

Housing Authority of the City of Pittsburgh

BOARD OF COMMISSIONERS

MEETING MINUTES

October 25, 2018

200 Ross Street

13th Floor Wherrett Room

Pittsburgh, PA 15219

The Housing Authority of the City of Pittsburgh (HACP) held a regularly scheduled Board meeting on Thursday, October 25, 2018 at 200 Ross Street; 13th Floor, Wherrett Room, Pittsburgh, Pennsylvania 15219 at 11:15 a.m. (The scheduled 1030 a.m. start was delayed due to a fire alarm/evacuation situation in the building).

Valerie McDonald-Roberts, Chair, called the meeting to order. The Commissioners in attendance were: Ms. Valerie McDonald-Roberts, Peter Kaplan, Enid Miller, Janet Evans, Richard Butler, Leroy Morgan and Rev. Ricky Burgess (arrived at 11:30).

Next, the Chair noted that the Board members previously received a copy of the September 27, 2018, 2018, Board Meeting Minutes and asked for a motion to approve the minutes. Enid Miller made a motion to approve the minutes and Peter Kaplan seconded the motion.

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

“AYES”: Valerie McDonald-Roberts, Peter Kaplan, Richard Butler
Janet Evans, Peter Kaplan and Enid Miller.

“NAYS”: None

The Chair declared the motion carried and the minutes approved.

Next Valerie McDonald-Roberts asked for a motion to approve the Activity Report for September. Janet Evans made a motion to approve the Activity Report and Leroy Morgan seconded the motion.

Next Michelle Sandidge, Chief Communications Officer, spoke about the recent activities of the agency.

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

“AYES”: Valerie McDonald-Roberts, Peter Kaplan, Richard Butler
Janet Evans, Peter Kaplan and Enid Miller.

“NAYS”: None

The Chair declared the motion carried and the Activity Report approved.

Next, Valerie McDonald-Roberts asked if there were any public comments.

Marcus Reed, a resident of NVH, addressed the board and spoke about the poverty at Northview.

There were no more public comments.

The Chair introduced the following resolutions:

RESOLUTION No. 51 of 2018

A Resolution - Authorizing the Executive Director or his Designee to approve the Fiscal Year 2019 Budget for the Housing Authority of the City of Pittsburgh

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP) has prepared its Fiscal Year (FY) 2019 Budget; and

WHEREAS, the HACP finds the proposed total expenditures necessary for an efficient and economical operations, the provision of resident services, and the continuation of modernization and development activities; and

WHEREAS, the projected total revenue provides sufficient funds to support the HACP’s activities as follows:

2019 Total Budget Sources	\$	162,927,711
Contribution from Reserves	\$	13,040,272
Total Budgeted Sources	\$	175,967,983
2019 Total Budget Uses	\$	175,967,983
2019 Net Surplus/(Deficit)	\$	0

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

Section 1. The FY 2019 Budget in the amount of \$175,967,983 is hereby approved; and

Section 2. The Executive Director or his Designee is hereby authorized and shall take such measures as may be necessary to place the FY 2019 Budget into effect.

Valerie McDonald-Roberts asked for a motion to approve the resolution. Enid Miller made a motion to approve and Peter Kaplan seconded the motion. After a discussion:

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

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

“NAYS”: None

The Chair declared the motion carried and the resolution.

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RESOLUTION No. 52 of 2018

A Resolution - Authorizing the Executive Director or his Designee to enter into a three year Software Assurance agreement with Microsoft Corporation through Software House International for the Housing Authority of the City of Pittsburgh

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP) has over the last fifteen (15) years has used Microsoft Desktop products as its desktop operating system and office productivity suite; and

WHEREAS, the HACP network infrastructure is based on Microsoft Server and Network operating systems; and

WHEREAS, Microsoft Corporation continues to update desktop, network and server system software; and

WHEREAS, Microsoft offers Software Assurance to allow customers access to the most current and capable versions of the software; and

WHEREAS, Microsoft Software assurance has been properly procured under the Pennsylvania Costars contract; and

WHEREAS, the current Microsoft software has become generally accepted in the industry and industry software is updated to run on the most current Microsoft systems; and

WHEREAS, this procurement was conducted in accordance with applicable federal, state and local procurement rules and regulations and the procurement policies and procedures of the HACP. Microsoft Software Assurance has been properly procured under the Pennsylvania CoStars contract.

