

AGENDA
Housing Opportunity Fund (HOF)
Advisory Board Meeting
July 13, 2018 @ 9:00
200 Ross Street – 13th Floor

A. Welcome and Opening Remarks

B. Public Comment – Everyone from the public who desires to speak may address the Advisory Board for a maximum of three minutes.

C. Roll Call/Introductions

D. Announcement – Pittsburgh United (PU) is holding a series of five public outreach meetings throughout the months of July and August. In these meetings, PU will inform the public about the HOF and solicit feedback as to which potential HOF-funded programs are the most needed in each geographic region of the City. All meetings will be held from 6:00 to 8:00 PM. Dates and locations for the meetings are as follows:

July 12th – North Region
Letter Carriers Hall
841 California Avenue, Pittsburgh, PA 15212

July 24th – Central Region
Jeron X Grayson Center
1852 Enoch St, Pittsburgh, PA 15219

August 1st – Southern Region
Carnegie Library of Pittsburgh-Knoxville Branch
400 Brownsville Rd, Pittsburgh, PA 15210

August 8th – Eastern Region
Eastminster Presbyterian Church
250 N Highland Ave, Pittsburgh, PA 15206

August 21st – Western Region
White Lily Baptist Church
Community Center
3621 Chartiers Avenue, Pittsburgh, PA 15204

E. Meeting Protocol

Staff Report

The Housing Opportunity Fund Advisory Board is advisory in nature and thus is not a separate organization with bylaws. There will not be Board positions but the Advisory Board will follow standard rules of practice for conducting Advisory Board Meetings. All public postings for the meetings will be published in accordance with the Pennsylvania Sunshine Act, 65 Pa.C.S.A. §§ 701 *et seq.*

All Advisory Board meetings will be recorded and minutes will be drafted. For each meeting, there will be Process Items and Recommendations. Process Items will relate directly to the process of the Advisory Board Committee. An example of a Process Item could be the establishment of sub-committees for specific topics or projects. Recommendations will relate directly to funding recommendations – both for programs and for individual projects. There are no Recommendations anticipated at the July 13, 2018 Advisory Board Meeting.

F. Overview of the Purpose of the Housing Opportunity Fund Advisory Board

Staff Report

The HOF was created in 2016 as a direct result of work completed by the City's Affordable Housing Task Force. In 2015 and 2016, the City empaneled an Affordable Housing Task Force ("Task Force") to study the availability of and the need for affordable housing in the City and to make recommendations concerning how to create and preserve affordable housing in the future. The Task Force identified that there is a shortage of approximately 15,000 units available to households that earn less than 30% of the Area Median Income ("AMI") in the City. Therefore, the Task Force recommended actions such as studying incentive zoning and inclusionary housing policies, creating an affordable housing database, creating a preservation housing policy, and creating a trust fund known as the HOF. The HOF will enable the City to fund development gaps for affordable rental and for-sale housing. It will also provide funding for homeownership training, down payment assistance, homeless prevention, and other needed forms of assistance.

In December 2017, City Council authorized a resolution approving the terms of and authorizing the execution and delivery of a Cooperation Agreement with the URA relating to the administration of the HOF and authorizing the assignment to the URA of ten million dollars (\$10,000,000) per year, for a period of twelve (12) years, commencing January 1, 2018, for implementing the Housing Opportunity Fund.

For the administration of the HOF, URA staff will work with a 17-member Advisory Board which was appointed by the Mayor and approved by City Council. As detailed in the

legislation, the Advisory Board will help establish an annual allocation plan as well as review and make recommendations for projects and programs to be funded by the HOF. Also, per the legislation, the URA Board of Directors serves as the Governing Board for the HOF and will make all final funding decisions based upon the recommendations provided by the Advisory Board.

