

Housing Authority of the City of Pittsburgh
BOARD OF COMMISSIONERS MEETING MINUTES
Thursday, January 23, 2014
200 Ross Street
13th Floor Wherrett Room
Pittsburgh, PA 15219

The Housing Authority of the City of Pittsburgh (the "HACP") held a regular Board meeting on Thursday, January 23, 2014 at 200 Ross Street; 13th Floor Wherrett Room, Pittsburgh, Pennsylvania 15219 at 10:30 a.m.

Reverend Ricky V. Burgess, Chairman of the HACP Board of Commissioners, called the meeting to order. The Commissioners in attendance were: Reverend Ricky V. Burgess, Ms. Beatrice Hogan, Mr. Robert Wilson and Ms. Janet Evans.

Chairman Reverend Ricky V. Burgess noted that the Board members had previously received a copy of the December 19, 2013 Board Meeting Minutes and asked for a motion to approve the minutes. Janet Evans made a motion to approve the minutes and Ms. Beatrice Hogan seconded the motion.

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

"AYES": Reverend Ricky V. Burgess, Ms. Beatrice Hogan, Mr. Robert Wilson and Ms. Janet Evans.

"NAYS": None

Chairman Burgess then declared the motion carried and the motion approved.

Chairman Reverend Ricky V. Burgess introduced the HACP Activity Report for December 2013 ("the Report") and asked if there was a motion to approve the Report (after a brief oral report by Ms. Joy Pekar Miller) Ms. Janet Evans made a motion to approve the Report and Ms. Beatrice Hogan seconded the motion.

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

"AYES": Reverend Ricky V. Burgess, Ms. Beatrice Hogan, Mr. Robert Wilson and Ms. Janet Evans.

"NAYS": None

Chairman Burgess then declared the motion carried and the motion approved.

Chairman Reverend Ricky V. Burgess asked if there were any comments or questions from Tenant Council Presidents, Section 8 Representatives or other public comments.

There were no comments.

Chairman Reverend Ricky V. Burgess introduced the following resolutions:

RESOLUTION NO. 1 OF 2014

A Resolution – Ratifying the Executive Director’s decision to write off Collection Losses in the amount of \$50,175.35 from the Tenant Accounts Receivable for the months October 2013 through December 2013

WHEREAS, the net amount of past-due accounts of tenants who are no longer occupying a dwelling unit and who have not responded to collection notices from the Housing Authority of the City of Pittsburgh during the months of October 1, 2013 through December 31, 2013 was \$50,175.35; and

WHEREAS, reasonable means of collection have been exhausted against these accounts; and

WHEREAS, the total collection losses written off from the tenant accounts receivable balance is \$50,175.35 which is 2.4% of the total rent and associated charges of \$1,982,185.96 for the 4th quarter of 2013:

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

Section 1. The Executive Director’s decision to write off collection losses of \$50,175.35 from the tenant accounts receivable balance for October 1, 2013 through December 31, 2013 is hereby ratified.

After a short discussion, Chairman Reverend Burgess asked for a motion to approve the resolution. Robert Wilson 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”: Reverend Ricky V. Burgess, Ms. Beatrice Hogan, Mr. Robert Wilson and Ms. Janet Evans.

“NAYS”: None

Chairman Burgess then declared the motion carried and the resolution approved.

RESOLUTION NO. 2 of 2014

A Resolution – Ratifying the Executive Director’s decision to write off Collection Losses in the amount of \$358,623.37 from the Housing Choice Voucher (HCV) Accounts Receivable through December 2013

WHEREAS, the net amount of negative adjustments to landlord accounts for landlords who are no longer under contract to lease a dwelling unit to program participants, and who have not responded to collection notices from the Housing Authority of the City of Pittsburgh requesting repayment was \$358,623.37; and

WHEREAS, reasonable means of collection have been exhausted against these accounts; and

WHEREAS, the Executive Director has deemed these accounts as uncollectable; and

WHEREAS, the total collection losses written off from the HCV accounts receivable balance is \$358,623.37 which represents all accounts receivable for the period ending December 31, 2013;

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

Section 1. The Executive Director’s decision to write off collection losses of \$358,623.37 from the Housing Choice Voucher accounts receivable balance through December 31, 2013 is hereby ratified.

After a discussion, Chairman Reverend Burgess asked for a motion to approve the resolution Ms. Janet Evans made a motion to approve the resolution and Mr. Robert Wilson seconded the motion.

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

“AYES”: Reverend Ricky V. Burgess, Ms. Beatrice Hogan, Mr. Robert Wilson and Ms. Janet Evans.

“NAYS”: None

Chairman Burgess then declared the motion carried and the resolution approved.

