



The Buccini/Pollin Group



May 3, 2021

An Open Letter to the Historic Hill District Community

Dear Historic Hill Residents, Stakeholders and All Those Concerned:

We know you have heard a great deal over these last few weeks about the Lower Hill and we wanted to communicate with you, directly, because there has been some misinformation and negativity spread about our project that is simply inaccurate. We must set the record straight. The Development Team of the Buccini Pollin Group (BPG), Clay Cove Capital, First National Bank, and the Pittsburgh Penguins has been engaging in good faith for well over a year with the Community Collaborative Implementation Plan (CCIP) Executive Management Committee (EMC), with respect to the first phase of the Lower Hill redevelopment, the First National Bank tower and open space proposed to be built on Parcels G-1 and G-4.

To get this redevelopment done right, we hired several members of the Hill community to join the team --- Bomani M. Howze as Vice President of Development, Dr. Kimberly C. Ellis as Director of Community, Arts and Culture, Janai Smith of eHoldings, Inc. to handle our Minority and Women's Business outreach, Howard Graves, as the local architect, Lakeisha Byrd, an architect working on the Open Space and Rick Southers of On the Run Images to support our marketing efforts. These colleagues are joined by other Hill Community members such as elected officials, State Representative Jake Wheatley and City Councilman Daniel Lavelle, URA Deputy Director Diamonte Walker, Tyian Battle of ACH Pathways and Marimba Milliones of the Hill CDC. America needs a new model for equitable development, and we are working with Hill District stakeholders to create it. We are particularly grateful to Councilman Daniel Lavelle for his determined leadership to help elevate our engagement efforts.

As a result of the ongoing engagement, the project has been improved and is further aligned with the goals of the CCIP, which was created in 2014, long before our specific development was identified. The proposed FNB mixed-use tower project is a powerful economic catalyst that will kick start equitable redevelopment on the Lower Hill, after more than a decade of disinvestment, development delays and parking lots. Several of our colleagues participated in the creation of the CCIP back in 2014. They are struck by how many of the right notes this first project hits and how much more development and reinvestment it will undoubtedly unlock – if given the chance to advance out of the starting blocks!

We respect you enough to be fully transparent about our commitments. The following are not lofty promises; but contractually binding commitments of the development team that are a direct result of engagement with the CCIP Executive Management Committee and the Historic Hill District community:

- ✓ \$7.5M of the LERTA (50% share of developer's economic incentives from the "Local Economic Revitalization Tax Abatement) for Parcel G-1 will be advanced by the development team at closing and deposited into the Greater Hill District Reinvestment Fund in coordination with the URA. This "Day One" funding exceeds the CCIP requirements for incremental reinvestments by over a decade and the community will receive 50% of any amounts generated beyond the initial funding.
- ✓ \$3M of the Parking Tax Diversion for Parcel E will be advanced at closing from a loan made possible by First National Bank and deposited into the Housing Opportunity Fund so that roofs across the Hill District can be fixed and that residents can access funds to afford down payments on new homes. The community will receive annual Parking Tax Diversion amounts generated beyond that initial monetization as well.
- ✓ The development team has committed to raising a \$5M Opportunity Zone Fund, for direct investment in real estate projects in the Hill District to offset the impact of gentrification, and further committed to engaging with the Hill District on potential investments from the Fund that will benefit the neighborhood.
- ✓ Just last week, FNB has committed to investing an additional \$5M in funding toward closing gap funding for real estate projects in the Hill District.
- ✓ And FNB has committed to investing an additional \$2M through the URA and Invest PGH to support small and medium size businesses operating in the Hill District with critical programs to enhance their access to capital for expansion.
- ✓ The development team has completed the renovations of the First Source Center at the Hill House together with TD Construction (co-owned by Derrick Tillman and Darnell Dinkins), which will open in late May, and has committed to funding operations for at least 10 years at the budget agreed to with the Partner4Work.
- ✓ The development team has committed to meeting with the EMC to consider a crowd-sourcing funding mechanism for future developments on the Lower Hill, including for the benefit of Hill District businesses and residents seeking to establish businesses in the Lower Hill.
- ✓ The Penguins have raised over \$2M toward the installation of the Curtain Call, have engaged artist Walter Hood and Cosmos Engineering, and have committed

to engaging with the community over the next few months toward building the Curtain Call on the Lower Hill open space.

- ✓ The development team has committed to support arts entrepreneurs and business incubation in the urban open space, led by Dr. Kimberly C. Ellis, and is committed to engagement with stakeholders, artists and entrepreneurs to make sure the open space honors the history of the Hill District, creates a sense of place and is welcoming to all.
- ✓ The development team has committed to making much needed repairs of Freedom Corner (Including a kiosk and etchings) and annual maintenance a part of the operations budget for the open space.
- ✓ The development team received unanimous approval from the City's Equal Opportunity Review Commission (EORC) for its M/WBE plans, and currently has demonstrated 41% M/WBE participation for predevelopment, through millions of dollars in contracts for local Black owned and women owned businesses. There will be tens of millions of dollars of contracts available for Black owned and women owned construction businesses in the coming months.
- ✓ We have given multiple presentations from the development team's design team (led by Gensler), construction team (led by PJ Dick) and diversity supplier consultant (Hill District-based eHoldings) to confirm the team's minority and women's business inclusion plans and workforce development roadmap.
- ✓ The development team has committed to exploring its partnerships with FNB, contractors/consultants, the URA and Catapult to identify programs that can alleviate poverty and advance generational wealth including support for the Career Technology & Education (CTE) Program at UPREP Milliones High School and STEM scholarships for local, post-secondary education. The development team, Penguins and leadership of the trades recently met with PPS' Angela Mike and are pursuing federal funding for expanding opportunities for CTE grads to enter the building trade unions.

Our plan is to attend to people, businesses and the community, not just buildings. Our plan is to meet or to exceed the CCIP plan to which we signed our commitment back in April of 2019. On March 31, the Hill CDC circulated a letter with several additional requested commitments from the development team. We have remained engaged in communication, beginning with an April 8th response; and yet, the community was told we never issued a response. The idea that these demands were "unmet" and only "partially met" were highlighted, whereas what we were actually offering was only shown in a red and yellow grid, in a table with too small of print for the community to actually read. Nevertheless, this weekend, we made further changes as a result of that

engagement, to accommodate the new items in the Hill CDC letter. While all of the Hill CDC's requests are certainly good ideas that advance the Hill District, not all of them can be met, as those commitments would undermine the entire project, future phases and the delivery of this broad reinvestment in the people and business of the Greater Hill. Further delaying and/or losing this opportunity would be an unacceptable outcome for the Lower Hill redevelopment, and the entire Hill District.

Humbly, we are grateful for the enthusiastic support we have already received from Hill District residents and stakeholders and believe this first phase of the Lower Hill redevelopment is worthy of advancing toward final approval by the Planning Commission. This hearing is scheduled for Tuesday, May 4, and we are requesting your support. The Hill District has suffered from disinvestment for over 70 years, and we believe this project is a historic first step in the right direction. We have a lot of work ahead of us and with your help we can build a project and revitalize a community in a way that we can all be proud of. This is just the beginning – at last. We remain committed to honoring and repairing some of the harm done (harm which extends beyond any development project) and holding ourselves accountable to the CCIP, and to continuously engaging with and providing resources for the Historic Hill District community for many years to come.

Sincerely,

Kimberly, Bomani, Chris, Boris, Amachie and the entire BPG Team