

Housing Authority of the City of Pittsburgh
BOARD OF COMMISSIONERS
MEETING MINUTES
Thursday, April 27, 2017
200 Ross Street
13th Floor Wherrett Room
Pittsburgh, PA 15219

The Housing Authority of the City of Pittsburgh (HACP) held a regular Board meeting on Thursday, April 27, 2017, at 200 Ross Street; 13th Floor, Wherrett Room, Pittsburgh, Pennsylvania 15219 at 10:40 a.m.

Valerie McDonald-Roberts, Chairperson, called the meeting to order. The Commissioners in attendance were: Ms. Valerie McDonald Roberts, Mr. Peter Kaplan, Rev. Ricky Burgess, Mr. Leroy Morgan, Ms. Janet Evans and Ms. Enid Miller. Richard Butler was not in attendance.

Next, the Chair noted that the Board members had previously received a copy of the March 23, 2017, Board Meeting Minutes and asked for a motion to approve the minutes. Peter Kaplan made a motion to approve the minutes and Enid Miller seconded the motion.

A vote being had thereon, the “Ayes and “Nays” were as follows:

“AYES”: Rev. Burgess, Valerie McDonald-Roberts, Enid Miller,
Peter Kaplan, Janet Evans and Leroy Morgan.

“NAYS”: None

The Chair declared the motion carried and the minutes approved.

The Board had previously received the Activity Report for March 2017. Ms. McDonald-Roberts asked for a motion to approve the Activity Report. Janet Evans made a motion and Rev. Rickey Burgess seconded the motion to approve the Activity Reports.

After a discussion a vote being had thereon, the “Ayes and “Nays” were as follows:

“AYES”: Rev. Burgess, Valerie McDonald-Roberts,
Peter Kaplan, Janet Evans, Enid Miller and Leroy Morgan.

“NAYS”: None

Ms. McDonald-Roberts declared the motion carried and the Activity Report approved.

The Chair next asked if there were any comments or questions from Tenant Council Presidents, Section 8 Representatives or other public comments.

Raymond Miles from the Department of Human Services addressed the Board to thank HACP for collaborating with the DHS and they are looking for more help with helping folks with criminal backgrounds to find homes, especially after release from incarceration.

After Mr. Miles, Ms. Samatha Mangino of Family Services of Western PA, who works with people in jail, spoke regarding the direct link between lack of housing and the recidivism rate.

Next to speak to the board was Chuck Keenan of the Department of Human Services and regarding homelessness preferences, and the lack of any link between past criminal activity and rent payments. They are collaborating with the jail.

There were no further comments from the public, the Chair introduced the following resolutions.

RESOLUTION No. 15 of 2017

A Resolution – Authorizing the Executive Director or his Designee to Award a Contract to Fireman Creative to provide website development and hosting services to the Housing Authority of the City of Pittsburgh

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP) seeks to engage a firm to provide professional website development and maintenance services, in its effort to develop a website that will provide the HACP with an attractive, effective web presence and serve as a primary communications tool; and

WHEREAS, the firm selected by the HACP will develop a newly designed, fully modernized, mobile-optimized website for: www.hacp.org, the website of the HACP; and

WHEREAS, the current version of HACP's website was launched in 2010, while the form and function of the website have expanded and changed substantially since that time; and

WHEREAS, the HACP can vastly improve its communication with partners and clients by updating the HACP's online presence; and

WHEREAS, on Nov. 7, 2016, HACP issued RFP #800-50-16 for services to redesign and update the Authority's web presence and received two (2) proposals; and

WHEREAS, on Feb. 6, 2017, HACP issued RFP #800-50-16 (rebid) for services to redesign and update the Authority's web presence and received four (4) proposals and

WHEREAS, Fireman Creative is the highest ranked bidder and was determined to be the most responsive and responsible firm; and

WHEREAS, HACP has performed financial capacity reviews for Fireman Creative and reference checks, for the firm's prior work on similar projects and all references indicated that the selected firm has performed to their satisfaction; and

WHEREAS, HACP seeks to enter into a contract with Fireman Creative for a period of three (3) years with HACP holding an option to extend the contract for a fourth and fifth year based on satisfaction. The total amount for the contract is not-to-exceed \$225,000 for a five (5) year period; and

WHEREAS, the procurement was conducted in accordance with applicable federal, state and local procurement rules and regulations and the procurement policy and procedures of the HACP; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority City of Pittsburgh:

Section 1. The Executive Director or his Designee is authorized to enter into a contract with Fireman Creative for website development, hosting and maintenance services for the HACP in an amount not-to-exceed \$225,000. The term of the contract will be for three (3) years with two (2) optional one (1) year extensions; and

Section 2. The amount shall be paid from MTW funds.

