

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

September 8, 2016 – 2:00 P.M. E.D.S.T.

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

Members Absent: None.

Staff Present: Messrs. Cummings, Rubinstein, Kaminski, Link, Short, Pawlak, Thomas, Hoyer-Winfield, Hobbes, Alcorn, Barry, Mmes. Straussman, Saladna, Smith Perry, Meier, Fitzgibbons, Madden, 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 July 14, 2016 were approved as written and previously distributed.

2. Next Three Days

Ms. Kyra Straussman, Director of Real Estate, spoke about the Next Three Days event that is being held in Garfield starting Friday September 9th. The purpose of this event is to bring together affordable communities in Pittsburgh, and invite potential homeowners and tenants to come and explore various neighborhoods. She said that this event had already been held in the neighborhoods of Troy Hill, Allentown and Mount Washington. She said that on the first night in the Garfield neighborhood, there will be an alumni game at Fort Pitt Field for the Garfield Gators, a local football team. On Saturday, September 10, a ribbon cutting ceremony will take place at the Penn Avenue Public Works project at 11:00 am, followed by festival activities. She said on Sunday, September 11, there will be house tours from 1-3:00 pm. She said Nextpittsburgh is the media sponsor.

3. Beechview – 1619 Broadway Avenue

- a. Proposal, form of contract, final drawings, evidence of financing, and execution of deed for the sale of Block 35-G, Lot 16, in the 19th Ward, to 1601 Broadway Ave., LP, for \$25,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Rubinstein stated that at the May, 2016 Board meeting, authorization was given to enter into exclusive negotiations with Atlas Development Co. for the sale of 1619 Broadway Avenue in Beechview. Authorization is now requested to approve Atlas's proposal and enter into a disposition contract with them for the sale of this property, a vacant building containing approximately 2,700 square feet and located on an approximately 3,000 square foot site.

Authorization is also requested to approve final working drawings and evidence of financing and to execute a deed.

Atlas Development Company is a new management company specifically formed for the development of Beechview. Daniel Berkowitz and Ben Samson are the partners. 1601 Broadway Ave., LP, will be the owner entity of 1619 Broadway Avenue, as well as of Atlas's other Beechview URA projects.

Plans for 1619 Broadway call for an interior and exterior renovation to include three commercial office spaces. Letters of intent for tenants have been secured and lease negotiations are under way with Sorgatron Media (primarily a podcasting studio) and Peacock Creative Design (storage space for events firm), with Atlas planning to occupy the remaining office space. Project costs exclusive of land acquisition are budgeted at approximately \$140,000.00. The URA has owned 1619 Broadway since 2008. The community is very supportive of re-activating this site, which is located in the middle of Beechview's historic business district.

1601 Broadway Ave., LP, has a mailing address of 1500 Broadway Avenue, Suite 100, Pittsburgh, PA 15216. Daniel Berkowitz is Member/Manager of its General Partner.

Daniel Berkowitz, of Atlas Development Company, was present. Mr. Berkowitz thanked the Board, Councilwoman Rudiak, Senator Fontana and the Authority staff for their hard work on this project. He said that there has not been any real activity on this commercial street in a while, and everyone is ready for this project.

Mr. Acklin commended Mr. Berkowitz and his team for their good work within the community.

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

RESOLUTION NO. 285 (2016)

RESOLVED: That the Redevelopment Proposal submitted by 1601 Broadway Ave., LP for Block 35-G, Lot 16, in the 19th Ward, and execution of a disposition contract by sale for \$25,000.00, are hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute said disposition contract and related documents, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto; and it is

RESOLVED FUTURE: That the final drawings and evidence of financing submitted by 1601 Broadway Ave., LP for Block 35-G, Lot 16, in the 19th Ward are hereby approved; and it is

RESOLVED FURTHER: That the execution of a deed to 1601 Broadway Ave., LP for Block 35-G, Lot 16, in the 19th Ward, 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 necessary to effectuate said sale, and the Secretary of Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

4. East Ohio Street

- a. Authorization to enter into exclusive negotiations with Birgo Capital LLC for a period of 90 days with possible 90-day extension, for the sale of Block 24-N, Lot 118, and Block 24-N, Lot 120, in the 23rd Ward.

Mr. Rubinstein requested Board approval of the above item.

Mr. Rubinstein stated that at the June 9, 2016, Board meeting, authorization was given for the Authority to issue a Request for Proposals ("RFP") in partnership with Historic Deutschtown Development Corporation ("HDDC"). The properties included in the RFP are two properties currently owned by the URA and one property in the East Ohio Street Business District in the East Allegheny neighborhood of Deutschtown that is currently owned by HDDC. The URA owned properties are located at 624 and 628 East Ohio Street, and are known as Block 24-N, Lots 118 and 120. The HDDC owned property is located at 620 East Ohio Street, and is known as Block 24-N, Lot 115.

The URA and HDDC received one proposal, from Birgo Capital LLC, a joint venture of the principals of Birchmere Advisors and Go Realty LLC. The prospective redevelopers presented a proposal for a mixed use development with apartments over retail space. The plan encompasses new four story construction on 620 and 624 East Ohio Street and complete historical renovation of 628 East Ohio Street. To be included are 2,630 leasable square feet of retail space; 24 market rate housing units, including 18 studio apartments and six one bedroom apartments; and 8 on site car and 20 on site bicycle parking spaces, with an additional 22 spaces to be leased from adjacent public and private lots.

The proposed project will meet or exceed Energy Star v.3.0 and sustainable design specifications for mechanicals and materials, thermal enclosure system/envelope, storm water management (permeable parking or underground tank, option green roof) and energy management (LED lighting and optional solar panels).

Total development costs are budgeted at approximately \$3,200,000, and the time line for due diligence and construction is estimated at two years.

Along with the construction of a hotel and restaurant on the opposite side of Interstate 279, this project is seen as key to the resurgence of an East Ohio retail corridor that connects the East Allegheny neighborhood with Deutschtown.

Authorization is now requested to enter into exclusive negotiations with Birgo Capital LLC. The exclusive negotiation period would be for 90 days with the option of extending this period for an additional 90 days at the discretion of the Acting Executive Director.

Birchmere Advisors is a boutique investment management firm with a mailing address of 2000 Smallman Street, Suite 201, Pittsburgh, PA 15222. Daniel Croce is Managing Partner. Go Realty LLC is a full service commercial real estate brokerage and development firm with a mailing address of 848 West North Avenue, Pittsburgh, PA 15233. Andrew S. Reichert is President.

Mr. Andrew Reichert, of Go Realty LLC, was present. Mr. Reichert thanked the Board for the opportunity to do this project. He said that there is a lot of work that needs to be done. He believes this is a critical corridor that affects the entire Northside, that is visible when entering or exiting Interstate 279. He said that the new construction, mixed with the historic renovations, will help to improve the street.

Mark Fatla, Executive Director of the Northside Leadership Conference, was present. Mr. Fatla stated that Barbara Burns, Chair of the Historic Deutchtown Development Corporation (HDDC) Board sends her regrets for not being present. He wanted to commend the Authority staff for their hard work on this project. He stated that this has been in the planning phase for the last ten years, and is a good indication of how the market on East Ohio Street is really improving and growing. Ms. Hall-Russell asked what type of retail he would expect to see in this area. Mr. Fatla said that there are a number of possibilities such as regional retailers, but given the location it will most likely be neighborhood services. Mr. Ferlo asked if there will be any zoning preservation barriers. Mr. Fatla stated that he does not expect any, and that the two buildings being demolished are not City designated. Mr. Ferlo asked if it was possible to rent out the three ground level spaces to one person in terms of marketability. Mr. Reichert answered they are intending to develop the ground level that will allow flexibility, and are looking at two retailers. Mr. Fatla said that they had discussions with different groups and the developer about design ideas. Mr. Acklin asked if the proposal will be a demolition of 20 and 24 with the restoration of 28, which is the taller building. Mr. Fatla answered yes. Mr. Acklin asked what the initial parking plan proposal for the 24 units will be. Mr. Reichert answered that out of the ten spaces available in the back of the building, he is confident he can obtain eight, and the other two will be potential visitor spaces. He said that there is also parking located across the street. Mr. Fatla mentioned a municipal lot from which they could potentially obtain some leases.

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

RESOLUTION NO. 286 (2016)

RESOLVED: That exclusive negotiations with Birgo Capital, LLC for the sale of Block 24-N, Lot 118, and Block 24-N, Lot 120, in the 23rd Ward, for a period of 90 days, with a possible 90-day extension at the discretion of the Executive Director or Acting Executive Director, are hereby approved.

5. Woodland Avenue Phase II For-Sale Housing Development

- a. UDAG Program Income Fund (UPIF) loan agreement with Brightwood Civic Group in the amount of up to \$187,850.00.
- b. Pittsburgh Housing Construction Fund (PHCF) – Grant Agreement with Brightwood Civic Group for \$207,000.00 and waiver of the PHCF administrative guidelines.
- c. Housing Recovery Program (HRP) – Developer – Agreement with Brightwood Civic Group for \$190,000.00.

Mr. Rubinstein requested Board approval of the above items.

Mr. Tom Cummings, Director of Housing stated that authorization is requested to approve the above loan and grant agreements for a proposed five (5) unit scattered site for-sale housing rehabilitation project in the Marshall-Shadeland neighborhood. Brightwood Civic Group (BCG) is the non-profit community development corporation for the neighborhood. BCG builds a better neighborhood by working toward a diverse community of long-time residents, homeowners and renters, children and seniors, low-income and middle class families.

Phase II of the Woodland Avenue project involves the rehabilitation of three houses in the 1100 block of Woodland Avenue and the rehabilitation of two houses on Brighton Road. The 2600 & 2700 blocks of Brighton Road are the gateway to Woodland Avenue. The 1100 block of Woodland Avenue is the first block off Brighton Road and is visible to vehicular and pedestrian traffic of Brighton Road, where the home ownership rate is high and the majority of the block is well maintained. Renovation of available properties will help counteract the blight creeping into the area and help to stabilize the housing stock. In the previous phase, three houses in the 1300 and 1400 blocks of Woodland Avenue were purchased, rehabilitated, and sold for homeownership.

BCG believes that this strategic intervention into the housing market along the 1100, 1200 & 1300 blocks of Woodland Avenue will stabilize the corridor, and improve the condition of the entire neighborhood. Properties are evaluated for acquisition, renovation, or demolition based upon their condition, asking price, and strategic impact on the street.

Once the renovations are completed the properties will be affordable to households with incomes at or below 100% of the area median income ("AMI"). The URA will provide up to \$190,000 in deferred second mortgage loans to eligible buyers to make the units more affordable. The sales prices of the units range from \$127,000 to \$162,000.

A waiver of PHCF Administrative guidelines is requested to provide a grant in excess of \$30,000.00 per unit. The waiver is necessary to write down the project total development costs to an economically feasible level.

Details of the development are as follows:

Developer: Brightwood Civic Group
Angel Gober, President
3127 Brighton Road
Pittsburgh, PA 15212

Project Manager: Northside Leadership Conference
Jonathan Huck, Real Estate Director
1319 Allegheny Avenue – 2nd Floor
Pittsburgh, PA 15233

General Contractor: Pittsburgh Restoration & Construction Services
19 Richey Avenue
Pittsburgh, PA 15214

Location: 1128, 1134 & 1136 Woodland Avenue
2649 & 2703 Brighton Road
Marshall-Shadeland neighborhood

Ward: 27th Ward

Description: Acquisition, rehabilitation and sale of five (5) single family homes on Woodland Avenue and Brighton Road to income eligible buyers.

