



Text File

Introduced: 7/9/2002

Bill No: 2002-0707, **Version:** 1

Committee: Committee on General Services,
Technology & the Arts

Status: Passed Finally

Presented by Mr. Peduto

Resolution authorizing the Mayor and the Director of the Department of General Services to enter into a ground Lease with THE KINGSLEY ASSOCIATION in connection with the construction, maintenance and operation of a Community Center in the 12th Ward of the City of Pittsburgh.

Whereas, the Kingsley Association ("Kingsley") is a non-profit organization that provides comprehensive programs and services for members of the public focusing on child and youth development, sports and recreation, health and wellness, and arts and culture; and

Whereas, Kingsley intends to construct a Community Center in the Lincoln-Larimer neighborhood of the City of Pittsburgh on City-owned property located at the intersection of Broad Street and East Liberty Boulevard and bordered by Paulson Avenue (the "Site.") The Site is further designated as Block and Lot 125-A-325 and a preliminary drawing of the Community Center is attached hereto as Exhibit A; and

Whereas, the proposed Community Center is projected to cost \$6,600,000 and will be comprised of 56,000 square feet located on three-levels. It is slated to include: a gym, swimming pool, childcare, a district magistrate's office, meeting rooms, gallery space, a retail canteen, areas for family support and concern, administration offices, education services and classrooms, a computer lab, health care, partnering agencies, and social service providers; and

Whereas, it is contemplated 9,500 square feet of the 56,000 square feet of the Community Center will be subleased to entities providing compatible uses; and

Whereas, the City has been asked to contribute a total of \$1,200,000 as a grant towards the cost of the Community Center, with \$700,000 of that total being provided through capital bond funds subject to necessary Council approval and further subject to obtaining the remaining \$500,000 from the Commonwealth of Pennsylvania via matching funds; and

Whereas, PNC Bank has thus far issued 3 credit facilities totaling \$4,950,000 towards construction and permanent financing. The financial obligation of PNC Bank will be created once all necessary approvals have been obtained and a formal commitment is executed; and

Whereas, Kingsley will also be relying on monies from various foundations including the Eden Hall Foundation and the R.K. Mellon Foundation; and

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Whereas, to facilitate this project, Kingsley has requested permission to lease the land from the City upon which to construct the Community Center; and

Whereas, the City desires to enter into a ground lease with The Kingsley Association for this public purpose; and

Whereas, the final execution of the ground lease will be contingent upon: 1) the receipt of the final loan commitment from PNC Bank; 2) written documentation by Kingsley that it has accumulated pledged funding for the entire project cost (including but not limited to Eden Hall and R.K. Mellon Foundations); and 3) necessary approvals by PNC Bank and, where required, by City for subleases to be entered into by Kingsley for the Community Center.

Be it resolved by the Council of the City of Pittsburgh as follows:

Section 1. The Mayor and the Director of the Department of General Services are hereby authorized to enter into a ground lease agreement with the Kingsley Association to lease certain real property to Kingsley located at the intersection of Broad Street and East Liberty Boulevard and further designated as Block and Lot 123-A-325 and authorizing Kingsley to construct a Community Center on the leased premises. The ground lease shall be for an initial term not to exceed 29 years and 11 months with an option to renew for an additional period thereafter with terms to be negotiated by the parties. Rent shall be one dollar (\$1) per year. The ground lease shall be in a form approved by the City Solicitor.