

# Urban Redevelopment Authority of Pittsburgh

## DISPOSITION PROCESS OVERVIEW

1. Redeveloper will have an initial meeting with URA to discuss development plans.
2. Should the Redeveloper's proposal provide sufficient evidence of potential to meet the development objectives for the parcel, URA staff will request URA Board authorization to enter into Exclusive Negotiations with the Redeveloper for a period of ninety (90) days.
3. During the Exclusive Negotiation period the URA will establish the purchase price and send developer a **Redevelopment Proposal Package**.
4. Redeveloper then submits the completed Redevelopment Proposal Package, which shall include:
  - a. Completed and executed Redevelopment Proposal Package
  - b. Good Faith Deposit (GFD) – 10% of purchase price (refunded upon issuance of Certificate of Completion, not at closing)
  - c. Letter of Community Input
  - d. Preliminary Sources and Uses Budget
  - e. Proposal Drawings
  - f. URA Sustainability Plan.
4. **Public Financing** - If public financing is sought for project, Redeveloper should be in regular contact with the URA's Economic Development Department (for commercial developments) or Housing Department (for residential developments) to discuss financing options.
5. **City Planning and Zoning Approvals** – No later than the time of the Initial URA Board Action, Redeveloper should begin to work with City Planning to determine appropriate planning and zoning hearings and approvals. The URA provides no oversight in the permitting process.
6. **Initial URA Board Action** – The URA Board will vote on the Acceptance of Redeveloper's Proposal and, if accepted, will require the URA and Redeveloper to enter into a Contract for Disposition within 30 days. Redeveloper is requested to attend board meeting.
7. **Proposal Payments** - Monthly payments of 0.5% of purchase price, due from the first day of the month following acceptance of Redeveloper's Proposal by the URA Board. Proposal payments are credited to Redeveloper at closing.
8. **Contract for Disposition** – The URA's Real Estate Department and legal counsel will draft a Disposition Agreement. The Disposition Agreement acts as an Agreement of Sale and sets forth a timeline and construction/development program. The Disposition Contract must be executed within 30 days of the Initial URA Board Action.
9. **Preliminary Evidence of Financing** - As a condition precedent to closing on Redeveloper's purchase of the Property, the URA must review and approve evidence satisfactory to the URA that the Redeveloper has the equity capital and financing commitments necessary for the proposed development.
10. **M/WBE** - All projects in excess of \$250,000 are required to submit a Minority and Women-Owned Business Enterprise Plan, which is analyzed by both the URA and the City of Pittsburgh's Equal Opportunity Review Commission. Redeveloper's preliminary M/WBE Plan is due to URA no later than 60 days after the

Initial URA Board Action. At this time, Redeveloper should also set up a meeting with the URA's Director of Diversity Affairs and Community Outreach (412.255.6611).

11. **Working Drawings** (60%-80%) – Including Design Development and Site Plans. URA Engineering and Construction department will review all drawings and provide comments. All drawings are to be sent to the URA Real Estate Department. The submission schedule is dictated by the terms of the Redevelopment Proposal Package and Agreement.
12. **Sustainability Plan** – Redeveloper must complete the URA Project Sustainability Worksheet and LEED checklist and submit it to the URA's Real Estate Department for forwarding to the Green Building Alliance for their review and input.
13. **City Council Action** (if required) - Pittsburgh City Council approval is required for certain sales and for some financing mechanisms. The URA will inform Redeveloper if such approval is required.
14. **Final Drawings** (100%) – Final Drawings must be submitted for URA review no later than 3 weeks prior to proposed closing date.
15. **Final Evidence of Financing** – Concurrent with Final Drawings, Redeveloper to submit detailed evidence of financing for URA review of sufficiency to meet all project costs and capacity to complete the project in a timely manner.
16. **Final MWBE Plan** – Prior to the URA scheduling a Closing, Redeveloper must submit evidence of approvals from the City of Pittsburgh's Equal Opportunity Review Commission and the URA's Director of Diversity Affairs and Community Outreach.
17. **URA Board Authorization Action** – The URA Board will accept Redeveloper's Final Drawings & Final Evidence of Financing (subject to final URA staff approvals), and authorize the execution of deed.
18. **Closing** - URA will credit Proposal Payments to Redeveloper at Closing.
19. **Construction Start.**
20. **Construction Period** - During the period of construction Redeveloper is required to provide the URA with construction updates, updated Evidence of Financing, and quarterly MWBE reports.
21. **Construction Completion.**
22. **Request for Inspection and Certificate of Completion** - Following completion of construction, Redeveloper should request that the URA inspect the development for purposes of issuing a Certificate of Completion.
23. **URA Inspection** – The URA inspects the completed project to confirm that it was built in a manner consistent with the Contract for Disposition and the Final Drawings.
24. **Certificate of Completion** – Upon satisfactory inspection, the URA will issue a Certificate of Completion and return the Redeveloper's GFD.