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 purchase Software Assurance for; Microsoft Windows, Microsoft Windows Server, and Microsoft Office, from Software House International utilizing the Pennsylvania CoStars contract for a period of three (3) years for an amount not to exceed \$223,734.00; and

Section 2. The total three (3) year authorized amount of \$223,734.00 shall be payable from Moving To Work (MTW) and/or Program Income funds.

Valerie McDonald-Roberts asked for a motion to approve the resolution. Leroy Morgan made a motion to approve and Janet Evans seconded the motion. After a discussion:

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

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

“NAYS”:
None

The Chair declared the motion carried and the resolution approved.

RESOLUTION No. 53 of 2018

A Resolution – Authorizing the Commitment of Funds for Larimer/East Liberty Phase III Housing Development

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP) as lead grantee and the City of Pittsburgh (City) as co-grantee entered into the U.S. Department of Housing and Urban Development’s (HUD) Choice Neighborhoods Implementation (CNI) Grant Agreement to receive a \$30,000,000 CNI Grant in order to implement the Larimer/East Liberty CNI Transformation Plan (Transformation Plan); and

WHEREAS, the HACP selected Allies & Ross Management and Development Corporation (ARMDC) to revitalize the Hamilton-Larimer public housing development into mixed-income community utilizing the mixed-finance development approach; and

WHEREAS, the ARMDC competitively procured McCormack Baron Salazar, Inc. (Co-Developer), to serve as the co-developer for the revitalization of Hamilton-Larimer/East Liberty pursuant to the terms of a Master Development Agreement (MDA) between the ARMDC and the Co-Developer; and

WHEREAS, under the Transformation Plan, as amended, and the CNI Grant Agreement, the ARMDC and the Co-developer are developing 334 units in multiple phases; and

WHEREAS, the ARMDC and the Co-Developer will submit a 9% Low Income Housing Tax Credit (LIHTC) application to the Pennsylvania Housing Finance Agency (PHFA) in November 2018 for the development of approximately 42 units of mixed-income housing as Larimer/East Liberty Phase III (Phase III) under the Transformation Plan; and

WHEREAS, the HACP Board Resolution No. 39 of 2016 authorized \$847,801 and the HACP Board Resolution No. 23 of 2018 authorized an additional \$692,797 for Phase III Investment Fund to support predevelopment activities and to acquire the public or privately-owned properties for the Phase III site control; and

WHEREAS, the Phase III project requires a total investment of **\$4,801,081** from the HACP and therefore, the HACP is in need of additional funds for the Phase III development fund of up to **\$3,260,483** to make a successful 9% LIHTC application and to fund Predevelopment and Construction activities including (i) site acquisition activities, (ii) various professional and financial services fees, (iii) environmental remediation, (iv) construction, and (v) other related activities for completion of the Phase III; and

WHEREAS, the sources of the Phase III redevelopment fund may be Choice Neighborhood Initiative Funds, Program Income and/or Moving to Work (MTW) Funds; and

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

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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 up to **\$4,801,081** by providing additional funding in the amount of up to **\$3,260,483** as Larimer/East Liberty Phase III redevelopment fund that will be utilized to fund Larimer/East Liberty Phase III Predevelopment and Construction Activities; and

Section 2. The Executive Director or his Designee is hereby authorized to enter into an amendment to an existing Grant Agreement for Larimer/East Liberty Phase III Predevelopment Services between the HACP and the ARMDC to add up to **\$3,260,483** to the existing grant fund which the ARMDC shall utilize to fund the Larimer/East Liberty Phase III Predevelopment and Construction Activities; and

