

Housing Authority of the City of Pittsburgh
BOARD OF COMMISSIONERS
MEETING MINUTES
July 25, 2019
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, July 25, 2019 at 200 Ross Street; 13th Floor, Wherrett Room, Pittsburgh, Pennsylvania 15219 at 10:30 a.m.

Valerie McDonald-Roberts chaired the meeting and called the meeting to order. The Commissioners in attendance were: Peter Kaplan, Enid Miller, Janet Evans, Valerie McDonald-Roberts, Cheryl Gainey, Alex Laroco and Rev. Ricky Burgess.

Next, Ms. McDonald-Roberts noted that the Board members previously received a copy of the June 27, 2019 Board Meeting Minutes and asked for a motion to approve the minutes. Janet Evans made a motion to approve the minutes and Alex Laroco seconded the motion.

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

“AYES”: Enid Miller, Peter Kaplan Valerie McDonald-Roberts,
Janet Evans, Rev. Ricky Burgess Cheryl Gainey and Alex Laroco.

“NAYS”: None

The Chair declared the motion carried and the minutes approved.

Ms. McDonald-Roberts asked for a motion to approve the previously received Activity Report for June 2019. Enid Miller made a motion to approve the Activity Reports and Peter Kaplan seconded the motion.

Next, Michelle Sandidge, Chief Communications Officer, spoke about the recent activities of the agency. Representatives of Pittsburgh **Grays** youth baseball team presented Executive Director Binion and the Board gifts in appreciation and thanks for sponsoring the team on its trip to Washington D.C. Sean Gibson from the Josh Gibson Foundation spoke about the games (Pittsburgh won the game!) and the cultural experience the kids received in D.C.

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

“AYES”: Enid Miller, Peter Kaplan Valerie McDonald-Roberts,
Janet Evans, Rev. Ricky Burgess Cheryl Gainey and Alex Laroco.

“NAYS”: None

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

Next, Valerie McDonald-Roberts introduced the Resolutions:

RESOLUTION No. 26 of 2019

A Resolution - Authorizing the Executive Director or his Designee to Execute a Consulting and Shared Services Agreement with Allies Property Management Group, LLC

WHEREAS, Allies Property Management Group, LLC (APMG) desires that the Housing Authority of the City of Pittsburgh (HACP) provide certain consulting and other services to it in connection with the operation of APMG’s business; and

WHEREAS, HACP desires to perform certain consulting and services on behalf of APMG pursuant to a Consulting and Shared Services Agreement.

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 Consulting and Shared Services Agreement substantially in the form attached hereto in order to provide certain services to APMG.

The Chair asked for a motion to approve the resolution. Janet Evans made a motion and Cheryl Gainey seconded the motion. After a discussion:

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

“AYES”: Enid Miller, Peter Kaplan Valerie McDonald-Roberts,
Janet Evans, Rev. Ricky Burgess Cheryl Gainey and Alex Laroco.

“NAYS”: None

The Chair declared the motion carried and the Resolution passed.

RESOLUTION No. 27 of 2019

A Resolution - Adopting an updated Housing Authority of the City of Pittsburgh Procurement and Disposition Policy

WHEREAS, HUD Handbook 7460.8 REV2 Section 2.2 states that public housing authorities such as the Housing Authority of the City of Pittsburgh (HACP) are required to establish and follow a written procurement policy that is consistent with 24 CFR 85.36; and

WHEREAS, the HACP is required to comply with all applicable federal, state and local laws, rules, regulations and guidelines; and

WHEREAS, the HACP has determined that certain updates to the current Procurement and Disposition Policy, are necessary to improve clarity of the Procurement and Disposition Policy and maintain continued compliance with applicable federal, state and local laws, rules, regulations and guidelines.

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

Section 1: The updated Housing Authority of the City of Pittsburgh Procurement and Disposition Policy referenced above, is hereby adopted in its entirety, and replaces the Procurement and Disposition Policy which was previously approved pursuant to Resolution Number 36 of 2015.

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

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

“AYES”: Enid Miller, Peter Kaplan Valerie McDonald-Roberts,
Janet Evans, Rev. Ricky Burgess Cheryl Gainey and Alex Laroco.

“NAYS”: None

The Chair declared the motion carried and the Resolution passed.

