

Minutes of the Regular Meeting of the Housing Opportunity Fund Advisory Board of the Urban Redevelopment Authority of Pittsburgh, City Council Chambers, City of Pittsburgh, 414 Grant Street, Pittsburgh, PA 15219.

April 4, 2019 – 9:00 A.M., E.S.T.

Members Present: Messrs. R. Butler (via phone), K. Chintalapalli, M. Lane, M. Masterson, S. Su, D. Tillman, Mmes. L. Andrews, J. Deming, T. Kail-Smith, V. McDonald Roberts (via phone), S. Tilghman, A. Walnoha, D. Walker

Members Absent: J. Bey, J. Jackson, L. Spring, C. Torres

Staff Present: Messrs. D. Geiger, E. Miller, Mmes. V. Hage, J. Reese, J. Smith Perry, G. Taylor, S. Taylor

A. Public Comment

Crystal Jennings, CJ Consulting and a contractor through Pittsburgh United asked for clarification on the contract with Pittsburgh United that was approved in March for community outreach / advocacy / planning activities.

Celeste Scott, a community liaison representative for Pittsburgh United and Pittsburghers for Urban Transit asked for an increase to funding for the Homeowner Assistance Program and the Housing Stabilization Program in the 2019 Allocation Plan.

B. Roll Call

Ms. Smith Perry called the meeting to order and declared a quorum present.

C. Review and Acceptance of Minutes from the March 7, 2019 Meeting

The minutes of the Regular Board Meeting on March 7, 2019 were approved as written and previously distributed.

D. Recommend the Approval of using Wall-to-Wall Studios for an amount up to \$3,100 for the layout of a 4 to 8-page HOF annual report.

Staff Report

In accordance with the HOF enabling legislation, the URA must complete a HOF Annual report by June 30, 2019. The Urban Redevelopment Authority (URA) has an existing contract with Wall-to-Wall Studios that has a remaining balance of \$3,100 which can be used to create the layout for a 4 to 8-page HOF Annual Report. The URA will provide all content for the report. In accordance with the discussion at the March HOF Advisory Board Meeting, the URA will also issue an RFQ to obtain a slate of firms to use for future printing and/ or marketing services. The URA will pick a firm from the slate to print the annual reports.

Ms. Smith Perry stated at the last Advisory Board meeting, the board asked for further clarification regarding the Annual Report. The HOF staff are working with Wall-to-Wall and will supply them with the

content for the report. This will be through an existing URA contract in an amount up to \$3,100. Wall-to-Wall will help with the layout of the report. In addition, there will be an RFP issued for separate printing services.

RECOMMENDATION 11 (2019)

Diamonte Walker made the motion for Item D. Recommend the Approval of using Wall-to-Wall Studios for an amount up to \$3,100 for the layout of a 4 to 8-page HOF annual report. Adrienne Walnoha seconded. Those in favor: L. Andrews, R. Butler, K. Chintalapalli, J. Deming, M. Lane, M. Masterson, V. McDonald Roberts, S. Su, D. Tillman, A. Walnoha, and D. Walker. The motion carried.

E. Recommend the extension of the closing deadline from April 30, 2019 to July 31, 2019 for the Rental Gap Program (RGP) commitment in the amount of \$600,000 made to Action Housing, Inc. for the Centre Avenue YMCA redevelopment.

Staff Report

At the December 6, 2018 HOF Advisory Board Meeting, via Recommendation 11 (2018), the Advisory Board recommended the approval of a Rental Gap Program (RGP) loan for the Centre Avenue YMCA redevelopment developed by Action Housing, Inc. The Recommendation had a commitment expiration date of April 30, 2019.

On March 29, 2019, Action Housing submitted the attached letter formally requesting an extension of the closing deadline. Action Housing is still waiting for final commitment letters from all proposed funders. The requested 90-day extension will allow Action Housing the time needed to finalize all financial commitments and prepare for the closing.

Ms. Smith Perry stated that Action Housing was given four months in their commitment letter to close on this project, but they have requested an extension. There are several reasons for this request. First, they are still waiting for a commitment from RACP funding. The awards will be announced in June 2019. In addition, they have other lines of credit that will be able to close when the RACP funds are awarded.

Ms. Andrews stated that this is the second application for RACP funding. The project is almost entirely funded by grants because the rents are low, and it is not a Low-Income Housing Tax Credit project. Therefore, it cannot carry debt. A number of other grants have been secured, but there is still a gap.

Mr. Masterson requested that when there is a circumstance that the HOF Advisory Board member is at a meeting from an organization that has an item on the agenda that another representative from the organization be present so that the member can abstain.

RECOMMENDATION 12 (2019)

Joanna Deming made the motion for Item E. Recommend the extension of the closing deadline from April 30, 2019 to July 31, 2019 for the Rental Gap Program (RGP) commitment in the amount of \$600,000 made to Action Housing, Inc. for the Centre Avenue YMCA redevelopment. Kyle Chintalapalli seconded. Those in favor: R. Butler, K. Chintalapalli, J. Deming, M. Lane, V. McDonald Roberts, S. Su, A. Walnoha,

and D. Walker. The motion carried. L. Andrews, M. Masterson, D. Tillman & S. Tilghman abstained/left the table for the discussion in accordance with the Conflict of Interest policy.

