

Housing Authority of the City of Pittsburgh
BOARD OF COMMISSIONERS
MEETING MINUTES
Thursday, January 25, 2018
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, January 25, 2018, at 200 Ross Street; 13th Floor, Wherrett Room, Pittsburgh, Pennsylvania 15219 at 10:30 a.m.

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

Next, the Chair noted that the Board members previously received a copy of the December 14, 2017, Board Meeting Minutes and asked for a motion to approve the minutes. Peter Kaplan made a motion to approve the minutes and Leroy Morgan seconded the motion.

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

“AYES”: Peter Kaplan, Richard Butler, Janet Evans and Leroy Morgan.

“NAYS”: None

The Vice-Chair declared the motion carried and the minutes approved.

The Chair stated that the Board had previously received the Activity Report for December 2017. Mr. Binion introduced Michelle Sandidge. Mrs. Sandidge spoke about the accomplishments of HACP in 2017 and the work ahead of us in 2018.

Janet Evans asked for a motion to approve the Activity Report. Peter Kaplan made a motion and Leroy Morgan seconded the motion to approve the Activity Reports.

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

“AYES”: Peter Kaplan, Richard Butler, Janet Evans and Leroy Morgan.

“NAYS”: None

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

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

Representatives from Allegheny Dwellings and Fineview communities (Joanna Deming and Zeba Ahmed) addressed the Board regarding resident thanked the HACP staff for attending their meeting.

Ms. Evans introduced the following resolutions:

RESOLUTION No. 1 of 2018

A Resolution - Authorizing the Commitment of 74 PBV Units and Allocation of Funds for the City's Edge PBV and Gap Financing Project

WHEREAS, one of the core objectives of the Housing Authority of the City of Pittsburgh (HACP) is to “expand affordable housing options” within the City of Pittsburgh; and

WHEREAS, by order of Resolution No. 52 of 2017, the Board of Commissioners authorized the selection of multiple Owners/Developers as a part of HACP’s new initiative, the Project-Based Voucher (PBV) and Gap Financing program, aimed to preserve and increase affordable housing units throughout the City of Pittsburgh; and

WHEREAS, HACP selected Mid-Point Group of Companies (Mid-Point) to participate in the PBV and Gap Financing program specifically for the development of the City’s Edge project; and

WHEREAS, City’s Edge, located in the Uptown/Lower Hill Neighborhood of Pittsburgh will entail the new construction of a nine (9) story, mixed-use building with one hundred six (106) residential units, commercial space, business incubation space and a parking garage; and

WHEREAS, Mid-Point applied for and obtained four percent (4%) Low-Income Housing Tax Credit (LIHTC) allocations administered by the Pennsylvania Housing Finance Agency (PHFA) for the seventy-four (74) affordable units, which will be further supported by PBVs for residents at or below twenty percent (20%) and fifty percent (50%) of the Area Median Income (AMI); and

WHEREAS, HACP approved Mid-Point for \$3,500,000.00 in Gap Financing funds; and

WHEREAS, in furtherance of the HACP mission, HACP also selected its non-profit instrumentality, Allies & Ross Management and Development Corporation (ARMDC), to assist HACP to achieve its objectives; and

WHEREAS, HACP will grant ARMDC the \$3,500,000 from Moving to Work (MTW) and/or Program Income, which ARMDC will then loan to Mid-Point as a permanent/construction loan at the Applicable Federal Rate; and

WHEREAS, Mid-Point will utilize the loan, in accordance with the regulations established by the U.S. Department of Housing and Urban Development (HUD), HACP, ARMDC, and all Project-related documents for the construction/permanent financing of the residential component of City’s Edge; and

WHEREAS, the transactions associated with the construction of these affordable housing units are subject to the approval of HUD.

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 a Grant Agreement with ARMDC providing an amount not to exceed \$3,500,000.00, which ARMDC will utilize to invest in the construction of the residential component of City's Edge in the Uptown/Lower Hill neighborhood of the City of Pittsburgh; and

Section 2. The Executive Director or his Designee shall execute a Grant Agreement with ARMDC that enables ARMDC to make a permanent loan to Mid-Point to utilize for development activities related to the construction of the 74 affordable housing units, subject to HUD's approval; 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 loans to carry out the City's Edge development of the affordable housing units and (ii) complete any and all additional actions that are legally permissible and necessary or advisable to effect the loans to Mid-Point to carry out the development activities related to the 74 affordable housing units at City's Edge, contemplated herein.