Section 3. The Executive Director or his Designee is hereby authorized and directed, in the name of and on behalf of the 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 Larimer/East Liberty Phase III Predevelopment and Construction Activities and (ii) complete any and all additional actions that are legally permissible and necessary or advisable to carry out the Larimer/East Liberty Phase III Predevelopment and Construction Activities contemplated herein; and

Section 4. The Executive Director or his Designee is hereby authorized and directed to take such other actions, from time to time, that are necessary, advisable or proper in connection with the Larimer/East Liberty Phase III including, without limitation, the execution and delivery of all agreements, writings and documents (and all amendments, changes, modifications and additions thereto).

Valerie McDonald-Roberts asked for a motion to approve the resolution. Enid Miller made a motion to approve and Peter Kaplan seconded the motion. After a discussion:

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

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

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

RESOLUTION No. 54 of 2018

A Resolution – Authorizing the Commitment of Funds for Larimer/East Liberty Phase IV Housing Development

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP) as lead grantee and the City of Pittsburgh (City) as co-grantee entered into the U.S. Department of Housing and Urban

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Development's (HUD) Choice Neighborhoods Implementation (CNI) Grant Agreement to receive \$30,000,000 of CNI Grant funds in order to implement Larimer/East Liberty CNI Transformation Plan (Transformation Plan); and

WHEREAS, Allies & Ross Management and Development Corporation (ARMDC) was selected by the HACP to revitalize Hamilton-Larimer public housing into a mixed-income community utilizing the mixed-finance development approach; and

WHEREAS, the ARMDC competitively procured McCormack Baron Salazar, Inc. (Co-Developer) to serve as the co-developer for the revitalization of Hamilton-Larimer/East Liberty pursuant to the terms of a Master Development Agreement (MDA) between the ARMDC and the Co-Developer; and

WHEREAS, under the Transformation Plan, as amended, and the CNI Grant Agreement, ARMDC and the Co-developer are developing 334 units in four (4) or more phases; and

WHEREAS, the ARMDC and the Co-Developer will submit a 9% Low Income Housing Tax Credit (LIHTC) application to the Pennsylvania Housing Finance Agency (PHFA) in November 2018 for the development of approximately 42 units of mixed-income housing as Larimer/East Liberty Phase IV (Phase IV) under the Transformation Plan; and

WHEREAS, the HACP Board Resolution No. 24 of 2018 authorized an amount up to **\$1,241,421** for the Larimer/East Liberty Phase IV Predevelopment Fund for predevelopment activities; and

WHEREAS, the development budget for Phase IV requires a total investment of up to **\$5,593,199** from the HACP and therefore, the HACP is in need of additional funds for the Phase IV development fund of up to **\$4,351,778** to make a successful 9% LIHTC application and for Predevelopment and Construction activities including (i) site acquisition activities, (ii) various professional and financial services fees, and (iii) environmental remediation, (iv) construction, and (v) other related activities for completion of Phase IV; and

WHEREAS, the sources of the Phase IV development fund may be Program Income, CNI Grant funds, and Moving to Work (MTW) Funds, and

WHEREAS, the ARMDC will submit a monthly grants report to the 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 up to **\$5,593,199** by providing additional funding in the amount of up to **\$4,351,778** to fund Predevelopment and Construction activities for Phase IV including (i) site acquisition activities, (ii) various professional and financial services fees, and (iii) environmental remediation (iv) construction and (v) other related activities for completion of Phase IV; and

Section 2. The Executive Director or his Designee is hereby authorized to enter into an amendment to an existing Grant Agreement for Larimer/East Liberty Phase IV Predevelopment

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Services between HACP and ARMDC to add up to **\$4,351,778** to the existing grant fund which ARMDC shall utilize to fund the Larimer/East Liberty Phase IV Predevelopment and Construction Activities; and

