

**MINUTES OF THE REGULAR MEETING OF THE
PUBLIC PARKING AUTHORITY OF PITTSBURGH
THURSDAY DECEMBER 17, 2015**

Having been duly advertised in accordance with the Sunshine Act No. 84 of 1986, a regular meeting of the Public Parking Authority of Pittsburgh was held on December 17, 2015 at 10:07 a.m. at 232 Boulevard of the Allies, Pittsburgh, PA 15222-1616. The following Board members were present at the start of the meeting: Cathy Qureshi, Jeff Cohen, Matthew Barron and Aradhna Oliphant. Present from staff were: David Onorato, Anthony Boule, Christopher Speers, Jo-Ann Williams, Chris Holt, Wes Pollard, James Smith, Tracy Sowinski, Janet Staab, Deb Meyer, Patrick Osuch, Philip Savino, Kathryn Van Why and Patricia Konesky. Also present were Jason Wrona of Buchanan Ingersoll; Robert Zullo of the Pittsburgh Post-Gazette, Bob Bauder of the Pittsburgh Tribune Review; Jessica Smith Perry and Kyra Straussman of the URA; and William Stewart of Strategic Communications.

MINUTES

Ms. Qureshi asked for approval of the minutes from the regular meeting held on November 19, 2015.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, the minutes were approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

PUBLIC COMMENT

Ms. Qureshi asked if there were any public comments.

There were no public comments.

EXECUTIVE DIRECTOR'S REPORT

Mr. Onorato updated the Board on the Third Avenue Garage repairs, noting the facility's roof level has been completely removed and replaced.

Mr. Onorato advised that there was approximately 51,000 garage tickets issued to date during the year's free holiday parking program, which included Small Business Saturday. He advised that the program was well-received and said that the Authority received expressions of appreciation from some business owners.

Mr. Onorato advised that the Authority is working with an East Ohio Street neighborhood group requesting the possible sale, for development purposes, of the walkway connecting our East Ohio Street lot with the street sidewalk. He advised that this discussion is in its very early stage and said staff will keep the Board posted as the process progresses.

Mr. Onorato advised that Auditors from Maher Duessel are currently performing preliminary work for the 2015 audit and said they will be on site at the beginning of January.

Mr. Onorato updated the Board on the progress of pay-by-phone parking, stating that since its October 26 adoption there have been approximately 70,000 transactions totaling \$201,000, or approximately eight percent of metered purchases during that period. He stated that Parkmobile reported that this usage level is higher at this point than in any other city that implemented the program.

Ms. Oliphant noted that she has received positive feedback on the pay-by-phone process.

Mr. Onorato advised that there was an issue at the Oliver Garage involving water leakage and said the Authority is currently working with PWSA and Millcraft Industries to determine the scope of the leak and who will be responsible for the repairs. He noted that we may need to take the lead and arrange for the work as we are the only entity now being affected. He stated that there have been conversation with both PWSA and Millcraft representatives, who reported their willingness to pay any costs that are determined to be their responsibility. He advised the Authority will enter into a memorandum of understanding documenting that arrangement.

Mr. Onorato advised that the new handheld meters have been delivered and have been in use for about a week. He said officer reports to date have been positive.

Mr. Onorato advised the Board that the Authority's insurance coverages for 2016 were received, reporting a reduction in premium of approximately \$8,000.

Mr. Onorato discussed the Finance Report, noting that with 90 percent of the year represented, revenue is slightly above projections, a result he attributed to a rate increase. He noted that operating revenue minus expenses is \$21.9 million. He described the figure as a little high, but said it does not include the debt service payments to the City. He said that data will be included in next month's report.

Ms. Oliphant asked if that data could be sent to the Board by the end of the year.

Mr. Onorato advised that he will send the data before the year's close.

Mr. Onorato also advised the Board that the 2016 Budget has been finalized and that an electronic copy will be sent to Board members for their review and future reference.

Mr. Onorato discussed the Facilities Report and stated that revenues are about four percent over budget. He noted that Third Avenue Garage revenues are approximately 50 percent lower this year and attributed the drop to ongoing construction at that facility. He added that the year-to-date report reflects a similar pattern, explaining that the revenue increase at the Smithfield/Liberty Garage reflects the completion of construction at that location.