The Chair asked for a motion to approve the resolution. Leroy Morgan made a motion and Enid Miller seconded the motion to approve the resolution.

After a discussion, A vote being had thereon, the “Ayes and “Nays” were as follows:

“AYES”: Rev. Burgess, Valerie McDonald-Roberts, Enid Miller,
Peter Kaplan, Janet Evans and Leroy Morgan.

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

RESOLUTION No. 16 of 2017

A Resolution - Approving the Low Income Public Housing (LIPH) Utility Allowance Schedule for Fiscal Year 2017

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires that public housing authorities maintain up-to-date Utility Allowance Schedules in accordance with 24 CFR 965.507; and

WHEREAS, public housing authorities must establish Utility Allowance Schedules based upon the typical cost of utilities and services paid by energy conservative households that occupy housing of similar size and type in the same locality; and

WHEREAS, public housing authorities must appropriately classify utilities and services into categories defined by HUD; and

WHEREAS, public housing authorities must review their Utility Allowance Schedule each year; and

WHEREAS, public housing authorities must revise any allowance for a utility category if there has been a change of ten percent (10%) or more in the utility rate since the last time the Utility Allowance Schedule was revised; and

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP), Low Income Public Housing Program (LIPH) to meet federal guidelines and requirements, contracts with a utility consultant and revises its allowances each year to reflect the most up-to-date cost; and

WHEREAS, the proposed 2017 LIPH Utility Allowance Schedule was posted for public review and comment from January 27, 2017 to February 27, 2017; and

WHEREAS, the proposed Utility Allowance Schedule is attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the City of Pittsburgh:

Section 1. The proposed Utility Allowance Schedule attached hereto as Exhibit A is hereby adopted, and

Section 2. The Executive Director or his Designee is hereby authorized to implement the revised Utility Allowance Schedule effective May 1, 2017.

Ms. McDonald-Roberts next asked for a motion to approve the resolution. Peter Kaplan made a motion to approve the resolution and Janet Evans seconded the motion.

A vote being had thereon, the “Ayes and “Nays” were as follows:

“AYES”: Rev. Burgess, Valerie McDonald-Roberts, Enid Miller,
Peter Kaplan, Janet Evans and Leroy Morgan.

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

RESOLUTION No. 17 of 2017

A Resolution - Authorizing the Executive Director or his Designee to amend an existing contract with Johnson Controls, Inc. to provide additional funds for repair services and ongoing preventative maintenance to the video camera surveillance system for the Housing Authority of the City of Pittsburgh

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP) has implemented a state of the art video camera surveillance system; and

WHEREAS, on November 21, 2013, pursuant to Board Resolution #39 of 2013, the Housing Authority of the City of Pittsburgh (HACP) entered into a Professional Services Contract with Johnson Controls, Inc. to provide repair services and on-going preventive maintenance for the Authority’s security camera surveillance system; and

WHEREAS, over the course of the contract, the volume and frequency of camera repairs, system repairs, camera and server replacements and additions and related work was greater than originally projected; and

WHEREAS, Johnson Controls, Inc. has provided excellent services to the HACP, ensuring the cameras and system are operating at 98% or better efficiency; and

WHEREAS, the HACP Public Safety Department has identified an additional amount needed to ensure uninterrupted services for the balance of the 2017 contract year in the amount of \$496,272.13, an increase of close to 23%.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the City of Pittsburgh:

Section 1. The Executive Director or his Designee is hereby authorized to execute an addendum to the contract with Johnson Controls, Inc. for Security Camera and System Maintenance for an additional amount of \$496,272.13.

Section 2. The contract addendum increases the total not-to-exceed amount by \$496,272.13 for a revised not-to-exceed amount of \$2,723,206.13.

The Chair asked for a motion to approve the resolution. Janet Evans made a motion and Enid Miller seconded the motion.