Total Development Cost: \$965,769

Sales Price(s): \$127,000 - \$162,000

Construction Financing Sources:

URA Financing Sources:

URA UDAG (UPIF) Loan:	\$187,850
URA PHCF Grant:	\$207,000
URA Grant (previously approved):	<u>\$ 43,769</u>
Total URA financing:	\$438,619

Other Financing Sources:

Bank Construction Loan	\$466,200
Deferred Costs	<u>\$ 60,950</u>
Total Other Financing:	\$527,150

Total Project Costs: \$965,769

Authority Financing:

\$187,850 - UDAG (UPIF) loan: 2% interest rate, three (3) year term

\$207,000 - Pittsburgh Housing Construction Fund (PHCF) Grant

\$ 43,769 - Pittsburgh Housing Construction Fund (PHCF) Grant – Previously approved (funded by City funds)

\$190,000 - Housing Recovery Program – Developer; 0% interest, deferred

Program Benefit:

This development will help prevent slum and blight, stabilize the neighborhood housing stock and provide affordable homeownership opportunities

Real Estate Loan Review Committee Status:

To be presented at the September 7, 2016 Real Estate Loan Review Committee.

M/WBE Plan Status:

Plan to be presented for approval.

Mr. Ferlo wanted to confirm the number of houses that are being renovated in this phase. Mr. Cummings answered that five houses are included in this phase, and three had been previously completed. Mr. Ferlo asked if there is a \$400,000.00 subsidy for the five homes. Mr. Cummings said that \$200,000.00 is grant money that will be distributed at \$45,000.00 per unit. Mr. Cummings said there will be a deferred mortgage also on those properties, which usually are repaid when the buyer sells. Mr. Ferlo is pleased to see movement on this project. Mr. Ferlo asked about public safety in that neighborhood. Angel Winters, of the Brightwood Civic Group, answered that there are neighborhood public safety programs in place. Mr. Fatla commended the Brightwood Civic Group for their efforts with this project.

Mr. Acklin thanked the Brightwood Civic Group for their leadership with this project, and looks forward to working on future projects with them.

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

RESOLUTION NO. 287 (2016)

RESOLVED: That a loan to the Brightwood Civic Group for an amount not to exceed \$187,850.00, payable from UDAG Program Income Fund (UPIF), for a proposed five (5) unit scattered site for-sale housing rehabilitation project in the Marshall-Shadeland neighborhood, 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. 288 (2016)

RESOLVED: That a grant to Brightwood Civic Group for an amount not to exceed \$207,000.00, payable from the Pittsburgh Housing Construction Fund (PHCF), for a proposed five (5) unit scattered site for-sale housing rehabilitation project in the Marshall-Shadeland neighborhood 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.

RESOLUTION NO. 289 (2016)

RESOLVED: That a waiver of the Pittsburgh Housing Construction Fund (PHCF) Administrative Guidelines, to provide a grant in excess of \$30,000.00 per unit to bring the project development costs to an economically feasible level, is hereby approved.

RESOLUTION NO. 290 (2016)

RESOLVED: That an agreement with Brightwood Civic Group to make available an amount not to exceed \$190,000.00, payable from the Housing Recovery Program (HRP), to be used for buyer deferred second mortgage(s) for a proposed five (5) unit scattered site for-sale housing rehabilitation project in the Marshall-Shadeland neighborhood, 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 execute said second mortgage agreements and related documents, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

6. Federal North – Bradberry Building (Block 23-L, Lot 70, 22nd Ward) and Garden Theater (Block 23-L, Lots 83 & 86, 22nd Ward)
 - a. Pittsburgh Development Fund (PDF) Loan Agreement with Garden Theater Block, LLC, or an entity to be formed, for an amount up to \$500,000.00.

- b. Grant Agreement with Garden Theater Block, LLC, or an entity to be formed, for an amount up to \$1,650,000.00.

Mr. Rubinstein requested Board approval of the above items.

Mr. Rubinstein stated that authorization is requested to approve the above agreements for the use of a Pittsburgh Development Fund (PDF) loan and a grant for the renovation of the Bradberry Building and Garden Theater in the Central North Side neighborhood. The \$1.65 million grant will be funded by Federal North Tax Increment Financing (TIF) proceeds.

The developer of the project is Garden Theater Block, LLC, which is a partnership between TREK Development (TREK) and Q Development.

The Bradberry Building is located at 1116-1130 Reddour Street. The building will be converted into 16 apartments, with modern layouts, consisting of one studio, 11 one-bedroom units and four two-bedroom units. Rents will be priced at approximately \$1.35 per square foot, ranging from \$600 to \$1,323. The front historic façade on Reddour Street will be restored. The back of the building will need to be rebuilt and will include enlarged balconies. A real estate proposal package for the URA owned Bradberry Building will be submitted in the future.

The Garden Theater is located at 12 West North Avenue. Garden Theater Block, LLC purchased the Garden Theater from Allegheny City Development Group in December 2015. Allegheny City Development Group had begun to renovate the building. The developer will initially complete the Allegheny City Development Group renovation scope to create a completed shell. This will allow the building to be properly marketed to potential tenants. When a tenant is identified, final build-out will occur. The first floor space is 4,200 square feet and the second floor has 2,000 square feet of space.

The developer was selected through a Request for Proposal (RFP) process. Additional team members are Rothschild Doyno Collaborative as the architect and Mistick Construction as the General Contractor.

URA Board approval of the PDF Loan Financing and the Grant Financing is contingent upon:

- Receipt of final drawings and construction costs (schedule of values) and approval of the same by the URA Engineering and Construction Department.
- Receipt and approval of an M/WBE plan.
- URA approval of a Construction Contract.
- Evidence of equity in the amount of \$3,090,502.
- Approval of the proposed URA financing by the URA Real Estate Loan Review Committee.
- URA Board approval of the final disposition actions (evidence of financing, approval of final working drawings and execution of deed).

- Closing by February 15, 2017. If the project does not close by this date, any and all board authorization(s) will expire.

Details of the development are as follows:

Developer: TREK Development
 Bill Gatti, President
 130 7th Street, Suite 300
 Pittsburgh, PA 15222

Q Development
 Matt Quigley, Managing Partner
 60 Quinn Road
 Briarcliff Manor, NY 10510

Architect: Rothschild Doyno Collaborative
 Ken Doyno, AIA, LEED AP
 2847 Penn Avenue
 Pittsburgh, PA 15222

General Contractor: Mistick Construction
 Robert Mistick, principal
 1300 Brighton Road
 Pittsburgh, PA 15233

Location: 12 West North Avenue and 1116-1130 Reddour Street, Central Northside

Ward: 22nd Ward

Description: Conversion and renovation of two buildings in Central Northside

Bradberry Average Rental Rates:

One Studio Apartment: \$600
 11 One Bedroom Units \$1,032
 Four (4) Two Bedroom Units \$1,225

Total Development Costs: \$5,240,502

URA Financing Sources:

Grant \$1,650,000
 PDF Loan \$ 500,000

Total URA financing \$2,150,000

Other Financing Sources:

Owner Equity \$3,090,502

Authority Financing:

Grant - \$1,650,000

PDF Loan - \$500,000, 2% interest rate, 10-year term, no interest and accrual during 12-month construction period, full amortization (25-year amortization) begins in year 2.

Program Benefit:

Promotes adaptive re-use of a historic structure that will support a mixed-use neighborhood core while increasing the market-rate rental housing opportunities that support a growing housing market.

Real Estate Loan Review
Committee Status:

Will be presented at a future RELRC meeting.

M/WBE Plan Status:

Plan to be presented for approval.

Bill Gatti, of TREK Development, was present. Mr. Gatti expressed his appreciation for the opportunity. He stated that they purchased the Garden Theater from the last development group in December of 2015. He said that it has been difficult making a compelling case to potential commercial lease holders because of zoning and area issues. He said that this proposal will allow the project to continue. He said their vision is to bring the whole block back to its previous state.

Rick Belloli, of Q Development, was present. Mr. Belloli thanked the Authority and the Board for the opportunity. He said that when the zoning was challenged in court and everything came to a standstill, the Authority staff and community got the project moving forward. He said the Allegheny City Central Association (ACCA) members passed a resolution that encouraged everyone involved to work together in getting to this stage.

Ms. Hall-Russell had asked how long it will take to resolve the zoning issues. Mr. Rubinstein answered that briefs have been filed, but there is a waiting period for Commonwealth Court. Mr. Belloli said that they anticipate being heard in Commonwealth Court in mid-November.

Mr. Acklin appreciates the patience of the developer, who took on risk with this project. He wants to make sure that the public investment is returned. He said this building leverages over \$3 Million.

Mr. Lavelle said that Andrew Wickesberg, head of the ACCA, could not be present but wanted to let the Board know he was fully supportive of this project.

Upon approval by Ms. Hall-Russell, seconded by Mr. Ferlo and unanimously carried, the following resolutions were adopted.

RESOLUTION NO. 291 (2016)

RESOLVED: That a loan to Garden Theater Block, LLC, or an entity to be formed, for an amount not to exceed \$500,000.00, payable from the Pittsburgh Development fund (PDF), for the renovation of the Bradberry Building and Garden Theater in the Central North Side neighborhood, 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. 292 (2016)

RESOLVED: That a grant to Garden Theater Block, LLC, or an entity to be formed, for an amount not to exceed \$1,650,000.00, payable from the Federal North TIF fund, for the renovation of the Bradberry Building and Garden Theater in the Central North Side neighborhood, 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.

7. Real Estate Loan Review Committee Member – Appointment of new member
 - a. Approval is requested to add the following member to the Authority Real Estate Loan Review Committee:
 - Megan Krider - Community Investment Specialist, Federal Home Loan Bank of Pittsburgh

Mr. Rubinstein requested Board approval of the above item.

Mr. Cummings stated that the above appointment will fill a vacancy on the Authority's Real Estate Loan Review Committee (RELRC). The RELRC reviews Housing Department and Center for Innovation and Entrepreneurship real estate development loan requests and acts as an advisory committee to URA staff and board.

Megan Krider is a Community Investment Specialist for the Federal Home Loan Bank of Pittsburgh. She manages the Affordable Housing Program.

There was no discussion among the Member.

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

RESOLUTION NO. 293 (2016)

RESOLVED: That the appointment of Megan Krider, Community Investment Specialist Federal Home Loan Bank of Pittsburgh, to the Authority's Real Estate Loan Review Committee is hereby approved.

8. Central Business District – 604 Liberty Avenue

- a. Authorization to enter into exclusive negotiations with Pittsburgh Downtown Partnership, or an entity to be formed, for a period of 180 days for the sale of Block 1-D, Lot 183, in the 2nd Ward.

Mr. Rubinstein requested Board approval of the above item.

