

Board Agenda



Date/Time: Thursday, March 9, 2023, at 2:00 PM

Web Access: <https://us06web.zoom.us/j/83282884064>

Dial In: 1 (929) 205-6099

Webinar ID: 832 8288 4064

REGULAR BOARD MEETING AGENDA TABLE OF CONTENTS

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2. **General**
 - a. Approval of the February 9, 2023, Regular URA Board Meeting Minutes
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 - a. Crawford-Roberts – Ledlie St. Townhomes
 - i. Authorization to enter into a For-Sale Development Program predevelopment loan, in an amount of up to \$60,000, with Amani Christian Community Development Corporation for predevelopment costs related to the new construction of two for-sale homes on the vacant lots at 18 -22 Ledlie St.
6. **Development Services (Page 4)**
 - a. Larimer – Veterans Place of Washington Boulevard
 - i. Final drawings, final evidence of financing, and authorization to execute a deed for the sale of Block 125-C, Lots 162, 163, 164, 165, and 166, in the 12th Ward, to Veterans Place of Washington Boulevard, or a related entity, for \$20,717.35 plus costs.
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Director's Report

To: URA Board of Directors
From: Evan Miller, Director, Residential Lending & Investments
Cc: Susheela Nemani-Stanger, Executive Director
Date: March 9, 2023
Re: Agenda Item 5(a): Residential Lending & Investments

5(a) Crawford-Roberts – Ledlie St. Townhomes For-Sale Development Program Loan

- i. Authorization to enter into a For-Sale Development Program predevelopment loan, in an amount of up to \$60,000, with Amani Christian Community Development Corporation for predevelopment costs related to the new construction of two for-sale homes on the vacant lots at 18-22 Ledlie St.

Authorization Details

Borrower/Developer Amani Christian Community Development Corporation (**Amani CDC**) is a nonprofit with a mailing address of 2159 Centre Avenue, Pittsburgh, PA 15219. Rev. Lee Walls is Amani CDC's Executive Chair.

Project Location: 18-22 Ledlie St. (Lots 9-M-167, 9-M-168, 9-M-169)

Neighborhood: Crawford-Roberts

Council District: Six

Description: Amani CDC requests a loan in the amount of \$60,000 to finance predevelopment activities related to the new construction of two for-sale single-family homes in Crawford-Roberts. The predevelopment funds will be used for architectural and engineering design services, consultant services, permits, fees and other project administrative costs.

The for-sale homes will be located on Ledlie St. on now vacant parcels owned by Amani CDC. Construction is anticipated to begin in July 2023 and end in February 2024. The anticipated sales price of each unit is \$150,000. The units will be reserved for households at or below 80% of Area Median Income with special needs or that are at risk of homelessness.

In addition to committing their own equity, Amani CDC secured a commitment from Bridgeway Capital to finance predevelopment costs.

Authority Financing for Review: For-Sale Development Program Predevelopment Loan Terms:

- Interest Rate: 0.00%
- Term: 12 months or construction closing, whichever is earlier
- Affordability Period: 15 years

Collateral: A Declaration of Restrictive Covenants will require that the homes be sold affordably to owner-occupied households at or below 80% of Area Median Income for 15 years.

Required Approvals: March 1, 2023 – Real Estate Loan Review Committee
March 2, 2023 – Housing Opportunity Fund Advisory Board



Program Sources: For-Sale Development Program Housing Opportunity Fund 2022

MWBE: MWBE narrative submitted and approved

Commitment July 2, 2023

Expiration Date:

Sources of Funds	
Amani CDC Equity	\$30,000
Bridgeway Capital	\$40,000
For-Sale Development Program Housing Opportunity Fund 2022 Predevelopment Loan	\$60,000
Total Project Financing	\$130,000

Uses of Funds	
Acquisition	\$30,000
Architectural Fee	\$21,000
Civil Engineering & Survey	\$7,000
Legal Fee	\$1,000
Developer Fee**	\$30,000
Consultants	\$25,000
Accounting	\$4,000
Appraisal	\$800
Utility Tap, Hook Up, Municipal Fees	\$2,000
Zoning, Pittsburgh Water & Sewer Authority	\$2,000
Soft Cost Contingency	\$5,000
URA Origination Fee	\$1,200
URA Legal Fee	\$1,000
Total Project Uses	\$130,000

*** Fee will not be reimbursed with URA funds*



Director's Report

To: URA Board of Directors
From: Thomas Link, Chief Development Officer
Cc: Susheela Nemani-Stanger, Executive Director
Date: March 9, 2023
Re: Agenda Item 6(a): Development Services

6(a) Larimer – Veterans Place of Washington Boulevard

- i. Final drawings, final evidence of financing, and authorization to execute a deed for the sale of Block 125-C, Lots 162, 163, 164, 165 and 166, in the 12th Ward, to Veterans Place of Washington Boulevard, or a related entity, for \$20,717.35 plus costs.

