



**FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY**

Written Response to Hill CDC DRP Questions

Submitted September 23, 2018

- 1) You mentioned that higher MWDBE participation rates increase construction costs. Can you give a brief explanation of why?

It doesn't always increase construction costs, but it can - it all depends on what bids are received by the general contractor when it's time to bid out the project. If we do not receive a high number of MWBE bids or receive them in a diversity of construction categories, we may end up not being able to hire the lowest responsible bidder for different bid packages or having to break up packages that could be more economically performed in one piece.

- 2) The proposed board structure is based off the board structure at Wood Street Commons. Is there a regulatory or contractual obligation to that structure, or was it a choice you all made as partners to the project?

No, there is no regulatory obligation and we are not using the exact same structure. We are using the structure of the Wood Street Commons as a guide. This was the choice of the YMCA and ACTION. We are following the basic structure of developer, former owner, community, funders and there is a resident on the board. The proposed structure presents as follows:

- Two members appointed by ACTION-Housing, Inc.
- Two members appointed by YMCA of Greater Pittsburgh
- Three members shall be active members of the Hill District community, jointly appointed by the YMCA of Greater Pittsburgh and ACTION-Housing, Inc.
 - Of which, one will be a resident of Centre Avenue Housing
- One member shall be appointed by the Executive Director of the Urban Redevelopment Authority of the City of Pittsburgh
- One member shall be appointed by the Allegheny County Department of Health and Human Services
- Two members shall be appointed by the two local foundation stakeholders who have provided the most foundation funds toward the Project

- 3) Can you share the deed restriction language?

We are probably six months out from closing so we do not have this language determined. Our attorney has said "it will be a fairly standard restrictive covenant mandating affordability for households at 60% of AMI or below". Almost all residents are significantly below 60% of AMI.

YMCA of GREATER PITTSBURGH

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Written Response to Hill CDC DRP Questions

Submitted September 19, 2018

Amended September 23, 2018

1) Management of the Space – The DRP would like clarity around who will manage the space and oversee the day to day operations. They would like this finalized and detailed. They felt the success of the program is dependent upon this information.

YMCA staff will continue to manage the Centre Avenue YMCA building and housing program until the construction project is complete and a management contract has been awarded by the Centre Avenue Housing Board of Directors. An RFP will be issued for the management contract as the renovation approaches completion. The successful bid will be selected by the Centre Avenue Housing Board and will be in place as ownership transfers from the YMCA to Center Avenue Housing, Inc.

2) Ownership – During your presentation you mentioned that you have not yet worked out the details of ownership. Right now you only have a general framework. As you stated, the CAY is listed in the Greater Hill District Master Plan as an historic community asset. As such, the community would like to see as much community control as possible to ensure the asset remains within the community and continues to serve these needs. They would like you to finalize and provide details around the ownership structure (the new LLC that is being formed), as well as the Board seats – how individuals will be selected to serve on the Board, and how decisions will be made.

The YMCA of Greater Pittsburgh is the current owner/operator of the Centre Avenue YMCA. ACTION-Housing and the Y are partnering to create a new 501C3 that will own and operate the building post renovation, similar to the model that ACTION-Housing used to renovate the historic Wood Street Commons in downtown Pittsburgh, also a former YMCA. The new entity will be called "Centre Avenue Housing, Inc." Papers of incorporation for the new 501C3 will be completed by January, 2019.

Please note that the transfer of the property to the new structure (required for historic tax credit funding) **includes a requirement that the purpose of the property is to maintain an affordable housing facility at the site** and funding will be committed to accomplish this purpose.

The new nonprofit will have a diverse board representing key stakeholders, as follows:

- Two members appointed by ACTION-Housing, Inc.
- Two members appointed by YMCA of Greater Pittsburgh
- Two members shall be active members of the Hill District community, jointly appointed by the YMCA of Greater Pittsburgh and ACTION-Housing, Inc.

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- One member shall be appointed by the Executive Director of the Urban Redevelopment Authority of the City of Pittsburgh
- One member shall be appointed by the Allegheny County Department of Health and Human Services
- Two members shall be appointed by the two local foundation stakeholders who have provided the most foundation funds toward the Project
- One additional seat shall be reserved for a resident of Centre Avenue Housing and will be appointed by the Board of Directors

Decisions will be made in accordance with the by-laws established for Centre Avenue Housing, Inc. We expect the by-laws will be similar to those established for Wood Street Commons.

3) Social Service Provider – During your presentation, you mentioned that you plan to partner with Community Human Services (CHS). However, the DRP felt that since Action Housing is coming into this community and working with residents of this community, that they should utilize a social service provider from this community as their partner. If you need a list, we can provide one to you.

Community Human Services (CHS) is the current service provider at Wood Street Commons, which in some ways is serving as a model for this project. As such, CHS has been informally engaged with the Centre Avenue YMCA throughout this project and the partnership has proven successful. However, similar to the management contract, as construction is completed, the Centre Avenue Housing board will issue an RFP seeking bids for delivery of social services.

We welcome a list of current social services providers located in the Hill District and will be happy to include them in the RFP.

The Thelma Lovette YMCA will continue to provide fitness programming to the residents of Centre Avenue Housing.

4) MBE participation – In your presentation, you stated that you were committed to the URA's 25% MBE and WBE requirement. The DRP, however, has a 35% MBE requirement, as is stated in the Greater Hill District Master Plan.

ACTION-Housing and the YMCA of Greater Pittsburgh are committed to meeting the URA's requirement of 25% M/WBE. More often than not, ACTION-Housing projects exceed the 25% requirement. Martini Construction has been selected for the project, in part, because of their commitment to M/WBE. George Germany will serve as Project Manager. Mr. Germany is a Hill District resident and has many strong ties to the Hill District community. He has managed several projects in the Hill District including the Hill District grocery store and the Kaufmann Center at the Hill House. He will leverage his community connections to maximize hiring of neighborhood residents as he has done on previous projects.

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