A vote being had thereon, the “Ayes and “Nays” were as follows:

“AYES”: Rev. Burgess, Valerie McDonald-Roberts, Enid Miller,
Peter Kaplan, Janet Evans and Leroy Morgan.

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

RESOLUTION No. 18 of 2017

A Resolution – Amending Resolution No. 4 of 2017 for the Purchase of Fifteen (15) Vehicles

WHEREAS, on January 26, 2017, the Board of Commissioners of the Housing Authority of the City of Pittsburgh (HACP) approved Resolution No. 4 authorizing the Executive Director or his Designee to enter into a contract with Day Chevrolet under the terms of the Commonwealth of Pennsylvania Department of General Services Co-Stars Cooperative Purchasing Agreement to purchase fifteen (15) vehicles to support operational needs throughout the Authority; and

WHEREAS, on September 29, 2016, the Board of Commissioners of the HACP approved Resolution No. 40 of 2016 authorizing the Executive Director or his Designee to enter into a contract with Day Chevrolet under the terms of the Commonwealth of Pennsylvania Department of General Services Co-Stars Cooperative Purchasing Agreement to purchase seven (7) vehicles to support operational needs throughout the Authority; and

WHEREAS, the performance of the vendor secured under the contract authorized by Resolution No. 40 of 2016 has been unsatisfactory, and this unsatisfactory performance has been documented and repeated efforts to seek correction by the vendor, have not produced satisfactory results; and

WHEREAS, in light of the foregoing, the HACP has determined that it is not in its best interests to enter into a contract with the vendor identified in Resolution No. 4 of 2017 for the purchase of fifteen (15) vehicles, and to instead identify another vendor approved under the Commonwealth of Pennsylvania Department of General Services Co-Stars Cooperative Purchasing Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Housing Authority of the City of Pittsburgh:

Section 1. Resolution No. 4 of 2017 is hereby amended, to remove identification of the specific vendor and to modify the Authorization to permit the Executive Director or his Designee to award a contract for the purchase of vehicles and the purchase and installation of additional equipment to a to-be-determined vendor, who is approved under the terms of the Commonwealth of Pennsylvania Department of General Services - Co-Stars Cooperative Purchasing Agreement in the amount of \$387,490.00; and

Section 2. All other provisions of Resolution No. 4 of 2017, including a not-to-exceed amount of \$387,490.00, to be paid from MTW funds, are unchanged.

The Chair asked for a motion to approve the resolution. Janet Evans made a motion and Enid Miller seconded the motion.

The Chair asked for a motion to approve the resolution. Janet Evans made a motion and Enid Miller seconded the motion.

A vote being had thereon, the “Ayes and “Nays” were as follows:

“AYES”: Rev. Burgess, Valerie McDonald-Roberts, Enid Miller,
Peter Kaplan, Janet Evans and Leroy Morgan.

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

RESOLUTION No. 19 of 2017

A Resolution – Bond Inducement Making Certain Determinations with Respect to the Financing of Northview Midrise and Declaring the Official Intent to Reimburse Certain Expenditures from Proceeds of Indebtedness and Authorizing other related Actions

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP) is a duly formed housing authority of the Commonwealth of Pennsylvania, and is vested with the responsibilities set forth in the Pennsylvania Housing Authorities Act, P.L. 955, May 28, 1937, as amended, 35 P.S. § 1541 et. seq. (the Act), which includes providing affordable housing within its area of operation; and

WHEREAS, pursuant to Section 10.1 and Section 17 of the Act, the HACP is authorized to issue revenue bonds for the purpose of financing the acquisition, construction and/or rehabilitation of multi-family rental housing facilities; and

WHEREAS, the HACP has determined to develop the Northview Midrise site located at 188 Penfort Street, in the City of Pittsburgh, Pennsylvania (the City) into a proposed 87 unit development and a community room, and will be known as the Northview Midrise (the Development); and

WHEREAS, the Development will be financed, in part, with tax-exempt bonds (Bonds) and low-income housing tax credits, which financing structure requires the transfer of the development site to a tax-credit ownership entity; and

WHEREAS, the Development will be owned, constructed and operated by Northview Midrise LLC (Owner Entity), which has requested that the HACP assist in the financing of the construction of the Development; and