Ms. Kyra Straussman, Director of Real Estate stated that authorization is requested to enter into exclusive negotiations with Pittsburgh Downtown Partnership ("PDP") for the sale of 604 Liberty Avenue in the Central Business District. PDP has proposed to acquire the building to construct a retail accelerator space. The group will use the exclusive negotiation period to pilot the concept through temporary pop-up stores at PDP programmed events before translating the idea to a dedicated space inside the building.

The exclusive negotiation period would be for 180 days.

Pittsburgh Downtown Partnership is a Non-Profit Organization with a mailing address at 925 Liberty Avenue, Fourth Floor, Pittsburgh, PA 15222. The principals are Jeremy Waldrup, President and CEO, and Brian Kurtz, Director of Economic Development.

Disclosures

Robert Rubinstein, Acting Executive Director of the Urban Redevelopment Authority and Director of the Economic Development Department, is a member of the Board of Directors of the Pittsburgh Downtown Partnership.

Mr. Prasad Bandhu and Mr. Jeffrey Woodard addressed the Board. Mr. Woodard stated that they had been asking for an acceptance of their proposal for two years, and were still interested in the property.

Mr. Ferlo stated that historically, the Authority has been a major player in the way City properties are redeveloped, with millions of dollars invested. He said there is always a concern about what the Authority's role should be going through legal, legislative and practical ways to redevelop property. He said there is a lot of effort, time and money spent on the request for proposals process that he supports.

Mr. Acklin stated that one of the challenges for the Authority is not being able to sell property to the highest bidder because of requirements in the Redevelopment Law. Mr. Ferlo asked if the Authority could transfer this property back to the City. Ms. Straussman answered that we cannot, because the property had been obtained from a private property owner.

Mr. Lavelle stated that he was comfortable moving forward as proposed with the Pittsburgh Downtown Partnership.

Ms. Hall-Russell stated that she was satisfied that the process was a good one. She is comfortable moving forward with this proposal with the Pittsburgh Downtown Partnership.

Upon approval by Mr. Lavelle, seconded by Ms. Hall-Russell, the following resolution was adopted by those present, except for Mr. Ferlo and Mr. Acklin who abstained.

RESOLUTION NO. 294 (2016)

RESOLVED: That exclusive negotiations with the Pittsburgh Downtown Partnership, or an entity to be formed, for the sale of Block 1-D, Lot 183, in the 2nd Ward, for a period of 180 days, are hereby approved.

9. Larimer – Former Larimer School
 - a. Authorization to acquire Block 124-J, Lot 322, in the 12th Ward, from Fishers of Men Community Development Corporation for \$250,000.00.

Mr. Rubinstein requested Board approval of the above item.

Ms. Straussman stated that the long-vacant former Larimer School, located at 540 Larimer Avenue, contains approximately 53,000 square feet of usable space within three connecting buildings, all on an approximately 1.0322-acre site. Closed since 1980, the property is located within the Choice Neighborhoods area of Larimer and has been owned by entities controlled by local developer Emmett Miles since 2005. Mr. Miles planned to convert the property to

affordable housing and community service space, but due to market conditions was unable to proceed with this redevelopment.

The Choice Neighborhoods project calls for development of 350 units of mixed-income housing and neighborhood amenities in Larimer and East Liberty. The former Larimer School property occupies a key site in the project area. Authorization is now requested to acquire the property from Fishers of Men Community Development Corporation for \$250,000.00 for future development consistent with the Choice Neighborhoods development plan.

The source of funding will be City Bond, City PayGo, Larimer Project Funds, and/or Strategic Site Acquisition Funds.

Mr. Ferlo asked what the tax obligations on this property will be. Mr. Acklin answered that there will be discussions with taxing bodies about this property. He said the entity is filed as a non-profit on the state level, and is having City Finance look at that issue. Mr. Acklin thinks this issue can be resolved as part of this development. He said that a number of properties in neighborhoods such as Larimer are tax delinquent, and this property is in a similar situation. He thinks there is a basis for discussions for settlement of the outstanding taxes accrued on this property. He thinks this would have been tax exempt based on the ownership structure, but was not certain. He said these situations have been dealt with before and this will be evaluated in City Finance. He said that the City is committed to funding half of the acquisition price for this property. He thinks that there are potential uses, such as a Zone Five police station. Mr. Ferlo asked if the Authority will be responsible for maintenance of this building. Mr. Acklin answered that Massaro Corporation has been a part of the City's overall facility condition plan. Mr. Acklin said that there is not a plan in place for this school. He said there was a proposal from Mr. Miles along with KBK previously for the development of senior housing, but the magnitude of the investment made it difficult to fill that gap. Mr. Ferlo stated that he is in favor of the transaction, and does not want the community's perception to be that the property is being acquired for development right away. Mr. Acklin stated that the Authority will investigate structures that will allow historic tax credits to be taken advantage of, and will finance a partial or full restoration. He said this is at the point where the Authority is willing to step in and work with the community. Ms. Hall-Russell asked the age of the building. Mr. Acklin answered that he believes it is about 120 years old. Mr. Acklin said that this acquisition would complete a site assembly of a larger parcel, as part of a robust community engagement process.

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

RESOLUTION NO. 295 (2016)

RESOLVED: That the acquisition of Block 124-J, Lot 322, in the 12th Ward, from the Fishers of Men Community Development Corporation , for a purchase price of \$250,000.00, payable from City Bond, City PayGo, Larimer Project funds, and/or Strategic Site Acquisition 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 an agreement of sale and all documents required for said acquisition, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

10. Carrick – Berg Place

- a. Authorization to issue a request for proposals for the sale and redevelopment of Block 94-N, Lot 37, in the 29th Ward.

Mr. Rubinstein requested Board approval of the above item.

Ms. Straussman stated that authorization is requested to issue a Request for Proposals (“RFP”) for this 33-unit apartment and townhouse complex located on an approximately 1.388-acre parcel at 2531 Brownville Road in Carrick. In dilapidated condition and vacated by emergency order in 2014, the complex stands above the center of Carrick’s Brownville Road business district. Redevelopment of this highly visible property will be transformative.

First National Bank assigned three mortgages totaling \$1,030,000 to the URA in March 2016, and the tax-delinquent property was sold via Treasurer’s sale in April, 2016, with the deed to the City as Trustee for the Three Taxing Bodies expected to be recorded by late October. The URA will then acquire the Property from the City. We are requesting authorization to issue an RFP now and expect to return to the Board before year-end to seek authorization to acquire the property from the City and to enter into exclusive negotiations with a prospective redeveloper.

The goal of the RFP is to seek a developer to purchase the property and complete an affordable housing development.

Mr. Acklin recognized the hard work of Councilwoman Rudiak, the DA’s Office, and other entities for their efforts in moving this project forward to this point. He said that years ago this property housed a vulnerable population of immigrants living in deplorable conditions. He recognized the actions of everyone, who were actively engaged in gaining control of this property and proposal. He said that this is a perfect example of what government, business and community can do together. Mr. Ferlo asked who currently owns this property. Ms. Straussman answered that there was not yet a deed, because the redemption process is not complete. She said that this property has had quiet title action, and is coming to the end of the 90-day redemption period, at which point will be deeded to the City and eventually transferred to the Authority. Mr. Ferlo asked if the RFP process can wait until the Authority has ownership. Ms. Straussman answered that once it goes through the redemption period, she is confident of the transfer with the City so that the

RFP can be issued. Mr. Cummings stated that they were going to try and get the RFP out so it will become a potential tax credit development in next year's round. Mr. Cummings said that this is time sensitive because of the tax credit deadline. Mr. Ferlo stated that the Authority does not usually go through with the RFP until site control is obtained. Mr. Ferlo is concerned about the ownership of this property. Ms. Straussman stated that the City of Pittsburgh has equitable title, and is confident that it will be transferred to the Authority with no issues. Mr. Acklin stated that there is an agreement in place with a senior lender, and that we will be moving forward with this project.

Mr. Prasad Bandhu was present and stated that he had bought this property before the tax sale, and the day before the sale the previous owner gave him a deed.

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

RESOLUTION NO. 296 (2016)

RESOLVED: That the issuance of a request for proposals for the sale and redevelopment of Block 94-N, Lot 37, in the 29th Ward, is hereby approved.

11. Steel City Codefest

- a. Authorization to enter into an agreement with Innamo Co. for the coordination of the Steel City Codefest in the amount of \$22,500.00.
- b. Authorization to accept \$10,000.00 from The Forbes Funds to be used for fulfillment of the Steel City Codefest coordinator contract.

Mr. Rubinstein requested Board approval of the above items.

Mr. Tom Link, Director of the Center for Innovation and Entrepreneurship stated that the Steel City Codefest is an annual city-wide software application development competition that creates custom apps for nonprofits and government that solve critical operational and stakeholder challenges. Over the last four years, the Codefest has grown to be a signature event for City and the software development community, engaging over 350 developers and more than twenty local nonprofit organizations. The four Codefest events have resulted in the completion of six software applications, with four more currently underway.

Due to the success and growth of the event, additional capacity is now required. Engaging with a consultant to provide coordination support for the event will help ensure its continued success and impact. Innamo Co. was chosen as the consultant firm to execute the event. Sara Innamorato founder of Innamo Co. has extensive experience planning events with organizations such as GTECH Strategies, PWSA, Green Building Alliance and Pittsburgh Three Rivers.

A Request for Proposal (RFP) for this work was issued pursuant to July 2016 URA Board Authorization. Innamo Co. was selected as a result of the RFP.

The Forbes Funds will be providing a grant of \$10,000 to the URA to support the cost of the consultant.

The URA funding source will be Entrepreneur Support.

Innamo Co.
Sara Innamorato, President
5166 Natrona Way Pittsburgh, Pa 15201

There was no discussion among the Members.

Upon approval by Mr. Ferlo, seconded by Ms. Hall-Russell and unanimously carried, the following resolutions were adopted.

RESOLUTION NO. 297 (2016)

RESOLVED: That the engagement of Innamo Co. for coordination of the Steel City Codefest, for an amount not to exceed \$22,500.00, payable from Entrepreneur Support, 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. 298 (2016)

RESOLVED: That the acceptance of a grant in the amount of \$10,000.00 from Forbes Funds, to be used toward fulfillment of the Steel City Codefest coordinator agreement, is hereby approved.

12. Penn Fairmont Commercial leasehold - 5471-81 Penn Avenue

- a. Authorization to a) accept form of proposal b) enter into a disposition contract and c) execute a deed with a partnership of Affirmative Investments and Presbyterian Senior Care, or related entity, for the acquisition of the commercial leasehold at 5471-81 Penn Avenue, for a sale price of \$640,000.00.
- b. Authorization to provide a \$300,000.00 purchase money mortgage to a partnership of Affirmative Investments and Presbyterian Senior Care or related entity to finance a portion of the acquisition of the commercial leasehold at 5471-81 Penn Avenue.

Mr. Rubinstein requested Board approval of the above items.

Mr. Link stated that in 2007 the non-profit community development group, Friendship Development Associates (FDA), worked with a partnership of Affirmative Investments and Presbyterian Senior Care to create street level commercial space in conjunction with the public housing senior development at the corner of Penn and Fairmont. Such use was deemed critical to the revitalization of the retail use of Penn Avenue and continues to this date.

