4632 SYLVAN AVE	Other - H: Hillside	CITY
55-P-157	4629 CHANCE WAY	Other - H: Hillside	CITY
55-P-158	4631 CHANCE WAY	Other - H: Hillside	CITY
55-P-159	4633 CHANCE WAY	Other - H: Hillside	CITY
55-P-159-A	4635 CHANCE WAY	Other - H: Hillside	CITY
55-P-159-B	4637 CHANCE WAY	Other - H: Hillside	CITY
55-P-16	4605 CHATSWORTH ST	Residential - R1D-H: Single-Unit	CITY
55-P-162	4634 SYLVAN AVE	Other - H: Hillside	CITY
55-P-162-A	4628 SYLVAN AVE	Other - H: Hillside	CITY
55-P-162-B	4630 SYLVAN AVE	Other - H: Hillside	CITY
55-P-163	4618 SYLVAN AVE	Other - H: Hillside	CITY
55-P-166	4614 SYLVAN AVE	Other - H: Hillside	CITY
55-P-167	4612 SYLVAN AVE	Other - H: Hillside	CITY
55-P-168	4610 SYLVAN AVE	Other - H: Hillside	CITY
55-P-45	4612 MONONGAHELA ST	Residential - R1D-H: Single-Unit	CITY
55-P-57	4658 MONONGAHELA ST	Residential - R1D-H: Single-Unit	CITY
55-P-58	4656 MONONGAHELA ST	Residential - R1D-H: Single-Unit	CITY
55-P-60	4648 MONONGAHELA ST	Residential - R1D-H: Single-Unit	CITY
55-P-62	MONONGAHELA ST	Residential - R1D-H: Single-Unit	CITY
55-P-64	4636 MONONGAHELA ST	Residential - R1D-H: Single-Unit	CITY
55-P-67	4626 MONONGAHELA ST	Residential - R1D-H: Single-Unit	CITY
55-P-68	4613 MONONGAHELA ST	Residential - R1D-H: Single-Unit	CITY
55-P-69	4611 MONONGAHELA ST	Residential - R1D-H: Single-Unit	CITY
55-P-70	4609 MONONGAHELA ST	Residential - R1D-H: Single-Unit	CITY
55-P-71	4607 MONONGAHELA ST	Residential - R1D-H: Single-Unit	CITY
56-B-37	BERWICK ST	Residential - R1D-H: Single-Unit	CITY
56-B-41	375 BERWICK ST	Other - H: Hillside	CITY



## 6. DEVELOPMENT SERVICES

### Item 6(a)

#### RESOLUTION NO. \_\_\_\_ (2022)

RESOLVED: That the final drawings and evidence of financing submitted by Pittsburgh SSW Waterfront, LLC or a related entity for the sale of a portion of Block 26-E, Lot 9, in the 16th Ward, for the amount of \$425,000 per acre plus costs are hereby approved, and the Executive Director, Deputy Executive Director and/or Director of Finance, 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.