Janet Evans asked for a motion to approve the resolution. Peter Kaplan made a motion to approve and Leroy Morgan seconded the motion. After a brief discussion:

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

"AYES": Peter Kaplan, Richard Butler, Janet Evans and Leroy Morgan.

"NAYS": None

The Vice-Chair declared the motion carried and the resolution approved.

RESOLUTION No. 2 of 2018

A Resolution - Authorizing the RAD Conversion of New Pennley Place Phase I and authorization of the Executive Director to Execute the RAD Documents

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP) identified and submitted Rental Assistance Demonstration (RAD) applications for seven hundred sixty-seven (767) public housing units, of which three (3) were developments owned by HACP and one (1) was a mixed finance development; and

WHEREAS, HACP identified an additional thirty-eight (38) units of public housing at New Pennley Place mixed-finance development (Project) as suitable for conversion under the RAD program due to the size and condition of the Project; and

WHEREAS, HACP through resolution No. 32 of 2015, authorized the submission of an application with Negley Corner LP Phase I (Owner) to the United States Department of Housing and Urban Development (HUD) RAD program; and

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Comment [1]: Reviewed by Alexis, waiting CDO approval

WHEREAS, the application received approval in April 2016 with the awarding of HUD's Commitment to Enter into a Housing Assistance Payment (CHAP) letter; and

WHEREAS, as of the date hereof, HACP has entered into those certain RAD Conversion Commitments with HUD detailing the RAD conversion process (as may be amended, the "RAD Conversion Commitments") for the Project; and

WHEREAS, conversion of the public housing units at the Project under RAD requires that HACP enter into certain additional documents, certificates, instruments and/or agreements with or in favor of HUD and/or the Owner evidencing the RAD conversion process, including, without limitation, certain amendments and supplements to the RAD Conversion Commitments, as appropriate, a RAD Omnibus Amendment to Loan Documents, an Agreement to Subordinate to Rental Assistance Demonstration Use Agreement, a Rider to Use Agreement Relating to Foreclosure, a Rental Assistance Demonstration Use Agreement, a Termination of Mixed-Finance Amendment to Annual Contributions Contract, and a Termination of Regulatory and Operating Agreement (collectively, with the RAD Conversion Commitments and such other documents, certificates, instruments and agreements entered into and/or delivered in connection with the conversion of the Properties under RAD, the "RAD Documents"); and

WHEREAS, HACP intends to take all other actions necessary, advisable or appropriate for the conversion of the Project under RAD.

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

Section 1. The Board of Commissioners of HACP hereby approves in all respects the revitalization of the Projects through conversion under RAD and the transactions contemplated thereby; and

Section 2. The Board of Commissioners of HACP hereby confirms, ratifies and approves in all respects the execution and delivery of the RAD Conversion Commitments by the Executive Director and the consummation of the transactions contemplated thereby; and

Section 3. The Executive Director, or his Designee, is authorized and directed to execute and deliver the RAD Documents, and to execute, acknowledge, deliver, file and/or record such other documents and instruments and to take such other actions as he deems necessary and/or desirable in order to consummate the transactions described in the RAD Documents, and to cause HACP to perform its obligations under such RAD Documents; and

Section 4. The Executive Director, or his Designee, is hereby authorized to submit to HUD for review and approval the evidentiaries, exhibits, instruments, documents and other information as HUD may require or as may be appropriate in connection with the conversion of the Projects under RAD, including, without limitation, evidentiaries and exhibits required by or associated with the RAD Conversion Commitments, information requested in connection with the provision of project-based rental assistance pursuant to the RAD conversion for the Projects, and information requested in connection with the release of the Properties from the existing Declarations of Trust; and

Section 5. The Executive Director, or his Designee, is hereby further authorized, empowered and directed to take such other action and to enter into such documents, instruments and/or

agreements, from time to time, in connection with the transactions contemplated by the foregoing resolutions as the Executive Director, or his designee, deem necessary, advisable or appropriate.

Janet Evans asked for a motion to approve the resolution. Peter Kaplan made a motion to approve and Leroy Morgan seconded the motion.

After a brief discussion:

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

“AYES”: Peter Kaplan, Richard Butler,
Janet Evans and Leroy Morgan.

“NAYS”: None

The Vice-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.

NEW BUSINESS: There was no new business.

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

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

“AYES”: Peter Kaplan, Janet Evans, Richard Butler and Leroy Morgan.

“NAYS”: None

Ms. Evans declared the motion carried and the meeting adjourned.

Recording Secretary