



Text File

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Committee: Committee on Intergovernmental
Affairs

Status: Died due to expiration of legislative
council session

Resolution approving the terms of and authorizing the execution and delivery of a Cooperation Agreement with the Urban Redevelopment Authority of Pittsburgh (The "URA") relating to the administration by the URA and its Board of Directors of the Housing Opportunity Fund (The "Fund"), established by City Council Ordinance Number 37 of 2016, to finance the development and preservation of affordable housing within the City of Pittsburgh; authorizing the assignment to the URA of a portion of the City's public moneys for the purpose of carrying out the public purposes of the URA relative to the provision of housing.
(Post Agenda Held, July 18, 2017; Public Hearing Held, July 18, 2017)

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

To carry out the public purposes of the URA, including authorizing the administration by the URA of the Housing Opportunity Fund; the payment of debt service on bonds to be issued by the URA in an aggregate principal amount of approximately one hundred million dollars (\$100,000,000) for the purpose of funding the Housing Opportunity Fund; authorizing the execution and delivery of an agreement irrevocably directing the Treasurer of the City of Pittsburgh to pay the amounts being assigned by the City directly to the Trustee for the owners of the URA's bonds; providing for the proper officers of the City to take all other required, necessary or desirable related action in connection with said Cooperation Agreement, assignment and irrevocable direction; providing for the severability of provisions of this resolution; providing for the effectiveness of this resolution; and providing for repeal of all inconsistent resolutions or parts of resolutions.

Whereas, the Urban Redevelopment Authority of Pittsburgh, a public body and a body corporate and politic, exercising public powers of the Commonwealth of Pennsylvania as an agency thereof (the "URA"), is organized under the Pennsylvania Urban Redevelopment Law (P.L. 991, approved May 24, 1945, as amended) is authorized and empowered by the law to eliminate blighted areas through economically and socially sound redevelopment and encouraging the provision of healthful homes and a decent living environment in the City by, among other things, making funds available to assist in financing the purchase, construction, rehabilitation, demolition and/or equipping of residential or other projects throughout the City; and,

Whereas, the City is authorized and empowered, pursuant to the Pennsylvania Redevelopment Cooperation Law (P.L. 982, approved May 24, 1945, as amended), among other things, to lend or donate money to the URA to aid and assist it in carrying out its public purposes and to enter into cooperation agreements with the URA in connection therewith; and,

Whereas, the City of Pittsburgh established a Housing Opportunity Fund (the "Fund") pursuant to Ordinance Number 37 of 2016 (the "Ordinance") to finance the development and preservation of affordable housing within the City, and said Ordinance designates the Board of Directors of the URA as the Governing Board of

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the Fund and contemplates employees of the URA administering said fund pursuant to the terms of the Ordinance; and,

Whereas, the City and the URA have determined that the most efficient way for the URA to carry out its public purposes is to administer the City's Housing Opportunity Fund which will provide financing for the purpose of stimulating and providing affordable rental and for-sale housing development where there exists an inadequate supply of residential owner-occupied and rental housing due, in part, to the deterioration of older dwellings, the elimination of substandard dwellings by governmental action, the increased cost of construction and the unavailability of affordable financing from the private sector; and,

Whereas, the City has determined to dedicate nine million six hundred thousand dollars (\$9,600,000) of its public moneys for twenty years following the issuance of the Bonds and will assign to the Trustee for the owner (s) of the URA's bonds such amounts of the City's public moneys for such twenty year period to fund the Housing Opportunity Fund or to apply the same to pay the debt service on the Bonds as hereinafter provided; and,

Whereas, the City and the URA have determined that the best way to maximize the development which can be realized from the use of the City's public moneys is for the URA to issue bonds and to deposit the proceeds of the Bonds in the Housing Opportunity Fund; and,

Whereas, it is expected that approximately \$100,000,000 of bonds can be issued if the debt service on the Bonds will be payable solely from the public moneys of the City; and,

Whereas, to provide assurance to the holders of the bonds and any providers of credit enhancement for the bonds as to the security of the flow of the City's public moneys to the Trustee, the City is willing to enter into agreements to cause the funds to be paid directly to the Trustee; and,

Whereas, the City and the URA intend to enter into a Cooperation Agreement, with respect to the matters set forth above;

Now therefore, be it enacted and resolved by the Council of the City of Pittsburgh as follows:

Section 1. The Urban Redevelopment Authority of Pittsburgh, its Board of Directors and employees, are hereby authorized, empowered and directed, pursuant to Ordinance 37 of 2016, to govern and administer the Housing Opportunity Fund.

Section 2. The proper officers of the City are hereby authorized, empowered and directed, in the name and on behalf of the City, to execute and deliver the Cooperation Agreement in a form approved by the City Solicitor and the Clerk of the City is hereby authorized, empowered and directed to cause the corporate seal of the City to be affixed thereto and to duly attest the signature of any officer of the City thereon.

Section 3. The proper officers of the City, including without limitation the City Treasurer, are hereby

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authorized, empowered and directed, in the name and on behalf of the City, to execute and deliver such instruments, agreements and other documents as the officers executing the same shall deem necessary, desirable or appropriate to effect the assignment of nine million six hundred thousand dollars (\$9,600,000) of City public moneys to the URA or the Trustee, the form and content of which shall be approved by such officers with the advice and approval of the City Solicitor (the execution of or delivery thereof by such officers to be conclusive evidence of their approval of such agreement, instrument or other document), and the Clerk of the City is hereby authorized, empowered and directed to cause the corporate seal of the City to be affixed to any such agreement, instrument or other document and to duly attest the signature of any officer of the City thereon.

Section 4. The proper officers of the City of Pittsburgh are hereby authorized, empowered and directed to execute all documents and to do all other acts as may be necessary and proper to carry out the intent and purpose of this Resolution and the undertakings of the City pursuant to the Cooperation Agreement and to assure the URA's (or the Trustee's) right to and receipt of nine million six hundred thousand dollars (\$9,600,000) of City public moneys as specified by this Resolution, the form and content of which shall be approved by such officers with the advice and approval of the City Solicitor (the execution of or delivery thereof by such officers to be conclusive evidence of their approval of such agreement, instrument or other document).

Section 5. This Resolution is enacted pursuant to the laws of the City and of the Constitution of the Commonwealth of Pennsylvania and the City hereby determines and declares that each and every matter and thing provided for herein is necessary and desirable to carry out and effect the public purposes of the City in accordance with such laws.

Section 6. In the event any provision, section, sentence, clause or part of this Resolution or the Cooperation Agreement shall for any reason be held to be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution or the Cooperation Agreement, it being the intent of the City that such remainder shall be and shall remain in full force and effect and that this Resolution and the Cooperation Agreement shall be construed and enforced as if such invalid, illegal or unenforceable provision had never been contained herein or therein.

Section 7. This Resolution shall take effect upon passage.