WHEREAS, there continues to be a need for affordable, multi-family rental housing within the City and the HACP has determined that it is in the best interest of HACP to assist the Development project through the issuance of the Bonds, as further described and defined herein; and

WHEREAS, HACP expects to lend a portion of the proceeds of the Bonds to the Owner Entity for construction costs associated with the Development; and

WHEREAS, the Owner Entity and HACP expect that they may each incur or pay from their respective funds certain expenditures, in connection with the Development prior to the issuance of the bonds for the purposes of financing costs associated with the Development; and

WHEREAS, subject to meeting all the conditions set forth in this Resolution, the HACP reasonably expects that the Bonds in an amount not-to-exceed \$20,000,000 will be issued and that the proceeds of the Bonds will be used, in part, to reimburse the Owner Entity and/or the HACP for its prior expenditures for the Development; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires that the HACP declare its reasonable official intent to reimburse prior eligible expenditures related to the Development with proceeds of a subsequent borrowing; and

WHEREAS, in order to secure the 4% Low-Income Housing Tax Credits (LIHTC) for the transaction, the HACP and the Owner Entity must apply to the Pennsylvania Housing Finance Agency (PHFA) for an allocation of volume cap tax-exempt bonds, and the Board of Commissioners desires to approve and ratify, as applicable, the actions necessary to obtain such an allocation; and

WHEREAS, the HACP now desires to declare its intent to issue the Bonds, subject to the conditions described below, and authorize certain actions related to the proposed Bond financing.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the City of Pittsburgh:

Section 1. HACP hereby finds and determines that the foregoing recitals are true and correct, and are incorporated herein by reference; and

Section 2. HACP hereby declares its official intent to issue, at one time or from time to time, the Bonds in an aggregate principal amount, not-to-exceed \$20,000,000, the proceeds of which will be used to: (1) pay costs of issuance of the Bonds; (2) make a loan to the Owner Entity to finance costs and construction by the Owner Entity of the Development; and (3) fund/pay any other eligible costs for which the bond proceeds may be expended; including for the purpose of reimbursing to the Owner Entity and the HACP costs incurred for the Development prior to the issuance of the Bonds, provided that nothing in this Resolution shall obligate the HACP to undertake the Development or issue the Bonds; and

Section 3. The Bonds will be limited obligations of HACP, payable solely from the revenues to be received by the HACP pursuant to a loan agreement or other agreements to be entered into between the HACP and its development instrumentality known as Allies and Ross Management and Development Corporation (ARMDC)/Owner Entity in connection with the financing of the Development; and

Section 4. All costs of HACP related to the issuance of the Bonds shall be paid from the proceeds of the Bonds or contributions from the Owner Entity; and

Section 5. The issuance of the Bonds is subject to the following conditions: (a) HACP and the Owner Entity shall have first agreed to mutually acceptable terms for the Bonds and the sale and delivery thereof, and mutually acceptable terms and conditions of the Bond indenture, loan agreement, regulatory agreement and other documents related to the financing of the Development; (b) all requisite governmental approvals shall have first been obtained; (c) a resolution approving the financing documents to which HACP will be a party shall have been adopted by the Board of Commissioners of HACP; and (d) an allocation of volume cap with respect to the development shall have been received from PHFA; and

Section 6. All actions taken by the Executive Director or his Designee, on behalf of HACP, in connection with the submission of the application to PHFA for an allocation of a portion of the Commonwealth's unified volume cap allocated to PHFA pursuant to the Pennsylvania Housing Finance Agency Law in an amount not-to-exceed \$20,000,000 for application towards the issuance of the Bonds by HACP to finance the Development is, as applicable, hereby authorized, approved and ratified. The Executive Director or an Authorized Officer is hereby further authorized, on behalf of HACP/ARMDC, to submit to PHFA all such other documents as may be required pursuant to the Pennsylvania Housing Finance Agency Law or other applicable statute, regulation or code in furtherance of the application and the Development; and

Section 7. It is intended that this Resolution shall constitute "declaration of official intent" within the meaning of Section 1.150-2 of the Treasury Regulation for purposes of Section 1.142-4 of the Treasury Regulations, each as applicable under Section 103 of the Internal Revenue Code of 1986, as amended, and as such, the Owner Entity and HACP shall be permitted to be reimbursed from proceeds of the Bonds for all qualified expenditures for the Development paid during the period beginning sixty (60) days prior to the date hereof until the date of issuance of the Bonds; and