RESOLUTION No. 28 of 2019

A Resolution - Authorizing Funding Commitment for the Lemington Senior Housing Project-Based Voucher/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 Allies & Ross Management and Development Corporation (ARMDC) has assisted HACP to achieve its objectives; and

WHEREAS, HACP Board Resolution No. 52 of 2017 authorized the selection of nine (9) affordable housing development projects as a part of HACP’s Project-Based Voucher (PBV) and Moving to Work (MTW) Gap Financing program, and Lemington Senior Housing mixed-use rehabilitation development (Project) and its developer, Ralph A. Falbo, Inc., was selected; and

WHEREAS, the Project, located in the Lincoln-Lemington-Belmar neighborhood of Pittsburgh will rehabilitate a vacant, former senior long-term care facility into a mixed-use building with fifty-four (54) affordable senior housing rental units and commercial space for medical and senior support services; and

WHEREAS, the Project’s owner entity, Redo 1625, LP (Owner Entity) has successfully secured site control and financial resources, including four percent (4%) Low-Income Housing Tax Credit (LIHTC) for fifty-four (54) affordable residential units, which will be further supported by PBVs for residents earning at or below fifty percent (50%) of the area median income; and

WHEREAS, the Project was originally awarded fifty-four (54) PBV’s and \$1,550,000 of Gap Financing loan in 2017, and HACP Resolution No. 32 of 2018 approved an additional funding of \$784,309 to address increased costs; and

WHEREAS, HACP and the Owner Entity have made a final deal structure to increase and bifurcate the Gap Financing loan into an amortizing, fixed payment loan in the amount of up to \$2,700,000, and a cash flow loan in the amount of up to \$1,284,900 to address increased project costs; and

WHEREAS, HACP will grant ARMDC \$3,984,900 of MTW Gap Financing funds, which ARMDC will then loan to the Owner Entity as a construction/permanent loan; and

WHEREAS, the Owner Entity 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 the Project; and

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

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 grant ARMDC an MTW grant fund in the amount of up to \$3,984,900, which ARMDC will utilize to invest in the Project.

Section 2. The Executive Director or his Designee shall execute a grant agreement with ARMDC that enables ARMDC to make a construction/permanent loan to the Owner Entity to utilize for development activities related to the Project, subject to HUD approval.

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 Lemington Senior Housing 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 the Owner Entity to carry out the development activities related to the fifty-four (54) affordable housing units at Lemington Senior Housing, contemplated herein.

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

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

“AYES”:

Enid Miller, Peter Kaplan Valerie McDonald-Roberts,
Janet Evans, Rev. Ricky Burgess Cheryl Gainey and Alex Laroco.

“NAYS”:

None

The Chair declared the motion carried and the Resolution passed.

RESOLUTION No. 29 of 2019

A Resolution - Authorizing Commitment of Additional Funds for Kelly Hamilton Homes (also known as Addison Terrace Phase IV Development)

WHEREAS, the Housing Authority of the City of Pittsburgh (HACP) is redeveloping Addison Terrace into mixed-income housing; and

WHEREAS, 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) dated July 27, 2011; and

WHEREAS, Addison Terrace Phase 4, now known as Kelly Hamilton Homes, is currently under construction in the Homewood neighborhood of the City of Pittsburgh to provide fifty eight (58) units of mixed-income replacement units consisting of 42 project-based voucher units and 16 market rate units (Development); and

WHEREAS, 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; and

WHEREAS, HACP Resolution No. 60 of 2018 authorized a total investment of **\$14,404,889** for the Development to support the initial financial closing and the development activities of the Development 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 total investment, to date, of **\$14,404,889** comprises **\$13,004,889** of Moving to Work (MTW) Funds, **\$1,400,000** of funds from the Urban Redevelopment Authority of Pittsburgh (URA); and

WHEREAS, the Development is in need of additional funding of up to **\$1,465,651** (increasing the total investment to **\$15,870,540**) to address various unforeseen issues including costs to contractors due to delay in financial closing, poor soil conditions, and increased labor and material costs, in order for construction to progress per the construction schedule. The additional funds will be paid from MTW and/or program income 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 obligate and expend an amount of up to **\$15,870,540** (previously approved **\$14,404,889**, plus **\$1,465,651**) to support the Kelly Hamilton Homes Development activities.

