

Minutes of the Regular Board Meeting of the Urban Redevelopment Authority of Pittsburgh, Wherrett Memorial Board Room, 13th Floor, John P. Robin Civic Building, 200 Ross Street.

March, 10 2016 – 2:00 P.M., E.S.T

Members Present: Messrs. Acklin, Ferlo, Lavelle, Gainey; Madam. Hall-Russell.

Member Absent: None

Staff Present: Messrs. Rubinstein, Cummings, Short, Kaminski, Svoboda, Thomas, Link, Pawlak, Miller and; Mmes. Straussman, Saladna, Ellerbee, Wasler, Madden, Smith Perry, Schenck, Fitzgibbons, Taylor, Segal, and Schacht.

Mr. Acklin called the Meeting to order and declared a quorum present.

1. General

The Minutes of the Regular Board Meeting of February 11, 2016 were approved as written and previously distributed.

2. Hill District - Crawford Square Refinancing:

- a. Amended and restated loan agreement(s) with Crawford Roberts Limited Partnership in the amount of up to \$8,760,183.
- b. Amended and restated loan agreement(s) with Crawford Square Apartments II, L.P. in the amount of up to \$3,661,239.
- c. Amended and restated loan agreement(s) with Crawford Square Apartments III, L.P. in the amount up to \$2,561,266.
- d. Intercreditor and Subordination Agreement among the Authority, PNC Bank, Pennsylvania Housing Finance Agency (PHFA), Allies & Ross Management and Development Corporation, Crawford Roberts Limited Partnership, Crawford Square Apartments II, L.P. and Crawford Square Apartments III, L.P.

Mr. Rubinstein requested Board approval of the above items.

Mr. Cummings, Director of Housing, stated that authorization is requested to enter into the above referenced agreements related to the refinancing and affordable housing preservation of the three (3) rental development phases of Crawford Square. Crawford Square is a highly successful mixed income rental and for-sale housing community in the Hill District. The rental portion of the development (348 total units) is comprised of three separate phases, each owned by a separate limited partnership as follows:

1. Phase 1 - Crawford Roberts Limited Partnership closed September 12, 1991.

2. Phase 2 – Crawford Square Apartments II, L.P. closed June 20, 1994.
3. Phase 3 – Crawford Square Apartments II, L.P. closed April 17, 1998.

The development has been highly successful, with high occupancy rates and strong demand. Of the 348 units, 154 (44%) units are market rate units and 194 (56%) units are Low Income Housing Tax Credit (“LIHTC”) units rented to households with incomes at or below 50% and 60% of area median income (“AMI”). The income restrictions for some of the LIHTC units are beginning to expire. Therefore, Sun America Housing Fund, the LIHTC investor for all three phases (recently purchased by AIG), decided to market the property for sale in the fall of 2015. The potential sale of the property put the affordable units at risk. In order to preserve the affordable units, the City of Pittsburgh, through the leadership of Mayor Peduto, the Authority, and the Housing Authority of the City of Pittsburgh (“HACP”) worked with McCormack Baron Salazar (“MBS”) which controls the general partner of all three (3) phases to develop a financing plan to maintain the current affordability mix for the long term.

A new development entity, Crawford 123, L.P. (the “Buyer”) will acquire the partnership interests of the existing limited partners. The managing general partner of the Buyer will be MBS Crawford, LLC, a Missouri limited liability company. An affiliate of the Housing Authority of the City of Pittsburgh, Allies and Ross Management Development Company (“ARMDC”), will be co-general partner of the Buyer. The initial Limited Partner will be MBS ILP, Inc., a Missouri corporation. Both MBS Crawford LLC and MBS ILP, Inc. are affiliates of MBS.

The Buyer will acquire the limited partnership interests of the existing Limited Partners for an aggregate amount equal to the proceeds that would be payable to the Limited Partner assuming the properties held in all three Partnerships were sold for \$34,000,000 and the Partnerships liquidated under the terms of each Partnership Agreement. The purchase of the Limited Partnership interest in each of the three phases must be closed simultaneously.

A new first mortgage loan in the amount of \$13.0 million from PNC Bank will be needed for acquisition in the short term. ARMDC will also add a new mortgage in the amount of \$6.0 million during the acquisition phase. The Authority has \$14,982,688 of existing debt (including accrued interest) on all three phases which will need to remain in the development. Additionally, the Pennsylvania Housing Finance Agency (“PHFA”) has \$1,419,064 in subordinate debt which will need to remain in the development. The existing URA and PHFA loans will be modified and subject to a new Intercreditor and Subordination Agreement among the parties. All subordinate loans will be paid from surplus cash. Lien priority for the subordinate lenders will need to be determined among the lenders.

Crawford 123, L.P. will likely resyndicate all phases of the project through the use of tax exempt financing and the 4% LIHTC program. In the resyndication phase, MBS and ARMDC will redevelop the 348 residential units with LIHTC equity and tax exempt revenue bond proceeds, and with the cooperation of the existing subordinate lenders (PHFA, URA and ARMDC). For the resyndication, the Buyer entity will be restated to admit a tax credit investor. This resyndication, involving a

moderate rehabilitation of the existing units is anticipated to commence in late 2016. The exact scope of work, choice of contractor, and other details of the rehabilitation are not determined at this time. The re-syndication will provide for an additional 30-years of affordability for the development.

Acquisition Sources of Funds are as follows:

	<u>Partnership</u>
1 st mortgage – PNC Bank – acquisition only	\$13,000,000
PHFA PENN HOME funds	\$ 1,419,064
URA funds	\$14,982,688
ARMDC mortgage – new funds	<u>\$ 6,000,000</u>
Total Permanent Sources	\$35,401,752

Mr. Cummings thanked the Chairman and Mayor for their leadership in taking a strong position with McCormack Baron Salazar the main developer, and with the limited partners. He said that it is important the City maintain affordability in this development. He said the Authority has worked with the general partner and all existing partnerships on a financing strategy to buy out the limited partners at the market price, with an estimated \$34,000,000.00 to be recognized from the sale. In order for this deal to move forward additional monies are needed for short and long term. He wanted to thank the Housing Authority for coming through with their development affiliate, Allies and Ross Management Development Company, who approved \$6,000,000.00 to invest into this project as a loan. They will also be a co-general partner with McCormack Baron. They will also provide additional Section 8 units to this project that will reach a deeper level of affordability than there is currently. He wanted to thank PNC Bank who is agreeing to provide a \$13,000,000.00 short term acquisition loan, which would enable the limited partnerships to be bought out, and provide enough time for the developer working with the Authority and the Housing Authority to come up with a resyndication package to secure new 4% tax credits and tax exemption financing, for the new development to recapitalize all units, and ensure another 30 years of affordability through the tax credit program. That resyndication could not happen within the time frame that the limited partnerships need to sell their interests, but the time frame could be by the end of this year or at the latest by the end of 2017. Mr. Cummings thanked Becky Foster with McCormack Baron who has been involved with this project for quite awhile. He also thanked Jerome Frank, who represents the Housing Authority, and Allies and Ross Management Development Company for their investment into this project.

Becky Foster, of McCormack Baron was present. Ms. Foster stated that this is a signature project for them, and that they are grateful to the City, Authority and Housing Authority for giving this project new life, and to continue provide affordability to low income residents.

Mr. Acklin thanked everyone involved in this project. He stated that even though there are no legal rights to continue this development as an affordable asset to the City, because the initial terms have expired, this project is of moral authority. He stated that they had told the lead limited partner that he could not have picked a worse site in the City of Pittsburgh to lose affordability given all the investments that had been made. He said that a lot of good faith is being built around this project, because it is a significant investment. He said that the \$14,000,000.00 rollover provides deepened affordability. He said that Councilman Lavelle's leadership on the Affordable Housing Tax Force are always searching for permanence and affordable housing. He said this is a win for the City and Hill District. He appreciates everyone's efforts. He said that this is a testament to what can be accomplished by the different authorities including the Housing Authority working together.

Mr. Lavelle agreed with Mr. Acklin's statement and thanked everyone's efforts in maintaining affordability in this project. He stated that in maintaining long term affordability, we need to ensure that this project will continue to do well in the Lower Hill, past 30 years and potentially cash out. He said that we need to be creative in how we involve a CDC or a HillHouse in terms of financing, to have a permanent interest in maintaining affordability.

