

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

**July 13, 2017– 2:00 P.M., E.S.T**

Members Present: Messrs. Kevin Acklin, Jim Ferlo, Edward Gainey and Ms. Cheryl Hall-Russell  
Members Absent: Mr. Lavelle

Staff Present:

Thomas Cummings, Martin Kaminski, Thomas Short, Kyra Straussman, Shelley Segal, Gigi Saladna, Diamonte Walker, Kymberly Patsilevas, Claren Healey, Julie Edwards, M.L. Meier, Nathan Clark, Susheela Nemani-Stanger, Dana Bohince, Jennifer Breeze, James Reid, Jason Hobbes, Rebecca Davidson-Wagner, Emily Mitchell, Moira Egler, Nick Fedorek, Alex Sandoval, Katie Grauer, Bethany Davidson, Josette Fitzgibbons, Jessica Smith Perry, Jennifer Wilhelm, Jake Pawlak, Malcom Hardie, Quianna Wasler,

1. General

Director Cummings announced that the minutes from the June Board Meeting would be circulated and presented for approval at a later date.

2. Announcements

Mr. Cummings announced the following staff changes:

Kymberly Patsilevas is temporarily working in the Legal Department for Theresa Schacht.

Diamonte Walker was welcomed as the Authority's MWBE Program Officer. Mr. Cummings stated that the URA is pleased to have Diamonte here and that she has already hit the ground running. She comes to us from the Hill Community Development Corporation.

Daren Ellerbee, who has been with the URA a few years and done a great job as a Community Affairs and Equitable Strategist, has accepted a position with the new Homewood Community Engagement Center. This is the first center that Pitt has established and there will be more of these to establish stronger partnerships between the University and the communities that Pitt touches. Mr. Cummings said the URA is sorry to say goodbye to Daren, yet he is sure we will continue to work with her in her new capacity.

Mr. Cummings announced that Kyra Straussman, Director of Real Estate, will be leaving the URA after 10 years. Kyra will be taking a position as Director of Development and Investment at "Prosper Portland," Portland Oregon's version of the URA. He said that Kyra has played a leadership role and been instrumental in working with both the URA and City staff in the development and implementation of policies and strategies to deal with challenges regarding the

reuse of vacant land, blighted buildings and underutilized public areas. He continued by saying that Kyra has played a leadership role in many activities in the City, the development of Land Bank, the market-value analysis, the Next Three Days, our land care program and countless other initiatives. One of her significant accomplishments has been to assemble a very capable staff. Nathan Clark will be the Interim Real Estate Director. Mr. Cummings said that personally and professionally he is sorry to see her go, but we do wish her the best.

Mr. Acklin added that Kyra has been wonderful to work with and that a lot of institutional knowledge is involved in the intricacies of development on the real estate side. She's worked very closely with us in the land recycling policy that we are working toward and she's always had the URA's best interest in mind and has been a pleasure to work with. He said that our loss is Portland's gain, and the door is always open if she wants to come back.

Kyra expressed her gratitude to the administration and to everyone in the City of Pittsburgh. She said that although she is not a Pittsburgh native, she will have been here for 27 years when she leaves. She raised her children here and it has been a privilege to serve this City. She went on to say she's worked with some of the best and smartest people in community development and has loved every neighborhood. She said it will be sad to say good-bye and that there couldn't be a better place to learn how cities thrive. She's been proud of the URA's accomplishments and the team work it has represented. She will bring all of that to Portland and invited all to contact her for a tour of the city should they visit Portland. She added that the URA is in capable hands.

Mr. Cummings then asked Jennifer Wilhelm, of CIE, to talk about the Challenge Cup. Jennifer said that we have a partnership with 1776, a global incubator. The URA worked with them and this year we are one of the many cities around the world that hosted a challenge cup, which is a business pitch competition. We chose 12 from over 30 applicants that wanted to participate. The winner is Adhithi Aji, who will be headed to New York this fall for an international competition with winners from 75 cities from around the world. Her product, through her company, Adrich, is a smart label technology with sensors that fit into any kind of product label to collect information on the product on which they are placed. It's a very unique technology and they are very excited for her to represent Pittsburgh.

Mr. Cummings then acknowledged the triennial URA report (2014-2016), which the Board should have received. It is also available on-line and copies were available in the back of the room for the audience. The report lists some of the major accomplishments over the past three (3) years, as well as success stories and statistics broken down by council districts and departments. All present were encouraged to take or look through one if they had not already done so. Mr. Cummings thanked the whole staff that put it together. Ms. Hall-Russell commented that it was beautifully done.

Mr. Acklin invited questions from the Board members. There were none.

3. Application for a Federal Transit Administration (FTA) Small Starts Grant for an amount up to \$100,000,000.00.

Mr. Cummings requested Board approval of the above item.

Mr. Cummings stated that the Federal Transit Administration (FTA) administers the Small Starts Grant Program. This program provides funding for corridor-based bus rapid transit (BRT) systems and extensions to existing systems throughout the country. Projects that meet the eligibility criteria may apply for no more than \$100,000,000.00.

The URA, in conjunction with the City of Pittsburgh and Port Authority of Allegheny County, requested entry into the project development phase of the Small Starts program on March 14, 2017. This phase presents an opportunity for the FTA to complete a preliminary evaluation of the project. This request was accepted by FTA on June 1, 2017, and the URA is now eligible to apply for Small Starts funding.

The URA will be the applicant for the FTA grant. The project will be managed by staff from the URA, Pittsburgh City Planning, and the Port Authority of Allegheny County, and a team of consultants. Funding would be used for costs related to the design, engineering, and construction of the Downtown-Uptown-Oakland-East End Rapid Transit project. Potential match sources are still under evaluation, but could include City and County funds.

Mr. Acklin explained there has been work over the past few years on a multi-jurisdictional approach to the BRT. He said they most recently found the right alignment and have been out in the community. He said the first step is moving forward with the grant application. We're hitting all the right cycles at a time where utilizing the existing infrastructure in the City, and repurposing access to the existing Port Authority bus lanes can create a network of transportation to improve equity in the City. We will work to create a faster route not just between downtown and Oakland, but beyond, including the Mon Valley, which is important. There's a lot of hard work ahead of us, but it will help to move forward with the grant program. This will allow some of the early planning work up to and including the application this Fall to appear on the federal program for a more serious match of federal funds for both projects. He said that a lot of work has already been put into this and he appreciates and encourages the Board to support these efforts because this is what redevelopment is about - taking our existing rights-of-way within the City and making it more accessible for our residents.

Mr. Cummings directed attention to a rendering of one option for the plan and invited Jennifer Liptak, Chief of Staff to the Allegheny County Executive and Vice Chairwoman of the Port Authority, to address the Board.

Ms. Liptak said she would piggyback off what Mr. Acklin said. She explained that this is an extremely important project, not just for the County Executive, but for the Authority's Board, as well. She said this is transformative transportation for connecting people, not only to make things a little a quicker, but also to accommodate people who may have been forgotten in the past. She stated that this is extremely important for this region, given that it is connecting not

only two job centers, the second and third largest job centers within the state, but is also connecting the branches all the way through to Swissvale and hopefully Wilkinsburg, as well. She explained that this will allow people to have that connectivity to the Downtown area that they deserve. She stated that this is a great starting point for where we want to go with the Port Authority and they would appreciate the Board's support with this grant application. She went on to say it's been a long time coming, and then thanked the Board for its time on behalf of the County and the Port Authority.