RESOLUTION NO. 3 OF 2014

A Resolution – Authorizing the Commitment of Funds for Addison Phase II Development

WHEREAS, the Housing Authority of the City of Pittsburgh (“HACP”) is in the process of redeveloping Addison Terrace into a mixed-income community, to be redeveloped in two-(2) or more phases, consisting of a total of 400 units (the “**Addison Development**”); and

WHEREAS, all necessary funding for the Addison Phase I Development has been committed and financial closing for Phase I took place on December 23, 2013 for the construction of 186 units of mixed-income housing on the upper (Elmore Square) Addison site and construction is in progress; and

WHEREAS, HACP has determined that it is in its best interests to move forward with Phase II of the Addison Development, which will consist of 214 units of mixed-income housing (“**Addison Phase II**”); and

WHEREAS, Allies and Ross Management and Development Corporation (“**ARMDC**”), as HACP’s selected developer competitively procured Keith B. Key Enterprises, LLC, an Ohio limited liability company (the “**Co-Developer**”), to serve as the co-developer for the revitalization of Addison Terrace pursuant to the terms of a Master Development Agreement (the “**MDA**”) entered between ARMDC and the Co-Developer on July 27, 2011; and

WHEREAS, an Addison Phase II Investment of funds in the amount of **\$36,500,000** (hereinafter, the “**Addison Phase II Investment**”) will be utilized to fund inter alia: (A) **Addison Phase II Predevelopment Investment** including (i) relocation of residents from the remaining 290 units and any acquired off-site units, (ii) demolition/haz/mat design for all 290 units and any acquired off-site units, (iii) haz/mat abatement and demolition of the 290 units and any acquired off-site units, (iv) site preparation/public improvement design for the remaining phase of Addison Phase II with 214 units both onsite and offsite, (v) master planning for Addison Phase II and (vi) other Predevelopment Activities for Addison Phase II (hereinafter, collectively, the “**Predevelopment Activities**”); and (B) **Addison Phase II Development Activities** including (i) Phase II construction/permanent financing; (ii) site preparation and infrastructure/public improvements for 214 units, which shall include both on and off site units; (iii) Phase II capital contributions, (iv) HACP’s acquisition of property for future development purposes, (v) demolition and related hazardous materials abatement for the remaining 290 units and any acquired properties, and (vi) other Addison Development-related purposes (hereinafter, collectively, the “**Addison Phase II Development Activities**”); and

WHEREAS, the sources of funds for the Addison Phase II Investment may be HACP Replacement Housing Factor (RHF) Funds or Moving to Work (MtW) Funds, and

WHEREAS, the structure of the transaction relating to the Addison Phase II Investment currently contemplates that HACP will make a grant of funds to Allies and Ross Management

and Development Corporation ("ARMDC") to execute the foregoing Phase II Predevelopment and Development Activities, excluding the acquisition of property for future development purposes, which shall be undertaken by HACP itself; and

WHEREAS, pursuant to the terms of the MDA, the Co-Developer shall cause the formation of one or more Pennsylvania limited liability companies or limited partnerships to serve as the owner entity (the "**Owner Entity**") to own, operate and manage each phase of the Development. The Co-Developer or an affiliate of the Co-Developer (the "**Co-Developer Member**") will serve as the initial managing member or managing general partner ("**Managing Member**") of the Owner Entity and have a .0051% interest in the Owner Entity. ARMDC or an affiliate (the "**ARMDC Affiliate**") will be a member or non-managing general partner of the Owner Entity and have a .0049% interest in the Owner Entity; and

WHEREAS, ARMDC will submit a monthly grants report to HACP's Board of Commissioners indicating summary disbursements to date of the grant funds authorized in this resolution.

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

Section 1. The Executive Director or his designee is hereby authorized to obligate and expend an amount not to exceed \$36,500,000.00 to carry out the Addison Phase II Investment for the Addison Phase II Predevelopment and Development Activities.

Section 2. The Executive Director or his designee is hereby authorized to enter into a Grant Agreement with ARMDC providing an amount not to exceed \$36,500,000.00 (less the costs of acquiring property for future development purposes), which ARMDC shall utilize to fund the Addison Phase II Predevelopment and Development Activities.

Section 3. The Executive Director or his designee is hereby authorized and directed, in the name of and on behalf of HACP, to (i) negotiate, execute and deliver all such agreements, documents and instruments and take all such other actions as he shall determine to be necessary or desirable in order to effect the Addison Phase II Development Activities and (ii) complete any and all additional actions, including the disposition of HACP/ARMDC property to the Phase II owner entity, that are legally permissible and necessary or advisable to carry out the Addison Phase II Development activities contemplated herein.

After a discussion, Chairman Reverend Burgess asked for a motion to approve the resolution Ms. Janet Evans made a motion to approve the resolution and Ms. Beatrice Hogan seconded the motion.

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

"AYES": Reverend Ricky V. Burgess, Ms. Beatrice Hogan, Mr. Robert Wilson and Ms. Janet Evans.

"NAYS": None

Chairman Burgess then declared the motion carried and the resolution approved.

EXECUTIVE REPORT: Executive Director Caster D. Binion gave a brief report on the status of the authority.

ADJOURNMENT:


Chairman Burgess asked for a motion to adjourn the meeting. Janet Evans made a motion to adjourn the meeting and Ms. Beatrice Hogan seconded the motion.

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

"AYES": Reverend Ricky V. Burgess, Ms. Beatrice Hogan,
Ms. Janet Evans and Mr. Robert Wilson.

"NAYS": None

The meeting was adjourned at 11:08 a.m.



Recording Secretary