Mr. Onorato referenced the Enforcement Meter Report, noting that he believes its slight decline in the number of tickets issued is due to continued customer compliance with the new meter

system. He advised that we anticipate an additional decline with the implementation of the pay-by-phone technology. He noted that while ticket issuance has declined, the Parking Court Report will indicate an increase in fines collected.

Mr. Onorato discussed the Meter Collection Report, which indicates collections are 17 percent above last year's pace with the largest increase coming from on-street spaces. He noted that lot collections have declined since last year and again stated that is due to a large loss of leases in the East Liberty lot.

Mr. Onorato discussed the Parking Court Report, noting that even though tickets issued are fewer than last year, ticket fines have increased. He stated that the result may be attributed to the collection of older tickets also, not necessarily for tickets issued this year. He noted that Parking Court is more aggressive in its pursuit of collections from older tickets.

Ms. Qureshi asked if there were any questions.

There were none.

RESOLUTIONS

RESOLUTION NO. 68 OF DECEMBER 2015, "A RESOLUTION ADOPTING THE REGULARLY SCHEDULED PUBLIC PARKING AUTHORITY OF PITTSBURGH'S BOARD OF DIRECTOR'S MEETING DATES FOR 2016, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato stated that we will remain consistent with the past years practice by having the Board Meetings scheduled at 10:00 a.m. on the third Thursday of every month, with the exception of the May 2016 meeting when Mr. Onorato will be out of town attending the IPI conference. He noted that the May meeting will be scheduled for the following Thursday of that month.

Ms. Qureshi asked if there were any additional questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 68 of 2015 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 69 OF DECEMBER 2015, "A RESOLUTION AUTHORIZING THE PITTSBURGH PARKING AUTHORITY'S BANK ACCOUNTS FOR THE 2016 CALENDAR YEAR, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the Authority is seeking authorization to continue locating the 10 bank accounts listed in the resolution at PNC, adding that there are no changes or new accounts. He advised that we are in negotiations with PNC to reduce its fees, which at this moment they agreed to do by five cents. He stated that we are at the point of deciding if we can amend their contract or if this change would require that the Authority issue an RFP for banking services. He advised that this resolution is just a request to renew the accounts at their same terms and conditions. Ms. Williams stated that the accounts are generally by revenue type and separating them makes it easier to conduct business. She noted that some of these bank accounts have a monthly statement of over 50 pages because of the activity and detail.

Mr. Cohen inquired how much the Authority pays in fees.

Ms. Williams responded that she doesn't have the full amount immediately available but would gladly get this information to the Board. She noted that credit card fees alone are around \$100,000 per month.

Ms. Qureshi asked if this is net revenue or expense.

Ms. Williams responded that most of the accounts are on an account analysis and include a cash balance to compensate for bank fees.

Ms. Qureshi noted that this is net revenue, which is not ideal, but said she understands why that is the case. She said ideally we would see what our revenues are and there would be a segregated expense, but she understands that this is complicated.

Mr. Cohen said this is something we can negotiate and said he does so on a personal basis. He noted that this is an area in which the Authority can save money and it would not be a bad idea to negotiate these fees.

Ms. Oliphant stated that we should look to lower the bank fees, but doesn't feel that the resolution should be held up at this time.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 69 of 2015 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 70 OF DECEMBER 2015, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ADOPT AND COMPLY WITH THE REQUEST MADE BY CITY COUNCIL FOR THE ADDITION OF SPECIFIC LANGUAGE TO ITS NON-DISCRIMINATORY POLICY, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the Authority currently has a non-discriminatory policy in place and said we were asked by City Council to incorporate specific language regarding gender identity into our current policy.

Ms. Qureshi stated that she fully supports this policy and said the more inclusive it is, the better.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 70 of 2015 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 71 OF DECEMBER 2015, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PURCHASE TWENTY (20) MULTI-SPACE PARKING METERS WITH PAY-BY-PLATE TECHNOLOGY FROM CALE AMERICA, INC., was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the Authority's inventory of meters has been depleted and there are new areas in which meters are scheduled for installation, namely Penn Avenue where we are estimating the placement of 10 to 12 meters and the Bakery Square area where an additional 12 more may be required. He advised that our 2015 Capital Budget accounted for the purchase of 20 meters and additional units which are projected in our 2016 Capital Budget. He noted that each meter is priced at \$6,500.00, the amount established in the original purchase agreement.