Section 8. The proceeds of the Bonds may be used for all costs for which proceeds of such bonds may be used under applicable Law including the PHFA Law and the Act and the Internal

Revenue Code of 1986, as amended, including but not limited to, reimbursement of the Owner Entity and HACP for such costs incurred subsequent to the date hereof; and

Section 9. This Resolution shall take effect immediately upon its adoption; and

Section 10. The Executive Director or his Designee is hereby authorized to take all actions necessary to implement the foregoing resolution, and all actions taken heretofore in furtherance of the resolutions set forth herein are hereby ratified.

The Chair asked for a motion to approve the resolution. Enid Miller made a motion and Peter Kaplan seconded the motion. After a brief discussion.

A vote being had thereon, the “Ayes and “Nays” were as follows:

“AYES”: Rev. Burgess, Valerie McDonald-Roberts, Enid Miller,
Peter Kaplan, Janet Evans and Leroy Morgan.

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

RESOLUTION No. 20 of 2017

A Resolution – Bond Inducement Making Certain Determinations With Respect To The Financing of Glen Hazel Rental Assistance Demonstration (RAD) and Declaring the Official Intent to Reimburse Certain Expenditures from Proceeds of Indebtedness and Authorizing Other Related Actions

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP) is a duly formed housing authority of the Commonwealth of Pennsylvania, and is vested with the responsibilities set forth in the Pennsylvania Housing Authorities Act, P.L. 955, May 28, 1937, as amended, 35 P.S. § 1541 et. seq. (the Act), which includes providing affordable housing within its area of operation; and

WHEREAS, pursuant to Section 10.1 and Section 17 of the Act, the HACP is authorized to issue revenue bonds for the purpose of financing the acquisition, construction and/or rehabilitation of multi-family rental housing facilities; and

WHEREAS, the HACP has determined to redevelop the 225 public housing rental units associated with its Glen Hazel Bernice Crawley Highrise (PA-01-33) and its Glen Hazel Family Community (PA-01-32) under the United States Department of Housing and Urban Development (HUD) Rental Assistance Demonstration (hereinafter “Glen Hazel RAD”) program; and

WHEREAS, the Glen Hazel RAD will be financed, in part with tax-exempt bonds (Bonds) and Low Income Housing Tax Credits (LIHTC), which financing structure requires the transfer of the development site to a tax-credit ownership entity; and

WHEREAS, the Glen Hazel RAD will be owned, redeveloped and operated by Glen Hazel RAD, LLC (Owner Entity), which has requested that HACP assist in the financing of the construction of the Glen Hazel RAD; and

WHEREAS, there continues to be a need for affordable multi-family rental housing within the City and in order to extend the useful life of the 225 units at Glen Hazel, HACP has determined that it is in the best interest of HACP to assist in the financing of the Glen Hazel RAD through the issuance of the Bonds, as further described and defined herein; and

WHEREAS, the HACP expects to lend a portion of the proceeds of the Bonds to the Owner Entity for construction costs associated with the Glen Hazel RAD; and

WHEREAS, the Owner Entity and the HACP expect that they may each incur or pay from their respective funds certain expenditures in connection with the Glen Hazel RAD prior to the issuance of the Bonds for the purposes of financing costs associated with the Glen Hazel RAD; and

WHEREAS, subject to meeting all the conditions set forth in this Resolution, HACP reasonably expects that it will issue the Bonds in an amount not-to-exceed \$30,000,000 and that the proceeds of the Bonds will be used, in part, to reimburse the Owner Entity and/or the HACP for its prior expenditures for the Glen Hazel RAD project; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires that HACP declare its reasonable official intent to reimburse prior eligible expenditures related to the Glen Hazel RAD with proceeds of a subsequent borrowing; and

WHEREAS, in order for the interest on the Bonds to be tax-exempt, HACP and the Owner Entity must apply to the Pennsylvania Housing Finance Agency (PHFA) for an allocation of tax-exempt bond authority for the Bonds, and the Board of Commissioners desires to approve and ratify, as applicable, the actions necessary to obtain such an allocation so that the interest on the Bonds may be tax-exempt; and