Authorization Details

Authorization is requested to accept final drawings, final evidence of financing, and to execute a deed for the sale of five URA-owned parcels to Veterans Place of Washington Boulevard, or a related entity, for \$20,717.35 plus costs. The five parcels are adjacent to Veterans Place's existing campus in Larimer.

Background

Veterans Place annually serves over 500 homeless and at-risk veterans through three key programs:

1. The Veterans Resource Center;
2. The Transitional Housing Program; and
3. The Homeless Veteran Reintegration Program.

Veterans receive a robust array of wraparound, evidence-based services, including case management, recovery support, financial management, employment services, educational assistance and access to an onsite food pantry. This intensive support builds self-sufficiency and independent living skills with the primary goal of veterans' successful reintegration into the community.

In December 2021, Mayor William Peduto announced that the City of Pittsburgh received a signed judge's order providing a clear title for the five parcels on Washington Blvd. The existing structures were demolished, and the land was transferred to the URA for disposition to Veterans Place.

In August 2022, the URA Board authorized entry into a disposition contract for the five parcels with Veterans Place. Since then, Veterans Place received approval for final drawings and provided evidence of financing for the remainder of the project's cost. Furthermore, Veterans Place obtained all necessary City of Pittsburgh and zoning approvals, and their MWBE Plan was approved by the URA's Compliance Team.

Project Information

Veterans Place plans to build a three-story multipurpose building to serve as an anchor for the provision of behavioral services, physical activity space, and eight new apartments for veterans enrolled in the Veterans Resource Center and Transitional Housing programs. The new development is funded by several grant programs, including the Veterans Association Capital Grant, Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund, Buncher Foundation, Home Depot Foundation, Community Project Funding, and a Redevelopment Assistance Capital Program grant from the Pennsylvania State Budget Office. Total development costs are estimated at \$4.2 million.

Veterans Place of Washington Boulevard is a nonprofit with a mailing address of 945 Washington Blvd., Pittsburgh, PA 15206. Shannon Hagy is the Executive Director.



**Regular Board Meeting
March 9, 2023
DISCLOSURE AGENDA**

1. Agreements/Amendments

- a. Larimer – Urban Academy Campus Expansion
 - i. Authorization to rescind Resolution 121 (2022), which approved a revised redevelopment proposal, and to reinstate Resolution 365 (2020), which approved the original redevelopment proposal package and execution of a disposition contract for sale of Block 125-B, Lot 116-0-1, in the 12th Ward to Urban Academy of Greater Pittsburgh Charter School, Inc., for \$1.00 plus costs. Urban Academy plans to expand its footprint by creating a green space that will enrich academic, social, and emotional learning opportunities for students while also providing an attractive, nurturing space for the Larimer community at large.
- b. Authorization to amend the YWCA’s Housing Stabilization Program administration contract to increase the contract amount from \$410,000 to \$438,137. The contract increase will be funded by grant dollars provided by the Richard King Mellon and Wells Fargo foundations.
- c. Authorization to use up to \$200,000 in Enterprise Zone or UDF-PBGF State Repayments funds for the URA Ventures Pilot program.
- d. Authorization to amend Resolution 28 (2022) to increase the amount of funds to be reallocated from the 2019-2020 Community Development Block Grant (CDBG) New/Substantially Renovated For-Sale Housing allocation to Owner-Occupied Housing Rehabilitation, by way of an amendment to the 2019-2020 CDBG Cooperation Agreement, from \$267,172 to \$267,916.77.
- e. Authorization to amend Resolution 36 (2021) to allow for the acceptance of CDBG Coronavirus Round Three funding for the Housing Stabilization Program in the 2019-2020 CDBG Cooperation Agreement.
- f. Authorization to enter into a contract, in an amount of up to \$85,000 sourced from Housing Revolving Repayments funds, with Concrete Rose Construction, LLC, or a related entity, for construction services related to the Homeowner Assistance Program.

