



## Text File

**Introduced:** 12/16/2022

**Bill No:** 2022-1080, **Version:** 1

**Committee:** Committee on Finance and Law

**Status:** Passed Finally

Resolution authorizing the City to enter into a Cooperation Agreement with the Housing Authority of the City of Pittsburgh to Serve as Co-Applicant for the purposes of filing an Application with the U.S. Department of Housing and Urban Development for a FY 2022 Choice Neighborhoods Initiative grant in the amount of fifty million dollars (\$50,000,000) and pledging City financial support in the amount of Thirty One Million and Two Hundred Seventy Five Thousand dollars (\$31,275,000) for the project and City Owned Land to Effectuate the Purposes of the Bedford Dwellings/Hill District Neighborhood Transformation Plan and its implementation strategy.

**WHEREAS**, the Council has determined that it is in the public interest and to the benefit of the citizens and residents of the City of Pittsburgh (“City”) to provide its leadership as the Co-Applicant of the Choice Neighborhoods Initiative (“CNI”) Implementation Grant Application for which the Housing Authority of the City of Pittsburgh (“HACP”) will be the lead applicant;

**WHEREAS**, one or more Pennsylvania limited partnerships (the “Partnerships”) will be created to acquire, construct, and equip one or more multifamily housing projects, i.e., mixed-income replacement housing development of Bedford Dwellings public housing, in FY2022 Bedford Dwellings/Hill District CNI Implementation Grant Application, to be located in the Bedford Dwellings/Hill District neighborhoods (the “Housing Project”);

**WHEREAS**, in addition to the Housing Project, there will be various Critical Community Improvement activities (CCI) which includes a new 4-acre park (a/k/a Coal Seam Trail), creation of new affordable for-sale housing development, façade repair for current owner-occupied homes, and commercial corridor investments in the Hill District neighborhood as part of the CNI Implementation Grant;

**WHEREAS**, the Project will include the use of Community Development Block Grant funds and will require the use of Community Development Block Grant Funds in the annual amount of \$5,000,000 over a period of six years (a total of \$30,000,000) to pay for associated eligible costs related to the Housing Project;

**WHEREAS**, the Project will require the use of Community Development Block Grant Funds in the amount of \$875,000 to pay for associated eligible costs related to CCI;

**WHEREAS**, the Project will will require the use of PAYGO Funds in the amount of \$400,000 to pay for associated eligible costs related to CCI;

**WHEREAS**, the Council has determined that the City will commit the City-owned properties required for the implementation of the strategies in the CNI Grant Application;

**WHEREAS**, the Council has determined that it is in the public interest and to the benefit of the citizens and residents of the City to commit Thirty One Million and Two Hundred Seventy Five Thousand dollars (\$31,275,000) over a period of six years as more fully described in the attached Exhibit A to this Resolution as is fully set forth herein and further authorizes the City and the Urban Redevelopment Authority to take all actions necessary in the premises to enter into the transactions described above so that the Partnerships may proceed with the Project;

**WHEREAS**, the Council has determined that the City will enter into a Choice Neighborhoods Implementation Partnership Agreement (the “Partnership Legal Contract”) with the Lead Applicant and the other Implementation Entities (“CNI Primary Team”) in order to memorialize and demonstrate the City’s commitment for the implementation of the strategies in the CNI Grant Application;

**WHEREAS**, the Council has reviewed the foregoing and determined that the action authorized herein is in furtherance of the public purposes of the City of Pittsburgh.

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

**Section 1:** The City is hereby authorized to serve as co-applicant with the Housing Authority of the City of Pittsburgh as lead applicant to submit an application to the U.S. Department of Housing and Urban Development for a Choice Neighborhoods Initiative Implementation Grant (the “CNI Grant”) in the amount of fifty million dollars (\$50,000,000). The City is hereby authorized to enter into the Partnership Legal Contract or contracts with HACP for the purposes of (1.) defining the roles and responsibilities for administration of the CNI Grant and (2.) consenting as co-applicant to be jointly and severally liable with the HACP for the performance of the CNI Grant.

**Section 2.** The Urban Redevelopment Authority of Pittsburgh (“URA”) is hereby requested to serve as the City’s agent for CNI activities. The City, pursuant to the URA Board approval, hereby designates the URA to serve as the City’s agent for the portion of the CNI Grant allocated to economic development and neighborhood development and is authorized to draw down funds directly from HUD if such is permitted.

**Section 3.** The City is authorized to enter into a Cooperation Agreement with HACP for the purpose of administering the CNI activities.

**Section 4.** The Mayor and/or the Executive Director of the URA, as agent for the City, are authorized to execute all documents and agreement on behalf of the City and between the City, HACP, URA, HUD, and other Implementation Entities to facilitate and assist in obtaining the CNI Grant and Implementation thereof.

**Section 5.** The City hereby commits the following funds and resources to the CNI Grant application and the expenditure of said funds is contingent upon: (1.) HUD’s award of the CNI Grant in the amount up to \$50,000,000 and (2.) HUD’s approval of a mixed-finance proposal and shall account for these financial commitments in its 2023 Capital Budget and 6-year Capital Improvement Program:

- a. Housing Leverage Funds comprised of Community Development Block Grant Funds: an annual amount of \$5M over a period of six years as more fully described in Exhibit A;
- b. Façade Repair CCI Leverage Funds comprised of Community Development Block Grant Funds: a total allocation of \$500,000 as described in Exhibit A;
- c. Acquisition/Rehabilitation Homeownership CCI Leverage Funds comprised of Community Development Block Grant Funds: a total allocation of \$375,000 as described in Exhibit A;
- d. Street Level Commercial Activation CCI Leverage Funds comprised of PAYGO Funds: a total allocation of \$400,000 as

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described in Exhibit A;

- e. Designated City-owned vacant properties required for implementation of the CNI Transformation Plan. The designated properties will be identified by legal description in separate legislation authorizing options for purchase and/or direct purchases and in a letter signed by the Mayor for the CNI Grant Application certifying that the City has site control of the designed properties.

**Section 6.** Any funds committed by the City for the CNI Grant shall only be used to carry out eligible CNI activities and in the event that HACP and the City are not awarded a CNI Grant, these dollars shall be reprogrammed.