WHEREAS, the HACP now desires to declare its intent to issue the Bonds, subject to the conditions described below, and authorize certain actions related to the proposed Bond financing.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the City of Pittsburgh:

Section 1. HACP hereby finds and determines that the foregoing recitals are true and correct, and are incorporated herein by reference; and

Section 2. HACP hereby declares its official intent to issue, at one time or from time to time, the Bonds in an aggregate principal amount, not to exceed \$30,000,000, the proceeds of which will be used to: (1) pay costs of issuance of the Bonds; (2) make a loan to the Owner Entity to finance costs of the acquisition and redevelopment by the Owner Entity of the Glen Hazel RAD; and (3) fund/pay any other eligible costs for which the Bond proceeds may be expended, including for the purpose of reimbursing to the Owner Entity and HACP costs incurred for the Glen Hazel RAD prior to the issuance of the Bonds, provided that nothing in this Resolution shall obligate the HACP to undertake the Glen Hazel RAD or issue the Bonds; and

Section 3. Bonds will be limited obligations of the HACP, payable solely from the revenues to be received by HACP pursuant to a loan agreement or other agreements to be entered into between HACP, its development instrumentality known as Allies and Ross Management and Development Corporation (ARMDC)/Owner Entity in connection with the financing of the Glen Hazel RAD; and

Section 4. All costs of the HACP related to the issuance of the Bonds shall be paid from the proceeds of the Bonds or contributions from the Owner Entity; and

Section 5. The issuance of the Bonds is subject to the following conditions: (a) HACP and the Owner Entity shall have first agreed to mutually acceptable terms for the Bonds and the sale and delivery thereof, and mutually acceptable terms and conditions of the Bond indenture, loan agreement, regulatory agreement and other documents related to the financing of the Glen Hazel RAD; (b) all requisite governmental approvals shall have first been obtained; (c) a resolution approving the issuance of the Bonds and the financing documents to which HACP will be a party shall have been adopted by the Board of Commissioners of the HACP; and (d) an allocation of tax-exempt bond authority with respect to the Bonds shall have been received from PHFA; and

Section 6. All actions taken by the Executive Director or his Designee on behalf of HACP, in connection with the submission of the application to PHFA for an allocation of a portion of the Commonwealth's unified volume cap allocated to PHFA, pursuant to the PHFA Law in an amount not to exceed \$30,000,000 for application towards the issuance of the Bonds by HACP to finance the Glen Hazel RAD is, as applicable, hereby authorized, approved and ratified. The Executive Director or his Designee is hereby further authorized, on behalf of HACP/ARMDC, to submit to PHFA all such other documents as may be required pursuant to the Pennsylvania Housing Finance Agency Law or other applicable statute, regulation or code in furtherance of the application and the Glen Hazel RAD; and

Section 7. It is intended that this Resolution shall constitute "declaration of official intent" within the meaning of Section 1.150-2 of the Treasury Regulation for purposes of Section 1.142-4 of the Treasury Regulations, each as applicable under Section 103 of the Internal Revenue Code of 1986, as amended (the Code), and as such, the Owner Entity and HACP shall be permitted to be reimbursed from proceeds of the Bonds for all qualified expenditures for the Glen Hazel RAD paid during the period beginning sixty (60) days prior to the date hereof until the date of issuance of the Bonds; and

Section 8. The proceeds of the Bonds may be used for all costs for which proceeds of such bonds may be used under applicable Law including the PFHA Law, the Act and the Code, including but not limited to, reimbursement of the Owner Entity and HACP for such costs incurred subsequent to the date hereof; and

Section 9. This Resolution shall take effect immediately upon its adoption; and

Section 10. The Executive Director and his Designee, is hereby authorized to take all actions necessary to implement the foregoing resolution, and all actions taken heretofore in furtherance of the resolutions set forth herein are hereby ratified.

The Chair asked for a motion to approve the resolution. Rev. Ricky Burgess made a motion to approve the resolution and Peter Kaplan seconded the motion.

A vote being had thereon, the “Ayes and “Nays” were as follows:

“AYES”: Rev. Burgess, Valerie McDonald-Roberts, Enid Miller,
Peter Kaplan, Janet Evans and Leroy Morgan.