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 Larimer/East Liberty Phase IV predevelopment activities and (ii) complete any and all additional actions that are legally permissible and necessary or advisable to carry out the Larimer/East Liberty Phase IV Predevelopment and Construction activities contemplated herein; and

Section 4. The Executive Director or his Designee is hereby authorized and directed to take such other actions, from time to time, that are necessary, advisable or proper in connection with the Larimer/East Liberty Phase IV Development including, without limitation, the execution and delivery of all agreements, writings and documents (and all amendments, changes, modifications

Valerie McDonald-Roberts asked for a motion to approve the resolution. Peter Kaplan made a motion to approve and Rev. Ricky Burgess seconded the motion. After a discussion:

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

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

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

RESOLUTION No. 55 of 2018

A Resolution - Authorizing the Executive Director or His Designee to Enter Into an Intergovernmental Agreement with the Allegheny County Department of Human Services for Senior Living Enhancement Program, Mental Health Counseling Services, Eviction Prevention Pilot, Homeownership Program Services and Domestic Violence Prevention/Mediation Services

WHEREAS, the HACP has identified the need to provide Domestic Violence Prevention/ Mediation services in its communities to encourage residents to seek support in order to retain their housing and to ensure a safe environment for all residents; and

WHEREAS, the HACP has identified the need to provide specific services to enable senior and disabled residents to improve their quality of life and maintain safe, independent living; and

WHEREAS, the HACP has identified the need to provide community mental health, and drug and alcohol , and eviction prevention pilot services in its communities to encourage residents to seek treatment in order to retain their housing and to ensure a safe environment for all residents; and

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WHEREAS, the HACP has identified the need to provide homeownership education services for eligible residents as a part of its Moving To Work Homeownership Program to encourage and support residents to pursue self-sufficiency and homeownership; and

WHEREAS, the HACP has partnered with the Allegheny County Department of Human Services to expand the scope of existing programs to provide enhanced levels of Senior Living Enhancement Program, Mental Health Counseling Services, Eviction Prevention Pilot, Homeownership Program Services and Domestic Violence Prevention/Mediation Services in HACP communities; and

WHEREAS, the U.S. Department of Housing and Urban Development authorizes the use of Intergovernmental Agreements and has issued regulations governing such agreements; and

WHEREAS, the HACP's support of the foregoing services will complement and leverage additional support provided by private foundations and other government sources, including the Senior Living Enhancement Program, Mental Health Counseling Services, Homeownership Program Services and Domestic Violence Prevention/Mediation Services as provided by Allegheny County Department of Human Services.

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 enter into an Intergovernmental Agreement with the Allegheny County Department of Human Services for Senior Living Enhancement Program, Mental Health Counseling Services, Homeownership Program Services and Domestic Violence Prevention/Mediation Services for a period not to exceed 12 months.

Section 2. The Intergovernmental Agreement authorized in Section 1 shall not exceed a total cost of \$515,000, to be paid from MTW funds.

Section 3. The Intergovernmental Agreement authorized in Section 1 shall conform to the requirements of 24 CFR/ 2 CFR 200 85.37 [b] [5] governing the award of subgrantee agreements.

Valerie McDonald-Roberts asked for a motion to approve the resolution. Richard Butler made a motion to approve and Rev. Ricky Burgess seconded the motion. After a discussion:

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

"AYES": Valerie McDonald-Roberts, Rev. Ricky Burgess, Richard Butler
Janet Evans, Leroy Morgan, Peter Kaplan and Enid Miller.

"NAYS": None

The Chair declared the motion carried and the resolution approved.