In the folders are the following items providing background information related to the HOF:

1. Roster of Advisory Board Members
2. Legislation Text – Bill No. 2016-0602
3. Affordable Housing Task Force Report
4. Housing Needs Assessment

G. The Creation of Programs, Policies and Procedures for the HOF

Staff Report

In July 2018, the URA entered into a contract with HR&A Advisors to draft programs, policies, and procedures for the HOF. HR&A Advisors was selected via a Request for Proposals process. The URA received eight proposals from consultants. The RFP committee reviewed several factors including: knowledge of best practices from a national perspective, knowledge of the Pittsburgh housing market, experience in the creation of affordable housing policy, proposed timeframe, the overall fee, the hourly rate, the proposed methodology, and the proposed stakeholder outreach plan.

HR&A Advisors will draft programs, policies, and procedures for the HOF. These programs, policies, and procedures will help construct an annual allocation plan. HR&A Advisors will meet with the Advisory Board, housing advocates, community groups, government officials, and other stakeholders to identify funding priorities as they relate to the existing legislation. Additionally, HR&A would like to schedule meetings with the Advisory Board to discuss potential Early Action Items and how these items fit within a range of program types.

H. Description of Eligible Activities

Staff Report

In accordance with Section 234.03 of Bill No. 2016-0602, the following programs, projects, and activities are eligible uses of the HOF:

Existing Homeownership

1. Preserving existing affordable housing through investments such as home rehabilitation or repair; down payment/closing cost assistance; homeownership

counseling, pre or post purchase; foreclosure prevention and mitigation; tangled title assistance; energy efficiency; and a tenant purchase fund that supports tenants in the process of acquiring a controlling interest in expiring affordable housing.

Construction of New and Preservation of Existing Affordable Housing

2. Rehabilitate, redevelop or replace existing Deed Restricted Affordable Housing to extend the long-term affordability and habitability of the units.
3. Increase the accessibility of new and existing affordable housing to seniors and people with disabilities.
4. Increase the production of affordable housing for sale or rental to ensure that communities experiencing rapid growth and escalating housing costs continue to have Family Sustaining Rental Housing and ensure that Very Low-Income families have opportunities to live in housing in areas of high opportunity or consistent with a neighborhood revitalization plan.

Homeless Prevention and Long-term Affordability

5. Prevent or reduce homelessness by increasing the supply of homes with supportive services available to people at imminent risk of homelessness or experiencing homelessness. The fund can also be used for programs including rental assistance, rapid re-housing, permanent supported housing, housing first and/or other homeless housing purposes, especially for youth, families, senior, veterans, people who are chronically homeless and those with disabilities.
6. Provide for funding projects that promote permanently affordable housing through structures such as tenant purchase, community land trusts, shared-equity or deed restrictions placed upon the land.

Neighborhood Stabilization and Development

7. Stabilize Mid and Lower Market Neighborhoods through activities such as making affordable loan projects and grants available for the construction or rehab of owner-occupied homes or financing the purchase and rehabilitation of vacant structures by Neighborhood-Based Non-Profits for affordable homeownership.
8. Advance any additional housing needs and leverage additional funding opportunities for affordable housing and neighborhood stabilization as they arise.

Also, in accordance with Bill No: 2016-0602, the following income targets shall be used for the overall investment of fund assets in projects, programs, and activities:

- 50% of funds must benefit families and individuals at or below 30% AMI
- 25% of funds must benefit families and individuals at or below 50% AMI
- 25% of funds should benefit families and individuals at or below 80% AMI by providing or supporting homeownership opportunities. 80% AMI may only be exceeded for funds used to provide or support homeownership opportunities by

providing down payment and closing cost assistance to first-time homebuyers consist with the income targets and policies used by the Pittsburgh Home Ownership Program (PHOP).

The HOF Advisory Board should review the eligible activities and income targets listed above and be prepared for future discussion as to how these activities and income targets will relate to an annual allocation plan.

I. Process Item – Establish Future Meetings

Determine a standing meeting day and time to hold monthly public HOF Advisory Board meetings.

J. Other Business

K. Adjournment