Section 2. The Executive Director or his designee is hereby authorized to amend the existing Grant Agreement with ARMDC providing an additional grant amount of up to **\$1,465,651**, which ARMDC shall utilize to fund the Kelly Hamilton Homes 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 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.

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

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

“AYES”: Enid Miller, Peter Kaplan Valerie McDonald-Roberts,
Janet Evans, Cheryl Gainey and Alex Laroco.

“NAYS”: None

“ABSTAIN”: Rev. Ricky Burgess

The Chair declared the motion carried and the Resolution passed.

RESOLUTION No. 30 of 2019

A Resolution - Authorizing the Submission of an Inventory Removal Application for the Disposition of Vacant Land at Oak Hill (formerly Allequippa Terrace) for the Purpose of Redevelopment

WHEREAS, the Housing Authority City of Pittsburgh (HACP) owns approximately 66 acres of land at Oak Hill community, formerly the Allequippa Terrace public housing site, that is being redeveloped in several phases, collectively known as the Oak Hill Development ; and

WHEREAS, Oak Hill Phase I with four mixed-finance sub-phases was completed in 2004, under a HOPE VI grant program of U. S. Department of Housing and Urban Development (HUD) with the HACP’s master developer, Beacon Corcoran Jennison Corporation (BCJ), comprising 395 public housing units (64%), 21 other affordable units (3%), and 203 market-rate units (33%) on approximately 38 acres of land; and

WHEREAS, the HACP and BCJ entered into a new Master Development Agreement in 2009 to initiate Phase II of the Oak Hill redevelopment, with a goal that future development on the site would be comprised of approximately 80% of market-rate units and 20% subsidized low-income units on approximately 28 acres of remaining land to create a balanced income mix in the Oak Hill community; and

WHEREAS, BCJ completed a residential sub-phase and a commercial sub-phase of the Phase II by 2013, and has proposed a new sub-phase named Oak Hill Brackenridge (Brackenridge); and

WHEREAS, the Brackenridge sub-phase will consist of approximately 140 market-rate only units located across four, four-story buildings on approximately 3.3 acres of vacant land and the extension of new public right-of-way roads to connect the development to existing neighborhood streets; and

WHEREAS, BCJ has completed the site plan and secured project financing including FHA-insured loan for the Brackenridge sub-phase; and

WHEREAS, the HACP has determined that it is in its best interest to sell the property for the appraised fair market value, and to utilize the proceeds to invest in the provision of other affordable housing opportunities throughout the City of Pittsburgh; and

WHEREAS, the HACP will seek authorization from the HUD for the disposition of the approximately 3.3 acres of vacant land to the owner entity of the Brackenridge sub-phase; and

WHEREAS, all other future development activities at the Phase II of Oak Hill Development will continue to be subject to the HACP Board of Commissioners' review and approval.

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 dispose of approximately 3.3 acres of vacant land to the ownership entity of the Oak Hill Brackenridge sub-phase in the form of a fee simple sale transaction for an appraised fair market value; and

Section 2. The Executive Director or his Designee is hereby further authorized and directed to prepare, execute and submit a disposition application to the HUD Special Application Center (SAC) to obtain HUD's approval for the disposition of approximately 3.3 acres for the Oak Hill Brackenridge sub-phase; and

Section 3. The disposition based on the terms and conditions stated above is approved subject to HUD's approval of the application to dispose of the property as described herein.

The Chair asked for a motion to approve the resolution. Peter Kaplan made a motion and Alex Laroco seconded the motion. After a discussion and comments from Rev. Burgess regarding the importance of mixed income communities vs. concentrated poverty.

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

"AYES": Enid Miller, Peter Kaplan Valerie McDonald-Roberts,
Janet Evans, Rev. Ricky Burgess Cheryl Gainey and Alex Laroco.

"NAYS": None

The Chair declared the motion carried and the Resolution passed.