Mr. Ferlo said he appreciates that a lot of work has been done on this, but he has a lot of reservations and he may abstain. He does not agree that this is the most critical transportation project for the City or County and believes it conflicts with Main Street sensibilities. He is concerned about its impact on residential parking for large numbers of taxpayers along this corridor. He acknowledged that he is also speaking as a Highland Park resident. He clarified that he was not being critical to the Mayor, the Chairman or anyone else. He also does not believe this is conducive to individuals who are physically challenged, blind or disabled along the corridor because of the placement of the stops.

Mr. Acklin stated that this project is a partnership and that the Port Authority is not putting this on the backs of the URA or the City. He said the bulk of the capital investment to build the system lies with the City of Pittsburgh. He also said that most of the outside lanes seen in the rendering are utilizing shared roadways and that he would be happy to have a briefing. He offered to bring in traffic engineers to talk to the Board about street lanes and bicycle lanes.

Mr. Acklin continued that this is a first step and they will be coming back in the future for additional requests. He views the URA as a conduit for this investment because it promotes economic development and reiterated that the City will take on the bulk of the funds relating to building and structures and will likely own the infrastructure. He added that the Port Authority would operate the buses and be investing millions of dollars in retrofitting and adding new buses.

Mr. Ferlo asked why not take the East Busway, eliminate all the buses and go light-rail. Ms. Liptak responded that such a project would take a very long time.

Ms. Liptak added that it is very important to include others in the community who have been forgotten, whether it is the bike riders or those who fall under the ADA. She stated that this is a priority project for the County Executive, and there is now a partnership with the City. She added that they continue to be transparent and open and that they've had and will continue to have community meetings to inform the people.

Mr. Acklin said the hard part will be raising the capital to get this done. He said this is the start of getting our application in for eligibility. He proposes an executive session to be fully informed and prudent about the risk to the URA in being the conduit for federal funds. He said he asked Robert Rubinstein to put together a report addressing that. Ultimately, the first application is due in the Fall and we have teams of consultants working on it. He also said he has a bi-weekly meeting that he hosts with Ms. Liptak that has resulted in the maps with the lines on them. He

reiterated that the hard work is the fund raising. He explained that the Mayor and the County Executive are fully supportive of this project and it is good for economic development.

Mr. Ferlo asked how this route was selected. Ms. Liptak responded that there was an analysis of 60 some options by the Port Authority. The analysis was based upon data on their routes, the connectivity and time it takes, the number of riders, accessibility, etc. She said they did a matrix and found that our current system ranked No. 39. She said that the proposed system ranked No. 1 and was most inclusive. Ms. Liptak offered to do a presentation with the Port Authority staff. Ms. Cheryl Hall-Russell expressed that she would very much like to see that.

Mr. Acklin proposed that we move forward with the application process, and then follow up with a presentation to the Board for full visibility.

Ms. Liptak thanked the Board for the opportunity to speak.

Ms. Cheryl Hall-Russell said this is very complicated, and she hopes for a full presentation sooner rather than later. Mr. Acklin said he would work with the County Executive's Office, Ms. Liptak and Karina Ricks. He said a presentation was done for the Mayor, County Executive and the community, and that the Mayor recently met with members of the physically challenged community regarding mobility concerns.

Mr. Ferlo requested that the URA Director, staff and the Chairman prepare some type of analysis on full reimbursement for administrative and other costs that would be incurred by the URA.

Mr. Gainey asked to clarify that today's resolution is only for the application. Mr. Acklin answered that this approval was to apply for the \$100,000,000.00 grant.

Upon motion to approve made by Mr. Gainey, seconded by Cheryl Hall-Russell, with Mr. Ferlo abstaining, the following resolution was adopted:

**RESOLUTION NO. 189 (2017)**

**RESOLVED:** That the application for a Federal Transit Administration (FTA) Small Starts Grant, in an amount up to \$100,000,000.00, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a grant application therefor 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 FURTHER:** That the receipt of a Federal Transit Administration (FTA) Small Starts Grant, in an amount up to \$100,000,000.00, is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a grant agreement therefor and related documents, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

4. 2018 Low Income Housing Tax Credit Applications

- a. The Authority received the following Low Income Housing Tax Credit (LIHTC) pre-applications for review:
- (a) East Liberty - Mellon's Orchard Phase I
  - (b) East Liberty - North Negley Residences
  - (c) Garfield - Garfield Highlands
  - (d) Hill District - New Granada Square Apartments
  - (e) Hill District - Civic Arena Site / 28 Acres
  - ~~(f) Hill District - Centre Avenue Mixed-Use Development~~
  - ~~(g) Larimer - Larimer / East Liberty Choice Neighborhoods Phase III~~
  - (h) Lower Lawrenceville - Doughboy Affordable Living
  - (i) Squirrel Hill South - Riverview Towers Preservation
  - (j) Troy Hill - Heinz Residences

Mr. Cummings stated that the Low Income Housing Tax Credit ("LIHTC") program is a program whereby federal tax credits are issued for the creation and preservation of affordable housing. The Pennsylvania Housing Finance Agency ("PHFA") receives an annual allocation of tax credits and allocates the credits in a competitive process pursuant to a Qualified Allocation Plan ("QAP"). Most proposed LIHTC projects need gap funding from the URA and/or require URA or City owned land. Therefore, in order to understand the pipeline of potential projects and the resultant demand for URA resources, the Authority issued a 2017 LIHTC Pre-Application to be completed and submitted by developers who plan to apply to PHFA in September 2017 for an allocation of tax credits. The pre-application process assists the URA and City in evaluating the potential LIHTC applications relative to each other. The pre-application was due to the Authority on Wednesday June 14, 2017. The Authority received ten (10) pre-applications for proposed LIHTC projects located within the City of Pittsburgh. All 10 applications included preliminary URA funding requests and seven of the 10 proposed projects required the acquisition of URA and/or City owned property.

Mr. Cummings explained that the two pre-applications shown in red have since been withdrawn by the developers for various reasons, and there are now eight.

The URA is currently reviewing all applications. Full LIHTC applications are due to PHFA by October 20, 2017. Any proposed Authority financial support will be subject to continuing review of project budgets, approval of plans, specifications and project costs, an allocation of tax credits from PHFA, the developer securing other project sources of funds, future availability of URA funds, and future URA Board Approval. The pre-applications received are as follows:

Mellon's Orchard Phase I

This project consists of the new construction of a 56-unit mixed income apartment building on the Mellon's Orchard site in the heart of East Liberty. Of the 56 units, 41 units will be affordable to households with incomes at or below 60% area median income ("AMI") and 15 units will be

market rate. Trek Development Group is the developer. Trek was selected as the developer of this site pursuant to a previous Authority Request for Proposal (RFP) process.

#### North Negley Residences

This project consists of the new construction of 48 affordable units and the adaptive reuse of the B’Nai Israel Synagogue located at 327 N. Negley Avenue into community space. David Motley and Walnut Capital are the developers. This development does not include URA or City owned land.

#### New Granada Square Apartments

This project consists of the new construction of two buildings to contain 47 affordable units, 9,000 square feet of retail space plus 85 parking spaces. The project is immediately adjacent to the historic Granada Theatre. The project is being developed in partnership between McCormack Baron Salazar and the Hill Community Development Corporation.

#### Civic Arena Site / 28 Acres

This project consists of the new construction of a 54-unit mixed income building adjacent to a 200-unit market rate building on the 28-acre site in the Lower Hill District. Of the 54 units, 42 units will be affordable to households with incomes at or below 60% AMI and 12 units will be market rate. McCormack Baron Salazar is the developer.

#### Garfield Highlands

This project consists of the new construction of 20 scattered site, lease to own affordable units scattered through North Aiken, Kincaid, and Rosetta Streets in the Garfield neighborhood. The project is being developed in partnership between S&A Homes and the Bloomfield Garfield Corporation.