2. Dispositions

- a. Authorization to convey a 35,538-square-foot portion of Union Ave. vacated by Ordinance No. 212 of the City of Pittsburgh, approved June 3, 1971, and recorded in Ordinance Book 72, Page 374, in Ward 22, to Allegheny Commons Community Partners, LP, by quit claim deed for \$1.00. This conveyance will resolve a title issue affecting Block 8-D, Lot 50, dating back to the URA’s 1972 conveyance of the property.

3. Acquisitions

- a. Beltzhoover – Beltzhoover School/Dr. Louis A. Venson Senior Lofts
 - i. Acquisition of the following publicly owned property, for \$1.00 plus costs, using Leased Land funds:

<u>Ward</u>	<u>Block/Lot</u>	<u>Address</u>	<u>Ward</u>	<u>Block/Lot</u>	<u>Address</u>
18	15-M-99	300 Cedarhurst St.	18	15-M-112	Cedarhurst St.
18	15-M-102	Cedarhurst St.	18	15-M-113	214 Cedarhurst St.
18	15-M-103	Cedarhurst St.	18	15-M-114	Cedarhurst St.
18	15-M-104	Cedarhurst St.	18	15-M-126	Sylvania Ave.
18	15-M-109	Palmetto Way	18	15-M-127	Sylvania Ave.
18	15-M-110	Cedarhurst St.	18	15-M-128	Sylvania Ave.
18	15-M-111	Cedarhurst St.			



Director’s Report

To: URA Board of Directors
From: Julia McMahon, Project Manager; Hannah Svonavec, Counsel
Cc: Susheela Nemani-Stanger, Executive Director
Date: March 9, 2023
Re: Agenda Item 8(b): Non-Voting Lower Hill Board Briefing

8(b) Non-Voting Lower Hill Board Briefing

- i. Presentations – Lower Hill Block E – Parking Garage and Entertainment Venue

Authorization Details

Please note: This special, non-voting briefing serves to inform the public on the status of Lower Hill Block E prior to any future vote. The earliest possible date on which a Block E vote may occur is April 13, 2023, during the Regular URA Board Meeting.

Background

Pittsburgh Arena Real Estate Redevelopment, LP, and the Parking Partners XXIII Block E, LLC (**Redeveloper**), an affiliate of the Buccini/Pollin Group, Inc., hereafter referred to collectively as the **development team**, submitted a Take Down Notice for Take Down Tract #7 – Block 2-C, Lot 406 – also known as Lower Hill site **Block E**. Block E comprises 2.56 acres bounded by Bedford Ave. to the north, Fullerton St. to the east, Wylie Ave. to the south, and Logan St. to the west. Block E is owned by the Sports & Exhibition Authority of Pittsburgh and Allegheny County (**SEA**). Pursuant to the June 20, 2018, Amended and Restated Comprehensive Option Agreement (**Option Agreement**), both the URA and SEA Boards must give final approval prior to a Take Down of any Lower Hill site property.

At its Special October 18, 2019, Meeting, the URA Board preliminarily approved The Lower Hill Developer, LLC, as the Redeveloper for Block E and the Conceptual Development Plan for Block E. Since October 2019, designs for the Block E project have evolved, with major changes including the removal of the subterranean parking garage and the outdoor amphitheater. The chart below highlights the differences between the 2019 and 2023 designs:

	2019	2023
Uses:	<ul style="list-style-type: none"> • Three-story subterranean parking garage with street-level commercial space • Public Safety facility • Entertainment venue with commercial space and adjacent outdoor amphitheater 	<ul style="list-style-type: none"> • Six-story above ground parking garage with street-level commercial space • Public Safety facility • Entertainment venue with commercial space
Building Area:	<ul style="list-style-type: none"> • Garage – 285,000 square feet (sf) • Ground floor commercial space – 17,800 sf • Second & third floor commercial space – 34,000 sf • Public Safety facility – 2,500 sf • Entertainment venue with lawn – 118,000 sf 	<ul style="list-style-type: none"> • Garage – 319,000 sf • Commercial space in garage – 2,430 sf • Commercial space in venue – 7,600 sf • Public Safety facility – 2,600 sf • Entertainment venue – 80,000 sf
Parking:	<ul style="list-style-type: none"> • 850 Spaces 	<ul style="list-style-type: none"> • 900+ Spaces
Cost:	<ul style="list-style-type: none"> • \$127.5 Million 	<ul style="list-style-type: none"> • \$110 Million



The URA Board was briefed on updates to Block E during a non-voting briefing at its Regular November 10, 2022, meeting. Since that briefing, the development team has made progress on some of the outstanding items needed for Take Down of the parcel.