RESOLUTION No. 31 of 2019

A Resolution- Approving an Amendment to the HACP 2019 Moving to Work Annual Plan, and Authorizing the submission of the Amended Annual Plan to HUD

WHEREAS, on November 17, 2000, the Housing Authority of the City of Pittsburgh (HACP) and the U.S. Department of Housing and Urban Development (HUD) executed an agreement authorizing the HACP to participate in the Moving to Work (MTW) Demonstration; and

WHEREAS, the MTW Demonstration requires PHAs to submit an MTW Annual Plan to HUD, for review and approval , and HUD approved the HACP's Fiscal Year 2019 (FY2019) MTW Annual Plan on June 17, 2019; and

WHEREAS, the HACP is proposing to amend the FY2019 Annual Plan to include an inventory removal action for the Oak Hill Brackenridge development site; and

WHEREAS, the proposed amendment to the FY2019 MTW Annual Plan was open for public review and comment from June 30, 2019 to July 30, 2019, and two (2) public hearings were held on Wednesday, July 10,2019; and

WHEREAS, the proposed revisions to the FY2019 MTW Annual Plan were reviewed and discussed at the July 23, 2019 Resident Advisory Board (RAB) meeting; and

WHEREAS, the HACP considered all comments received regarding the revised FY2019 MTW Annual Plan; and

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 approve the amendment to the HACP's FY2019 MTW Annual Plan for Oak Hill Brackenridge development site, and the submission of the amended plan to HUD, subject to completion of the public comment period.

The Chair asked for a motion to approve the resolution. Enid Miller made a motion and Alex Laroco seconded the motion. After a discussion:

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

"AYES": Enid Miller, Peter Kaplan Valerie McDonald-Roberts,
Janet Evans, Rev. Ricky Burgess Cheryl Gainey and Alex Laroco.

"NAYS": None

The Chair declared the motion carried and the Resolution passed.

RESOLUTION No. 32 of 2019

A Resolution – Authorizing Funding Commitment for the Demolition of Eight (8) MROP Buildings in the Oak Hill Community

WHEREAS, since 1990s Housing Authority of the City of Pittsburgh (HACP) has transformed its former public housing community, Allequippa Terrace, into a mixed use and income community known as Oak Hill, and completed several mixed-finance developments of Oak Hill Phase I in 2004, and started Oak Hill Phase II in 2009 under a master development agreement with a private developer, Beacon Corcoran Jennison (BCJ); and

WHEREAS, Oak Hill currently consists of 705 rental apartment units that consists of 461 (65%) low-income affordable units and 244 (35%) market-rate units; and

WHEREAS, HACP and owner entity of Oak Hill proposed to replace eight (8) existing buildings comprised of 80 former public housing units and 19 former low income housing tax credit units, known as Major Reconstruction of Obsolete (MROP) units with mixed-income housing units, also known as, Burrows Views, to be completed in two (2) sub-phases, comprising approximately 240 rental apartment units through the U. S. Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) program; and

WHEREAS, HUD approved the demolition of the MROP buildings which are currently vacant as part of the Burrows Views RAD new construction project in December 2018; and

WHEREAS, HACP has agreed to provide a line of credit loan of up to \$1,000,000 to BCJ for the demolition activities of the MROP buildings through its instrumentality, Allies & Ross Management and Development Corporation (ARMDC); and

WHEREAS, BCJ shall be required to use available funds of Oak Hill's eligible reserve accounts prior to draw down of ARMDC's line of credit loan.

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 grant ARMDC an MTW grant fund in the amount of up to \$1,000,000, which ARMDC will utilize to pay for a portion of the costs associated with the demolition of the MROP buildings.

Section 2. The Executive Director or his designee shall execute a grant agreement with ARMDC to enable ARMDC to provide a loan to BCJ to pay a portion of the demolition costs.

Section 3. The Executive Director or his designee is hereby authorized to take all actions necessary, advisable or appropriate for the demolition of the MROP buildings.

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

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

“AYES”: Enid Miller, Peter Kaplan Valerie McDonald-Roberts,
Janet Evans, Rev. Ricky Burgess Cheryl Gainey and Alex Laroco.

“NAYS”: None

The Chair declared the motion carried and the resolution passes.

There were no more resolutions.

EXECUTIVE REPORT: Board has previously received a copy of the Operations, Activity and Executive Report.

NEW BUSINESS: Janet Evans said this year was the 27th Anniversary of the ADA and that is how long ACCESS has been in business.

There was no more new business.

AJOURNMENT: The Chair asked for a motion to adjourn the meeting. Janet Evans motion to adjourn and Cheryl Gainey seconded the motion.

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

The Meeting was Adjourned at 11:40 a.m.

EXECUTIVE SESSION: Began at 11:50 a.m. regarding Human Resources issue.

Recording Secretary