The development occurred on land leased by Affirmative Investments and Presbyterian Senior Care from the Housing Authority of the City of Pittsburgh with a leasehold created consisting of 7,696 SF of street level commercial space. UPMC St. Margaret leased 5,551 SF of space for a neighborhood clinic with the remaining 2,145 SF split amongst two (2) retail tenants being Voluta coffee shop and MUV fitness studio.

The original cost of the acquisition and landlord's work for the commercial space was financed by a Citizens Bank loan of \$500,000.00, a URA loan of \$250,000.00 and a program related investment from the McCune Foundation also in the amount of \$250,000.00. Due to non-performance on its loan and an interest in preserving the community goal of the development to maintain active retail use of Penn Avenue, the URA foreclosed on the commercial leasehold mortgage and is now owner of the commercial space.

This action disposes the commercial space to a partnership of Affirmative Investments and Presbyterian Senior Care, owner and operator of the upper level senior housing and balance of property.

The acquisition will be financed with \$340,000 cash and \$300,000 in a purchase money mortgage / note take back. All of the URA's costs to complete the foreclosure will be reimbursed through the \$340,000 cash. The \$300,000 note will be used to partially reimburse the URA's original investment in the project and a portion of the McCune foundation's original investment in the project.

Affirmative Investments is a Boston Massachusetts developer who has developed and operates Pittsburgh area housing developments. Presbyterian Senior Care is a Pittsburgh based senior and affordable housing operator.

In addition to the Penn Fairmont, Affirmative Investments and Presbyterian Senior Care count Silverlake Commons in Homewood and the Commons at North Aiken in Garfield as portfolio housing developments.

Principals

David Ennis
President
Affirmative Investments
33 Union St, 2nd Floor
Boston MA 02108

James Pieffer
Senior vice President
Presbyterian Senior Care
1215 Hulton Road
Oakmont, PA 15139

Location: 5471-81 Penn Avenue
Pittsburgh, PA 15206 (Garfield)

Description: Deposition of Leasehold mortgage

Total Development Costs: \$640,000

Sources and Uses

<u>Sources</u>	<u>Amount</u>
Cash	\$340,000
PMM / Note	\$300,000

<u>Uses</u>	<u>Amount</u>
Acquisition	\$640,000

Authority Financing:

Amount: \$ 300,000

Interest Rate: 3.00%

Term: 10 year term

General Contractor: N/A

Architect: N/A

Program Benefit: Protect community asset and existing URA investment and job retention.

Loan Review Committee: To be reviewed by URA Real Estate Loan Review Committee

M/WBE Review Committee: N/A

Mr. Ferlo asked if FDA has any other legal entanglements that the Authority is involved in. Mr. Link answered that FDA is out of this development. Mr. Rubinstein stated that in the past two

years there had been a group working to dispose of properties in a responsible manner. Mr. Rubinstein stated that some residential are being taken on by Bloomfield Garfield Corporation (BGC) and some were sold to a third party developer. Mr. Ferlo asked if the Authority will have responsibilities for this building once the transaction is complete. Mr. Rubinstein answered no, but that there are a couple of entanglements with FDA elsewhere.

Mr. Acklin asked if this transaction will put this property back on the tax rolls. Mr. Link answered that there would be no changes in the existing tax rolls with this transaction.

James Pieffer, Senior Vice President of Presbyterian Senior Care was present. Mr. Pieffer stated that they are celebrating their 10 year relationship with UPMC St. Margaret, who love the space and are pleased with this project.

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

RESOLUTION NO. 299 (2016)

RESOLVED: That i) the Redevelopment Proposal submitted by the partnership of Affirmative Investments, Inc. and Presbyterian Senior Care for the commercial leasehold located at 5471-81 Penn Avenue, in the 11th Ward; ii) the execution of a disposition contract by sale of leasehold interest with the partnership of Affirmative Investments, Inc. and Presbyterian Senior Care, or a related entity, for \$640,000.00; and iii) the execution of a deed, are hereby approved, and the Executive Director, Acting Executive Director, or the Director of Finance, on behalf of the Authority, is hereby authorized to execute a disposition contract by sale of leasehold interest and related documents, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 300 (2016)

RESOLVED: That a purchase money loan to the partnership of Affirmative Investments, Inc. and Presbyterian Senior Care, or a related entity, in the amount of \$300,000.00, to finance part of the acquisition cost of the commercial leasehold located at 5471-81 Penn Avenue, with said loan to be secured by a purchase money mortgage, 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 a purchase money mortgage therefor and related documents, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

13. South Side Works

- a. Authorization to enter into an agreement for South Shore Riverfront Park Renovations, Site Preparation Contract No. 25 with Tedesco Excavating and Paving, Inc. for \$1,132,408.00.
- b. Authorization to enter into an agreement for construction management/inspection services for South Shore Riverfront Park Renovations - Site Preparation Contract No. 25 with CDR Maguire, Inc., for an amount not to exceed \$115,000.00.
- c. Authorization to amend the South Shore Riverfront Park Cooperation and License Agreement, having an effective date of September 3, 2010- to i) set a target date to transfer the park to the City; ii) acknowledge design changes to the park; and iii) refine park maintenance needs and assign maintenance functions to the City, the Authority and other parties

Mr. Rubinstein requested Board approval of the above items.

- a. Authorization is requested to enter into an agreement with Tedesco Excavating and Paving, Inc. for South Shore Riverfront Park (SSRP) Renovations, Site Preparation Contract No. 25. Work will include a new valet and retail structure to replace the previous kiosk that was destroyed by a vehicle, a new pedestrian connection from Tunnel Park to the plaza area of the SSRP along S. Water Street, relocation of the chess board, new colonnades to emphasize the pedestrian pathway to the park, as well as grading, lighting, signage and landscaping. Also included is grading, landscaping and signage on parcel F4C located along East Carson Street near the eastern limit of the South Side Works site.

Mr. Marty Kaminski, Director of Engineering and Construction said that the project was publically bid by the URA and bids were opened on July 26, 2016. Three bids were received for the work. Tedesco Excavating and Paving, Inc. was the lowest responsible bidder.

Tedesco Landscaping and Paving, Inc. is located at 2430 Park Manor Drive, McKeesport, PA 15132 and Gerald J. Tedesco is the President.

Authorization is contingent upon the contractor receiving tax clearance from the City of Pittsburgh and submission of an acceptable MBE/WBE Plan.

Funding sources will be from Southside Works/LTV Project Fund, insurance proceeds from the damaged kiosk, and/or other South Side Works sources.

- b. Authorization is requested to enter into an agreement for construction management/construction inspection services with CDR Maguire, Inc. for South Shore Riverfront Park Renovations – Site Preparation Contract No. 25. The URA solicited proposals from six firms: Management Engineering Corporation; SAI Consulting

Engineers; Chester Engineers; Gannett Fleming, Inc.; Tri-State Design & Development; and Quality Engineering Solutions. Four firms submitted proposals. These proposals were reviewed by the Engineering & Construction Department staff and CDR Maguire, Inc. was deemed to have the best proposal for the project.

CDR Maguire, Inc. is located at 503 Martindale Street, Suite 610, Pittsburgh, PA 15212. Mr. Joseph Evanko is Vice President.

Funding will be from South Side Works/LTV Project Fund and or related South Side Works funds.

c. Authorization is sought to amend the South Shore Riverfront Park Cooperation and License Agreement, executed in 2010. The purpose of the amendment is to i) set a target date to transfer the park to the City; ii) acknowledge design changes to the park; and iii) refine park maintenance needs and assign maintenance functions to the City, the Authority and other parties.

Mr. Ferlo asked why the Authority is performing this task, as opposed to the City. Mr. Ferlo asked if the administration is thinking about this relative to the 2017 budget. Mr. Acklin answered that it is too soon for operations, and what has been done regarding some of the other authorities is looking at a transition plan, because of the additional cost that goes along regarding SEA. Ms. Straussman stated that the Authority was directed to work with Director Gable and his team at Public Works and City Parks to begin discussions about the transfer of this property.

Mr. Acklin stated that the overall land use and recycling strategy of the City is to take a look at all the properties in the City and identify the current and future use, which is a part of this project. Mr. Ferlo stated that the parks built 20 to 25 years ago are deteriorating and are in violation of City Code. Mr. Acklin stated that when the current administration took office they had no list of City assets and buildings. Mr. Acklin stated that Massaro Corporation has completed a recent report of City owned buildings and their current uses, and will follow with another phase that includes parks, steps, sidewalks and street lights. Mr. Acklin stated that this is all part of the City's professionalization of the asset management program. Ms. Straussman stated that this project should be the last capital investment the Authority will make toward this park.

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

RESOLUTION NO. 301 (2016)

RESOLVED: That the engagement of Tedesco Excavating and Paving, Inc. for South Shore Riverfront Park Renovations, Site Preparation Contract No. 25, for an amount not to exceed \$1,132,408.00, payable from the South Side Works/LTV Project fund and or related South Side Works 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 an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 302 (2016)

RESOLVED: That the engagement of CDR Maguire, Inc. for construction management/inspection services for South Shore Riverfront Park Renovations - Site Preparation Contract No. 25, for an amount not to exceed \$115,000.00, payable from the South Side Works/LTV Project fund and or related South Side Works 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 an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 303 (2016)

RESOLVED: That amendment of the South Shore Riverfront Park Cooperation and License Agreement, having an effective date of September 3, 2010, to i) set a target date to transfer the Park to the City; ii) acknowledge design changes to the Park; and iii) refine Park maintenance needs and assign maintenance functions to the City, the Authority and other parties, is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance is hereby authorized to execute said amendment, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

14. Property Maintenance

- a. Agreement with City Source Associates, Inc. for Landcare Tier 1 property maintenance services in an amount not to exceed \$460,000.00.
- b. Amendment to Agreement with Community Empowerment Association, Inc. for property maintenance in Homewood – increase of an amount not to exceed \$5,000.00.

Mr. Rubinstein requested Board approval of the above items.

Mr. Kaminski stated that the URA worked with its consultant, GTECH Strategies (GTECH), to develop a Request For Proposals to engage firms/organizations to become involved with lot maintenance of URA owned properties. To that end, a new approach to property maintenance was developed, for maintenance of URA owned lots. Under the new plan, URA lot maintenance activities have been revised whereby a two tiered approach to lot maintenance has been implemented, referred to as Landcare Tier 1 and Landcare Tier 2. In July (2016) the Board authorized the award of Landcare Tier 2 lot maintenance contracts to seven firms/organizations. Each firm/organization will be responsible for year-long maintenance of approximately 50 URA owned parcels. The remaining lots (Landcare Tier 1) consisting of approximately 1,100 parcels were then made available to the public, via a Request For Proposals (RFP's) for year-long lot maintenance.

City Source Associates, Inc. submitted the only proposal in response to the RFP for the Landcare Tier 1 Property Maintenance work. Authorization is requested to enter into an Agreement with City Source Associates, Inc. for the work.

City Source Associates, Inc. is located at 401 Bingham Street, Suite 301, Pittsburgh, PA and Mr. William Harlak is the Executive Director.

Funding for this work will be from the 2017 City Bond and/or Paygo funds, and is contingent upon approval of such funds.

- a. Authorization is requested to enter into an amendatory agreement with Community Empowerment Association, Inc. (CEA) to provide property maintenance on URA owned properties. This amendment to the agreement, if authorized, will allow the URA to compensate CEA for its work in Homewood until the Landcare Tier 2 contractor's work is started in September. The scope of work includes cleaning lots and cutting grass.