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

RESOLUTION No. 21 of 2017

Resolution - Bond Inducement Making Certain Determinations with Respect to the Financing of Larimer/East Liberty Phase II and Declaring the Official Intent to Reimburse Certain Expenditures from Proceeds of Indebtedness and Authorizing Other Related Actions

WHEREAS, the Housing Authority of the City of Pittsburgh (“HACP”) is a duly formed housing authority of the Commonwealth of Pennsylvania, and is vested with the responsibilities set forth in the Pennsylvania Housing Authorities Act, P.L. 955, May 28, 1937, as amended, 35 P.S. § 1541 et. seq. (the Act), which includes providing affordable housing within its area of operation; and

WHEREAS, HACP is the lead grantee of U.S. Department of Housing and Urban Development’s (HUD) FY2013/FY2014 Choice Neighborhoods Implementation Grant Funds for Larimer/East Liberty Transformation Plan (Transformation Plan). The Transformation Plan calls for redevelopment of a targeted federally assisted housing, East Liberty Gardens, a low income apartment complex subsidized by Section 8 Project-Based Rental Assistance (PBRA) for 125 units, located in Pittsburgh, Pennsylvania (ELG) by September 2021; and

WHEREAS, pursuant to Section 10.1 and Section 17 of the Act, the HACP is authorized to issue revenue bonds for the purpose of financing the acquisition, construction and/or rehabilitation of multi-family rental housing facilities; and

WHEREAS, HACP has determined to redevelop the site located at Broad Street and Larimer Avenue in the City of Pittsburgh, Pennsylvania (City) into a proposed 150-unit development known as Larimer/East Liberty Phase II (Phase II Development), the first phase of which was previously constructed and included a community center to be shared with the Phase II Development residents under the HUD Choice Neighborhood program; and

WHEREAS, the Phase II Development will be financed, in part, with tax-exempt bonds (Bonds) and Low Income Housing Tax Credits (LIHTC), which financing structure requires the transfer of the development site to a tax-credit ownership entity; and

WHEREAS, the Phase II Development will be owned, constructed and operated by Larimer/East Liberty Phase II, L.P. (Owner Entity), which has requested that HACP assist in the financing of the construction of the Phase II Development; and

WHEREAS, there continues to be a need for affordable multi-family rental housing within the City and HACP has determined that it is in the best interest of HACP to assist in the financing of the Phase II Development through the issuance of the Bonds, as further described and defined herein; and

WHEREAS, HACP expects to lend a portion of the proceeds of the Bonds to the Owner Entity for construction costs associated with the Phase II Development; and

WHEREAS, the Owner Entity and HACP expect that they may each incur or pay from their respective funds certain expenditures in connection with the Phase II Development prior to the issuance of the Bonds for the purposes of financing costs associated with the Phase II Development; and

WHEREAS, subject to meeting all the conditions set forth in this Resolution, the HACP reasonably expects that it will issue the Bonds in an amount not to exceed \$25,000,000 and that the proceeds of the Bonds will be used, in part, to reimburse the Owner Entity and/or the HACP for its prior expenditures for the Phase II Development; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires that the HACP declare its reasonable official intent to reimburse prior eligible expenditures related to the Phase II Development with proceeds of a subsequent borrowing; and

WHEREAS, in order to secure the 4% low-income housing tax credits for the transaction, the HACP and the Owner Entity must apply to the Pennsylvania Housing Finance Agency (“PHFA”) for an allocation of tax-exempt bond authority for the Bonds, and the Board of Commissioners desires to approve and ratify, as applicable, the actions necessary to obtain such an allocation so that the interest on the Bonds may be tax-exempt; and

WHEREAS, HACP now desires to declare its intent to issue the Bonds, subject to the conditions described below, and authorize certain actions related to the proposed Bond financing.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Housing Authority of the City of Pittsburgh:

Section 1. The HACP hereby finds and determines that the foregoing recitals are true and correct, and are incorporated herein by reference; and