Mr. Cohen inquired as to how the meters have been holding up since their installation.

Mr. Onorato advised that the meters have been holding up quite well and said their appearance shows that they are faring well even through Pittsburgh's winter months. He stated that our maintenance department's preventative maintenance program keeps the meters functioning properly and in good condition generally.

Mr. Cohen asked if CALE has upgraded their models since our original purchase. He noted that he has an issue with the screen size and also improve the design of the keyboard buttons.

Mr. Onorato responded that CALE has upgraded its model but that it would not be advantageous for Pittsburgh to adopt those changes. Mr. Onorato stated that he has had conversations with the manufacturer regarding screen size, but because our meters are solar powered it is recommended that their screen size not be increased because doing so would require hardwiring each meter. He stated that we did make font changes when the meters were first installed, but unless we move from solar power to hardwired units, the size of the screen and the background lighting cannot be changed.

Mr. Barron asked if the Authority had an idea of how many meters we anticipated purchasing in 2016.

Mr. Onorato responded that he believes that between 20 and 40 meters being needed to accommodate projected expansion and the replacement of a few of the remaining single-space meters.

Ms. Qureshi asked if there were any additional questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 71 of 2015 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 72 OF DECEMBER 2015, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO APPROVE FINAL PAYMENT TO ALLEGHENY CITY ELECTRIC, INC. FOR THE INSTALLATION OF NEW PANIC ALARM/CALL SYSTEM AT THE SMITHFIELD/LIBERTY PARKING GARAGE, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised this is a request to release final payment for the panic alarm/call system contract of \$61,800 with no change orders. He said the final represents the contract's 10-percent retainage total.

Ms. Qureshi asked if there were any questions.

There were none.

Upon motion by Ms. Oliphant and seconded by Mr. Cohen, Resolution No. 72 of 2015 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 73 OF DECEMBER 2015, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO ALLEGHENY CITY ELECTRIC, INC. FOR THE FIRST AVENUE GARAGE AND STATION LIGHTING UPGRADES, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the Authority worked with the City to secure a grant through Green Building Alliance and the PA Department of Energy to replace all of the garage's floor space and stairwell fixtures and upgrading them to provide LED lighting. He advised that the nine bids received for the work were listed on the bid tab sheet and said the grant stipulates that, while the Authority will pay for the work as it proceeds, it will be reimbursed in the amount of \$284,000 when the project is completed.

Mr. Cohen asked if we could project the savings in electric costs after this upgrade.

Mr. Holt responded that we anticipate a 20 to 40 percent reduction in energy consumption.

Mr. Cohen inquired if the Authority had any idea why there was such a large variation in the bid amounts.

Mr. Smith responded that the lowest bidder, Allegheny City Electric and the second lowest bidder, Kirby Electric just completed similar upgrades at numerous SEA facilities and therefore are very accurate in their cost projections. He noted that some companies who have not had the opportunity to do this type of work may feel the need to escalate their bids to cover some of the unknown variables.

Mr. Holt added that both of these firms are also familiar with the geometrics of our facilities and that may have informed their bidding process. He noted that this is a public bid process and said the bid amounts likely reflect this project experience.

Ms. Qureshi stated that when she worked at the Authority they would routinely remove the highest and lowest bids and then average the remaining to calculate a good estimate of what jobs should cost, and based on this formula she said that the bids received are within the acceptable range.

Mr. Cohen asked the timeframe for this project.

Mr. Holt advised that the required deadline is 120 calendar days to complete the work.

Mr. Barron asked if the Authority was planning on completing lighting upgrades at all Authority garages, noting that this resolution involves the First Avenue facility only.

Mr. Onorato advised that the Authority will be issuing an RFP for a consultant to help develop the scope of work necessary to upgrade additional PPAP facilities.

Mr. Cohen and Ms. Oliphant suggested that the Authority should reach out to the GBA and City prior to hiring the consultant. Ms. Oliphant said she believes there would be an advantage to working together that would benefit the Authority in the long run. Ms. Oliphant offered to reach out to GBA on behalf of the Authority asked Mr. Holt to send her an email as a reminder. She said she believes it would be beneficial as the Authority already has an established relationship with the GBA.

Mr. Barron stated that this project fits in with GBA's 2030 District Plans and said they would most likely welcome this opportunity to work together.