Mr. Acklin asked if we still have an opportunity in the intercreditor negotiations to keep long term affordability. Mr. Cummings answered that he wasn't sure about the intercreditor agreement, but this will be coming back to the Board hopefully by the end of the year for the actual resyndication of this transaction. PNC Bank is providing temporary bridge financing, so there will be a larger first mortgage investment and 4% tax credit equity will be added so more investment can be put into the property, which is another purpose of the resyndication. He thinks that the Authority will have the opportunity to think creatively about what protection can be built in so that thirty years from now we are not having the same concerns.

Upon Motion made by Mr. Lavelle, seconded by Ms. Hall-Russell and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 68 (2016)

RESOLVED: That amendment and restatement of the loan agreements, promissory notes, and related documents between the Authority and Crawford Roberts Limited Partnership dated on or about September 12, 1991, to restructure the repayment of the outstanding loan balance (up to \$8,760,183.00) in order to facilitate the change of ownership of Crawford Roberts Limited Partnership is hereby approved, and the Executive Director, Acting Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute amended and restated agreements therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto; and it is

RESOLVED FURTHER: That amendment and restatement of the loan agreement, promissory notes, and related documents between the Authority and Crawford Square Apartments II, L.P. dated on or about June 20, 1994, to restructure the repayment of the outstanding loan balance (up to \$3,661,239.00) in order to facilitate the change of ownership of Crawford Square Apartments II, L.P. is hereby approved, and the Executive Director, Acting Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute amended and restated agreements therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto; and it is

RESOLVED FURTHER: That amendment and restatement of the loan agreement, promissory notes, and related documents between the Authority and Crawford Square Apartments III, L.P. dated on or about April 17, 1998, to restructure the repayment of the outstanding loan balance (up to \$2,561,266.00) in order to facilitate the change of ownership of Crawford Square Apartments III, L.P. is hereby approved, and the Executive Director, Acting Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute amended and restated agreements therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto; and it is

RESOLVED FURTHER: That subordination of the Authority's mortgages on real property located at Crawford Square, arising out of the Authority's loan transactions with Crawford Roberts Limited Partnership (1991), Crawford Square Apartments II, L.P. (1994), and Crawford Square Apartments III, L.P. (1998), is hereby approved, and the Executive Director, Acting Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute an intercreditor and subordination agreement therefor with PNC Bank, Pennsylvania Housing Finance Agency (PHFA) and Allies & Ross Management and Development Corporation, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

3. Observatory Hill - Bonvue Street:

- a. UDAG Program Income Fund (UPIF) loan agreement with Observatory Hill Development Corporation in the amount of up to \$225,000.00.
- b. Pittsburgh Housing Construction Fund (PHCF) – Grant Agreement with Observatory Hill Development Corporation for \$175,000.00.
- c. Housing Recovery Program (HRP) – Developer – Agreement with Observatory Hill Development Corporation for \$150,000.00.

Mr. Rubinstein requested Board approval of the above items.

Mr. Cummings stated that authorization is requested to approve the above agreements for a proposed scattered site for-sale housing rehabilitation project in the Observatory Hill

neighborhood of the city. Observatory Hill Development Corporation (OHDC) is the non-profit community development corporation for the neighborhood. OHDC builds a better Observatory Hill by working toward a diverse community of long-time residents, homeowners and renters, children and seniors, low-income and middle class families.

Observatory Hill, located on the Northside of Pittsburgh, is a tight-knit community, best known for the Allegheny Observatory operated by the University of Pittsburgh located in historic Riverview Park. It is largely a neighborhood of single-family detached houses. But disinvestment and population loss have taken their toll. The once-quiet business district along Perrysville Avenue has several vacant and dilapidated properties near the intersection of Perrysville and Bonvue. OHDC is working to address those properties. The fire station, located on the corner of Bonvue and Perrysville, was also severely dilapidated – but the City completed renovations to that building last fall. While the residents are proud of their community and continually work together to improve their neighborhood, there are several areas that still need to be addressed. The most critical area that needs to be addressed is Bonvue Street. Drug-related violence, several problem property owners, a large number of bank foreclosures, and a high number of vacant units has made this street one of the biggest challenges in the neighborhood.

The goal is to undertake quality renovations of vacant properties and sell to owner-occupants in order to stabilize the street. This phase of 5 renovations, plus the additional phases of this project will allow OHDC to control a significant number of problem properties that will provide a critical mass for changing the trajectory of Bonvue Street, which will help produce a long-term transformation of the housing in the core of Observatory Hill.

Once the renovations are completed the properties will be affordable to households with incomes at or below 115% of the area median income (“AMI”). URA will provide a commitment of up to \$150,000 in Housing Recovery Program (HRP) deferred second mortgage loans to income eligible buyers to make the units more affordable. The sales prices of the units are expected to range from \$145,000 to \$170,000.

The Pittsburgh Housing Construction Fund grant is to be funded by 2015 Paygo funds.

Details of the development are as follows:

Developer:	Observatory Hill Development Corporation Leslee Schaffer, Housing Chair 3300 Grant Building 330 Grant Street Pittsburgh, PA 15219
Project Manager:	Northside Leadership Conference Johnathan Huck, Real Estate Director 1319 Allegheny Avenue – 2 nd Floor

Pittsburgh, PA 15233

Location: Bonvue Street in Observatory Hill

Ward: 26th Ward

Description: Acquisition, rehabilitation and resale of five (5) properties on Bonvue Street in Observatory Hill.

Total Development Cost: \$970,000

Sales Price: \$145,000 - \$170,000

Construction Financing Sources:

NON URA FINANCING

Bank Construction Loan	\$551,700
Deferred Costs	<u>\$59,400</u>
TOTAL:	\$611,100

URA FINANCING

URA UDAG (UPIF) Loan:	\$225,000
URA PHCF Grant:	<u>\$175,000</u>
TOTAL:	\$400,000

Total: \$1,011,100

Authority Financing:

\$225,000 - UDAG (UPIF) loan: 2% interest rate, two (2) year term.

\$175,000 - Pittsburgh Housing Construction Fund (PHCF) Grant.

\$150,000 - Housing Recovery Program – Developer, 0% loan, due on sale

Program Benefit: This development will help prevent blight and strengthen the housing market.

Real Estate Loan Review

Committee Status: To be presented at the March 9, 2016 Real Estate Loan Review Committee.

EORC

Committee Status: To be presented at the March 16, 2016 Equal Opportunity Review Commission (EORC) Committee.

Ms. Hall-Russell asked what the average cost of these homes will be once they are renovated. Mr. Cummings stated that the base sale price will range from \$145,000.00 to \$170,000.00, and with the Authority's deferred second that would provide on average up to \$30,000.00, these houses will be more affordable to households with incomes below 115% of area median income, bringing the effective mortgage down to about \$120,000.00.

Mr. Ferlo asked if the purchase of the five homes resolved the median crisis. Glenn Miller, from the Observatory Hill Development Corporation answered stating that the plan is to renovate at least ten houses on that street. Mr. Miller said that this is the first phase of this project. Mr. Ferlo asked if the first five houses are in the most need of renovation. Mr. Miller answered yes.

Upon Motion made by Mr. Gainey, seconded by Mr. Lavelle and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 69 (2016)

RESOLVED: That a loan to Observatory Hill Development Corporation for an amount not to exceed \$225,000.00, payable from the UDAG Program Income Fund (UPIF), to be used for a proposed scattered site for-sale housing rehabilitation project in the Observatory Hill neighborhood of the city, is hereby approved, and the Executive Director, Acting Executive Director or 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 same and affix the seal of the Authority thereto.

RESOLUTION NO. 70 (2016)

RESOLVED: That a grant to Observatory Hill Development Corporation for an amount not to exceed \$175,000.00, payable from the Pittsburgh Housing Construction Fund (PHCF), to be used for a proposed scattered site for-sale housing rehabilitation project in the Observatory Hill neighborhood of the city, is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a grant agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 71 (2016)

RESOLVED: That a loan to Observatory Hill Development Corporation for an amount not to exceed \$150,000.00, payable from the Housing Recovery Program (HRP), to be used for a proposed scattered site for-sale housing rehabilitation project in the Observatory Hill neighborhood of the city, is hereby approved, and the Executive Director, Acting Executive Director or 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 same and affix the seal of the Authority thereto.