F. Recommend Preliminary Approval of the Proposed Draft 2019 HOF Allocation Plan

Staff Report

The HOF Advisory Board held two public working team meetings on March 22 and March 27 to begin to create a draft 2019 Allocation Plan. The Advisory Board was given a report that summarized the survey data from the outreach meetings and the online survey. After much discussion, each Advisory Board member was asked to complete a worksheet creating a draft plan. The responses were compiled and a median allocation plan will be presented at the Advisory Board Meeting for discussion and potential preliminary approval.

Ms. Smith Perry stated that there were five annual allocation plan meetings in five regions of the City which included North, South, East, West and Central. Staff created a summary report from those meetings. Additionally, there was a survey that was taken at the meetings and stayed online for a month afterward. 275 people took the survey and it was summarized in the report. The report was distributed to the Advisory Board and two working group meetings were held at the URA. The discussion included the report and other feedback that the Advisory Board members had received from the general public. In addition, there were meetings with HACP and the Dept. of Human Services. The Advisory Board members submitted individually drafted Allocation Plans and staff combined the Advisory Board responses looking at mean and median.

The first five programs on the spreadsheet include: Rental Gap Program, Housing Stabilization Program, Downpayment & Closing Cost Assistance, Homeowner Assistance Program, and For-Sale Development Program. Advisory Board members were able to write in additional programs. Demonstration Dollars was written in as an additional program. The goal is to have funds available when there are properties that have deed restrictions that suddenly are at risk.

Mr. Tillman stated another strategy is to have a Landlord Assistance program. That is a fast way to bring more units into the market that are affordable. It would be strategic to include a line item specifically for the Landlord Assistance program.

Ms. Smith Perry stated the URA is in the process of generating a program to aid small landlords so that they can rent to someone with a Section 8 voucher. HACP inspections have said that these units need approximately \$5,000 to \$10,000 of work per unit to bring it up to code. With the HOF's goal of permanent affordability on the units, it may not be reasonable to ask someone for a 30-year affordability term if the loan is five or ten years. This is why non-HOF sources are being considered.

After further Board discussion and amending the median allocation plan, the following proposed 2019 Allocation Plan was created. Rental Gap Program – 30% AMI - \$2,500,000, 50% AMI - \$1,250,000; Housing Stabilization Program – 30% AMI – 550,000, 50% AMI – 250,000; Downpayment Closing Cost Assistant - 80% AMI – 500,000; Homeowner Assistance Program – 30% AMI – 1,250,000, 50% AMI – 630,000, 80% AMI – 320,000; For-Sale Development Program – 80% AMI - \$1,250,000; Demonstration/Emergency Program - \$500,000; Administration - \$1,000,000.

Staff will create guidelines for the Demonstration Program that outlines the program parameters.

RECOMMENDATION 13 (2019)

Mark Masterson made the motion for Item F. Recommend Preliminary Approval of the Proposed Draft 2019 HOF Allocation Plan. Majestic Lane seconded. Those in favor: L. Andrews, R. Butler, K. Chintalapalli, J. Deming, M. Lane, M. Masterson, V. McDonald Roberts, S. Su, S. Tilghman, D. Tillman A. Walnoha, and D. Walker. The motion carried. T. Kail Smith abstained.

G. Announcement – HOF Housing Resource Fair on April 30, 2019

Staff Report

On April 30, 2019 from 5:30 PM to 7:30 PM there will be a Housing Resource Fair located at 412 Blvd of the Allies. The HOF is hosting the fair and will have many housing partners at the fair with program brochures. The draft 2019 HOF Allocation Plan will be presented.

Ms. Smith Perry stated there are going to be over 15 other agencies at the Housing Resource Fair. HACP will talk about Section 8 Public Housing & their homeownership programs. United Way and the Dept. of Human Services and other non-profits are going to be there.

Mr. Masterson asked to address the comment that was made in public comments in the beginning of the meeting regarding hiring Pittsburgh United to perform public outreach for the event. Mr. Masterson stated that the motion made at the March meeting was to enter into a contact with Pittsburgh United for \$5,000 to perform community outreach. He stated that the intent was not to include other costs such as catering in the contract. Mr. Masterson stated that knocking on doors to get the kind of grass roots level of outreach that is needed to have people turn out for the event will take many man hours.

Ms. Smith Perry stated that there needs to be more due diligence on the contract to make sure it is consistent with industry standards and that the amount of time listed is what is needed for one event. In the future, there will be an RFQ issued for outreach.

Ms. Hage added that a great deal of planning is happening internally, and staff members are going into the community to promote the event. A lot of staff time has been spent on the event already which reduces the amount of community outreach needed to be done by the consultant.

H. Adjournment

There being no further business, the meeting was adjourned.