#### Doughboy Affordable Living

The project consists of the new construction of two (2) three-story buildings containing 34 affordable rental units plus 2,800 square feet of commercial/community space near Doughboy Square in Lower Lawrenceville (3400-3404 Penn Avenue and 3330-3350 Penn Avenue). Action Housing, Inc. and the Lawrenceville Corporation are the development partners.

#### Riverview Towers

The project consists of the preservation, reconfiguration, and rehabilitation of 191 units of existing senior housing in two contiguous high-rise towers located at 52 Garretta Street in Squirrel Hill South. Of the 191 units, 140 are affordable to households with incomes at or below 60% AMI and the remaining 51 are market rate units. The developer is Riverview Towers Preservation LP, the existing owner and operator of the building. This development does not include URA or City owned land.

#### Heinz Residences

This project consists of the adaptive reuse/historic rehabilitation of the former Heinz Administration building into 40 affordable rental units and 9,000 square feet of commercial space

for artists. The developer is Crow Hill Development. This development does not include URA or City owned land.

Mr. Ferlo asked if tenants would be displaced with the North Negley Residences plan. Mr. Cummings responded no, that it is all new construction on the site behind the synagogue. Mr. Cummings added that the Garfield Highlands project is a third phase of scattered site housing by S&A Homes and Bloomfield Garfield Corporation in Garfield. The Hill CDC is partnering with McCormack Baron Salazar on the potential development surrounding the Granada Theatre building in the Hill District.

Ms. Hall-Russell asked why Gaudenzia pulled their application. Mr. Cummings responded that they wanted to concentrate on their existing facility and build a replacement facility off Centre Avenue on property that they own and that they might possibly return in a subsequent year for tax credits. Ms. Hall-Russell thanked him.

Mr. Gainey asked if there will be a meeting or have we held any conversation with the Garfield residential communities to inform them about the new development. Mr. Cummings responded that he personally has not had any conversation with Garfield residents. He went on to say that Bloomfield Garfield Corporation is part of the development team and they may be able to answer that question.

Mr. Acklin said that no formal action would be taken today, and that this was a comprehensive review process on pre-applications. PHFA and Brian Hudson and his team rely heavily on the URA for LIHTC recommendations. The evaluation of these projects considers several things, including the amount of subsidy being requested by the URA, community support, the number of units being generated, and the cost per unit. These are tax credits that should be applied to projects that will advance affordability in the City. Mr. Acklin applauded the hard work and effort put into this by URA staff and noted that PHFA is not bound by the Authority's recommendation. We wanted to be transparent with the Board in presenting the applications we have received. It doesn't mean that they will all be submitted.

Mr. Ferlo asked for clarification as to whether individual developers and/or non-profits still have the right to submit. Mr. Cummings responded that there is nothing to prohibit anybody from submitting an application to PHFA.

Mr. Cummings said that PHFA has moved its application date back one and one-half months to October 20<sup>th</sup>. The Board will see some of these applications prior to that date, either in August or September for any projects requiring site control through the URA. Most of these projects have such a requirement, except for Riverview Towers, the North Negley Residences and the Heinz building, which are all privately owned parcels. Everything else either requires City or URA land. To the extent that any of those projects advance to a full application, the Board will likely be seeing them in the next one to two months.

Mr. Ferlo said he hopes that, as far as the Hill District, the critical mass will continue in and around



the Centre Avenue corridor.

The Chairman invited other questions or discussions. There were none. Mr. Acklin acknowledged that there is no action required on this item.

5. Larimer/East Liberty Choice Neighborhood Implementation Grant (CNIG)

- a. Final working drawings and evidence of financing for the Larimer/East Liberty Phase II development - Larimer Avenue and Broad Street - former Block 84-C, Lots 360, 362, 362A, 363 and 364, and former Block 84-D, Lot 155, currently known as Block 84-D, Lot 125, in the 11th Ward.
- b. Rental Housing Development and Improvement Program (RHDIP) loan to Larimer/East Liberty Phase II, L.P. for an amount not to exceed \$1,236,240.00.

Mr. Cummings requested Board approval of the above items.

Mr. Cummings explained that the neighborhoods of Larimer and East Liberty are the site of a Federal Choice Neighborhoods Implementation Grant award in the amount of \$30 million for the comprehensive redevelopment of the Choice Neighborhoods area. The comprehensive redevelopment will focus on three core goals/components: housing, people, and neighborhood. The Authority is charged with implementing the neighborhood component which seeks to address issues of vacant land, public infrastructure needs, and greening/park goals.

On February 9, 2017, the Board approved the execution of deed for the former Block and Lots referenced above, now known as 84-D-125 to the Housing Authority of the City of Pittsburgh ("HACP"). On April 19, 2017, URA sold the parcels to HACP for \$1.00 for HACP to begin site preparation work for the Larimer/East Liberty Phase II rental development. In addition to Block 84-D, Lot 125, Phase II will include Block 84-D, Lot 150, currently owned by HACP, and Block 84-D, Lot 160, currently owned by the City of Pittsburgh to be sold to HACP for the Phase II development. Demolition and site preparation have also started on Block 84-D, Lot 150 which is the former East Liberty Gardens site.

Authorization is requested to enter into the above referenced Rental Housing Development and Improvement Program (RHDIP) loan agreement for the Larimer/East Liberty Phase II rental development. The CNI housing redevelopment strategy entails building 334 units of mixed-income housing, 155 of which will be replacement housing for East Liberty Gardens and Hamilton-Larimer public housing residents. Phase I, which is completed and fully occupied, consists of 85 mixed-income units including 28 replacement units.

HACP will be the owner of the Phase II real estate and will enter into a long-term lease with Larimer/East Liberty Phase II, L.P. the housing developer. Larimer/East Liberty II MBS GP, Inc. is the Managing General Partner. McCormack Baron Salazar (MBS) has its principal office at 1415 Olive Street, Suite 310, St. Louis, MO 63103-2334. MBS's Chairman and CEO is Richard Baron. Sasha Gaye Angus is a Sr. Vice President of MBS and the MBS Pittsburgh representative for the Larimer/East Liberty development.

The Phase II development has been approved for financing by the Pennsylvania Housing Finance Agency (PHFA) for an allocation of 4% Low Income Housing Tax Credits (LIHTC) and will generate \$10,531,920.00 in tax credit equity. The requested Rental Housing Development and Improvement Program (RHDIP) loan in the amount of \$1,236,240.00 will be funded with HOME Program funds. Additional financing for the development includes HACP Program Income Funds in the amount of \$7,426,646.00 and a portion of the Choice Neighborhood Initiative (CNI) grant funds in the amount of \$9,940,341.00. First mortgage financing will be provided by Red Capital Mortgage Company, LLC in the amount of \$8,859,240.00. Tax Exempt Bonds will be used to bridge funding during construction.

The total Phase II development area is 6.7 acres and will consist of 150 mixed income rental units of which 75 are replacement housing units. The plan calls for a total of 12 buildings including townhouses, garden apartments and two mid-rise apartment buildings. The unit configuration will be 51 one-bedroom units averaging 850 square feet, 86 two-bedroom units averaging 1,175 square feet, 10 three-bedroom units averaging 1,520 square feet and three (3) four-bedroom units averaging 1680 square feet. Thirty-two (32) units will be restricted to 60% of area median income ("AMI"), 76 will be restricted to 50% of AMI and the remaining 42 units will be market rate units. Of the 108 LIHTC units 75 will be Project Based Voucher units.