4. Community Acquisition and Rehabilitation Loan (CARL) Program:
 - a. Authorization to amend the program guidelines to add 32 census tracts for participation in the Community Acquisition and Rehabilitation Loan (CARL) Program.

Mr. Rubinstein requested Board approval of the above item.

Mr. Cummings stated that the Authority operates the Community Acquisition and Rehabilitation Loan ("CARL") Program in cooperation with Pittsburgh Community Reinvestment Group ("PCRG") and several local lenders to have a single acquisition and rehabilitation loan product for homeownership. Under the CARL program participating lenders, originate, underwrite and service acquisition and rehabilitation loans for homeownership. The Authority performs construction management services for the program and also provides the participating lenders with a loan guarantee not to exceed 15% of the post rehabilitation appraisal. The Authority loan guarantee enables borrowers to obtain the loans with five (5%) equity and no mortgage insurance (which is difficult and expensive to obtain).

The program was established in late 2014 as a pilot program with 27 eligible census tracts with the Authority able to provide loan guarantees in the aggregate amount of \$1.0 million. Demand for the program has been somewhat slow with only one CARL loan being closed. Based on discussions with PCRG and our lending partners, at this time we are requesting approval to add 31 census tracts to the pilot program.

The additional census tracts are being added (1) to complement other development initiatives (e.g. Choice neighborhoods) (2) based on expressed level of interest in the program by potential borrowers, (3) active participation in program marketing by community organizations, and (4) adding all neighborhood census tracts where previously only a portion of the neighborhood was eligible.

The original 21 CARL eligible neighborhoods and 27 eligible census tracts are:

Brighton Heights (2701, 2703)
Central Northside (2206, 2503)

East Allegheny/North Shore (5632)
Manchester (2107)
Marshall Shadeland/Brightwood (2715)
Beechview (1916, 1920)
Mt. Washington (1914)
South Side Slopes (1706)
Central Lawrenceville (901)
Upper Lawrenceville (1011)
East Liberty (1113, 1115)
Garfield (1114)
Greenfield (1517)
Hays, Glen Hazel (5629, 5623)
Hazelwood (1501, 1515)
Highland Park (1102)
Homewood North (1302)
North Point Breeze (1405)
Stanton Heights (1005)
Upper Hill (506)
Sheraden/Esplen (5625)

The requested additional 32 census tracts are as follows:

Fineview (2509)
Perry South (2614, 2615)
Troy Hill (2406)
Allentown (1803)
Arlington (5616)
Beltzhoover (5624)
Brookline (1917)
Carrick (2901, 2902)
Knoxville (3001)
Mt. Oliver (5617)
Mt. Washington (1915)
South Side Slopes (1608)
Bloomfield (802, 804)
Garfield (1016, 1017)
Greenfield (1516)
Homewood South (1303, 1304)
Homewood West (1207)
Larimer (1204, 1208)
Lincoln Lemington-Belmar (1203)
Middle Hill (501)
Central Oakland (405,406)

South Oakland (409)
West Oakland (402)
Uptown/Bluff (103)
Elliott (5626)

With these additional census tracts, 42 neighborhoods (59 census tracts) will be eligible for participating in the CARL program.

Mr. Lavelle asked which banks are participating in this program. Mr. Cummings answered that currently there is Allegheny Valley Bank, Slovak Savings, and United American Savings, and the lenders that are considering joining are First Commonwealth Bank, Huntington Bank and S&T Bank.

Ms. Hall-Russell asked how this will expand our exposure. Mr. Cummings said that the Authority is still limited, but has committed \$1,000,000.00 so far to provide guarantees, and is not asking to change that at this point.

Mr. Lavelle asked how this could be better advertised. Mr. Acklin stated that the realtors and brokers should provide this information to potential homebuyers. He said that he would like to speak with every interested bank to ensure they are work with neighborhoods, and helping to make potential homeowners aware of what is being offered with this program, if eligible.

Samuel Su, from PCRG was present. Mr. Su stated that he would agree in terms of the marketing effort. He stated that they have been training realtors in South Pittsburgh which will help with expansion areas.

Mr. Acklin stated that this compliments what has been done with the homeowner promotion, and with expansion areas that need a lot of attention.

Mr. Ferlo asked if Brighton Heights, Sheridan, Carrick, Overbrook and Marshall-Shadeland are included in this program. Mr. Cummings said that Carrick is one of the new areas, and Marshall-Shadeland, Brighton Heights and Sheridan are part of the original group. Mr. Ferlo stated that this is a good program, but his concern is about nature of this initiative which is different from other intervention programs. He said that certain neighborhood are subsidizing the school districts and City government projects, as opposed to other neighborhoods. He stated that the Authority is embellishing certain neighborhoods, but not targeting the critical mass in neighborhoods that are not eligible for other programs. He thinks that Larimer is not a critical neighborhood to have this kind of program, because there are other initiatives there.

Mr. Cummings stated that this program is not income restricted, but somewhat limited in terms of the cap on sale prices, which is one of the reasons these neighborhoods were picked for this program, and not offered in areas where it was not needed. He said that it is a conventional lending product where there is no subsidy, and provides a guarantee that enables people to buy

a house with 5% equity, versus a typical purchase and rehab product where a potential homebuyer has to have 20% down or would have to pay mortgage insurance, which is expensive and difficult to obtain.

Upon Motion made by Ms. Hall-Russell, seconded by Mr. Lavelle and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 72 (2016)

RESOLVED: That amendment of the Community Acquisition and Rehabilitation Loan (CARL) Program Guidelines to add the following 32 census tracts for participation in the Community Acquisition and Rehabilitation Loan (CARL) Program is hereby approved:

Fineview (2509)
Perry South (2614, 2615)
Troy Hill (2406)
Allentown (1803)
Arlington (5616)
Beltzhoover (5624)
Brookline (1917)
Carrick (2901, 2902)
Knoxville (3001)
Mt. Oliver (5617)
Mt. Washington (1915)
South Side Slopes (1608)
Bloomfield (802, 804)
Garfield (1016, 1017)
Greenfield (1516)
Homewood South (1303, 1304)
Homewood West (1207)
Larimer (1204, 1208)
Lincoln Lemington-Belmar (1203)
Middle Hill (501)
Central Oakland (405,406)
South Oakland (409)
West Oakland (402)
Uptown/Bluff (103)
Elliott (5626)

5. Business Action Team:

- a. Authorization to release a Request for Qualifications (RFQ) for services.

Mr. Rubinstein requested Board approval of the above item.

Mr. Tom Link, Director of the Center for Innovation & Entrepreneurship stated that the Business Action Team (“Team”) is coordinated through the URA’s Center for Innovation and Entrepreneurship. The Team executes a coordinated and proactive approach to identify and attract business location and expansion opportunities (both local and national) resulting in new jobs, new taxes and a growing, diversified, vibrant economic base for the City of Pittsburgh.

The Team utilizes a suite of services, including URA business financing products, concierge services and coordination of Pittsburgh’s economic development network to identify and convert business expansion opportunities into location, expansion and new jobs.

This RFQ seeks to expand and enhance the services provided by the Team. These services may include a data driven approach to identifying opportunities, packaging of a ‘Pittsburgh Investment Thesis’, proactive outbound lead acquisition and conversion, and attraction of capital to support business growth.

Mr. Acklin stated that this team is put together to be responsive and evaluate a plan before looking outward in obtaining new companies that locate to Pittsburgh.

Ms. Hall-Russell asked if we already have a group in the City that handles this type of service. Mr. Acklin said that when you look at maintaining the competitiveness for companies to locate to Pittsburgh, this RFQ allows the Authority provide opportunities for local businesses, as well as looking for businesses in other areas looking to relocate. Ms. Hall-Russell asked if we are looking at placing new businesses in neighborhoods that are struggling. Mr. Link stated that part of the role of the Authority is to help companies that locate to Pittsburgh, and need assistance in location help them be aware of all opportunities. Mr. Acklin asked if this is meant for potential company owners in need of relocation help. Mr. Link said that this has been happening, and companies want to see coordination services.