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RESOLUTION No. 56 of 2018

A Resolution - Authorizing the Executive Director or his Designee to Award a contract to Allegheny Services LLC to provide fire alarm sensitivity testing authority wide to the HACP

WHEREAS, the Housing Authority City of Pittsburgh (HACP) is responsible for fire alarm sensitivity testing, authority wide; and

WHEREAS, fire alarm sensitivity testing is necessary to ensure the safety of residents and to meet City of Pittsburgh code requirements; and

WHEREAS, on July 1, 2018, the HACP issued an Invitation for Bids, IFB 300-18-18 REBID to provide fire alarm sensitivity testing authority wide; and

WHEREAS, Allegheny Services LLC submitted the lowest responsive and responsible bid; and

WHEREAS, the HACP desires to award a contract to Allegheny Services LLC in the amount \$198,090 for fire alarm sensitivity testing authority wide for an initial term of one (1) year, with two (2) additional one (1) year extension options; and

WHEREAS, this procurement was conducted in accordance with applicable federal, state and local procurement rules and regulations and the procurement policies and procedures of the Housing Authority of the City of Pittsburgh.

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 enter into a contract with Allegheny Services LLC to provide fire alarm sensitivity testing, authority wide for a one (1) year period, with two (2), one (1) year extension options and

Section 2. The total amount of the contract shall not exceed \$198,090 to be funded by Moving To Work (MTW) funds.

Valerie McDonald-Roberts asked for a motion to approve the resolution. Enid Miller made a motion to approve and Richard Butler seconded the motion. After a discussion:

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

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

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

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RESOLUTION No. 57 of 2018

**A Resolution - Approving the Housing Choice Voucher Utility Allowance Schedule for
fiscal year 2019**

WHEREAS, the U.S. Department of Housing and Development (HUD) requires that public housing authorities maintain up-to-date Utility Allowance Schedules in accordance with 24 CFR 982.517; 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, Housing Choice Voucher Program, 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, staff recommends the adoption of proposed Housing Choice Voucher Program Utility Allowance Schedule, attached hereto as Exhibit A.

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

Section 1. The proposed Utility Allowance Schedule is hereby adopted.

Section 2. The Executive Director or his Designee is hereby authorized to update the Housing Choice Voucher Program Utility Allowance Schedule effective January 1, 2019.

Valerie McDonald-Roberts asked for a motion to approve the resolution. Enid Miller made a motion to approve and Peter Kaplan seconded the motion. After a discussion:

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

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

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

RESOLUTION No. 58 of 2018

A Resolution - Approving the Transfer of Development Project Funds of FY2018 Capital Fund Budget to Allies & Ross Management and Development Corporation

WHEREAS, by Resolution No. 46 of 2017, the Housing Authority of the City of Pittsburgh (HACP) agreed to obligate FY2018 Capital Funds in the amount of \$21,000,000, which are to be granted from the HACP to the Allies & Ross Management and Development Corporation (ARMDC) to fund certain development activities (Development Activities); and

WHEREAS, the HACP will transfer the authorized amount of FY2018 Capital Funds as grant funds (Grant Funds) for the ARMDC to invest and leverage other financing instruments for the Development Activities and the ARMDC may loan all or a portion of the Grant Funds to development partners and owner entities; and

WHEREAS, the HACP will grant to the ARMDC the Grant Funds upon execution of grant agreements between the HACP and the ARMDC subject to the terms and conditions thereof; and

WHEREAS, the ARMDC will submit a monthly grant report to the HACP’s Board of Commissioners indicating summary disbursements to date of the Grant Funds.

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 enter into one (1) or more Grant Agreements with the ARMDC transferring the Grant Funds of up to \$21,000,000, which the ARMDC shall utilize to fund the Development Activities; and

Section 2. The Executive Director or his Designee is hereby authorized and directed, in the name of and on behalf of the 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 Development Activities and (ii) complete any and all additional actions that are legally permissible and necessary or advisable to carry out the Development Activities contemplated herein.

Valerie McDonald-Roberts asked for a motion to approve the resolution. Enid Miller made a motion to approve and Peter Kaplan seconded the motion. After a discussion:

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

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

“NAYS”: None

The Chair declared the motion carried and the resolution approved.