Details of the rental development are as follows:

<b>Developer:</b>	Larimer/East Liberty Phase II, L.P. Larimer/East Liberty II MBS GP, Inc., Managing General Partner
<b>Location:</b>	Larimer Avenue and Broad Street
<b>Ward:</b>	11 <sup>th</sup>
<b>Description:</b>	New Construction of 150 rental units in 12 buildings.
<b>Total Permanent Financing:</b>	\$39,069,387.00
<b>URA Financing Sources:</b>	RHDIP Loan -\$1,236,240.00 - 0% interest rate, 45 year term (plus construction period).
<b>Total URA Financing</b>	\$1,236,240.00

**Other Permanent Financing Sources:**

LIHTC Tax Credit Equity	\$10,531,920 .00
RMC First Mortgage	\$ 8,859,240.00
HACP Ground Lease Loan	\$ 800,000.00
HACP Program Income Funds	\$ 7,426,646.00
HACP CNI Funds	\$ 9,940,341.00
Deferred Fee/G.P. Equity	<u>\$ 275,000.00</u>

**Total Other Financing** \$37,833,147.00

**Program Benefit:** Seventy two percent (72%) of the new rental units will be rented to households with incomes at or below 60% of the area median income. This development will eliminate slum and blight.

**M/WBE Plan:** Approved on June 21, 2017.

**Real Estate Loan Review Committee:** To be presented at the July 12, 2017 Real Estate Loan Review Committee meeting.

Mr. Cummings announced that Becky Foster, of McCormack Baron Salazar, was present for questions.

Mr. Cummings directed attention to a rendering of 12 buildings fronting Larimer Avenue and Broad Street that take over the former East Liberty Gardens site. Mr. Gainey asked if the design would be like the current design across the street, and Mr. Cummings said yes. Mr. Cummings said he had attended several design meetings with the Larimer Consensus Group, and ELDI has been through a design review process through their internal channels. Mr. Cummings asked if any of the neighborhood residents were present, and stated that they were made aware that this action was pending.

Mr. Ferlo stated that we have a need and priority to address low and moderate income housing.

Mr. Gainey inquired about the number of market rate units and Mr. Cummings answered there are 42 in this phase. Mr. Cummings further stated that McCormack Baron is pre-eminent in the field regarding development of mixed income housing. He believes the quality of their management speaks for itself.

Mr. Cummings said that the final phase of Larimer Choice will be on the other side of East Liberty Boulevard in Larimer and that the site conditions necessitate that it be more of a residential scale.

Mr. Gainey asked how many vouchers will be issued. Mr. Cummings answered 75 for this phase.

Mr. Acklin invited other questions or discussions. There were none.

Upon motion to approve made by Mr. Gainey and seconded by Ms. Hall-Russell, the following resolution was adopted:

**RESOLUTION NO. 190 (2017)**

RESOLVED: That the final working drawings and evidence of financing submitted by Larimer/East Phase II, L.P. for the Larimer/East Liberty Phase II development – Larimer Avenue and Broad Street – former Block 84-C Lots 360, 362, 362A, 363 and 364, and former Block and Lot 84-D-155, now known as Block & Lot 84-D-125 in the 11<sup>th</sup> Ward, are hereby approved and

**RESOLUTION NO. 191 (2017)**

RESOLVED: That a loan to Larimer/East Liberty Phase II, L.P. for the construction of 334 units of mixed-income housing, for an amount not to exceed \$1,236,240.00, payable from the Rental Housing Development and Improvement Program (RHDIP), is hereby approved, and the 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.

6. Larimer/East Liberty Choice Neighborhood Grant (CNIG)

a. Grants for the development of the Larimer/East Liberty Park System.

Mr. Cummings requested Board approval of the above item.

Mr. Cummings said that as part of the planning process for Choice Neighborhoods a network of parks was recommended as a strategy. A robust community and stakeholder process led by Wallace Roberts and Todd (WRT) was undertaken by the Authority to design this parks and open space system. He stated that there are several foundation application rounds coming up in the next few months so they wanted to get authorization to make applications in coordination with the Mayor's Office, rather than addressing the Board each month. He said the URA would like the authorization to submit grant applications for park system. He also said that if the URA were awarded those grants, we would return to the Board for specific authorization to execute the grant agreement.

Mr. Gainey asked what is going on with the church. Mr. Cummings responded that ELDI has been appointed Conservator for the church. The URA made a loan to them to help with the stabilization efforts. ELDI added some of its own resources and is trying to get back to court to

have a lien on the property extinguished. They will then seek to acquire title to the property. The URA is in first-lien position.

Mr. Ferlo asked who owns the school building to the rear of the church. Mr. Cummings answered that it is part of the church property.

Mr. Acklin clarified with Mr. Cummings that the drafted resolution applies to the applications, as well as the receipt of grants. Mr. Cummings suggested that the section regarding execution of grant agreements be stricken. Mr. Acklin explained that for flexibility of staff and to prevent them coming to the Board each time for a grant application, he is comfortable moving forward, but that the Board should vote on the receipt of grant funds. He stated that that will provide an opportunity to inform the public. He wants to make sure that the Board can vote on the grant agreements, should they be awarded.

Upon motion to approve made by Ms. Hall-Russell, seconded by Mr. Gainey and unanimously carried, the following resolution was adopted:

**RESOLUTION NO. 192 (2017)**

RESOLVED: That applications for grants for the development of the Larimer/East Liberty Park System are hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute grant applications and related documents therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

7. West Oakland – Oakland Affordable Living

- a. Amendment of Resolution No. 106 (2017) to increase amount of the Rental Housing Development and Improvement Program (RHDIP) loan to Quippa, LP from \$1,360,310.00 to an amount not to exceed \$1,525,000.00.

Mr. Cummings requested Board approval of the above item.

Mr. Cummings said that at its meeting of April 13, 2017, the Board approved a Rental Housing Development and Improvement Program loan in the amount of \$1,360,310.00 to Quippa, LP (“Developer”), for the development of Oakland Affordable Living (“OAL”). There are two components of the 49-unit OAL affordable housing development including the preservation/rehabilitation of 24 existing rental units (the Allequippa Place development) and the new construction of 25 rental units.

Authorization is being requested to amend Resolution No. 106 (2017) to increase the RHDIP Loan from \$1,360,310 to an amount not to exceed \$1,525,000.00.

A portion of the URA financing in the amount of \$525,000 will be funded through the repayment of an existing URA loan to Allequippa Place Associates from the sale of Allequippa Place to the Developer at the time of the construction closing. The source of these funds is Community Development Block Grant ("CDBG") funds. The source of the additional funds in an amount up to \$1,000,000.00 will be a combination of CDBG and HOME funds. The HOME funds will be allocated to eight (8) designated units to be rehabilitated.

The increase to the RHDIP loan in the amount of \$164,690 is needed to cover a portion of the increased project costs realized since the date of the previous Authority board approval. The major reason for the cost increase is an increased bridge loan interest reserve resulting from rising interest rates. The general partner is committing a loan to help cover the additional project costs.

Upon motion to approve made by Mr. Ferlo, seconded by Mr. Gainey, and unanimously carried, the following resolution was adopted:

**RESOLUTION NO. 193 (2017)**

RESOLVED: That Resolution No. 106 (2017) is hereby amended to increase the amount of the Rental Housing Development and Improvement Program (RHDIP) loan to Quippa, LP from \$1,360,310.00 to an amount not to exceed \$1,525,000.00.

8. North Point Breeze – Lexington Technology Park
  - a. Request for Proposals (RFP) for the sale and redevelopment of Lexington Technology Park, consisting of Block 175-A, Lots 111, 113, 122, 155, and 165, in the 14<sup>th</sup> Ward.

Mr. Cummings requested Board approval of the above item.