Mr. Ferlo asked that before approving this RFQ, a draft copy be provided before going out. Mr. Ferlo is concerned about the slowing process of the Zoning Board and Planning Commission in dealing with new and existing businesses coming into this area.

Mr. Acklin stated that this is an investment opportunity for the Authority.

Ms. Hall-Russell asked how we are able to track area availability for incoming businesses. Mr. Link said there are available areas the Authority is already aware of, and for other areas we rely on tools that brokers use to show available properties. Mr. Rubinstein stated that it is hard to track information right now because of the set up. He stated that there are regional and private systems like Costar to track available space. Ms. Straussman stated that Costar is used for commercially available properties that are listed as a broker agency, and the work that that is being done to create a database of publically owned properties is going to go a long way.

Upon Motion made by Mr. Lavelle, seconded by Ms. Hall-Russell and unanimously carried, the following resolution was adopted:

RESOLUTION 73 (2016)

RESOLVED: That the release of a Request for Qualifications (RFQ) to expand and enhance the services provided by the Business Action Team of the Authority's Center for Innovation and Entrepreneurship is hereby approved.

6. Hazelwood – Streetface:

- a. Waiver of Streetface Program Guidelines to allow Joseph Reich to receive more than one Streetface loan for an amount not to exceed \$61,500.00 for 5041 Second Avenue.
- b. Authorization to apply to and execute an agreement with The Heinz Endowments for a \$200,000.00 grant for Hazelwood façades.

Mr. Rubinstein requested Board approval of the above items.

1. Mr. Link stated that 5041 Second Avenue is a three-story, corner building with two large sides visible from street level. The commercial space has two separate storefronts with entrances on Second Avenue. The side entrance on Elizabeth Street, is used for the upper floors. The project is located in an approved Streetface target area for the Hazelwood business district, a program designated high impact neighborhood, which makes this project eligible for an 80% match.

This building will be undertaking a large façade restoration that will reinstall important historic architectural details to the building. The mural on the building will remain. The upper floors will be rehabbed into residential apartments and the ground floor is occupied by Elizabeth Pharmacy, as small business that has operated in Hazelwood for over 20 years at this location.

Board authorization is required to waive guidelines to allow this property to receive more than one Streetface loan for a total amount not to exceed \$61,500 payable from the Streetface Program budget.

Property Owner:

Joseph A. Reich

Location:

5041 Second Avenue, Pittsburgh PA, 15207

Sources of Funds		
Joe Reich	\$ 20,000	13%
Bridgeway Capital	\$ 49,500	33%
URA Streetface	\$ 61,500	41%
Miller Foundation	\$ 15,000	10%
Heinz Endowments	\$ 5,200	3%
TOTAL	\$ 151,200	
Use of Funds		
Hard Costs	\$ 141,339	93%
Soft Costs	\$ 9,861	7%
TOTAL	\$ 151,200	

2. The URA seeks to apply to The Heinz Endowments for a \$200,000 grant to supplement the Streetface and Storefront Renovation Program budgets. Hazelwood is designated “high-impact” community for the Streetface program. There has been a large increase in applications for funding to enhance commercial buildings in this neighborhood. Funds will help enhance our façade outreach efforts and help us provide a greater impact to individual projects in Hazelwood.

Mr. Ferlo stated that we do not want to see a repeat of Homestead relative to the Waterfront development, and watching the TIF dollars happen and totally ignoring the 8th Avenue business district quarter. The TIF there has ended with actual money being spent and directed back to the tax spaces in Homestead and West Homestead, which are now seeing some investment. He wants the same elevated commitment from the foundation community to recognize the 2nd Avenue corridor. He is really supportive of this project, and wanted to thank everyone involved including the leadership of the The Heinz Foundation. He is concerned that the program will not enhance commercial buildings properly. Mr. Rubinstein stated that there are a variety of tools being offered to property owners based on their ability to reinvest, and this program is responsible for the outdoor patios that did not exist before this program was available.

Upon Motion made by Mr. Lavelle, seconded by Mr. Gainey and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 74 (2016)

RESOLVED: That a loan to Joseph Reich for an amount not to exceed \$61,500.00, payable from the Streetface Program budget, for 5041 Second Avenue is hereby approved, and the Executive Director, Acting Executive Director or 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 same and affix the seal of the Authority thereto; and it is

RESOLVED FURTHER: That a waiver of the Streetface Program Guidelines to allow Joseph Reich to receive a Streetface loan for an amount not to exceed \$61,500.00 for 5041 Second Avenue is hereby approved.

RESOLUTION NO. 75 (2016)

RESOLVED: That application to The Heinz Endowments for a grant in an amount up to \$200,000.00 to supplement the Streetface and Storefront Renovation Program budgets is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a grant application therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto; and it is

RESOLVED FURTHER: That the acceptance of a grant from The Heinz Endowments for an amount up to \$200,000.00 to supplement the Streetface and Storefront Renovation Program budgets is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a grant agreement and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

7. Beechview - Property Disposition:

- a. Authorization to issue a Request for Proposals for the sale of Block 35-F, Lot 267 and 35-F-266 Block in the 19th Ward.

Mr. Rubinstein requested Board approval of the above item.

Mr. Rubinstein stated that through foreclosure action in 2008, the Authority came to own the properties at 1600 and 1602 Broadway Avenue in Beechview. For the past eight years the Authority has worked with various developers to explore potential projects for these properties.

The most recent RFP issued for the properties was on March 19th of 2014, of which one development team submitted a proposal. While working through their due diligence, the condition of the buildings and rehab costs required caused the developer to exit exclusive

negotiations. Recently another developer was exploring future uses for the properties, but has suspended his interest in the property due to other projects.

In order to facilitate development, the URA has gutted 1600 Broadway, removed a dangerous stairwell, and added a new roof. 1602 Broadway was found to be structurally deficient and was demolished in 2015. There is renewed interest in the area and the URA is confident that a new solicitation of proposals will result in strong development proposals for these properties.

There was no discussion among the Members.

Upon Motion made by Mr. Lavelle, seconded by Mr. Gainey and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 76 (2016)

RESOLVED: That the issuance of a Request for Proposals for the sale of Block 35-F, Lot 267 and 35-F-266 Block in the 19th Ward is hereby approved.

8. Southside Flats - Wharton Street:

- a. Final drawings, evidence of financing and execution of deed for the sale of Block 12-E, Lots 67, 69, and 70, in the 17th Ward to Brooks and Blair Southside Properties, LP for \$301,000.00.

Mr. Rubinstein requested Board approval of the above item.

Ms. Kyra Straussman, Director of Real Estate stated that at the meeting held on September 10, 2015, the Board of this Authority accepted the Proposal and authorized execution of a Disposition Contract with Brooks and Blair Southside, LP, or an entity to be formed, for the redevelopment of 1817 Fox Way and 1819 Wharton Street in the Southside. At this time, we are requesting authorization to execute a deed with Brooks and Blair Southside Properties, LP, for the conveyance of the property subject to staff review and approval of the developer's final working drawings and evidence of financing. The property contains a land area of approximately 6,000 square feet, and will be sold for a purchase price of \$301,000.00. The redeveloper intends to construct 5 single-family town homes with approximately 2,500 square feet of living area and proposed sales prices of \$452,500.00 per unit. Development costs are estimated at \$2,045,830.00.

Brooks and Blair Southside Properties, LP, is a Pennsylvania limited partnership, having a mailing address of 310 Seven Fields Boulevard, Suite 350, Seven Fields, PA, 16046. Daniel J. Mancosh is the President.

Mr. Ferlo stated that this is a very exciting development, and nice to see new folks investing. He asked if finalization of the deed transfer is contingent upon the bank financing. Ms. Straussman

stated that the staff, prior to asking for this action, has reviewed construction bids to see relevance to the project, and details of the designs to understand how much the cost of construction will be, and compare it to an evaluation of their evidence of financing to make sure they have resources available to perform construction. Mr. Ferlo asked that no matter what they cannot end up with the property, and not intend to do what they say they are going to do. Ms. Straussman agreed.

Jason Kambitsis, of Brooks and Blair Southside Properties, LP, was present. Mr. Kambitsis wanted to thank the Authority for the opportunity. He also stated this project is going to be a great addition to Southside Works.

Mr. Ferlo asked Mr. Kambitsis if variances are needed, and if he had gone through the Zoning Board process. Mr. Kambitsis stated they did not need variances, and had zoning approval already.