The URA originally entered into an Agreement with CEA dated June 27, 2013 in the amount of \$10,000.00. It was subsequently amended by \$5,000.00 (October 17, 2014) and \$7,500.00 (August 6, 2015), for an Agreement amount not to exceed \$22,500.00. This proposed amendment to the Agreement of an amount not to exceed \$5,000.00 will increase the total Agreement to an amount not to exceed \$27,500.00

Community Empowerment Association, Inc. is located at 7120 Kelly Street, Pittsburgh, PA 15208 and Mr. Rashad Byrdsong is the President and CEO.

The funding for this Amendatory Agreement will be from Homewood Project Funds.

Mr. Ferlo is concerned about funds that are not available for property maintenance in the City. Mr. Acklin stated that Mr. Rubinstein has had good conversations with the City about property maintenance. Mr. Acklin's expectation is that an administration draft will be presented to the Intergovernmental Cooperation Authority (ICA) later this month, and then to Council, and that

the draft will include an additional investment in property maintenance, even though the Authority has already moved forward with this community based maintenance program. Mr. Ferlo said that there is still going to be a need for a large contract with City Source. Mr. Ferlo asked about HUD's decision that does not permit CDBG funds to be used for lot maintenance. Mr. Rubinstein stated that several years ago when HUD made the decision, the Authority pushed back by meeting with other organizations, who had received the same interpretations, with some being regional. Mr. Rubinstein stated that HUD's decision had not been reexamined since that time. Mr. Acklin stated that they are going to revisit the HUD decision.

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

RESOLUTION NO. 304 (2016)

RESOLVED: That the engagement of City Source Associates, Inc. for Landcare Tier 1 property maintenance services, for an amount not to exceed \$460,000.00, payable from the 2017 City Bond and/or Paygo 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 an agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 305 (2016)

RESOLVED: That amendment of the Agreement with Community Empowerment Association, Inc. for property maintenance, dated June 27, 2013, for an increase of \$5,000.00, payable from the Homewood Project funds, for a total agreement amount not to exceed \$27,500.00, 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.

15. Lawrenceville

- a. Authorization to enter into an agreement for 62nd Street Industrial Park - Entrance Road Traffic Signals – Site Preparation Contract No. 3 with Next Construction, Inc. for \$721,978.50.

Mr. Rubinstein requested Board approval of the above item.

Authorization is requested to enter into an agreement with Next Construction, Inc. for the installation of traffic signals and auxiliary work at the entrance to the URA 62nd Street Industrial Park on Butler Street in Lawrenceville. Work will include construction of a right turn lane westbound on Butler Street; new traffic signals; drainage improvements; roadway striping, and parking pad construction.

The project was publically bid by the URA and bids were opened on September 2, 2016. Six bids were received for the work. Next Construction, Inc. was the lowest responsible bidder.

Next Construction, Inc., is located at 2289 Cramden Road, Pittsburgh, Pennsylvania 15241 and Mr. James Deluliis is the President.

Authorization is contingent upon the contractor receiving tax clearance from the City of Pittsburgh and the submission of an acceptable MBE/WBE Plan.

The funding sources for this Agreement will be provided by CITF and UPIF (to be reimbursed by land sale proceeds).

Mr. Ferlo asked about Next Construction. Mr. Kaminski stated that Next Construction is a third generation company. Mr. Ferlo asked if this amount includes inspection services. Mr. Kaminski answered that it did not, and that this project will be ongoing.

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

RESOLUTION NO. 306 (2016)

RESOLVED: That the engagement of Next Construction, Inc. for 62nd Street Industrial Park - Entrance Road Traffic Signals – Site Preparation Contract No. 3, for an amount not to exceed \$721,978.50, payable from the County Infrastructure Tourism Fund (CITF) and the Urban Development Action Grant (UDAG) Program Income Fund (UPIF), 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.

16. Retirement Plan

- a. Authorization to amend the existing 401(a) defined contribution plan to bring the plan into compliance with current laws and regulations, to be retroactive to January 1, 2016.
- b. Authorization to amend the existing 457 deferred compensation plan to bring the plan into compliance with current laws and regulations, to be retroactive to January 1, 2016.

Mr. Rubinstein requested Board approval of the above items.

Mr. Rubinstein stated that in a continued effort to modernize the URA's retirement plans, and as a direct follow-up to the selection of ICMA-RC as the URA's retirement plan administrator in 2015, the URA is ready to update its existing retirement plan. Prior to the selection of ICMA-RC, the

URA's 401(a) plan was administered by PNC Bank and its 457 plan was administered by Prudential. The plans need to be updated to reflect existing IRS regulations and to make the plan documents consistent with each other.

The URA's Retirement Committee retained Susan Jordan, Esquire, of Fox Rothschild, to review the existing plans and update them to bring them into compliance with applicable laws and regulations. The Retirement Committee also asked Attorney Jordan to inform the Committee of any substantive changes/options that are allowed by the IRS Code.

Attorney Jordan worked throughout 2016 with the Retirement Committee to update the two plan documents. The primary changes to the plans are regulatory and stylistic, rather than substantive. The only substantive changes are listed below:

401(a) Plan – Proposed Substantive Changes

- Allow employees to begin making a 5% contribution immediately upon hire (with no employer match until the completion of 13 months). This will have no cost to the URA and will allow employees to save a little more for retirement.
- Defined a "Year of Vesting Service" as a plan year during which the employee completes (or is entitled to payment for) at least 1,000 hours of service (the prior document did not clearly define this term).
- Maximum number of loans per participant at any time changed from one to two.
 - Change in size of Retirement Committee from 5 members to a range of 5-8 members.

457 Plan – Proposed Substantive Changes

- Allow participants to set their own individual "normal retirement age" earlier than the current 70.5 years, which applies only to the dates when catch-up contributions are allowed by the IRS and when plan distribution is required.
- Maximum number of loans per participant at any time changed from zero to two.

These changes reflect the best practices recommended by Attorney Jordan and the opinions and recommendations of the Authority's Retirement Committee.

The changes to both plans will be retroactive to January 1, 2016.

Mr. Ferlo made a suggestion that every employee sign a document stating that there is knowledge of the changes being presented today. Mr. David Thomas, a member of the Authority's retirement committee, stated that there are quarterly open meetings to all participants. Mr. Thomas stated that the changes were conveyed to the participants.

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

RESOLUTION NO. 307 (2016)

RESOLVED: That the updated 401(a) defined contribution plan is hereby approved, retroactive to January 1, 2016, and that the Executive Director, Acting Executive Director, or Director of Finance, on behalf of the Authority, is hereby authorized to execute an adoption agreement to update the 401(a) defined contribution plan and any other documentation required to implement the updated plan, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 308 (2016)

RESOLVED: That the updated 457 deferred compensation plan is hereby approved, retroactive to January 1, 2016, and that the Executive Director, Acting Executive Director, or Director of Finance, on behalf of the Authority, is hereby authorized to execute the updated 457 deferred compensation plan and the adoption agreement for the updated plan, and any other documentation required by ICMA-RC to implement the updated plan, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

17. Employee Handbook

- a. Authorization to adopt the updated URA Employee Handbook dated September 1, 2016, to be effective January 1, 2017.
- b. Authorization to adopt the URA employee sick leave conversion/payout policy dated September 1, 2016, to be effective January 1, 2017.

Mr. Rubinstein requested Board approval of the above items.

Mr. Rubinstein stated that the URA has been working to update and modernize its human resources policies, including, among other things, by hiring Columbus Brooks as Human Resources Manager in May of 2016. An important part of this process began in 2015, when the URA's staff began reviewing the existing employee handbook for possible corrections and improvements. This process culminated with the retention of Jill Weimer, Esquire, of Littler Mendelson, to review the URA's existing employee handbook.

The goals of the handbook update process were to: (1) bring the handbook into compliance with current law; (2) update and improve benefits and leave policies; (3) incorporate current best practices in human resources; and (4) realize economic savings where possible. Attorney Weimer, in consultation with the executive, human resources, and legal departments at the URA,

comprehensively reviewed the employee handbook and met with URA staff on multiple occasions to accomplish these goals.

In addition to many regulatory, stylistic, and other non-substantive changes, the new employee handbook contains the following substantive policy modifications:

Substantive Changes:

- Comprehensive updates to bring the handbook into compliance with existing employment law and regulations (including FLSA changes, etc.);
- Update to nondiscrimination policy to reflect current City ordinance and URA policy (i.e., excluding discrimination based on gender identity and gender expression, in addition to other protected classes);
- Section 1 of the existing handbook (covering General Policies) was significantly updated and replaced to comply with current law, remove unnecessary verbiage, and comply with current best practices (including policies on code of conduct, conflict of interest, safe workplace, harassment, disciplinary actions, equal opportunity, Americans with Disabilities Act, immigration compliance, drug-free workplace, no-weapons, and smoking).
- The URA added a “commitment to diversity” section that encompasses the URA’s non-discrimination and equal employment opportunity policies as well as the remedies available to employees who feel they have faced discrimination.
- An acknowledgment that background checks may be conducted by the URA prior to offers of employment.
- The proposed handbook replaces the prior “Disciplinary Action” procedure with an updated and streamlined procedure that allows the URA flexibility in taking disciplinary action while ensuring that all such actions will follow a consistent protocol.
- Section 3 of the existing handbook addressed “Hours of Work, Overtime, Holidays, and Leave.” It has been revised to reflect changes in regulation, including the recent updates to the Department of Labor’s regulations on the Fair Labor Standards Act.
- A replacement of the URA’s current leave accrual policy (which includes separate leave for vacation, sick, and personal time) with a single paid-time-off (“PTO”) leave bank with updated accrual categories to improve recruitment and retention. This provides increased flexibility for employees, reduces administrative burden, reduces unscheduled absences, and brings the URA into line with current best practices.
- The addition of six weeks of paid parental leave to be used within six months of the birth or adoption of a child, which is consistent with the City’s policy.
- Changing sick and vacation leave accrual so that it is earned as work is completed (i.e., each employee will receive a proportionate share of their designated annual hours of leave with each paycheck). This will significantly improve the URA’s ability to accurately track leave accrual and usage and allow employee’s accrual rates to increase on their employment anniversaries.

- Elimination of sick leave carryover (subject to grandfathering existing balances), which was used in the past as a substitute for disability insurance, and adding employer-provided short and long-term disability policies.

Sick Leave Rollover/Conversion Policy:

The updated URA Employee Handbook includes the creation of a new category of "paid time-off" ("PTO") to replace the presently existing leave categories of "vacation," "sick," and "personal" paid leave.

Employees' existing leave balances will be converted to PTO effective on January 1, 2017. PTO balances will be filled by converting each employee's existing vacation, personal days, and sick leave into PTO (on an hour-for-hour basis for vacation and sick leave and 7.75 hours of PTO per personal day) until the employee reaches his or her rollover cap. Each employee's rollover cap will be calculated by taking the new proposed accrual categories and applying them to each employee as though they were in effect in 2016. Each employee's total annual PTO accrual, as it would have been had the new policy been in effect during 2016, will be each employee's rollover cap for purposes of conversion of existing leave to PTO.