Upon motion by Ms. Oliphant and seconded by Mr. Cohen, Resolution No. 73 of 2015 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

**RESOLUTION NO. 74 OF DECEMBER 2015, "A RESOLUTION
AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AN
AGREEMENT WITH DESMAN ASSOCIATES, AN**

ENGINEERING/ARCHITECTURAL FIRM, ON A MONTH-TO-MONTH CONSULTING AGREEMENT FOR PROFESSIONAL SERVICES ON AN AS-NEEDED BASIS, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that this request seeks authorization to secure Desman Associates for on-call engineering services on a month-to-month basis, under the current terms and conditions, until the Authority issues a new RFP for engineering service. He said that document was in the development process and was anticipated to be released in the next few months.

Mr. Barron asked if there was a breakdown of the annual average costs for Desman's services.

Mr. Onorato responded that expired contract was for \$50,000 per year and basically covered services needed on an emergency basis.

Mr. Cohen asked the hourly rate charged for this service.

Mr. Holt responded that he would have to get back to the Board with Desman's exact hourly rate, but said the industry standard is around \$110.00 per hour for a licensed engineer.

Upon motion by Mr. Cohen and seconded by Mr. Barron, Resolution No. 74 of 2015 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

RESOLUTION NO. 75 OF DECEMBER 2015, "A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE, ENTER INTO AND EFFECTUATE AN AGREEMENT FOR THE PURCHASE AND SALE OF REAL PROPERTY WITH THE URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH, was read by Ms. Qureshi and considered by the Board.

Mr. Onorato advised that the Authority was asked by the City administration and the URA to partner with them in a development to bring needed affordable housing to the East Liberty area. He said the process would involve selling land currently owned by the Parking Authority for use in the new housing footprint. He advised that there were two appraisals completed, one several years ago, that valued the land at \$3.2 million for the highest and best use of the property, a purpose that did not include an affordable housing component. Mr. Onorato noted that a second appraisal of the land specifying the affordable housing component reduced its fair market value to \$1 million. He advised that if a subsequent developer would pay more than the \$1 million, the Authority would be reimbursed for the differing amount. He advised that the Authority would continue to operate the lot after the sale, should it materialize, until the mobilization for construction. He advised the Board that the East Liberty community and the Mayor's Office support this project and would welcome the Parking Authority's participation. He introduced two URA staff member who were present and available to answer questions relating to the project.

Ms. Qureshi stated that the Pittsburgh Parking Authority has a policy to not

sell land below its appraised value and, with this resolution being a departure from that policy discussed why the Board should entertain it. She stated that her response is that the URA asked the Authority, on behalf of the Mayor, to approve this sale because of its benefits to the residents, especially low-income residents, of the City of Pittsburgh. She noted that the key to any affordable housing component is the relationship between income levels of the homes' ultimate occupants and the subsidies for which they would qualify, with the actual market rate to access those properties being another component of that formula. Ms. Qureshi then reviewed the formula for occupancy of the East Liberty site, detailing income levels required for the size of each of the planned residences. More specifically, she noted that a single person at 50 percent unit of the locale's Average Median Income makes approximately \$24,000 per year, meaning he or she could get a one-bedroom or efficiency unit for approximately \$600.00 per month in this development. She stated that the developments strongest point is that 20 percent of units are carved out for persons at that 50- percent level. Ms. Qureshi stated that the component she and the URA representatives discussed in greatest detail involves household incomes between 30 percent and 120 percent of AMI. She said those are very different economic profiles, adding that someone making 120 percent of AMI and makes \$83,000 per year can afford rent of \$2,100 versus a 30 percent of AMI family making \$24,000 per year and qualifying for a monthly rental rate of \$600 per month.

Ms. Qureshi said those variances make it difficult to offer equal housing opportunities for all of the income ranges involved and the actual distribution of units built will depend on pro-forma variables involving tax credits and other factors. She said she believes that the developer will work closely with the URA but we can't say if a member of the public at only 30 percent of AMI and household income of \$34,000 would be guaranteed an apartment in this complex. Ms. Qureshi said it is important that the Board be very clear on the project's purpose and said she intends to support it because it arrives in the form of a request of the Mayor and is the right thing to do for the residents in that part of the city. She said that this resolution commits the URA to competitively bid the project and said she was assured that there are at least three developers interested and they will be considered based on the merits of their proposals. She added that she was assured that at least 20 percent of the units built will be available for individuals and families who make 50 percent of AMI.