Mr. Lavelle asked if the building had three stories with the rooftop. Mr. Kambitsis stated the top floor is a mezzanine and is a rooftop deck, but it is considered a mezzanine according to zoning codes.

Mr. Acklin asked Mr. Kambitsis if this was his first development in the City. Mr. Kambitsis answered that it was.

Upon Motion made by Mr. Lavelle, seconded by Mr. Gainey and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 77 (2016)

RESOLVED: That the sale of Block 12-E, Lots 67, 69, and 70, in the 17th Ward from the Authority to Brooks and Blair Southside Properties, LP for the price of \$301,000.00 is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a deed and all documents required to effect said sale, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

9. Citywide-Comprehensive Land Recycling:
 - a. Ratification of an application to The Heinz Endowments and to enter into a grant agreement for an amount up to \$200,000.00.
 - b. Authorization to enter into a professional services contract, in an amount not to exceed \$25,000.00, with Center for Community Progress for consulting services.

Mr. Rubinstein requested Board approval of the above items.

Ms. Straussman stated that authorization is requested to ratify an application to the Heinz Endowments and to enter into a grant agreement for an amount up to \$200,000 for the development and implementation of comprehensive solutions for city-wide land recycling.

Vacant property reclamation in Pittsburgh is a generational problem that has never before been tackled comprehensively. There are numerous challenges: legal, financial, administrative, and outdated policy. These challenges stand in the way of Pittsburgh reclaiming its historic grid and repositioning the City for the concerns and needs of the 21st Century. The problem of gaining access to vacant and abandoned land and buildings in Pittsburgh comes down to an inordinately complex set of tedious administrative challenges that are not easily solvable on their face. These issues are also hard to understand – the complexity is built upon decades of legal practice, due process regulation, outmoded administrative systems that few understand very well.

Resolving these issues will take an engineered set of highly specific and technical solutions that taken together will allow a new system of land recycling to be set up that meet the goals of the City as a whole, local communities, and individuals.

The Peduto administration has placed resolving the situation with vacant and abandoned land at the top of it's current agenda. The Administration's team working on this project include top level and executive staff of all agencies that touch the issue. Full time high level staff is funded through City financing to support this effort in coordination with URA senior staff over the next 18 months. As such there is an unprecedented opportunity to create lasting generational change.

To assist with these efforts, the requested grant funds will be used as set forth below:

1. Funding a contract with Fourth Economy, LLC. At its meeting of July 2015, this Board authorized a contract with Fourth Economy for the development of a comprehensive land recycling business plan. This grant will fund the URA's contract with Fourth Economy as they work to set up the business model for a new system, largely focused on the operational and financial model of a new system of land recycling. Fourth Economy's work will include process mapping, financial modelling, understanding the sources of revenue, and quantifying the cost needs of the project as well as modeling reasonable time frames and estimating economic impact.
2. Funding for Judge Irene McLaughlin. Judge McLaughlin will provide legal support to Fourth Economy. Judge McLaughlin is a former Housing Court magistrate, and understands the intricacies of tax foreclosure process and regulation. A key challenge to this undertaking is providing for congruence with these legal systems.
3. Funding a to-be negotiated contract with Center for Community Progress. The Center for Community Progress is a recognized national expert in Land Bank governance. In keeping with the overall approach to condense and redefine the City's approach to Land Recycling, CCP will make certain that the emerging Land Bank supports the overall goals of Land Recycling and does

not add more layers of challenge and complexity to the already overburdened system. Current plans have CCP serve as an "on call" resource as issues emerge.

At this time we are also requesting authorization to enter into the above referenced contract with Center for Community Progress, in an amount not to exceed \$25,000.00 to provide the URA and the Landbank consulting and "on-call" services resource to efficiently handle emerging issues.

Center for Community Progress is a 501(c)(3) with offices located at 1001 Connecticut Avenue N.W., Suite 1235, Washington, D.C., 20036.

Mr. Acklin stated that this has been internally worked on for a long time. He said there was a meeting with Ms. Straussman, City Planning, and the Mayor's Office to try to figure out this process. He stated that the Mayor talked about the 11,000 vacant and abandoned parcels throughout the City that are stuck in a legal process, and we don't have effective tools to control properties going through Sherriff sales. He stated that this has led to unlocking opportunities in pipelining properties that will go into the LandBank, and that the Authority will redevelop that will in the end be a part of our infrastructure solutions by turning these liabilities into assets, and can be utilized to rebuild the fabric of the City. He stated that he is very supportive and appreciates the leadership of The Heinz Endowments and their willingness to help fund this project. He feels this is a legacy project that will make improvements to property recycling, and put a lot of hard work into the LandBank, and wants this process to reutilize these properties. Ms. Straussman stated that this will have a generational impact on all the projects that the Authority engages in.

Mr. Ferlo asked if this contract is with the Authority and The Heinz Endowments, and asked if there is a Landbank Board. Ms. Straussman answered that there is a Landbank Board, and that the URA previously had entered into a Memorandum of Agreement to provide administrative services. Mr. Ferlo asked if there is something in writing to identify the Board. Ms. Straussman answered that there was and that she would provide Mr. Ferlo with that information. Mr. Ferlo stated that the City Real Estate Department funded itself through sales and rental property, and asked if this is still the case. Mr. Acklin stated that the Authority is trying to work with Council to align the process with what we are trying to accomplish here. He said the Mayor signs deeds that come to Council to fit into the overall strategy of what needs to be accomplished with this process. He said there will be further discussion about how the City's process fits in with the property disposition formerly known as the Property Recycling Committee. Ms. Straussman stated that from the public standpoint it doesn't matter if the City or the Authority owns the Block and Lot if a property is tax delinquent. We are trying to create a system to achieve access to the property. She stated that when we receive calls for site development assistance, the Authority does not have the tools to offer publicly owned properties. Mr. Ferlo's concern with the Landbank notion, even though he supported it in terms of state legislation, is that he does not want to see the Authority having to do site control. Mr. Acklin stated that what he is most concerned about is the Authority's role is in this process. He stated that the Landbank is something that is not yet set up, and part of the effort that led to this Board item are questions

about how to design this. Ms. Straussman stated that the lines are clear in the Authority's role and the Landbank's role in this process. Ms. Straussman stated that the Authority will do major site assembly to provide low income housing, and large development projects. Mr. Ferlo asked if there is School Board staff and County staff in the Landbank group. Ms. Straussman stated that they are not on the Board, but they are part of this process. Mr. Acklin stated that there were discussions with Council about how liens are processed, and ways to adjust and control that process, and how all entities should be aligned.

Upon Motion made by Mr. Ferlo, seconded by Mr. Gainey and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 78 (2016)

RESOLVED: That submission of an application to The Heinz Endowments for a grant in an amount up to \$200,000.00 for the development and implementation of comprehensive solutions for city-wide land recycling is hereby ratified; and it is

RESOLVED FURTHER: That the acceptance of a grant from The Heinz Endowments for an amount up to \$200,000.00 for the development and implementation of comprehensive solutions for city-wide land recycling is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a grant agreement and related documents, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 79 (2016)

RESOLVED: That the engagement of Center for Community Progress to provide consulting and "on-call" services to the Authority and The Pittsburgh Landbank, for an amount not to exceed \$25,000.00, payable from The Heinz Endowments grant, is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

10. Brighton Heights:

- a. Agreement with Piccolomini Contractors, Inc. for Brighton Heights Demolition and Site Clearance Contract No. 1 - Rebid -\$128,000.00.
- b. Authorization to enter into exclusive negotiations with Allegheny Land Trust for a period of 90 days, for the sale of Block 75 L, Lots 270 and 275 in the 27th Ward, with an option to extend the exclusive negotiation period upon approval of the Executive Director.

Mr. Rubinstein requested Board approval of the above items.

1. Ms. Straussman stated that authorization is requested to enter into an Agreement with Piccolomini Contractors, Inc. for Brighton Heights Demolition and Site Clearance Contract No. 1 - Rebid. The Project was publicly bid by the URA and four bids were received and opened on February 24, 2016. Piccolomini Contractors, Inc. submitted the lowest responsible bid for the project. The project location is the site of the former St. John's Hospital. The project will consist of the removal of pavement and miscellaneous debris, the removal and backfill of a sidewalk vault and the seeding of the site.