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RESOLUTION No. 59 of 2018

A Resolution - Approving the Transfer of Development Project Funds of FY2019 Capital Fund Budget to Allies & Ross Management and Development Corporation

WHEREAS, by Resolution No. 51 of 2018, the Housing Authority of the City of Pittsburgh (HACP) agreed to obligate FY2019 Capital Funds in the amount of \$24,200,000, which are granted from the HACP to Allies & Ross Management and Development Corporation (ARMDC) to fund certain development activities (Development Activities); and

WHEREAS, the HACP transfers the authorized amount of FY2019 Capital Funds as grant funds (Grant Funds) for the ARMDC to invest and leverage other financing instruments for the Development Activities and the ARMDC may loan all or a portion of the Grant Funds to development partners and owner entities; and

WHEREAS, the HACP will grant to the ARMDC the Grant Funds upon execution of grant agreements between the HACP and the ARMDC subject to the terms and conditions thereof; and

WHEREAS, the ARMDC will submit a monthly grant report to the HACP's Board of Commissioners indicating summary disbursements to date of the Grant Funds.

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 enter into one or more Grant Agreements with the ARMDC transferring the Grant Funds up to \$24,200,000, which the ARMDC shall utilize to fund the Development Activities; and

Section 2. The Executive Director or his Designee is hereby authorized and directed, in the name of and on behalf of the 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 Development Activities and (ii) complete any and all additional actions that are legally permissible and necessary or advisable to carry out the Development Activities contemplated herein.

Valerie McDonald-Roberts asked for a motion to approve the resolution. Peter Kaplan made a motion to approve and Enid Miller seconded the motion. After a discussion:

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

"AYES": Valerie McDonald-Roberts, Rev. Ricky Burgess, Richard Butler, Janet Evans, Leroy Morgan, Peter Kaplan and Enid Miller.

"NAYS": None

The Chair declared the motion carried and the resolution approved.

RESOLUTION No. 60 of 2018

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**A Resolution - Authorizing a Commitment of Funds and Reallocation of Available
Remaining Funds for Kelly Hamilton Homes
(formerly known as Addison Phase IV Development)**

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP) is redeveloping Addison Terrace into a mixed-income community, to be redeveloped in four (4) phases, consisting of a total of 400 units; and

WHEREAS, the HACP selected Allies & Ross Management and Development Corporation (ARMDC) as its developer, and competitively procured Keith B. Key Enterprises, LLC (Co-Developer) to serve as the co-developer for the revitalization of Addison Terrace pursuant to the terms of a Master Development Agreement (MDA) entered into between ARMDC and the Co-Developer on July 27, 2011; and

WHEREAS, Addison Phase 4, now known as Kelly Hamilton Homes, will be developed in the Homewood neighborhood of the City of Pittsburgh including the former Kelly Street High-rise public housing site to provide fifty eight (58) units of mixed-income replacement units consisting of 42 project-based voucher units and 16 market rate units (the Development); and

WHEREAS, the ARMDC and the Co-Developer were awarded 4% Low Income Housing Tax Credits (LIHTC) and an allocation of tax exempt bond from Pennsylvania Housing Finance Agency (PHFA); and

WHEREAS, the Development requires a total investment from the HACP in the amount of **\$14,404,889** to leverage additional public/private investment funds and support the initial financial closing and the development activities of the Project including, but not limited to: (i) predevelopment costs; (ii) site acquisition, (iii) design and implementation of demolition, site preparation, and public improvements; (iv) dwelling construction, and (v) other Development-related activities; and

WHEREAS, the HACP Resolution No. 36 of 2016, authorized **\$8,200,000** to be granted to the ARMDC to support development activities for Kelly Hamilton Homes; and

WHEREAS, the Urban Redevelopment Authority of Pittsburgh (URA) will provide the HACP with **\$400,000** of grant funds and allow the HACP to take out a mid-term loan from the URA in the amount of up to **\$1,000,000** to support the Development's site preparation and public improvement construction; and

WHEREAS, the HACP will grant an additional investment amount of up to **\$4,804,889** to support the Development and the additional funds are comprised of the remaining funds from Addison Terrace Phases I, II, and III; and

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

WHEREAS, the Resolution No. 79 of 2017, the HACP approved a bridge loan in the amount of **\$4,200,000** (Bridge Loan) in anticipation of a Federal Housing Administration (FHA)-insured private mortgage 221(d)(4) loan; however, the Bridge Loan is now void because the FHA loan has been secured.