Mr. Barron stated that he agrees that it is critical that the City does whatever possible to increase the supply of affordable housing particularly in neighborhoods like East Liberty where there is real housing pressure. He stated that having a surface lot in the middle of this area is not the best use of that land and said if the Parking Authority can help contribute to creating affordable housing that is something he certainly supports. He asked the representatives of the URA if they could confirm that some of the residents being displaced by the closing of the Penn Plaza Development could potentially move into this complex once constructed.

Ms. Straussman responded that there is a timing issue involved and she is not sure if the development will be completed in time for and of the residents of Penn Plaza to access it.

Ms. Oliphant stated that the timing issue concerns her, recalling a similar issue from years ago involving the Hill District and where the effects are still being felt. She said she questioned what impact we can have, noting that the land across from the Penn Plaza is not the Authority's nor the City's, and therefore we have no control over it.

Ms. Straussman replied that the agreement between the URA, City Council and the current owners have with the tenants of Penn Plaza is that there can be affordable housing across both of the developments. She noted that there will be developments at both the existing Penn Plaza site as well as one now occupied by the Authority lot.

Ms. Oliphant inquired if her understanding was correct that the market forces have no control over the Penn Plaza site and that the developers own the parcel and can do what they want with it.

Ms. Straussman stated the URA has a number of controls both within the Memorandum of Understanding negotiated with Penn Plaza's ownership as well as the leverage available through zoning and planning. She stated that it has that ownership's intention to work with the URA on affordable housing and there is a substantial amount of construction of that product currently in the works, so timing is always critical in these situations. Ms. Straussman noted that the URA relocation team is currently working with the Penn Plaza residents and neighborhood associations in support keeping those residents in this neighborhood. She noted that there were 200 families affected by the closing of the Penn Plaza, over half of which qualified for Section 8 vouchers. Ms. Straussman said the problem is the East End does not have very many vacancies, and therefore there is a need for temporary housing as well. She advised that even if this proposed development happens two years from now, chances will be still very high that Penn Plaza residents who might temporarily be living other areas of the city will want to come back to the East End.

Mr. Barron asked the potential timeline for construction, how quickly they anticipate breaking ground, the total number of units involved and the percentage to be used for affordable housing.

Ms. Smith-Perry responded that the URA is waiting on the Parking Authority's Board decision before issuing the RFP, which is ready to be released. She said six weeks will be allowed for proposals to be submitted followed by a due diligence process that she anticipate to be eight to ten months from the time the RFP is issued. She noted that if there is a tax credit applied to the project that cycle will have to be accommodated as well. Ms. Smith-Perry stated that, in total, she believes it will be approximately two years before construction can begin. She said that without a specific development plan it is hard to calculate the specific number of units to be built but she said from 50 to 60 are anticipated.

Ms. Qureshi stated that the draft RFP listed 50 affordable units and 22 market rate units. She said she believes that 65 of those would be just on the Parking Authority's parcel and that parcel would be combined with others to form the project footprint.

Ms. Oliphant asked how many other affordable housing units are slated for development in that region.

Ms. Smith-Perry responded that a Larimar project is the first phase of a Choice Neighborhood program and about two thirds of its 85 units are affordable with some of those to be specific replacements for East Liberty Gardens. She noted there is another phase of 100 units breaking ground in 2016 in East Liberty, as well as another 50 to 60 units coming next year.

Ms. Smith-Perry stated that most of the new construction of affordable housing in the City is done through a program called Low Income Housing Tax Credit. She said the process is required because, by its nature, does not provide enough rent for the developers to pay debt service, so they go through Pennsylvania Housing Finance Agency to apply for tax credits that can be sold to an investor for the capital used to actually fund the building.

Ms. Oliphant noted that those properties are in addition to the 200 units included in the project that the Authority is involved in.

Mr. Barron added that this is about 32 percent of the total housing in East Liberty, so there is a significant amount of affordable housing in that area and the key is protecting it.

Ms. Qureshi asked if the URA considers 120 percent of AMI to be lower income.

Ms. Smith-Perry responded that the URA would not use the term low income, probably more mid-income but there are different tiers of financing, not just those established by the state but also through HUD, and 120 is a tier level of the formula used. She said a household at 120 cannot necessarily afford a \$250,000 mortgage, or even some of the rents that one sees in the East Liberty area, so there is a need to subsidize.