Piccolomini Contractors, Inc. is located at 1790 Pittsburgh Road, Waltersburg, PA 15488, and Mr. Mario Piccolomini is CEO.

Funding for this agreement will be from City PAYGO and/or City Bond Funds.

2. Authorization is requested to enter into exclusive negotiations with Allegheny Land Trust for the conveyance of the property in the Brighton Heights neighborhood located between Fleming St and McClure Avenue.

The 4.8 acre site was previously home to St. John's Hospital but is presently a vacant, semi-wooded lot. Situated in the side of a hill, the north side of the site sits approximately 40 feet higher than the south side of the site.

The URA issued a Request for Proposal for housing development in June, 2014. The RFP garnered no response or interest from the development community. The challenging topography requires significant site work and infrastructure and the neighborhood market cannot support higher sales prices that the budget requires. Based on developer feedback and our own due diligence, a housing strategy is not financially feasible. After meeting with the Brighton Heights Citizens Federation (BHCF) they have endorsed a permanent green plan.

The URA is currently working with GTECH to stabilize, design, and program the site. Through an engaged community process a final design will act as the foundation for the redevelopment of the site and programming under Allegheny Land Trust ownership. The exclusive negotiation period will allow the Redeveloper to conduct due diligence activities on the URA owned parcels.

Allegheny Land Trust is a nonprofit 501(c)(3) organization with an address of 416 Thorn Street, Sewickley, PA 15143. Chris Beichner is the Executive Director.

Mr. Ferlo asked if the goal is to transfer this property to the Allegheny Land Trust. Ms. Straussman answered yes, if all goes well in the due diligence process, and the Allegheny Land Trust pursues ownership of this property. Mr. Ferlo asked if the nearby community groups are involved. Ms. Straussman answered yes.

Mr. Chris Beichner, of the Allegheny Land Trust, was present. Mr. Beichner stated that all current interest for future use of this property has been discussed with the Allegheny Land Trust. He feels there are good parameters in place as far as community interest for future use of this property. He thanked the Authority, and said that he is looking forward to working with the staff through exclusive negotiations and partnering with GTECH.

Mr. Acklin asked what kind of programming is foreseen. Mr. Straussman stated that there is not going to be a lot of active space. In addition to working on storm water management controls, there will not be a lot of equipment involved. It will not be just a green space, but will be slightly cultivated. Mr. Acklin asked about long term maintenance costs. Ms. Straussman stated that the Allegheny Land Trust will own this property, and the amount of activity we can support will be part of their due diligence. Mr. Ferlo asked if the Allegheny Land Trust is looking at other urban land sites in the City and, if so, whether there are other parameters and guidelines in place. Mr. Beichner stated that they project 2,000 acres around Allegheny and Washington counties. He stated that in the last several years they have protected a couple pieces of property within the City through a conservation easement, and currently they are looking at several levels of conversation. He stated they are involved in about a dozen different projects. Some are smaller sites like this one, and there are at least two larger sites. He stated that they are specifically looking at urban conservation as a priority.

Upon Motion made by Mr. Lavelle, seconded by Ms. Hall-Russell and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 80 (2016)

RESOLVED: That the engagement of Piccolomini Contractors, Inc. for demolition and site clearance in the Brighton Heights neighborhood, for an amount not to exceed \$128,000.00 payable from City PAYGO and/or City Bond funds, is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute the Brighton Heights Demolition and Site Clearance Contract No. 1 (Rebid), and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 81 (2016)

RESOLVED: That a ninety (90) day exclusive negotiations period with the Allegheny Land Trust, with an option to extend at the discretion of the Executive Director or Acting Executive Director, for the sale of Block 75 L, Lots 270 and 275 in the 27th Ward is hereby approved.

11. South Side Works:

- a. Amendatory Agreement with LGA Partners for additional design services for Parcel F4C and South Shore Riverfront Park Gateway for an amount not to exceed \$25,000.00.
- b. Authorization to advertise for bids for South Side Works Site Preparation Contract No. 25.
- c. Authorization to solicit proposals for construction management/ construction inspection of South Side Works Site Preparation Contract No. 25.

Mr. Rubinstein requested Board approval of the above items.

1. Mr. Kaminski stated that authorization is requested to amend the agreement between LGA Partners (LGA) and the URA for design services dated December 10, 2014, Board Resolution No. 363 (2014), to increase the Agreement by an amount not to exceed \$25,000.00, for a total not to exceed amount of \$95,000.00.

The original scope of work for this agreement included architectural, engineering and landscape architectural services for design of a low maintenance landscaped entrance to the South Side Works at Parcel F4C and a gateway to the South Shore Riverfront Park at South 27th Street that would include one or more structures, signage and landscaping. During the design process the design steering committee, comprised of URA, Soffer and Riverlife representatives, determined that Tunnel Park (the area that is located over the roof of the CSX railroad tunnel) created a barrier between the commercial area of South Side Works and South Shore Riverfront Park. LGA was authorized to prepare preliminary design studies to visually reduce the gap between the commercial area and park and implement a design concept that could potentially be replicated elsewhere in the park. The services under this amended Agreement will include this design work, as well as additional meetings with the steering committee, South Side Forum, CDAP and the Planning Commission.

LGA Partners is located at 1425 Forbes Avenue, Suite 400, Pittsburgh, PA 15219 and Mr. Jonathan B. Glance, RA, AIA, NCARB is the Partner in Charge.

Funding for this agreement will be from the South Side Works Account.

2. Authorization to advertise for bids for South Side Works Site Preparation Contract No. 25. The proposed work will include the construction of a low maintenance landscaped entrance to the South Side Works at Parcel F4C and a gateway to the South Shore Riverfront Park at South 27th Street that will include structures, signage and landscaping. These improvements will enhance the experience of visitors to the park and commercial areas.

3. Authorization is requested to solicit proposals from engineering and construction management firms to provide construction management and inspection services for South Side Works Site Preparation Contract No. 25. Firms will be selected to receive the RFP based on their qualifications that were previously submitted to the URA Engineering and Construction Department via the Request For Qualifications that was issued in March of 2014.

Mr. Ferlo stated that one reason for not utilizing this is that the Authority should own this, and this should be transferred to the City, and should be placed under Special Events or City Parks.

Ms. Straussman stated that once this project is constructed, it will be complete. Ms. Straussman stated that this has gone through City Planning reviews, and the City Planning Commission will be voting this coming Tuesday.

Upon Motion made by Mr. Ferlo, seconded by Mr. Lavelle and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 82 (2016)

RESOLVED: That amendment of the agreement between the Authority and LGA Partners, dated December 10, 2014, for an increase of \$25,000.00, payable from the South Side Works account, for a total agreement amount not to exceed \$95,000.00, for additional design services for Parcel F4C and South Shore Riverfront Park Gateway is hereby approved, and the Executive Director, Acting Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute an amendment therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 83 (2016)

RESOLVED: That the advertising of bids for South Side Works Site Preparation Contract No. 25 is hereby approved.

RESOLUTION NO. 84 (2016)

RESOLVED: That authorization to solicit proposals from contractors for construction management/ construction inspection of South Side Works Site Preparation Contract No. 25 is hereby approved.

12. City-Wide:

- a. Agreements with Sci-Tek Consultants, Inc. and Professional Service Industries, Inc. (PSI) to provide Lead Based Risk Assessments and Clearance Testing - \$70,000.00 each.

Mr. Rubinstein requested Board approval of the above item.

Mr. Kaminski stated that authorization is requested to enter into contracts with Sci-Tek Consultants, Inc. and Professional Service Industries, Inc. (PSI) each in the amount of \$70,000.00 for the purpose of performing Risk Assessments and Clearance Testing to implement the HUD regulations for lead based paint hazard reductions.

HUD regulations requires the URA to provide Assessment and Clearance Testing for each housing unit where CDBG or HOME funds are used. The affected programs include the Pittsburgh Home Rehabilitation Program (PHRP), Rental Housing Development and Improvement Program (RHDIP) and the Pittsburgh Housing Construction Fund (PHCF).