The Redeveloper intends to subdivide Block E into two parcels – one for the parking garage and one for the entertainment venue. The Block E entertainment venue will be leased and operated by Live Nation. The architect for Block E is Desmone. A contractor has been selected for Block E, however, to date, a contract has not been executed.

Minority & Women-Owned Business Enterprise Participation

On June 16, 2022, the development team received approval from the City of Pittsburgh Equal Opportunity Review Commission for its preliminary Block E Minority and Women-Owned Business Enterprise (**MWBE**) plan. The Commission-approved MWBE plan lists goals of 30% minority-owned and 15% women-owned business participation. Per the City’s Diversity Business Manager, the development team will report back to the Commission and provide updates as the MWBE plan progresses. On February 14, 2023, the development team shared a supplemental preliminary Block E MWBE plan that was drafted by the potential contractor for Block E. The development team indicated to URA Staff that they do not intend to seek any additional approvals for the MWBE plan.

Workforce Inclusion

The Option Agreement requires the development team to demonstrate a good faith effort to reach the City’s workforce goals of 25% minority and 10% women participation. The development team has committed to maximizing local and minority workforce inclusion on the Block E project in their preliminary plan.

Community Engagement

The development team has engaged with the Community Collaboration and Implementation Plan Executive Management Committee since August 2019.

The development team submitted the Block E project to the Hill District’s Development Review Panel (**DRP**) and presented it to the DRP on April 1, 2020. The DRP’s initial scoring of Block E was 80%; however, due to a variety of factors, the Block E project was delayed, and the development team was asked to resubmit the Block E project to the DRP for review. The development team has not resubmitted for Block E but the amendment to the Lower Hill Preliminary Land Development Plan (**PLDP**) was presented to the DRP on February 1, 2023. This presentation occurred after the PLDP was approved by Planning Commission on January 24, 2023. The development team has indicated that they do not plan to further engage with the DRP for Block E.

The development team also submitted the Block E project to the Hill District Consensus Group for a “neighborhood level review.” On October 3, 2022, the development team made a public presentation on Block E and the PLDP amendment to the Hill District Consensus Group. The public submitted scorecards for the PLDP amendment and the Block E project, which collectively passed review with a C+. The Block E project received a “Resident Score (Live, Born)” of 2.7 out of 4 (68%) and an “Overall Score (Work, Own, Other)” of 2.9 out of 4 (73%). As a result, the Hill District Consensus Group submitted a letter of support to the URA and SEA for the Block E project and the PLDP amendment.

On October 17, 2022, the Block E Project and PLDP amendment advanced to a Development Activities Meeting with the community. The Development Activities Meeting, which was attended by over 150 people, is a required meeting between the development team and the applicable Registered Community Organization prior to a Department of City Planning Public Hearing. Because the Hill District has several overlapping Registered Community Organizations, the October 17, 2022, Development Activities Meeting was hosted by the Department of City Planning.



On February 22, 2023, the development team submitted eight additional letters of support, but none of the more recent letters are from Hill District Registered Community Organizations.

City Entitlements

In October 2022, the development team participated in a Contextual Design Advisory Panel meeting. Feedback from the Contextual Design Advisory Panel was positive overall, though constructive criticism was provided regarding the:

1. Horizontal terracotta application on the parking garage versus the vertical application on the entertainment venue;
2. Conflict between the parking garage entry/egress and pedestrian traffic, with suggestions to explore and implement pedestrian-first design elements; and
3. Graphic representation of words on the parking garage.

On January 10, 2023, the Department of City Planning held its first Public Hearing and Action for Block E and the PLDP amendment, but neither item moved to a vote. This was because the development team submitted a 101-page document to the Planning Commission just one hour prior to the meeting. A continuance was issued, and the Planning Commission requested that a community meeting be held so the public could ask questions about the 101-page document. The community meeting was held by the development team on January 19, 2023, via Zoom. At the second Hearing and Action meeting, held January 24, 2023, both Block E (with three conditions) and the PLDP Amendment were approved.

Financials

As part of its routine due diligence process, URA staff requested specific financial information from the development team that would allow URA staff to complete its financial review of the Block E project. The development team responded by providing the majority of what was requested; however, key information remains outstanding. URA staff is unable to finalize its review without this information.