Ms. Straussman stated that these properties consist of a mix of office and industrial space under lease, vacant warehouse, vacant commercial properties and surface parking, totaling approximately 16 acres and situated along the MLK East Busway, otherwise bounded by Lexington, Meade, Thomas and Homewood Avenue. The URA has owned the Lexington Technology Park located in North Point Breeze neighborhood since its donation from Rockwell in 1996 and has made significant improvements. However, given the main building's age and condition, significant additional improvements will be needed soon to keep the building and its tenants in good working order. With the surrounding development in progress, market conditions are present to develop the property for a mix of housing, office, and light industrial connected to both the North Point Breeze and Homewood neighborhoods, and to sell Buildings 1 and 2 along with the parking lot accessed by Meade Street for repositioning and redevelopment.

Authorization is therefore requested to issue a request for proposals ("RFP") for property at the

Lexington Technology Park. The goal is to seek developers to purchase the property and complete both a housing and commercial space development.

Among the parcels existing for prospective housing development is Block 175-A, Lots 111, 113, and 122 (part), located at North Homewood Avenue, 7228 McPherson Boulevard, and 7230 McPherson Boulevard, respectively. This portion of the property is currently used as parking and contains approximately 4.0 acres. In addition, two residential dwellings of 4,400 square feet and 2,264 square feet are included. The property would need to be rezoned from UI to support housing or mixed use development.

The commercial segment of the development will generally consist of Buildings 1 and 2, along with the parking lot accessed by Meade Street. This portion of the property is located at 400 North Lexington Street and comprises Block 175-A, Lots 122 (part), 155, and 165, with approximately 12.07 total acres. The zoning classification is Urban Industrial (UI). The two buildings located on the site contain gross building/warehouse space of 375,573 square feet.

Ms. Straussman stated that we are requesting authorization to issue an RFP and expect to return to the Board before year-end to seek authorization to enter into exclusive negotiations with a prospective redeveloper.

Mr. Acklin announced that members of the public were present to address the Board. Mr. Ferlo motioned to approve for discussion. Mr. Acklin invited those residents to speak.

Ms. Chandana Cherukupalli, of Pittsburghers for Public Transit, was present. She raised concerns about the sale of the property. She said that for the past couple of years, they had been working to make sure that riders in the City and County were connected to their families, their jobs and places to meet their daily needs. She expressed concern regarding the regentrification and displacement affecting low income riders and disconnecting them from their communities. In the past year, they have been working with residents of Penn Plaza. She expressed concern that in East Liberty, development happens in areas near transit without any concern for affordable housing. She hopes this property can be a model for cooperative tenant-owned affordable housing. She suggested that the RFP require that at least 30% of units be affordable, meaning accessible to people who are at 50% or below the area median income. She stated that the group also hopes that priority is given to residential, rather than commercial development. This could be a critical point in addressing equity issues in Pittsburgh to make Pittsburgh a livable city.

The Chairman thanked the speaker and asked if any other members of the Community wanted to address the Board.

Ms. Carmen Brown, of the East Liberty community, addressed the Board. She urged the Board to be mindful of affordable housing as they have a lot of luxury apartments in her area, many of which are not being used. She stressed the need for a significant amount of affordable housing in this area.

Mr. Mel Packer, of Point Breeze, spoke. He stated that he was there to back up what Ms. Cherukupalli said. He works with a group called Homes for All and expressed concern about the former residents of Penn Plaza. He said that since 1965, he had lived most of his adult life in Pittsburgh and that he is disturbed that the City is driving the black and poor population out of the City. He asked the URA to think big with this site. He suggested that this could be a model for Pittsburgh to set an example for the rest of the nation by making it a place for business and stores that are close to transit, with a significant amount of affordable housing rather than disproportionately driving out residents.

The Chairman invited other comments from the public. There were none.

Mr. Gainey asked if we can have language that talks about affordable housing. Ms. Straussman answered yes. She then brought to the Board's attention that existing ground-level contamination identified before the URA took the property will limit some areas in terms of residential use. However, the intention is to have some portion of the property developed as residential.

Ms. Hall-Russell asked if it is possible to remedy the contaminated property. Mr. Straussman said it may be impossible or costly to meet a residential standard. Mr. Acklin asked if this is similar to what's happening right now in the Lower Hill. Mr. Acklin said that until there is an Act 2 Assessment, we won't know what the costs will be. He said that this is on the other side of the tracks of Homewood. He said the people from the Pittsburghers for Public Transit mentioned the proximity to the busway and he acknowledged there is so much opportunity here. Mr. Acklin said that whatever is generated here could impact further into Homewood, to the extent proposals come back for housing. If housing is possible, he will suggest a deep commitment to affordability, so that it is sustainable. With the condition of the buildings and the character of the neighborhood, he would like to see responses including the necessary investments so that this site reaches the highest potential not only in redevelopment, but also in the enhancement of the work happening in Homewood and in affordability in Point Breeze.

Ms. Straussman added that one of the prospects for commercial development is as a job creation site. The site is proximate to Westinghouse, and an Allegheny County Community College campus. There is a lot of warehousing space providing opportunities for the neighborhood to engage around job creation as a commercial site. Bridgeway Capital on Susquehanna Street has made a major investment to kick that off. She thinks this is another place to ignite a lot of wage-creating jobs which also helps further the growth of affordability, because if you have a job you can afford more rent. There are many ways to look at how the site can help the communities.

Mr. Ferlo suggested that we first do a master plan concept with general language about mixed use before issuing the RFP. In other words, he said to reverse the process so we have a community engagement process. He stressed that the most sustainable building is one that does not get demolished. He requested information on which of the buildings would be too costly to remediate versus those that can be salvaged and restored. If there are some buildings that could be affordable and relevant, he agrees with Mr. Packer's comment about meeting a threshold of



affordable and low income housing, and building diversity.

Mr. Acklin said that we are on a parallel path. Mr. Gainey agreed that we need to have some community process. Mr. Acklin requested that we move forward with the authorization, although he feels strongly that we should have robust community communication (similar to Mellon's Orchard) to define the ideas of the community.

Mr. Ferlo pointed out that just in these few minutes of discussion we learned about the remediation issue, an important fact of which the community might not be aware. So rather than disappoint people, possibly we can structure something. Mr. Acklin suggested a discussion regarding having a community process well before the RFP launch or as part of the RFP.

Mr. Acklin asked Ms. Straussman for her recommendation. She suggested that we propose this RFP and set up a structure for ongoing community engagement for the entire redevelopment project.

Mr. Ferlo stated that another reason for his suggestion is that Bridgeway Capital acquired a number of sites down the street. He observed that we have never done a TIF for residential, although Mr. Gainey mentioned Summerset. Mr. Ferlo continued that he does not think we have done something where we calculated wages produced, as opposed to property taxes. He suggested something unique allowing the public sector to have more control. He said we should think outside the box and view this as something completely different than the usual modus operandi, especially due to the proximity to transit. He questioned whether a TRID could be utilized.

Mr. Acklin suggested that the resolution be amended to issue an RFP that includes a specific plan for community engagement, and a use that is the highest and best use of the property in light of community concerns and social equity.

The Chairman thanked those that expressed their vision for this project and requested that they stay engaged before the URA issues the RFP. He said that the URA would have an announcement regarding the plan for community engagement and master planning around the highest and best use of the site.

Mr. Ferlo mentioned that next to this site is a building owned by Jason Lardo that's been leased for several years to Sankofa. He said it's been a very active organization and Mr. Gainey acknowledged that they do an excellent job. Mr. Ferlo also said there is a community garden down the street and he thanked the administration for allowing him to intervene to save one building from being demolished because they have a concept to create a farmhouse at Susquehanna and North Braddock Avenue. He ended by saying that the corridor could be very exciting if we think bigger.