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 of up to **\$14,404,889** to support the Kelly Hamilton Homes Development activities; and

Section 2. The Executive Director or his Designee is hereby authorized to enter into an a Grant Agreement with the ARMDC providing a grant amount of up to **\$14,404,889**, which the ARMDC shall utilize to fund the Kelly Hamilton Homes Development activities; and

Section 3. The Executive Director or his Designee is hereby authorized to enter into a grant agreement to receive **\$400,000** of URA grant funds and enter into a loan agreement in the amount of up to **\$1,000,000** between the HACP and the URA to support the Development’s site preparation and public improvement construction; and

Section 4. the HACP Board Resolution No. 79 of 2017 is rescinded by this Board Resolution; and

Section 5. The Executive Director or his Designee is hereby authorized and directed, in the name of and on behalf of the 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 Kelly Hamilton Homes Development Activities and (ii) complete any and all additional actions , including the disposition of HACP/ARMDC property to the Kelly Hamilton Homes owner entity, that are legally permissible and necessary or advisable to carry out the Kelly Hamilton Homes Development Activities contemplated herein.

Valerie McDonald-Roberts asked for a motion to approve the resolution. Richard Butler made a motion to approve and Enid Miller seconded the motion. After a discussion:

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

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

“NAYS”: None

“ABSTAIN: Rev. Ricky Burgess

The Chair declared the motion carried and the resolution approved.

HACP RESOLUTION No. 61 of 2018

**A Resolution - Authorizing an Additional Loan
for the Rental Assistance Demonstration Conversion of Glen Hazel**

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WHEREAS, the Housing Authority of the City of Pittsburgh (the HACP) is the owner of the Bernice Crawley High-rise and Glen Hazel Heights Low-rise (collectively, the Development), which is comprised of certain land and improvements in Pittsburgh, Pennsylvania; and

WHEREAS, pursuant to a Rental Assistance Demonstration (RAD) Conversion Commitment entered into by and among the HACP, the U.S. Department of Housing and Urban Development (HUD), and Glen Hazel RAD LLC, a Pennsylvania limited liability company (the Owner), on December 8, 2017, as may be amended, the HACP intends to convert the federal assistance that supports the Development from public housing subsidy to a long-term, Section 8 project-based rental assistance (PBRA) through participation in the RAD program (the RAD Conversion); and

WHEREAS, the RAD Conversion will ensure long-term subsidy for all of the units at the Development, and HUD will require that the units be maintained as affordable housing through the recordation of a RAD Use Agreement against the Development and the execution of a Housing Assistance Payments Contract between HUD and the Owner; and

WHEREAS, to support its plans for the Development, the HACP has secured funding from tax-exempt bonds and tax credit equity from the Pennsylvania Housing Finance Agency (PHFA). These financing sources require that the Development be transferred to a single purpose tax credit entity controlled by a for-profit entity, which will own and operate the Development post-RAD conversion; and

WHEREAS, Glen Hazel RAD LLC, the owner, is a Pennsylvania limited liability company, whose managing member is ARMDC-Glen Hazel RAD, Inc., a Pennsylvania corporation (the Managing Member); and

WHEREAS, the Owner will undertake the acquisition and rehabilitation of the Development (collectively, the Work); and