Requests for Proposals were solicited for this work in January 2016. Firms were selected to receive the RFP based upon their qualifications that were previously submitted to the URA Engineering and Construction Department via the Request for Qualifications that was issued in March, 2014. The RFP was sent to six (6) firms: Skelly and Loy, Inc., Sci-Tek Consultants, Inc., Professional Service Industries, Inc., Penn Environmental & Remediation, Inc., Key Environmental Inc., and Buchart Horn, Inc./Basco Assoc. A proposal was also going to be solicited from CP Environmental Group, Inc., but they informed the URA that they no longer perform (lead based paint) inspection and reports. Three (3) companies' submitted proposals: Professional Service Industries, Inc., Sci-Tek Consultants, Inc., and Skelly and Loy, Inc. Professional Service Industries, Inc. and Sci-Tek Consultants, Inc. submitted the best proposals.

It is anticipated that the requested Agreement amounts should allow the selected consultants to provide the requested services for approximately two (2) years, based on the current program volume.

Sci-Tek Consultants, Inc. is located at 655 Rodi Road, Suite 303, Pittsburgh, PA 15235 and Mr. Charles R. Toran, Jr. is the President.

PSI is located at 850 Poplar Street, Pittsburgh, PA 15220 and Mr. William L. Nicastro is the Environmental Department Manager.

This work is being funded from various Housing Programs.

There was no discussion among the Members.

Upon Motion made by Mr. Lavelle, seconded by Mr. Gainey and unanimously carried, the following resolutions were adopted:

RESOLUTION NO. 85 (2016)

RESOLVED: That the engagement of Sci-Tek Consultants, Inc. to provide lead based risk assessments and clearance testing, for an amount not to exceed \$70,000.00, payable from various housing programs, is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 86 (2016)

RESOLVED: That the engagement of Professional Service Industries, Inc. (PSI) to provide lead based risk assessments and clearance testing, for an amount not to exceed \$70,000.00, payable from various housing programs, is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

13. East Liberty – East Liberty Transit Center:
 - a. Agreement with Lawn Sense, Inc. for East Liberty Transit Center Landscape Operations and Maintenance Contract No. 1 - \$112,530.25.

Mr. Rubinstein requested Board approval of the above item:

Mr. Kaminski stated that authorization is requested to enter into an agreement with Lawn Sense, Inc. for East Liberty Transit Center Landscape Operations and Maintenance Contract No 1. The project was publicly bid by the URA and three bids were received and opened on February 26, 2016. Lawn Sense, Inc. submitted the lowest responsible bid for this project. The contract is for a period of three years, with a URA option to extend the Contract for two additional years.

The URA advertised for bids on behalf of the East Liberty Transit Revitalization Investment District Revitalization Authority (ELTRIDRA) to engage a landscaping firm to perform maintenance of the landscaped areas on the plaza and the pedestrian bridge, which are outside of the Port Authority of Allegheny County's normal maintenance routine.

The project consists of maintenance of 0.64 acres of landscape panels at the recently completed Martin Luther King Plaza, pedestrian bridge, and bus stop platform in the East Liberty section of Pittsburgh, including mulching, weeding, trash pickup, pruning, dead plant replacement, and fertilizing, as well as startup/shutdown/on-going maintenance of the irrigation system.

Lawn Sense, Inc. is located at 450 Davidson Road, Pittsburgh, PA 15239 and Ms. Brenda L. Williams is President.

Funding for this Agreement will be from East Liberty TRID funds.

Mr. Rubinstein stated that the Authority is doing this on behalf of the East Liberty TRID Redevelopment Authority, and no Authority funds are being used. He stated that the Authority is doing this as an agent through them. Mr. Acklin asked if this was all public land. Mr. Kaminski answered that this is Port Authority land. Mr. Ferlo asked about the tribute to Martin Luther King. Rebecca Schenck answered that the Port Authority is currently holding plaques that honor Martin Luther King, and the Authority has \$250,000.00 allocated into the TRID funds to incorporate them into the Plaza.

Upon Motion made by Mr. Lavelle, seconded by Mr. Gainey and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 87 (2016)

RESOLVED: That the engagement of Lawn Sense, Inc. for maintenance of the landscaped areas on the Martin Luther King Plaza, pedestrian bridge and bus stop platform that are part of the East Liberty Transit Center, for an amount not to exceed \$112,530.25, payable from East Liberty TRID funds, is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute the East Liberty Transit Center Landscape Operations and Maintenance Contract No. 1, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

14. Hill District – Miller/Reed:

- a. Agreement with Plavchak Construction Company, Inc. for Miller/Reed Homes, Site Preparation Contract No. 1 - \$79,220.00.

Mr. Rubinstein requested Board approval of the above item:

Mr. Kaminski stated that authorization is requested to enter into an agreement with Plavchak Construction Company, Inc. for Miller/Reed Homes, Site Preparation Contract No 1. The project was publicly bid by the URA and eight bids were received and opened on February 25, 2016. Plavchak Construction Company, Inc. submitted the lowest responsible bid for this project.

The proposed work includes clearing and grubbing, selective demolition, erosion and sedimentation control, earthwork, and revegetation for a proposed residential development located at Miller and Reed Streets in the Hill District.

Plavchak Construction Company, Inc. is located at 1512 Route 51, Jefferson Hills, PA, 15025, and Mr. Michael J. Plavchak is the President.

The work will be funded by CITF Funds.

Mr. Acklin asked if we had worked with Plavchak Construction Company in the past. Mr. Kaminski answered that this is the first time. Mr. Acklin stated that there were issues with Plavchak working for the City in the past. Mr. Acklin wants Mr. Kaminski to check the status of that contract. He stated that he wants to hold to confirm.

Mr. Lavelle asked if we always have to accept the lowest responsible bidder. Mr. Kaminski stated that if the CITF funding amount for this project is not used by June 30, 2016 we will lose it. **(Approved pending the authorization by the Directors.)**

Upon Motion made by Mr. Lavelle, seconded by Ms. Hall-Russell and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 88 (2016)

RESOLVED: That the engagement of Plavchak Construction Company, Inc. for demolition and site preparation for a proposed residential development at Miller and Reed Streets in the Hill District, for an amount not to exceed \$79,220.00, payable from CITF funds, is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute the Miller/Reed Homes, Site Preparation Contract No. 1, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

15. Washington's Landing:

- a. Amendatory Agreement with Allegheny City Electric for an amount not to exceed \$32,000.00.

Mr. Rubinstein requested Board approval of the above item:

Mr. Kaminski stated that authorization is requested to amend the agreement between Allegheny City Electric and the URA for repairs to the street lighting system on Washington's Landing dated January 14, 2016, Board Resolution No. 337 (2015), to increase the Agreement by an amount not to exceed \$32,000.00, for a total not to exceed amount \$47,000.00.

The original scope of work for this agreement with Allegheny City Electric, Inc., who also serves as the City of Pittsburgh's B contractor for street lighting, included the removal and replacement of an old street light pole foundation and installation of new conduit and wire from an existing Duquesne Light junction box to the new light pole foundation to provide power to the existing street lighting system. This work was intended to provide a new source of power to the street lighting system on the north eastern end of the island that was not working. After this work was completed and energized, it was discovered that there were issues with the underground wiring running north-east on Waterfront Drive from the newly installed street light pole foundation that were not evident until the new street light was energized.

The proposed new work will include the removal and replacement of all of the underground wiring from the new street light pole foundation to the two street lights located just beyond the railroad trestle at the northern end of Waterfront Drive. Upon completion of this proposed work and demonstration that the lights are working, the City of Pittsburgh Department of Public Works will formally accept the lighting improvements so that the public improvements on Washington's Landing can be dedicated to the City.

Allegheny City Electric is located at 3080 Babcock Boulevard, Pittsburgh, PA 15237 and Mr. Michael J. Septak is President.

Funding for this agreement will be from the Washington's Landing account.

Mr. Ferlo asked about the standards of the electrical conduit in the wattage or voltage, and the type of lighting there. Mr. Kaminski believes it is the wiring that needs to be fixed, and stated that it is the old shoe box light system. Mr. Ferlo asked if we need to change the actual standards. Mr. Kaminski answered that we do not. Mr. Kaminski stated that Allegheny City Electric is the contractor for the City. Mr. Ferlo asked about the City's involvement in this project. Mr. Rubinstein stated that the City is involved in trying to strategize what needs to be done with this project. Mr. Ferlo does not believe the standards are going to work with the LED's. Mr. Ferlo wants to see the standards corrected.