Upon motion to approve made by Mr. Gainey, seconded by Ms. Hall-Russell and unanimously carried, the following resolution, as amended, was adopted:

**RESOLUTION NO. 194 (2017)**

RESOLVED: That the issuance of a request for proposals for the sale and redevelopment of Lexington Technology Park, consisting of Block 175-A, Lots 111, 113, 122, 155, and 165, in the 14<sup>th</sup> Ward, which proposals should include a process for ongoing community engagement and exhibit the highest and best use for the property, is hereby approved.

9. Manchester – Hamlin Street.

- a. Final drawings, evidence of financing, disposition contract and deed for the sale of Block 7-B, Lot 364, in the 21st Ward, to Nancy Ream for \$1,800.00.

Mr. Cummings requested Board approval of the above item.

Ms. Straussman stated that in April 2017, the Board approved the proposal submitted by Nancy Reame this approximately 1,240-square-foot vacant parcel on Hamlin Street, adjoining and behind her residential property, for construction of a detached two-car garage. Development costs, excluding site acquisition, are budgeted at \$30,750.00.

At this time, authorization is requested to approve final working drawings and evidence of financing and to execute a deed.

Nancy Ream, an individual, resides at 1316 West North Avenue, Pittsburgh, PA 15233.

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

**RESOLUTION NO. 195 (2017)**

RESOLVED: That the final drawings and evidence of financing submitted by Nancy Ream for Block 7-B, Lot 364, in the 21<sup>st</sup> Ward, and the execution of a disposition contract by sale and a deed are hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a disposition contract by sale, a deed and all documents necessary to effectuate the sale of said parcel, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

10. Central Business District – 604 Liberty Avenue

- a. Proposal and disposition contract for the sale of Block 1-D, Lot 183, in the 2nd Ward, to Pittsburgh Downtown Partnership, or an entity to be formed, for \$90,000.00.

Mr. Cummings requested Board approval of the above item.

Ms. Straussman stated that at the September 2016 Board meeting, authorization was given to enter into exclusive negotiations with Pittsburgh Downtown Partnership ("PDP") for the sale of 604 Liberty Avenue in the Central Business District. She explained this is a small sliver building next to Liberty News that faces the Clemente Bridge. Authorization is now requested to accept PDP's proposal to redevelop the building as a retail accelerator space that highlights 412-locally developed products. There is a big audience here because of the ball field being across the street and its central prominent location on Liberty. Total development costs, excluding site acquisition, are budgeted at approximately \$902,00.00.

She said they had reached out to philanthropy to get involved since the gaps are so large. It is a historic preservation project, as well. The PDP met with the Pittsburgh History and Landmarks for its overview, so its intention is to historically renovate the exterior. Ms. Straussman asked Messrs. Brian Kurtz and Jeremy Waldrup, staff of the PDP who were present, to add any additional information. Mr. Waldrup said they are looking forward to digging into the site and understanding its use. There is no second floor egress. Currently, they are proposing three and one-half floors, but it could easily be two floors if they cannot get a variance to use the upper floors. He said they have a lot of interest from the philanthropic community, as this is a private property right at the intersection of Market Square and the Cultural District. He said they would love to see this site have an active use and help accelerate retail in Downtown to support the community. They have been talking to Bridgeway Capital through their practice's accelerator and they are very interested in this space. They will engage with an advisory committee, real estate developers, bankers and retailers to formulate a plan.

Pittsburgh Downtown Partnership is a Non-Profit Organization with a mailing address at 925 Liberty Avenue, 4th Floor, Pittsburgh, PA 15222. Jeremy Waldrup is President and CEO, and Brian Kurtz is Director of Economic Development.

#### Disclosures

Robert Rubinstein, 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.

Ms. Straussman advised that the URA acquired this building through an eminent domain project that allowed for the development of the August Wilson Center. Mr. Acklin expressed his appreciation to the Pittsburgh Downtown Partnership and acknowledged it will take some work to get this done and said that the URA will remain flexible throughout that time.

Upon motion to approve made by Mr. Gainey, seconded by Ms. Hall-Russell and unanimously carried, the following resolution was adopted:

**RESOLUTION NO.196 (2017)**

**RESOLVED:** That the redevelopment proposal submitted by Pittsburgh Downtown Partnership for Block 1-D, Lot 183, in the 2<sup>nd</sup> Ward, and the form of disposition contract by sale with Pittsburgh Downtown Partnership, or a related entity to be formed, and the sale price of \$90,000.00, are hereby approved, subject to the requirement that Pittsburgh Downtown Partnership's evidence of financing be approved by the Authority by December 31, 2017, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a disposition contract by sale therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

**11. Neighborhood Business Districts**

- a. Grant to Hazelwood Initiative, Inc. for \$25,000.00 for business district activities, as specified in the 2016-2017 DCED Keystone Communities Planning Grant received by the Authority.

Mr. Cummings requested Board approval of the above item.

Ms. Straussman turned over the presentation to Josette Fitzgibbons, the Authority's Neighborhood Business District Manager. Ms. Straussman stated it has been her pleasure to oversee the program when she started her career with the URA. She thinks that once her tenure ends, it will probably go back to Business Development, but she wanted to give a shout out to Ms. Fitzgibbons who has been her right hand on so many great initiatives: Next Three Days, the Biz-Buzz Program, our tour with City Living, and our work with countless other community-based organizations that could not have been done without her.

Ms. Fitzgibbons stated that in October 2016, the Board authorized an application of up to \$500,000.00 to the DCED Keystone Communities Program for planning and development activities. In September 2016 URA staff distributed an RFP to business district groups throughout the City. Proposals were received for projects in five neighborhood business districts. A review committee, including representatives from the URA, Neighborhood Allies, City Planning, the Mayor's Office and DCED, met several times to vet and discuss the proposals, and to determine which activities would be included in a funding request.

In October 2016 three applications were submitted. In the Keystone Communities Planning category, the URA requested \$88,000.00 for business district planning in the Second Avenue business district in Hazelwood and the Penn Avenue business district in the Strip District; and the development of a business district retail recruitment vision strategy, a pedestrian wayfinding signage plan and a business district streetscape lighting plan for the Fifth/Forbes corridor in Oakland. In this category, the URA was awarded \$25,000.00 for the Second Avenue planning project in Hazelwood.

Hazelwood Initiative, Inc., is a Pennsylvania non-profit with a mailing address of 5125 Second Avenue, Pittsburgh, PA 15207. Sonya Tilghman is Executive Director. These activities are being funded with 2016-17 DCED funds.

Dave Brewton, of the Hazelwood Initiative, was present to answer questions. Mr. Ferlo thanked the folks who work in Hazelwood, including the URA staff, community and private investors. He was there a few days prior, where he observed a lot of progress and improvement along the Second Avenue corridor.

Mr. Brewton said he would love for the Board to see what the building on the right (of the video screen) looks like now. He thanked the Board for the Streetface Program. There will be a new storefront on Elizabeth Pharmacy, which is open for business. He said he is grateful to be part of the progress.

Upon motion to approve made by Mr. Ferlo, seconded by Mr. Gainey and unanimously carried, the following resolution was adopted:

**RESOLUTION NO. 197 (2017)**

RESOLVED: That a grant to Hazelwood Initiative, Inc. for business district activities, as specified in the 2016-17 DCED Keystone Communities Planning Grant received by the Authority, for an amount not to exceed \$25,000.00, payable from 2016-17 DCED funds, is hereby approved, and the 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.