WHEREAS, the HACP will ground lease the land and improvements to the Owner; and

WHEREAS, the Owner intends to finance the Work through: (i) the issuance of tax-exempt bonds (the Bonds) by PHFA, in connection with the Development and the Work, the proceeds of which will fund a first priority leasehold mortgage loan from PHFA (the Senior Lender) in the approximate amount of \$25,650,000 (the Bond Loan) and such financing shall subject the Development to three regulatory agreements; (ii) a bridge loan from PNC Bank, National Association, a national banking association (PNC) (the Bridge Loan); (iii) a second-priority leasehold mortgage loan from the Authority of seller financing (the Seller Loan) in the approximate amount of \$9,000,000; (iv) a third-priority leasehold mortgage loan (the ARMDC Loan) from Allies & Ross Management and Development Corporation, a Pennsylvania nonprofit corporation (ARMDC) of Moving to Work (MTW) funds in the approximate amount of \$165,000 granted by the HACP to ARMDC; (v) equity contributions in the approximate amount of \$11,400,000 (Equity Financing) from PNC or its affiliate (the Investor), which has been obtained through the syndication of certain low income housing tax credits (the Tax Credit Allocation) issued by PHFA and such financing shall subject the Development to a tax credit restrictive covenant; (vi) a deferred developer fee in the approximate amount of \$5,000; and (vii) interim income and energy rebates from the Development's operations in the approximate amount of \$1,200,000 (collectively, the Financing). The Bond Loan will be funded by the PHFA's issuance of two (2) series of bonds as further described in that certain Resolution adopted by the Board of the PHFA on July 12, 2018 (the PHFA Resolution). The Series A bond

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issuance will be purchased by Red Stone Tax Exempt Funding LLC. The Series B bond issuance will be purchased by the HACP, on terms further described in the PHFA Resolution, using a portion of the purchase price (the HACP Bond Purchase); and

WHEREAS, the Financing requires that the HACP Bond Purchase be redeemed using a taxable loan; and

WHEREAS, the HACP desires to provide such taxable financing necessary to redeem the HACP Bond Purchase after construction completion (the HACP Permanent Loan), thereby repaying HACP for its purchase of the Series B bonds; and

WHEREAS, the HACP Permanent Loan will be subordinate financing in the approximate amount of \$13,500,000 that will bear interest at 2% over a 40-year term and will be repayable from cash flow; and

WHEREAS, the Board of Commissioners (the Board) of the HACP previously authorized the RAD Conversion and the Financing in Resolution No. 49 of 2018; and

WHEREAS, the Board acknowledges and agrees that the amounts set forth in the schedule of Development sources included at Section 11 of Resolution No. 49 of 2018 are approximate and subject to change; and

WHEREAS, in connection with the RAD Conversion and transfer and rehabilitation of the Development, the HACP now wishes to authorize such further action as may be necessary to advance the purposes set forth in the foregoing recitals.

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 negotiate and execute documents with the Owner to effectuate the HACP Permanent Loan, and execute such additional agreements with the Owner as may be necessary or desirable to codify the authorizations described in this Resolution; and

Section 2. The Executive Director or his Designee is hereby authorized to perform any and all activities that the Executive Director determines are necessary or desirable to codify the authorizations described in this Resolution or to otherwise effectuate the HACP Permanent Loan; and

Section 3. Any and all actions previously taken by the HACP and the Executive Director in connection with the provisions and resolutions set forth herein, are hereby ratified.

Valerie McDonald-Roberts asked for a motion to approve the resolution. Rev. Burgess made a motion to approve and Janet Evans seconded the motion. After a discussion:

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

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

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“NAYS”: None

The Chair declared the motion carried and the resolution approved.

There were no more resolutions.

EXECUTIVE REPORT: Mr. Binion thanked his staff for their hard work.

NEW BUSINESS: There was no new business.

AJOURNMENT: The Chair asked for a motion to adjourn the meeting. Enid Miller made a motion to adjourn and Richard Butler seconded the motion.

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

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

“NAYS”: None

The Meeting was Adjourned. At 12:15 p.m.

Recording Secretary