After rolling over leave up to the applicable cap, employees' remaining sick leave balances will be frozen, and a payout process will begin. Employees will receive a payout for their remaining sick leave according to their years of service. Subject to dollar thresholds, employee will be allowed to select a payout schedule of 1, 2 or 3 years.

The revised employee handbook and the revised sick leave rollover/conversion policy will be effective January 1, 2017.

There was no discussion among the Members.

18. Insurance Advisory Services

- a. Authorization to engage Baily Raabe & Associates for insurance advisory services for an amount not to exceed \$19,600.00.00.

Mr. Rubinstein requested Board approval of the above item.

Earlier this year the Acting Executive Director de-centralized management of URA insurance by assigning the Real Estate Department responsibility for the 1,585 parcel portfolio of property under URA ownership, the Legal Department responsibility for Directors and Officers insurance, and Human Resources responsibility for workman's compensation. In addition, an internal Insurance Committee was formed with representatives from each department to determine URA risks and needed coverages, and to function as a risk management team on an ongoing basis.

Ahead of the current insurance brokerage contract expiring in October, this Committee prepared and issued a Request for Qualifications seeking an insurance advisor to objectively evaluate the URA's assets and risks and propose the needed coverages to be incorporated into the next solicitation for brokerage services. An additional component of this advisory work is to assess the pros and cons of the URA to self-insure for a portion of its real estate portfolio.

The Request for Proposals was sent to fifteen (15) insurance companies all with local offices. One response was received from Baily Raabe & Associates which specializes in providing these services. They do not sell insurance thereby providing the objectivity being sought. Their assigned principal, Gerald Raabe, has over thirty (30) years' experience in the insurance industry and since 2000 has been in risk management practice as an independent firm. Their local clientele include Allegheny Housing and Redevelopment Corporation, Carnegie Museums, Carnegie Library, Municipality of Mt. Lebanon and St. Clair Hospital.

The proposed fee is \$19,600 which includes eighty-eight (88) hours of review and assessment as called for in the Request for Qualifications and ten (10) hours of annual consulting with the Insurance Committee for periodic risk review and assessment.

Funding for this contract will be from the Studies and Consultants Account.

Following an interview of the principal, Gerald Raabe, and checking of references the Insurance Committee unanimously recommends this contract.

Baily Raabe & Associates are located at 602 Evans City Road, Suite 103, Butler, PA 16001. Its principals are Gerald Raabe and Thomas Baily.

Mr. Ferlo asked what our insurance costs are overall. Mr. Rubinstein answered that he can provide an existing list. Mr. Thomas stated that this is a very worthy expenditure. Mr. Thomas said that this entity does not sell insurance, and wants to look into what coverage that the Authority should have, and that will be factored into an RFP to brokers. Mr. Ferlo wanted to know if the Authority could create something more in line with the City and other entities throughout the City. Mr. Rubinstein stated that the City is self-insured.

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

RESOLUTION NO. 309 (2016)

RESOLVED: That the engagement of Baily Raabe & Associates for insurance advisory services, for an amount not to exceed \$19,600.00, payable from the Studies and Consultants account, 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.

19. Strip District – Smallman Street

- a. Authorization to develop a preliminary Tax Increment Financing plan (TIF Plan) for Smallman Street.
- b. Authorization to enter into a professional services contract with Buchanan Ingersoll & Rooney, PC for an amount not to exceed \$25,000.00 to serve as the URA's TIF Counsel.
- c. Authorization to enter into an agreement and/or subgrant agreement with PWSA in relation to a DCED PA Small Water and Sewer Grant application and a DCED H2OPA Water Supply, Sanitary Sewer and Storm Water Projects Grant application and associated contract(s).

Mr. Rubinstein requested Board approval of the above items.

Mr. Rubinstein stated that the Authority is seeking authorization to develop a preliminary Tax Increment Financing plan ("TIF Plan") in support of the Smallman Street project. In order for the Authority to undertake a tax increment financing (TIF) on behalf of the Project, it will be necessary for the Authority to develop a TIF Plan and to work with each of the Taxing Bodies in the development of the TIF Plan. Further, the Taxing Bodies will participate in the review of the TIF Plan. The Smallman Street TIF would capture real estate and parking taxes from two potential redevelopments at 1600 and 2100 Smallman Street (Produce Terminal). These two parcels are located in the Lower Strip District Redevelopment Area #47, certified by the City of Pittsburgh Planning Commission on September 20th, 2011.

The Authority is also seeking potential authorization to enter into a contract with Buchanan Ingersoll & Rooney, P.C. for TIF Counsel legal services related to the Smallman Street TIF District. Funding source for this contract will be Local Cash Grant to be reimbursed with Developer funds or TIF Proceeds at closing.

PWSA is an eligible applicant for two DCED grant programs that could fund a portion of the water and sewer work along Smallman Street. Authorization is sought to enter into an agreement(s) with PWSA in relation to the submittal and, if awarded, the administration of these grant applications:

- DCED for a PA Small Water and Sewer Grant; and
- H2OPA Water Supply, Sanitary Sewer and Storm Water Projects Grant.

Principal:

Dan McCaffery

McCaffery Interests, Inc.

875 North Michigan Avenue, Suite 1800

Chicago, IL 60611

(312) 944-3777

Mr. Acklin said that the Authority has spent a lot of time and work on this fairly complex development. He said when considering the street above the ground and below there was an opportunity to redefine the whole area, which is currently unsafe. He said there had been an earlier public meeting held with the stakeholders. He said there will be a future zoning action taken by Council. He said that McCaffery wants to redevelop this property to compliment the Strip District.

Mr. Ferlo is pleased to see progress being made on this project. He said this is a good strategy to deal with the financial realities of the public infrastructure in order for the private sector to make this project a reality. Mr. Ferlo is in favor of the TIF, and feels that the Authority can be proud of the reality of the previous TIF's that had been engaged. Mr. Ferlo inquired about the area of the TIF district. Mr. Rubinstein answered that the TIF district would include 16th to 21st Street and Smallman Street, but not beyond that point. Mr. Rubinstein stated that some of the property owners were asked if they wanted to be added to the TIF district, and they declined. Mr. Ferlo stated that they should reconsider because there could be a commercial development benefit from the TIF that potentially could involve them. Mr. Ferlo asked about the base parking tax in relation to the parking tax increment. Mr. Rubinstein answered that the parking tax increment only involves looking at the increment, and that the new tax revenue is greater, whether it is parking tax or real estate tax. Mr. Rubinstein also explained that none of the taxing bodies would give up any current revenue. Mr. Ferlo is concerned about working with PWSA, and would prefer that the Authority take charge. Mr. Rubinstein stated that is an issue to be worked out based on what the infrastructure need is and the cost. Mr. Ferlo asked about a date of completion of this project. Mr. Rubinstein stated they are looking at about a twelve-month period for design and engineering, and construction of the infrastructure could be an eighteen-month time frame. Mr. Rubinstein would like the target date of completion with the developer to be spring or summer of 2019.

Mr. Acklin commended Susheela Nemani-Stanger, of Economic Development, on her hard work on this project. He said there is an ongoing bi-weekly call/meeting at the Mayor's office to make sure there are no delays in the completion of this project.

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

RESOLUTION NO. 310 (2016)

WHEREAS, the Authority is organized under the Pennsylvania Urban Redevelopment Law, 35 P.S. §§ 1701, *et seq.*, (the "*Act*"), and is empowered under the Act to eliminate blighted areas located in the City of Pittsburgh, Allegheny County, Pennsylvania through economically and socially sound redevelopment of such areas; and

WHEREAS, to accomplish the purposes of the Act, the Authority is authorized under the Tax Increment Financing Act, 53 P.S. §§ 6930.1 *et seq.*, (the "*TIF Act*") to propose tax increment districts, to cause to be prepared "project plans" (as defined in the TIF Act), to serve as the issuing authority for the tax increment obligations provided for therein, and to enter into any contracts and agreements necessary or convenient to implement the provisions and effect the purposes of project plans; and

WHEREAS, a developer (the "*Developer*") is working on a mixed-use development expected to include office, retail, parking and infrastructure improvements (the "*Project*"), to be located at the Terminal Building on Smallman Street in the Strip District of the City of Pittsburgh; and

WHEREAS, the City of Pittsburgh, the County of Allegheny, and the School District of Pittsburgh (collectively, the "*Taxing Bodies*") constitute all of the taxing authorities which levy property taxes within the area of the Project; and

WHEREAS, in order for the Authority to undertake a tax increment financing on behalf of the Project, it will be necessary for the Authority to develop a preliminary proposal to prepare a project plan for the Project (the "*TIF Plan*"), and to work with each of the Taxing Bodies, as provided in the TIF Act, in the development of the TIF Plan and in the enactment of the legislation necessary to authorize the participation of each of the Taxing Bodies in the TIF Plan; and

WHEREAS, upon approval of the TIF Plan, the Authority and the Taxing Bodies will enter into a cooperation agreement under which portions of the City of Pittsburgh incremental tax revenue resulting from the increase in real estate values as a result of the development within the tax increment district will be used to secure TIF obligations ("*Obligations*"); and

WHEREAS, pursuant to a grant, funding, development or similar agreement between the Authority and the parties undertaking the Project, the Authority will provide for the disbursement of the proceeds of the Obligations to be used to pay for a portion of the cost of the Project; and

WHEREAS, the Developer and the Authority expect to incur certain costs in connection with the Project and it is anticipated that the Authority or Developer will incur certain costs of the Project prior to the issuance of the Obligations in order for the Project to proceed in a timely manner, including, but not limited to, preliminary design and architectural costs, grading, site preparation costs, acquisition costs and similar costs ("*Prior Costs*"); and

WHEREAS, the Authority desires to authorize its staff to undertake the work necessary to

accomplish the foregoing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH AS FOLLOWS:

1. The Authority anticipates that the Project will accomplish the public purposes of the Act and the TIF Act by eliminating or preventing the spread of blight within the City of Pittsburgh and for that reason preliminarily approves the Authority's support of the Project in the manner outlined above.

2. The staff of the Authority is authorized and directed to develop a preliminary proposal for the tax increment district and a plan for such development and to make a formal presentation of the same to each of the Taxing Bodies and/or their staffs.

3. The staff of the Authority is authorized and directed to prepare a draft TIF Plan, which contemplates the issuance of obligations, in cooperation with representatives of each of the Taxing Bodies for subsequent submission to this Board for approval.

4. The staff of the Authority is authorized and directed to take preliminary steps in implementing a financing plan for the tax increment district consistent with this Resolution.

5. Any officer of the Authority, the Executive Director of the Authority, or the Deputy Executive Director of the Authority is hereby authorized and directed to take such actions and to execute such documents as may be necessary or proper to carry out the intent and purpose of this Resolution or any document herein authorized.

6. This Resolution shall take effect immediately.

DULY ADOPTED ON _____, 2016.

RESOLUTION NO. 311 (2016)

RESOLVED: That the engagement of Buchanan Ingersoll & Rooney, PC to serve as the URA's TIF counsel for the Produce Terminal Building/Smallman Street area in the Strip District, for an amount not to exceed \$25,000.00, payable from the Local Cash 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.