11. Neighborhood Business Districts

- b. Agreement with The Design Center to provide data collection and analysis to targeted CDBG eligible business corridors within the City of Pittsburgh, not to exceed \$50,000.00.

Mr. Cummings requested Board approval of the above item.

Ms. Fitzgibbons stated that in 2016, the URA received a \$75,000.00 Keystone Communities grant to work with The Design Center to develop property condition surveys for commercial districts in Sheraden, Knoxville/Mt. Oliver and the Northside. These tools have been used to support community revitalization and land use decisions in various ways. With matching funds from the Buhl Foundation through the One Northside effort, the data has been used to inform the strategy for developing creative industry clusters. The data has also supported the Riverside Center for Innovation as they work with entrepreneurs looking for startup space in the Northside. In the Knoxville/Mt. Oliver district, the data was used to develop façade and rent abatement programs for the Brownsville Road corridor in partnership with Economic Development South, URA and

city/borough leadership. In Sheraden, the data provides the Southwest Pittsburgh CDC with a tool to attract new businesses.

Ms. Fitzgibbons explained that the success of The Design Center's work in the three areas mentioned above led to the discussion of expanding to other commercial districts within the City of Pittsburgh. This will enable the URA and business district organizations to have a standardized set of data that is easily accessible and updatable. Because of the scope of this project, URA staff is pursuing one-to-one matching funds from the foundation community. The focus of this project will be to provide property assessment and analysis to commercial and industrial properties within the CDBG eligible tracts in the communities of: Allentown, Mt. Washington, Carrick, Beechview, Hill District, Oakland, Lawrenceville, Garfield, Bloomfield, and Homewood. This assessment will include 3,753 commercial and industrial zoned properties within the CDBG eligible census tracts of these 10 communities.

The Executive Director of The Design Center is Chris Koch. They are located at 307 Fourth Avenue, 15<sup>th</sup> Floor, Pittsburgh, PA, 15222. The source for these funds is CDBG.

Ms. Fitzgibbons introduced Chris Koch from The Design Center to provide a brief explanation of the data collection and methods being used. She explained that The Design Center has been working with the Mayor's office, URA staff and area community groups creating a property survey for commercial properties that's about 100 questions at this point and then using amenities and conditions to fill the existing data gap in the current data. This gives more information to the business district managers, community groups and the URA about what is really happening with that property to allow more decision-making for façade programs or rehab programs to get people into some of the vacant properties. The assessment across the City is to provide the data to the community, the City and the URA. Mr. Acklin asked for clarification as to the type of data to be provided (e.g. facility condition data or perhaps square footage data). Ms. Koch responded that the data provides accessibility and amenity information, e.g. whether a loading dock or garage doors are present, or any specific information needed by someone interested in a property within the business district. URA staff could access information to identify properties that meet specific requirements (e.g. 3,000-sq. ft. warehouse with 2 bay doors and parking next door).

Mr. Acklin asked where the data would be stored. Ms. Koch said it will be sit in a system called Loveland Technologies which is a parcel-based data program from Detroit. The links will be given to URA staff and City staff, but each link allows Design Center to give the specific business district data to the community group.

Mr. Ferlo said that we previously purchased a \$20,000.00 subscription to this newer data base. He didn't know whether that system could be integrated in. Ms. Straussman answered yes, and that the Opportunity Space had a name change to Tolemi. She added that this tool will allow us to filter relevant data for decision-making purposes and/or to analyze potential projects through strategic planning.

Mr. Ferlo asked when the other database will be operational. Ms. Straussman said a trial should be available by the end of the month.

Mr. Acklin invited other questions or discussions. There were none.

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

**RESOLUTION NO. 198 (2017)**

RESOLVED: That an agreement with The Design Center for data collection and analysis for targeted CDBG eligible business corridors in the City of Pittsburgh, for an amount not to exceed \$50,000.00, payable from CDBG funds, is hereby approved, and the 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.

Mr. Acklin requested to move to a walk-on Agenda "A" item as follows:

12. Citywide – Land Recycling Cooperation Agreement

- a. Tri-Party cooperation agreement with the City of Pittsburgh and Pittsburgh Land Bank regarding sharing administrative services and the coordination of property transfers.

Mr. Cummings requested Board approval of the above item.

Mr. Acklin stated that this item came to the Board in May, and it was to be brought back when the agreement was drafted.

Ms. Straussman explained this agreement pertains to the sale and disposition of properties, and allows priority to be given among the three (3) parties to transact with each other. It acknowledges that the URA, the City and the Land Bank are partners in the repositioning of land and putting together sites for redevelopment, each having different roles in the process. However, as partners and cooperators with the Land Bank coming on line, we needed rules to have the parties transact with each other which is the basis of the Cooperation Agreement. Another aspect is to acknowledge that right now in the Land Bank's history it does not have a separate administrative component, but has been under contract with the URA.

She said that she and Bethany Davidson have been playing the roles as administrator of the Land Bank, so they are contracted out to the Land Bank to provide that labor. We have had a successful engagement with the Land Bank and they want us to continue to have such an agreement. So, a portion of this Agreement allows the Land Bank to continue to utilize the URA staff to administrate the Land Bank, though it does not require it. The Land Bank Board has already

authorized the Agreement. The City Council preliminarily approved it the previous day, although final Council action is needed. They sent a revised Cooperation Agreement to the Board since our engagement in May and they believe it to be the final product. Ms. Straussman acknowledged that Council has its final vote the following Tuesday and the City may have additional changes. Our authorization would allow staff the opportunity to execute what will be the final agreement, though we believe it is in final form now, although the City Law Dept. may require some changes and corrections. If such would happen, they would notify the Board before executing a document.

Ms. Straussman said that the only other item is that this Agreement is required by the Ordinance that created the Pittsburgh Land Bank, which anticipated such an agreement among the three parties to allow property transfers among them.

Ms. Hall-Russell inquired as to the Land Bank's funding status. Ms. Straussman said they have been working on a basic budget over the last two (2) years and are now working with the Land Bank Board on a comprehensive budget for operations of the Land Bank. Much of the work over the last year was to create the legal and administrative structure for it to operate as the disposition owner of property. With this culminating agreement, as well as the operational policies and procedures, the Land Bank should be ready to transact on property. We have a more robust budget now and are working with the Land Bank's Treasurer, who is the City's Finance Director, and the Land Bank Board, which will meet on the following Friday.

Bethany Davidson, of the Authority's Real Estate Department, added that the Land Bank has been operating with a lean budget. The intention is that for the rest of 2017, the Land Bank will finalize the cooperation agreement and have a strategic plan for 2018 activities. The budget would have to be matched to the strategic plan. Ms. Straussman added that they are also in a good position relative to philanthropic and private community fund raising. They are eager to give us money, although we have kept them at bay due to the need for an infrastructure to meet the promises and obligations we might have with philanthropic dollars, as well as dollars that might come from the City and the URA.

Mr. Ferlo expressed his concerns, which he believes are addressed in the Agreement, about roles of the CDC's around the City. He said that much of the City is not represented by community development groups and that some CDC's are ineffective. He is concerned that some CDC's are sitting on property for which we have invested a lot of public money. He does not believe the Authority or CDC's need to be involved in the neighborhoods where there is an active private sector.

Mr. Acklin thanked everyone for their hard work, including Diamonte Walker. He invited further questions or discussions. Ms. Walker stated that we are at a pivotal moment.

Mr. Acklin said that it can sometimes be difficult to optimize the CDC's role, but not get in the way. Mr. Acklin and Mr. Ferlo agreed that CDC's do have a role. Mr. Acklin further stated that we must ensure that we are making smart investments to provide the right incentives for CDC's



to do their best work and help the people. Ms. Straussman said that the new policies and procedures address standards for CDC participation, such as inquiring whether they have experience in fund-raising, hiring contractors and other sensible things we would want to know.