The development team is seeking updated terms sheets from several banks for the monetization of the Local Economic Revitalization Tax Assistance funds for the Greater Hill District Neighborhood Reinvestment Fund. The development team is similarly seeking term sheets from several banks for the monetization of the Greater Hill District Affordable Housing Fund from the Block E Parking Tax Diversion. On Monday, March 6, 2023, the development team submitted a preliminary draft term sheet from a potential lender, which is currently under review by staff.

Community Benefits

The 2019 Term Sheet for Blocks B and E, entered into by Pittsburgh Arena Real Estate Redevelopment, LP, SEA and URA on October 18, 2019 (**2019 Term Sheet**), states that the development is obligated to fulfill several community benefits with the take down of Block E. The first obligation is to fund the construction of an approximately 2,500 square-foot turn-key City of Pittsburgh rescue station with at least three bays.

In November 2022, the development team increased their commitment to the rescue station from \$1.2 million to \$1.6 million. The development team indicated that they have shared a draft Development Agreement with the City of Pittsburgh regarding the funding gap.

The 2019 Term Sheet also obligated the development team to build for the URA a retail incubator space of 1,200 square feet on the ground floor of the Block E development facing Wylie Ave. Updated Block E designs show the URA Incubator Space on Wylie Ave.

The 2019 Term sheet also obliged the development team to commit to requiring any Block E entertainment or music venue operator to coordinate entertainment programming with the New Granada Theater. Live Nation – the Block E music venue operator – and the New Granada Theater’s operator are presently negotiating a



nondisclosure agreement, which will allow further coordination to occur. The development team has also shared correspondence from Live Nation to the City of Pittsburgh Planning Commission. This correspondence contains a commitment from Live Nation to book 25 events per year for three years when both the New Granada and the Block E venue open to the public.

The 2019 Term Sheet requires the development team to capitalize 50% of the "Owner Payment" of the LERTA for the benefit of the Greater Hill District Neighborhood Reinvestment Fund. The development team has approached several banks for updated term sheets for this up-front monetization. The development team has inquired about the possibility of capitalizing the Greater Hill District Neighborhood Reinvestment Fund for Block E over 10 years as opposed to at the financial closing of Block E. The development team continues to solicit terms from financial institutions for the monetization of the Local Economic Revitalization Tax Assistance funds for the Greater Hill District Neighborhood Reinvestment Fund.

The development team made \$100,000 worth of improvements to the Ammon Community Recreation Center's "Rec to Tech" program. The 2019 Term Sheet requires the development team to deliver additional items to Ammon Community Recreation Center, such as the installation of a multipurpose space for community celebrations and deck hockey, and the refurbishment of a playground and basketball court. The development team is scheduled to meet with Councilman Daniel Lavelle, the City of Pittsburgh, and the Pittsburgh Penguins on Tuesday, March 7, 2023, to discuss the next improvements at Ammon Community Recreation Center.

Per the 2019 Term Sheet, the development team has opened a First Source Center on Centre Ave. for the benefit of workers, contractors, and businesses seeking commercial opportunities on the Lower Hill and to pursue the job creation, local inclusion, and workforce development goals and strategies described in the Community Collaboration and Implementation Plan.

Finally, the development team is responsible for any funding gap for the Curtain Call art installation, which will be located on portions of Blocks A and B of the Lower Hill site. URA staff have been told that the development team has secured both private and public funds to build the art installation, but URA staff have not yet been provided documentation evidencing this. On December 21, 2022, the development team submitted a Letter of Intent for the portions of Blocks A and B that includes the Curtain Call to the URA and SEA.



Appendix – March 9, 2023, Resolutions

5. AVENUES OF HOPE

Item 5(a)

RESOLUTION NO. ____ (2023)

RESOLVED: That a loan with Amani Christian Community Development Corporation, for the predevelopment costs related to the new construction of two units on the vacant lots at 18 -22 Ledlie Street, in an amount of up to \$60,000, payable from the Housing Opportunity Fund (HOF) For-Sale Development Program (FSDP) is hereby approved, and the Acting Executive Director, Executive Director, Deputy Executive Director, Chief Operating Officer, Chief Development Officer, Senior Counsel 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.

6. RESIDENTIAL LENDING & INVESTMENTS

Item 6(a)

RESOLUTION NO. ____ (2023)

RESOLVED: That the final drawings and evidence of financing submitted by Veterans Place of Washington Boulevard, or a related entity for the sale of Block 125-C, Lots 162, 163, 164, 165, and 166, in the 12th Ward, for the amount of \$20,717 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.