RESOLUTION NO. 312 (2016)

RESOLVED: That an agreement or subgrant agreement with the Pittsburgh Water and Sewer Authority (PWSA) relating to a DCED PA Small Water and Sewer Grant application and a DCED H2OPA Water Supply, Sanitary Sewer and Storm Water Projects Grant application and associated agreements, 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 or subgrant agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

20. Neighborhood Business District:

- a. Authorization to enter into an agreement with the South West Pittsburgh Community Development Corporation (SWPCDC), not to exceed \$80,000.00.

Mr. Rubinstein requested Board approval of the above item.

Mr. Rubinstein stated that the South West Pittsburgh Community Development Corporation (formerly the West End Alliance) was formed several years ago to help to build community development capacity in the western neighborhoods, and to provide a unified community voice for the area.

In 2015, Councilwoman Theresa Smith allocated \$80,000.00 to the URA for the SWPCDC to hire an executive director, secure their 501.c.3 designation, and fulfill their work plan as listed below. The Design Center of Pittsburgh served as the fiscal conduit. The work plan included:

- Solidifying and staffing the SWPCDC committee structure
- Securing 501.c.3 status for the organization
- Work with existing and prospective businesses to connect them with necessary resources, including the URA.
- Establish a regular meeting schedule for the SWPCDC board
- Begin a data-gathering and planning process for the Chartiers Avenue business district in Sheraden.

Over the past year, the group has obtained their 501.c.3 designation, has established a committee structure, has begun working with local businesses, and is working with the Design Center on planning efforts for Chartiers Avenue. In addition, URA staff has worked with the SWPCDC to organize their board, develop organizational infrastructure, and begin working on economic and business development activities throughout the western neighborhoods.

This year, Councilwoman Smith again allocated \$80,000 in 2016 CDBG funds to the URA to be used to maintain staff and conduct programs and activities as outlined in the SWPCDC work plan. Because the group now has a 501.c.3 designation, the URA will

contract directly with the SWPCDC. They have begun to work with the Forbes Fund to move to the next level of organizational capacity. Through the Forbes Funds, consultant Tom Hardy has been assigned to them to help them develop an organizational business plan that will define their role as a CDC in the western neighborhoods. Their work in the coming year will also include:

- Promote business growth within the business districts of Crafton Heights, Chartiers City, Sheraden and Elliott.
- Identify sources of funding to help create and implement the organization's future housing strategy.
- Identify green strategies and funding that will assist the City of Pittsburgh in park preservation and maintenance, the completion the Sweet Trolley Trail and repair and maintenance of city steps.
- Continue to identify partnerships and collaboration opportunities.
- Continue to learn best practices, industry trends of regional CDCs.

The funds for this project have been allocated through the 2016-17 Community Development Block Grant Cooperation Agreement, approved by the URA board of directors on January 14, 2016 (Resolution no. 27), and by City Council on March 24, 2016 (City Resolution no. 134), and executed on August 19, 2016.

This project will be funded with 2016 CDBG funds.

Mr. Acklin stated that as a condition, he would like a report generated and sent to the Authority of actions taken under the previous contract, with specific information. He said this is not a typical arrangement in an area of the City that does not have a large organized CDC. He feels that Councilwoman Smith and the Authority have worked hard on other smaller projects that have advanced, and would like to know that the funds are being put to good use. Mr. Acklin stated that the Authority is a fiduciary for these funds even though they are provided from the City, potentially on a monthly basis. Mr. Rubinstein stated that some highlights from 2015 are reported in the Director's Report. Mr. Ferlo asked if this is the second year this project is being funded. Mr. Rubinstein answered yes.

Upon approval by Mr. Ferlo, seconded by Mr. Gainey and unanimously carried, the following resolution was adopted.

RESOLUTION NO. 313 (2016)

RESOLVED: That a grant to South West Pittsburgh Community Development Corporation (SWPCDC) for an amount not to exceed \$80,000.00, payable from 2016 CDBG funds, to maintain staff and conduct programs and activities as outlined in the SWPCDC work plan is hereby approved, with the condition that SWPCDC submit to the Authority a monthly report of the use of funds, 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.

21. Ratification of Smallman Street Multimodal Transportation Grant Applications

- a. Authorization to ratify a grant application for Multimodal Transportation Funding, and to enter into Contract with the Commonwealth of Pennsylvania's Department of Community & Economic Development (DCED) for the reconstruction of Smallman Street and related public space improvements.

Mr. Rubinstein requested Board approval of the above item.

The URA has applied for a \$3,000,000 DCED multi-modal grant to help fund the reconstruction of Smallman Street and related public space improvements adjacent to the Produce Terminal.

The overall roadway and public space improvement project will seek to increase safety, improve the pedestrian experience and enhance circulation while also retaining the unique character of Smallman Street. It is our intent to fix the known deficiencies of the current conditions by advancing a thoughtful character-based approach and improve the public realm. The improvements will enhance conditions for existing businesses and accommodate new development. Future phases would address additional improvements to the south side of Smallman Street and other needed interventions.

Once engineering commences, we will have a better sense of overall costs, however preliminary cost estimates for Smallman Street engineering and construction range from \$10M to \$20M.

URA funds allocated by the City for Strip District improvements and Pittsburgh Gateway's recent contribution for design development have been secured as match. It is envisioned that the remaining required matching funds will be derived from a tax increment financing (TIF) district, at a later time.

RESOLUTION NO. 281 (2016)

RESOLVED: That application to the Commonwealth of Pennsylvania's Department of Community and Economic Development (DCED) for a Multimodal Transportation grant for an amount not to exceed \$3,000,000.00, to be used for the reconstruction of Smallman Street and related public space improvements, is hereby ratified.

RESOLVED FURTHER: That acceptance of a Multimodal Transportation grant from the Commonwealth of Pennsylvania's Department of Community and Economic Development (DCED), for an amount not to exceed \$3,000,000.00 for the reconstruction of Smallman Street and related public space improvements, 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.

22. Federal North

- a. Rescission of Board Resolution No. 267 (2016) and authorization to enter into an agreement with Franjo Construction Corporation for an amount not to exceed \$43,500.00.
- b. Ratification of engagement of Michael Facchiano Contracting, Inc. for Federal North Site Preparation Contract No. 6 for \$38,650.00.

Mr. Rubinstein requested Board approval of the above items.

- a. The Board's authorization is requested to rescind Board Resolution No. 268 (2016), which authorization will be replaced by item (B) below.
- b. This item replaces Board Resolution No. 268 (2016). The work under this Agreement will provide a temporary passage for pedestrians to walk along the parking lane of North Avenue from the corner of Federal and North Avenue to a point approximately 75 feet from the corner of Reddour Street and North Avenue.

Currently the sidewalk is fenced off due to a number of factors, including, the condition of the URA owned building(s) fronting North Avenue, lack of a paved sidewalk, and delays in the timeline for development in that area.

The Masonic Hall which is located on North Avenue between Federal and Reddour Streets is scheduled to open in August of 2016. It is anticipated that the opening will generate increased pedestrian traffic in the area. Temporarily diverting pedestrians to the parking lane will provide for better pedestrian safety in the area and allow pedestrians to walk between Federal and Reddour Streets along the northern side of North Avenue.

Work under this Agreement will include placement of jersey barriers and relocation of the existing chain link fence that is currently in place to prevent pedestrian access to the sidewalk.

The project was publicly bid and four bids were received for the work. Michael Facchiano Contracting, Inc. submitted the lowest responsible bid.

Michael Facchiano Contracting, Inc. is located at 801 McNeilly Road, Pittsburgh, PA 15226 and Michael A. Facchiano, Jr. is the Vice President.

Funding source: Federal North TIF Funds.

RESOLUTION NO. 282 (2016)

RESOLVED: That rescission of Resolution No. 267 (2016) (authorization to enter into an agreement with Franjo Construction Corporation for an amount not to exceed \$43,500.00) is hereby ratified.

RESOLUTION NO. 283 (2016)

RESOLVED: That the engagement of Michael Facchiano Contracting, Inc. for Federal North Site Preparation Contract No. 6, for an amount not to exceed \$38,650.00, payable from the Federal North TIF funds, is hereby ratified, 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.

23. Hill District

- a. Ratification of final drawings and evidence of financing and authorization to execute deeds for the sale of the following properties to the Housing Authority of the City of Pittsburgh for \$1.00 each, plus costs:

<u>Ward</u>	<u>Block/Lot</u>	<u>Address</u>
5th	10-J-73	2106 Webster Avenue
5th	10-J-74	2108 Webster Avenue
5 th	10-J-75	2112 Webster Avenue
5th	10-J-75-A	2110 Webster Avenue
5 th	10-J-77	141 Trent Street
5th	10-J-78	139 Trent Street
5th	10-J-107	38 Trent Street
5th	10-J-108	120 Trent Street
5th	10-J-109	122 Trent Street
5th	10-J-110	124 Trent Street
5th	10-J-111	126 Trent Street
5th	10-J-112	128 Trent Street
5th	10-J-113	130 Trent Street
5th	10-J-114	132 Trent Street
5th	10-J-115	134 Trent Street
5th	10-J-117	2118 Webster Avenue
5th	10-J-118	2120 Webster Avenue
5th	10-J-119	2122 Webster Avenue
5th	10-J-120	2124 Webster Avenue
5th	10-J-121	2126 Webster Avenue
5th	10-J-122	2128 Webster Avenue

5th	10-J-123	2130 Webster Avenue
5th	10-J-124	139 Wooster Street
5th	10-J-125	137 Wooster Street
5th	10-J-126	135 Wooster Street
5th	10-J-127	131 Wooster Street
5th	10-J-128	129 Wooster Street
5th	10-J-129	127 Wooster Street
5th	10-J-130	635 Wooster Street
5th	10-J-131	633 Wooster Street
5th	10-J-134	117 Wooster Street
5th	10-J-135	115 Wooster Street
5 th	10-J-136	113 Wooster Street
5th	10-J-138	111 Wooster Street
5th	10-J-140	125 Wooster Street
5th	10-J-141	23 Wooster Street
5th	10-J-142	21 Wooster Street
5th	10-J-154	130 Wooster Street
5 th	10-J-155	132 Wooster Street
5th	10-J-156	635 Elmore Street
5th	10-J-158	134 Wooster Street
5th	10-J-159-A	Wooster Street
5th	10-J-160	2134 Webster Avenue
5th	10-J-161	2136 Webster Avenue
5th	10-J-163	2140 Webster Avenue
5th	10-J-164	2142 Webster Avenue
5th	10-J-165	2144 Webster Avenue
5th	10-J-281	2113 Webster Avenue
5th	10-J-286	2125 Webster Avenue
5th	10-J-293	2143 Webster Avenue
5th	10-J-294	2145 Webster Avenue
5th	10-J-295	2147 Webster Avenue
5th	10-J-296	2149 Webster Avenue
5th	10-J-300	2157 Webster Avenue
5th	10-J-318	Perry Street
5th	10-J-323	Fir Way
5th	10-K-235	2161 Webster Avenue
5th	10-K-237	2165 Webster Avenue
5th	10-K-239	2169 Webster Avenue
5th	10-K-241	2169 Webster Avenue
5th	10-K-244	2179 Webster Avenue

Mr. Rubinstein requested Board approval of the above item.