Mr. Ferlo added that he did not know how philanthropy will be involved. He reiterated his concern that communities without effective CDC's not be left out of the Land Bank process. Ms. Straussman responded that the intention is for the Land Bank to add capacity to those neighborhoods and areas. Mr. Ferlo suggested that strong CDC's not be parochial and expand beyond defined geographical borders.

Mr. Acklin invited further questions or discussions. There were none.

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

**RESOLUTION NO. 199 (2017)**

**RESOLVED:** Than an agreement with the City of Pittsburgh and the Pittsburgh Land Bank, for the sharing of administrative services and the coordination of property transfers is hereby approved, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute a cooperation agreement therefor, and the Secretary or Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

**13. 3917 & 3923-25 Perrysville Avenue – Streetface and Community Development Investment Fund**

- a. Waiver of Streetface Program Guidelines to permit Observatory Hill Development Corporation, and/or a related entity(ies), to participate in the Streetface Program for properties outside program boundaries, located at 3917 Perrysville Avenue and 3923-25 Perrysville Avenue, Pittsburgh, PA 15214, for amounts not to exceed \$31,500.00 per property.
- b. Community Development Investment Fund (CDIF) grant to Observatory Hill Development Corporation, and/or a related entity(ies), for an amount not to exceed \$35,000.00.

Mr. Cummings requested Board approval of the above items.

In Thomas Link's absence, Jennifer Wilhelm, the Authority's Manager of Innovation and Entrepreneurship, explained that this is related to vacant contiguous buildings on Perrysville Avenue in the Observatory Hill neighborhood. We are looking to assist in the buildings' development through our current programming. The idea is to reactivate the buildings as part of a larger business district area. Once activated, it is expected to have a minimum of three (3) commercial bays on the bottom and six (6) apartments above. It's a development that's part of

a larger neighborhood strategy to develop the area and revitalize that section of the neighborhood. They are now asking for a waiver of the Streetface Program guidelines to make the buildings eligible for participation in the program, as well as approval of the CDIF grant to be used towards the renovation and revitalization of the structures.

Dorrie Smith introduced herself as the President of Observatory Hill and thanked the Board for supporting this project.

Upon motion to approve made by Mr. Ferlo, seconded by Mr. Gainey and unanimously carried, the following resolution was adopted:

**RESOLUTION NO. 200 (2017)**

RESOLVED: That the Streetface Program Guidelines regarding participant boundaries are hereby waived to permit Observatory Hill Development Corporation, and/or related entities, to receive Streetface loans for those certain properties located at 3917 Perrysville Avenue and 3923-25 Perrysville Avenue, Pittsburgh, Pennsylvania 15214, with each property to receive an amount not to exceed \$31,500.00, payable from CDBG funds, and the Executive Director or Director of Finance, on behalf of the Authority, is hereby authorized to execute Streetface loan agreements 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. 201 (2017)**

RESOLVED: That a Community Development Investment Fund (CDIF) grant to Observatory Hill Development Corporation for the development of 3917 and 3923 - 3925 Perrysville Avenue, Pittsburgh, Pennsylvania 15214, for a total amount not to exceed \$35,000.00, payable from CDBG and/or other funds, is hereby approved, and the 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.

14. Amendment of agreement with Wall-to-Wall Studios, Inc. for further website development, to increase amount by \$112,000.00, for a total agreement amount not to exceed \$182,000.00

Mr. Cummings requested Board approval of the above item.

Mr. Cummings explained that the bulk of the requested increase is for the continued development of the revised and much more robust URA website. To date, Wall-to-Wall has worked on a conceptual layout of the new website. The increase will allow Wall-to-Wall to build

out the website, code it and generate content, etc. He noted there is a small amount of the contract increase that is to pay for the printing of the triennial URA Report (2014-2016). Wall-to-Wall has won several awards at various competitions for some of the work done on our behalf. Mr. Cummings thanked Gigi Saladna for all her work and coordination.

Pete Popivchak, primary contact at Wall-to-Wall was present to answer questions.

Ms. Hall-Russell asked for clarification. Mr. Popivchak thanked the Board for the opportunity to have a continued relationship with the URA. He said that for the past months, they have had a rigorous, comprehensive process with URA leadership and staff. This funding is to support the construction of a new site that will be a super digital brand asset of the URA. It will be the go-to place for anyone wanting to invest in the City of Pittsburgh and become familiar with the great news going in the City and at the URA. The increase is to finish the project. The first two (2) phases were funded with the previous contract.

Mr. Ferlo asked if Wall-to-Wall will work on a style guide for the URA. Mr. Popivchak answered yes and that the new design elements will include template supports to provide consistency in URA funding processes.

Upon motion to approve made by Mr. Ferlo, seconded by Ms. Hall-Russell and unanimously carried, the following resolution was adopted, as to be amended by Attorney Segal to include additional printing of the triennial URA Report (2014-2016), style guides and templates.

**RESOLUTION NO. 202 (2017)**

RESOLVED: That amendment of the Agreement with Wall-to-Wall Studios, Inc. dated December 21, 2015, as amended December 8, 2016, for an increase of \$112,000.00 for further website development and additional printing of the triennial URA Report (2014-2016), for a total amount not to exceed \$182,000.00, is hereby approved, and the 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.

AGENDA "B"

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

1. CENTER FOR INNOVATION AND ENTREPRENEURSHIP

a. Reappropriation of CDBG Funds

**RESOLUTION NO. 203 (2017)**

RESOLVED: That the reappropriation of \$25,000.00 from the 2012 CDBG Downtown Façade Program line item to the Streetface Program line item is hereby approved.

**RESOLUTION NO. 204 (2017)**

RESOLVED: That the reappropriation of \$100,000.00 from the 2014 CDBG Hilltop line item to the Homewood line item is hereby approved.

b. Appropriation of City Paygo Funds

**RESOLUTION NO. 205 (2017)**

RESOLVED: That the appropriation of up to \$200,000.00 of 2015 City Paygo funds to the Studies and Consultants line item is hereby approved.

2. REAL ESTATE

a. Nine Mile Run

**RESOLUTION NO. 206 (2017)**

RESOLVED: That the issuance of a Certificate of Completion to MRRC Summerset II, L.P. for Lot 242 a/k/a Block 88-L, Lot 75, in the 14<sup>th</sup> Ward, and the return of the Good Faith Deposit (residential construction-1649 Biltmore Lane) are hereby approved, and the Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute said Certificate of Completion, and the Secretary or the Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

**RESOLUTION NO. 207 (2017)**

RESOLVED: That the issuance of a Certificate of Completion to MRRC Summerset II, L.P. for Lot 243 a/k/a Block 88-L, Lot 75, in the 14<sup>th</sup> Ward, and the return of the Good Faith Deposit (residential construction-1655 Biltmore Lane) are hereby approved, and the Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute said Certificate of Completion, and the Secretary or the Assistant Secretary is authorized to attest same and affix the seal of the Authority thereto.

**RESOLUTION NO. 208 (2017)**

RESOLVED: That the issuance of a Certificate of Completion to MRRC Summerset II, L.P. for Lot 287 a/k/a Block 88-M, Lot 44, in the 14<sup>th</sup> Ward, and the return of the Good Faith Deposit (residential construction-1670 Shelburne Lane) are hereby approved, and the Executive Director or the Director of Finance, on behalf of the Authority, is hereby authorized to execute said Certificate of Completion, and the Secretary or the 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.

  
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Assistant Secretary