Upon Motion made by Mr. Lavelle, seconded by Ms. Hall-Russell and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 89 (2016)

RESOLVED: That amendment of the agreement between the Authority and Allegheny City Electric, dated January 14, 2016, for an increase of \$32,000.00, payable from the Washington's Landing account, for a total agreement amount not to exceed \$47,000.00, for repairs to the street lighting system on Washington's Landing is hereby approved, and the Executive Director, Acting Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute an amendment therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

16. p4:

- a. Authorization to ratify an application with The Heinz Endowments for a grant in the amount of \$50,000.00 to partially fund the p4 Policy Officer position, and to accept said grant and execute an agreement therefor.

Mr. Rubinstein requested Board approval of the above item:

Mr. Rubinstein stated that the Authority is requesting authorization to ratify a grant application to fund the p4 Policy Officer position at the Authority. The purpose of the p4 position is to support the creation of sustainability metrics to guide public subsidy of development at the Authority.

By Resolution 343 (2015), the Board approved the acceptance of a prior grant from The Heinz Endowments in the amount of \$50,000.00, which was also used to partially fund the p4 Policy Officer position. The Authority received these funds in December 2015.

Principal:
Grant Oliphant
The Heinz Endowments
625 Liberty Avenue
Pittsburgh, PA 15222
Phone: 412-281-5777

There was no discussion among the Members.

Upon Motion made by Mr. Ferlo, seconded by Mr. Lavelle and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 90 (2016)

RESOLVED: That the submission of a grant application to The Heinz Endowments for an amount up to \$50,000.00 to partially fund the p4 Policy Officer position is hereby ratified; and it is

RESOLVED FURTHER: That the acceptance of a grant from The Heinz Endowments for an amount up to \$50,000.00 to partially fund the p4 Policy Officer position is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a grant agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

17. Upper Lawrenceville – 62nd Industrial Park:

- a. Authorization to reject all proposals for Block and Lot 120-G-155 in the 10th Ward.

Mr. Rubinstein requested Board approval of the above item:

Mr. Rubinstein stated that the URA issued a Request for Proposals (RFP) on Thursday October 8, 2015 requesting that developers and/or development teams submit proposals for the purchase

and redevelopment of all, or part, of the 62nd Street Industrial Park in the Upper Lawrenceville neighborhood of the City of Pittsburgh. Proposals were due on November 12, 2015 and the URA received three proposals. The URA's Review Committee evaluated the proposals and after careful evaluation is recommending that this Board reject all proposals.

There was no discussion among the Members.

Upon Motion made by Ms. Hall-Russell, seconded by Mr. Lavelle and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 91 (2016)

RESOLVED: That the rejection of all proposals for Block and Lot 120-G-155 in the 10th Ward is hereby approved.

18. City-Wide – Property Maintenance:

- a. Authorization to amend URA Resolution No. 26 (2016) to include the Leased Land Fund as a source of funding for maintenance of URA-owned properties under contract with City Source Associates.

Mr. Rubinstein requested Board approval of the above item:

Mr. Rubinstein stated that at the January, 2016 Board meeting, a contract extension with City Source Associates in an amount not to exceed \$180,000 was authorized. The source of funding for this extension was 2016 City Bond Funds. A fully executed Cooperation Agreement between the URA and the City for these funds will not be available until sometime in April at the earliest. Previous funding for lot/property maintenance has run out, forcing us to issue a temporary stop work order to City Source.

As a short term fix, authorization is requested to utilize up to \$60,000 from the Leased Land Fund in order to pay current invoices and act as a bridge funding source until such time as the 2016 City Bond Funds are available. Note that the City Bond Funds will only carry us through late June/early July. Thus, a longer term, sustainable funding solution will have to be identified soon. URA will work with the City's Public Works Department and the Mayor's Office on a strategy for such.

Mr. Acklin asked if a cooperation agreement could be executed more quickly. Mr. Rubinstein answered that there will be a discussion with Council Wednesday morning. He stated that we will have the same situation in front of us, but with no back up funding coming until late June early July. He stated that Mr. Acklin has a meeting with Public Works to try and figure out what to do in the coming year, as we transition to a more community based maintenance program by

working with GTECH and community members, and how to set up sustainable sources of capital to maintain our properties. He said that these are hard issues we do not have answers to yet.

Ms. Straussman stated that the Authority is working with GTECH on a community based strategy for property maintenance which will be more expensive. She stated that the Authority is being encouraged to do more land banking for project development in the City. She said the leadership from the Housing Authority of the City Pittsburgh and the Authority's Housing Department were invited to a conference in Washington DC to present how the land banking strategy in Larimer yielded a \$30,000,000.00 Choice Neighborhoods Grant. By doing that land banking, we are taking more properties into public possession, and it is often an interval of several years between the time of possession and development. She noted calls that are received in the Real Estate Department about land maintenance and public safety hazards, which is baseline work that is done.

Mr. Ferlo asked if the 1400 lots were maintained only by City Source or are there sub-contractors. Mr. Rubinstein answered that there are three other community based groups that are contracted out. Mr. Acklin stated that the biggest concern is taking City properties and maintaining them in the future, which is a problem currently. Mr. Ferlo is concerned about one Authority owned lot being maintained, and feels there is no way a community based group will be able to maintain hundreds of lots. Mr. Acklin stated that Andrew Butcher will have a community discussion about this problem. Mr. Acklin stated that some of the earlier discussions were about how to advance property recycling. Mr. Ferlo suggested picking a geographical area that has an identifiable number of lots, and try a voucher system. Mr. Acklin suggested putting a meeting together, and come back with a longer term solution. Mr. Andrew Butcher, of GTECH, stated that they were also exploring the same scenarios at this time. He stated that it was requested by the Board at the Board meeting in January to present a handful of scenarios for consideration, including a geographic pilot that would emphasize a community stewardship program instead of a contractor based program, that would provide a higher degree of ongoing maintenance.

Upon Motion made by Mr. Ferlo, seconded by Ms. Hall-Russell and unanimously carried, the following resolution was adopted:

RESOLUTION NO. 92 (2016)

RESOLVED: That amendment of Resolution No. 26 (2016) to include the Leased Land Fund as a source of funding for maintenance of URA-owned properties under contract with City Source Associates is hereby approved.

The Members reviewed the items on Agenda "B". Upon motion made by Mr. Lavelle, seconded by Mr. Gainey and unanimously carried, the following resolutions were adopted:

AGENDA "B"

REAL ESTATE

1. Fifth /Forbes:

RESOLUTION NO. 93 (2016)

RESOLVED: That execution of a Certificate of Completion for PNC BANK, National Association for Block 1-H, Lots 249, 250 and 251, in the 2nd Ward (commercial construction – 430-438 Wood Street) and return of the Good Faith Deposit are hereby approved.

2. Squirrel Hill South – 9 Mile Run:

RESOLUTION NO. 94 (2016)

RESOLVED: That execution of a Certificate of Completion for Summerset Cottage L.P, for Lot 280 in Phase 2C (residential construction -1722 Parkview Blvd) and return of the Good Faith Deposit are hereby approved.

3. Lower Hill/Uptown – Ecolnnovation District:

RESOLUTION NO. 95 (2016)

RESOLVED: That the extension of the exclusive negotiations period with NRG DG Development LLC, for a period of sixty (60) days, for the sale or long term lease of Block 2-G, Lot 92 in the 4th Ward (also known as Lot E) is hereby approved:

4. Strip District:

RESOLUTION NO. 96 (2016)

RESOLVED: That the extension of the exclusive negotiations period with McCaffery Interests, Inc. and Pittsburgh Gateways, until April 14, 2016, for the sale or long term lease of Block 9-D, Lot 200 in the 2nd Ward (the Produce Terminal) is hereby approved:

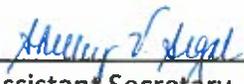
CENTER FOR INNOVATION AND ENTREPRENEURSHIP

5. Streetface:

RESOLUTION 97 (2016)

RESOLVED: That the approval of the Hill House Association to participate in the Streetface Program is hereby approved.

There being no further actions to come before the Members, the Meeting was adjourned.



Assistant Secretary