Section 2. HACP hereby declares its intent to issue, at one time or from time to time, the Bonds in an aggregate principal amount, not to exceed \$25,000,000, the proceeds of which will be used to: (1) pay costs of issuance of the Bonds; (2) make a loan to the Owner Entity to finance costs of the acquisition and construction by the Owner Entity of the Phase II Development; and (3) fund/pay any other eligible costs for which the Bond proceeds may be expended, including for the purpose of reimbursing to the Owner Entity and the HACP costs incurred for the Phase II Development prior to the issuance of the Bonds, provided that nothing in this Resolution shall obligate the HACP to undertake the Phase II Development or issue the Bonds; and

Section 3. The Bonds will be limited obligations of the HACP, payable solely from the revenues to be received by the HACP pursuant to a loan agreement or other agreements to be entered into between the HACP, its development instrumentality known as Allies and Ross Management and Development Corporation (“ARMDC”)/ Owner Entity in connection with the financing of the Phase II Development; and

Section 4. All costs of the HACP related to the issuance of the Bonds shall be paid from the proceeds of the Bonds or contributions from the Owner Entity; and

Section 5. The issuance of the Bonds is subject to the following conditions: (a) the HACP and the Owner Entity shall have first agreed to mutually acceptable terms for the Bonds and the sale and delivery thereof, and mutually acceptable terms and conditions of the Bond indenture, loan agreement, regulatory agreement and other documents related to the financing of the Phase II Development; (b) all requisite governmental approvals shall have first been obtained; (c) a resolution approving the issuance of the Bonds and the financing documents to which the HACP will be a party shall have been adopted by the Board of Commissioners of the HACP; and (d) an allocation of tax-exempt bond authority with respect to the Bonds shall have been received from the PHFA; and

Section 6. All actions taken by the Executive Director or his Designee on behalf of the HACP, in connection with the submission of the application to PHFA for an allocation of a portion of the Commonwealth's unified volume cap allocated to PHFA pursuant to the Pennsylvania Housing Finance Agency Law in an amount not to exceed \$25,000,000 for application towards the issuance of the Bonds by the HACP to finance the Phase II Development is, as applicable, hereby authorized, approved and ratified. The Executive Director or his Designee is hereby further authorized, on behalf of the HACP/ARMDC, to submit to PHFA all such other documents as may be required pursuant to the Pennsylvania Housing Finance Agency Law or other applicable statute, regulation or code in furtherance of the application and the Phase II Development; and

Section 7. It is intended that this Resolution shall constitute "declaration of official intent" within the meaning of Section 1.150-2 of the Treasury Regulation for purposes of Section 1.142-4 of the Treasury Regulations, each as applicable under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and as such, the Owner Entity and the HACP shall be permitted to be reimbursed from proceeds of the Bonds for all qualified expenditures for the Phase II Development paid during the period beginning sixty (60) days prior to the date hereof until the date of issuance of the Bonds; and

Section 8. The proceeds of the Bonds may be used for all costs for which proceeds of such bonds may be used under applicable Law including the PHFA Law, the Act and the Code, including but not limited to, reimbursement of the Owner Entity and the HACP for such costs incurred subsequent to the date hereof.

Section 9. This Resolution shall take effect immediately upon its adoption; and

Section 10. The Executive Director or his Designee is hereby authorized to take all actions necessary to implement the foregoing resolution, and all actions taken heretofore in furtherance of the resolutions set forth herein are hereby ratified.

The Chair asked for a motion to approve the resolution. Enid Miller made a motion to approve the resolution and Peter Kaplan seconded the motion.

A vote being had thereon, the "Ayes and "Nays" were as follows:

"AYES": Rev. Burgess, Valerie McDonald-Roberts, Enid Miller,

Peter Kaplan, Janet Evans and Leroy Morgan.

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

There were no further resolutions.

EXECUTIVE REPORT: The Executive Report was previously provided to the Board. There were no additional discussions regarding the report.

NEW BUSINESS: There was no new business. Mr. Binion thanked his staff for their hard work.

AJOURNMENT: Ms. McDonald-Roberts asked for a motion to adjourn the meeting. Janet Evans made a motion to approve and Ms. Enid Miller seconded the motion.

A vote being had thereon, the “Ayes and “Nays” were as follows:

“AYES”: Peter Kaplan, Janet Evans, Valerie McDonald-Roberts,
Rev. Burgess and Leroy Morgan.

“NAYS”: None

Ms. McDonald-Roberts declared the motion carried and the meeting adjourned.

Recording Secretary