On November 13, 2014, the Board of this Authority accepted the Proposal and authorized execution of a Disposition Contract with the Housing Authority of the City of Pittsburgh (HACP) for the sale of properties in the Middle Hill District as part of a site assemblage for residential construction under Phase III of their Addison Terrace redevelopment project. Since that time, staff of the Authority have been working to acquire formerly tax-delinquent properties from the City of Pittsburgh to complete the site assemblage. The purchase price to the redeveloper is being based on a value of \$1.00 plus costs incurred in acquiring the City-owned parcels. To date, an amount of \$226,288.56 has been spent in assembling this site. One (1) of the above City-owned parcels remain to be acquired and are expected to be transferred to URA by the end of August 2016.

At this time, we are requesting authorization to execute a Deed with HACP for the sale of the public parcels listed above so that construction, initially consisting of site preparation work, may be started expeditiously so that the developer is able to meet placed in service deadlines of the Low Income Housing Tax Credit Program. The redeveloper has submitted, and URA has approved, final working drawings.

HACP will own the assembled site and will enter into a long term lease with an entity to be formed by Keith B. Key Enterprises, LLC, the housing developer. Construction of 52 units of mixed-income rental housing is envisioned for the assembled site. Development costs are estimated at \$22,000,000.00. The assembled site, which includes both City/URA-owned parcels, as well as property already owned by HACP, contains a total of approximately 4.1 acres.

The Housing Authority of the City of Pittsburgh is a public-housing authority with a mailing address at 200 Ross Street, Pittsburgh, PA 15219. Caster D. Binion is the Executive Director. Keith B. Key Enterprises, LLC, is an Ohio limited liability company with an office at 4249 Easton Way, Suite 220, Columbus, OH 43219. Keith B. Key is President and CEO of this company.

RESOLUTION NO. 284 (2016)

RESOLVED: That the final drawings and evidence of financing submitted by the Housing Authority of the City of Pittsburgh for development of the properties listed below are hereby approved; and it is

FURTHER RESOLVED: That execution of deeds and all documents necessary to effectuate the sale of the following properties to the Housing Authority of the City of Pittsburgh, for the sum of \$1.00 each, plus costs is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute deeds and all documents necessary to effectuate said sale, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto:

<u>Ward</u>	<u>Block/Lot</u>	<u>Address</u>
5th	10-J-73	2106 Webster Avenue
5th	10-J-74	2108 Webster Avenue
5 th	10-J-75	2112 Webster Avenue
5th	10-J-75-A	2110 Webster Avenue
5 th	10-J-77	141 Trent Street
5th	10-J-78	139 Trent Street
5th	10-J-107	38 Trent Street
5th	10-J-108	120 Trent Street
5th	10-J-109	122 Trent Street
5th	10-J-110	124 Trent Street
5th	10-J-111	126 Trent Street
5th	10-J-112	128 Trent Street
5th	10-J-113	130 Trent Street
5th	10-J-114	132 Trent Street
5th	10-J-115	134 Trent Street
5th	10-J-117	2118 Webster Avenue
5th	10-J-118	2120 Webster Avenue
5th	10-J-119	2122 Webster Avenue
5th	10-J-120	2124 Webster Avenue
5th	10-J-121	2126 Webster Avenue
5th	10-J-122	2128 Webster Avenue
5th	10-J-123	2130 Webster Avenue
5th	10-J-124	139 Wooster Street
5th	10-J-125	137 Wooster Street
5th	10-J-126	135 Wooster Street
5th	10-J-127	131 Wooster Street
5th	10-J-128	129 Wooster Street
5th	10-J-129	127 Wooster Street
5th	10-J-130	635 Wooster Street

5th	10-J-131	633 Wooster Street
5th	10-J-134	117 Wooster Street
5th	10-J-135	115 Wooster Street
5 th	10-J-136	113 Wooster Street
5th	10-J-138	111 Wooster Street
5th	10-J-140	125 Wooster Street
5th	10-J-141	23 Wooster Street
5th	10-J-142	21 Wooster Street
5th	10-J-154	130 Wooster Street
5 th	10-J-155	132 Wooster Street
5th	10-J-156	635 Elmore Street
5th	10-J-158	134 Wooster Street
5th	10-J-159-A	Wooster Street
5th	10-J-160	2134 Webster Avenue
5th	10-J-161	2136 Webster Avenue
5th	10-J-163	2140 Webster Avenue
5th	10-J-164	2142 Webster Avenue
5th	10-J-165	2144 Webster Avenue
5th	10-J-281	2113 Webster Avenue
5th	10-J-286	2125 Webster Avenue
5th	10-J-293	2143 Webster Avenue
5th	10-J-294	2145 Webster Avenue
5th	10-J-295	2147 Webster Avenue
5th	10-J-296	2149 Webster Avenue
5th	10-J-300	2157 Webster Avenue
5th	10-J-318	Perry Street
5th	10-J-323	Fir Way
5th	10-K-235	2161 Webster Avenue
5th	10-K-237	2165 Webster Avenue
5th	10-K-239	2169 Webster Avenue
5th	10-K-241	2169 Webster Avenue
5th	10-K-244	2179 Webster Avenue

AGENDA "B"

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

REAL ESTATE

1. Certificates of Completion

a. Nine Mile Run

RESOLUTION NO. 314 (2016)

RESOLVED: That execution of a Certificate of Completion for MRRC Summerset II, L.P. for Lot 236 (Block 88-H, Lot 226) Biltmore Lane, Lot 268 (Block 88-R, Lot 96), and Lot 289 (Block 88-M, Lot 48) 1660 Shelburne Lane, in the 14th Ward is hereby ratified, and the return of the Good Faith Deposit is hereby approved.

b. South Side Works

RESOLUTION NO. 315 (2016)

RESOLVED: That execution of a Certificate of Completion for SouthSide Works City Apartments LLC for a portion of Parcel B2d (Block 12-H, Lots 265, 265-1, 265-2, and 265-3) first revised in the South Side Works Plan of Lots No. 29, in the 16th Ward (commercial construction) and return of the Good Faith Deposit are hereby approved.

c. South Side Works

RESOLUTION NO. 316 (2016)

RESOLVED: That execution of a Certificate of Completion for Rivertech Associates, L.P. for Parcel F14, Lots 2, 3, 4, 5, 6, and 7 and Parcel A, in the 16th Ward (commercial construction) and return of the Good Faith Deposit are hereby approved.

2. Garfield

RESOLUTION NO. 317 (2016)

RESOLVED: That Resolution No. 110 (2015), which approved the proposal and form of disposition contract for the sale of Block 50-G, Lots 7, 8 and 76, in the 10th Ward To 8 To 8 LLC, for \$6,000.00 plus costs, is hereby rescinded.

3. Land Recycling

a. GTECH Strategies, Inc.

RESOLUTION NO. 318 (2016)

RESOLVED: That Resolution No. 25 (2016) is hereby amended to change the funding source from Leased Land funds to the Industrial Land Reserve Fund for the Professional Services Agreement with Growth Through Energy & Community Health Strategies (GTECH) for capacity building and program design for City-wide lot maintenance, dated January 15, 2016.

b. Fourth Economy Consulting, LLC

RESOLUTION NO. 319 (2016)

RESOLVED: That amendment of the Agreement with Fourth Economy Consulting, LLC, dated January 1, 2016, to enlarge the scope to include enhanced data technical assistance, for an increase of \$20,000.00, payable from the Industrial Land Reserve Fund (ILRF), for a total Agreement amount not to exceed \$90,000.00, is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an amendment therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 320 (2016)

RESOLVED: That Resolution Nos. 213 (2015) and 160 (2016) are hereby amended to add the Industrial Land Reserve Fund as a funding source for the Agreement with Fourth Economy Consulting, LLC, dated January 1, 2016.

c. Vacant Lot Maintenance

RESOLUTION NO. 321 (2016)

RESOLVED: That Resolution No. 272 (2016) is hereby amended to revise the name of Pittsburgh Community Corps to Pittsburgh Conservations Corps (d/b/a LandForce).

FINANCE

1. Community Development Block Grant (CDBG) amendments

RESOLUTION NO. 322 (2016)

RESOLVED: That a third amendment of the Cooperation Agreement with the City of Pittsburgh, dated July 21, 2009, to increase the Neighborhood Business and Economic Development allocation of \$750,000.00 by \$35,000.00, for a total amount of \$785,000.00, for a total 2009 Community Development Block Grant (CDBG) allocation not to exceed \$4,783,233.73, 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 amendment therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

RESOLUTION NO. 323 (2016)

RESOLVED: That the transfer of up to \$50,000.00 of the 2014-2015 Community Development Block Grant/Neighborhood Business and Economic Development allocation from the Pittsburgh Entrepreneur Fund to the Streetface Program is hereby approved.

RESOLUTION NO. 324 (2016)

RESOLVED: That the transfer of up to \$160,000.00 of the 2015-2016 Community Development Block Grant/Neighborhood Business and Economic Development allocation from the Mainstreets Program to the Residential Façade Program is hereby approved.

2. City PayGo amendments

RESOLUTION NO. 325 (2016)

RESOLVED: That appropriation of up to \$50,000.00 of the 2015 City Paygo allocation to the Hazelwood Gladstone Project is hereby approved.

RESOLUTION NO. 326 (2016)

RESOLVED: That appropriation of up to \$105,000.00 of the 2015 City Paygo allocation to the Brightwood-Woodland Avenue Project is hereby approved.

RESOLUTION NO. 327 (2016)

RESOLVED: That appropriation of up to \$140,000.00 of the 2015 City Paygo allocation to the Hill District Project is hereby approved.

RESOLUTION NO. 328 (2016)

RESOLVED: That appropriation of up to \$150,000.00 of the 2015 City Paygo allocation to the Homewood Project is hereby approved.

RESOLUTION NO. 329 (2016)

RESOLVED: That the transfer of up to \$125,000.00 of the 2016 City Paygo allocation from the Rental Housing Development Improvement Program to the Pittsburgh Housing Construction Fund is hereby approved.

3. UDAG Program Income Fund (UPIF) – 62nd Street

RESOLUTION NO. 330 (2016)

RESOLVED: That Resolution No. 6 (2010) is hereby amended to extend the term of the internal Urban Development Action Grant (UDAG) Program Income Fund (UPIF) loan to December 31, 2017.

LEGAL

1. Cohen & Grigsby, P.C.

RESOLUTION NO. 331 (2016)

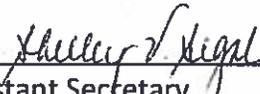
RESOLVED: That amendment of the Agreement with Cohen & Grigsby, P.C., dated April 13, 2016, for legal services related to the Garden Theater block, for an increase of \$9,500.00, payable from the Federal North TIF funds, for a total agreement amount not to exceed \$30,000.00, is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an amendment therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

2. Saul Ewing, LLP

RESOLUTION NO. 332 (2016)

RESOLVED: That amendment of the Agreement with Saul Ewing LLC, dated August 1, 2015, for legal services relating to labor and employment matters, for an increase of \$40,000.00, payable from the Administrative Revolving Fund (ARF), for a total agreement amount not to exceed \$140,000.00, is hereby approved, and the Executive Director, Acting Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute an amendment therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

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



Assistant Secretary