Mr. Barron stated that LITC is a competitive program and asked if the URA was confident that the City and the players involved in making the decision will move forward with the LITC deal that comes to the table in this development.

Ms. Straussman advised that the way the process works currently in Pittsburgh is that there are a number of significant projects that want to include a low income component, but only a small handful are awarded. She stated that the URA just received 10 applications for the next award round and said some of these applicants are repeats. Ms. Straussman said she believes that given the Mayor's personal involvement in this project, together with the land's ownership structure applied-for credits will be made available without undue delay.

Mr. Wrona explained that LITC refers to Low Income Tax Credits.

Mr. Cohen inquired how many of the 65 units would be low income. He stated that while he supports the project and the Mayor's involvement, he believes that the \$1 million appraisal is too low. He stated that he feels the appraisal should have been somewhere in the middle of the \$3.2 million and the \$1 million, and inquired how the \$1 million dollar amount was determined. He also stated he feels that this development is not going to benefit as many low-income residents as the URA believes, although it may help some

Mr. Cohen stated that if this entire project was just affordable housing then he would not have an issue. He is concerned that the Authority is setting a precedent that is not beneficial for the Authority, stating that from the Board's standpoint this is not a good idea. He stated that that particular lot is not generating a lot of revenue and therefore will not be a noticeable loss of revenue. He doesn't feel that with the development timeline not many residents from Penn Plaza will be able to relocate to this development. He also inquired that if a resident is approved for low-income housing and then obtains

a better paying job, does this change the amount which the residents are to pay or are they required to relocate.

Ms. Perry-Smith responded that it depends on how the covenants are structured, if it's base income or all low income. Ms. Smith-Perry stated 20 percent would be very low income and another 35 or so would be in the middle range. She noted that most residents make less than the revenue numbers that have been discussed today and it is not unusual in these properties to see people who make \$8,000 to \$10,000 annually be eligible for Section 8 vouchers and for government assistance with food vouchers. She stated that as many as 50 percent of recent developments have residents within this same category.

Mr. Barron added that there are real social benefits from this living arrangements, particularly in the East Liberty neighborhood, and have moved away from the segregating families by income level.

Ms. Oliphant stated that the URA's vision is great and studies prove that mixed use and mixed income is a much more sustainable community and from a policy perspective, she believes that is the way to proceed. She stated two factors in this project are the difference between appraisal amounts, which was just explained in detail, and the timing issue and its effect on displacement of the Penn Plaza residents of which she is certain the Mayor and the URA are working to remedy.

Mr. Wrona added that if the URA's property was consolidated with the Parking Authority's property and the purchase price is paid for by the developer selected by the URA on a per square foot basis exceeds the \$19.18 per square foot, then the URA will pay the Authority the pro-rate share based on the size of our property compared to the total.

Ms. Straussman stated that the URA and the Mayor's office is very grateful the Board is considering this resolution and they understand and appreciate the Board's concerns. She advised that the URA will not sell this parcel outright and there is a large amount of oversight in the details before it is finalized. She advised that the Penn Plaza community will be involved in the process and a public meeting will be held in the community.

Upon motion by Ms. Oliphant and seconded by Mr. Barron, Resolution No. 75 of 2015 was approved as follows: Mr. Cohen, yes; Mr. Barron, yes; Ms. Oliphant, yes; Ms. Qureshi, yes.

OLD/NEW BUSINESS

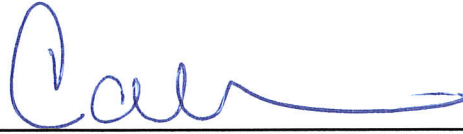
Ms. Qureshi asked if there was any old or new business.

There was none.

The next Board meeting is scheduled for Thursday, January 21, 2016 at 10:00 a.m.

The meeting was adjourned at 11:28 a.m. with all Board Members in approval.

APPROVED TO CONTENT

A handwritten signature in blue ink, appearing to read "Carr", written over a horizontal line.

Chairman

**ACCEPTED FOR FILING IN THE AUTHORITY'S BOOK OF
MINUTES**

A handwritten signature in blue ink, appearing to read "Jeffrey Carr", written over a horizontal line.

Approval