I WAS SITTING on my porch on a Friday evening when my son’s 11-year old friend came up my steps and said “I hear you help build homes for people who don’t have a place to live. I saved $50 from my allowance and want to give it to you to help build someone a house. Everyone should have a place to live.” Out of the mouth of a child.

It’s so simple but so true. Everyone should have a place to live. In fact, everyone should have a place to live that is safe, healthy and warm. But for some reason, not everyone in America, including in Pittsburgh, is able to avail themselves of this most fundamental basic right to sleep in a warm, safe place.

Fortunately, in Pittsburgh we have a local government that recognizes that almost 20,000 extremely low-income households either do not have a home or are at extreme risk of housing instability. In 2018, Mayor Peduto and City Council approved $10 million per year for 12 years of City operating funds to support affordable housing activities.

Through the Housing Opportunity Fund (HOF), the senior citizen who is living on a monthly social security check will now be able to get much-needed repairs done to his or her house. The mom who works two jobs to make ends meet will now be able to go to a social service provider and get short-term, partial rental assistance if she gets sick and is temporarily unable to work. The family of six who needs a rent-subsidized unit but is on the wait list for five different buildings now has a greater chance of moving up the list. And the young professional who just landed his or her first job will receive down payment assistance to buy his or her first home.

Through the HOF, we will be able to help approximately 525 Pittsburgh households a year. With the 2018 funds, we hope to build or rehabilitate 100 units of new or preserved rental housing, repair/renovate 100 existing owner-occupied homes, help provide rental assistance to approximately 186 households, create 14 units of new or rehabbed for-sale housing stock, and help 125 families purchase their first home. Additionally, in 2019, the HOF will receive another year of funding which will help another 500-600 households.

I am very proud of the HOF Advisory Board and the HOF staff who worked tirelessly to create an allocation plan and structure program requirements that will help as many people as possible. Through the Advisory Board and staff’s diligence, and the hard work of many others in the government, philanthropic, nonprofit, financial, and advocacy sectors, together as a city we can hear hammers pounding in Pittsburgh neighborhoods; and if we listen very closely, hear children quietly snoring in their safe and warm homes.

At Lawrenceville Corporation, we are working aggressively to address our region’s housing shortage and locational gaps. We view the Housing Opportunity Fund as an integral fuel—focused, generous, and aspirational investments—that will allow us to bring high-quality permanently affordable homeownership solutions to Pittsburgh at scale.”

Matthew Galluzzo  
Executive Director, Lawrenceville Corporation

Establishing the Housing Opportunity Fund (HOF)

In 2015, an Affordable Housing Task Force was established by the City to study the affordable housing needs in Pittsburgh. The Task Force put forth the recommendation that an Affordable Housing Trust Fund be established which resulted in the creation of the Housing Opportunity Fund.

The City of Pittsburgh’s HOF is a Housing Trust Fund that aims to increase and preserve the supply of decent, safe, and sanitary affordable housing for low-income households. The City of Pittsburgh is committing $10 million per year for the next 12 years to fund HOF programs and activities.
How can the Housing Opportunity Fund be used?

- Create and preserve affordable housing for rent and for sale
- Focus on deed restricted and/or permanently affordable housing
- Expand access for seniors and people with disabilities
- Increase number of affordable homes with supportive services to prevent homelessness
- Stabilize mid and lower market neighborhoods
- Secure more funding and identify other opportunities

HOF funds are allocated to assist households between 30% AMI – 80% AMI*

<table>
<thead>
<tr>
<th># of people in the home</th>
<th>30% AMI</th>
<th>50% AMI</th>
<th>80% AMI</th>
<th>115% AMI</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$16,000</td>
<td>$26,600</td>
<td>$42,600</td>
<td>$61,000</td>
</tr>
<tr>
<td>2</td>
<td>$18,250</td>
<td>$30,400</td>
<td>$48,650</td>
<td>$69,950</td>
</tr>
<tr>
<td>3</td>
<td>$20,550</td>
<td>$34,200</td>
<td>$54,750</td>
<td>$78,700</td>
</tr>
<tr>
<td>4</td>
<td>$22,800</td>
<td>$38,000</td>
<td>$60,800</td>
<td>$87,400</td>
</tr>
<tr>
<td>5</td>
<td>$24,650</td>
<td>$41,050</td>
<td>$65,700</td>
<td>$94,400</td>
</tr>
</tbody>
</table>

AMI – Area Median Income
* Down Payment and Closing Cost Assistance Program may go as high as 115% AMI

How were the 2018 HOF programs created?

Pittsburgh United conducted five public meetings in the North, South, East, West, and Central areas of the City in 2018 and received feedback to help determine funding priorities. The critical needs identified were:

- Home repairs for extremely low-income homeowners
- Deeply affordable rental units with accompanying supportive services
- Programs to expand homeownership
- Short-term/emergency rental assistance
- Rehabilitation of vacant and abandoned housing stock for resale to homeowners

To address these needs, the following programs were created for 2018.

HOF 2018 Programs

**Rental Gap Program (RGP)**
The RGP funds the creation and/or preservation of affordable rental units in the City of Pittsburgh.

**Homeowner Assistance Program (HAP)**
The HAP provides financial assistance up to $30,000 to eligible homeowners in the City for the rehabilitation and improvement of residential owner-occupied properties.

**Housing Stabilization Program (HSP)**
The HSP provides emergency rental assistance to households in the City. The HSP also allows for legal eviction prevention services.

**For-Sale Development Program (FSDP)**
The FSDP provides low interest rate construction financing and/or grants for the purpose of increasing the supply of affordable housing for homeownership in the City.

**Down Payment and Closing Cost Assistance Program (DPCCAP)**
The DPCCAP provides financial assistance up to $7,500 to income eligible first-time homebuyers in the City.
HOF Highlight: Riverview Towers

In December 2018, the first HOF Rental Gap Program funds were approved for Riverview Towers.

Riverview Towers, located in Squirrel Hill, is an affordable housing complex for senior citizens. With HOF funds, Riverview Towers Inc. will be able to renovate and update 191 units. Riverview Towers offers residents supportive services such as transportation, fitness, and health and wellness programs; the average age of residents is 85 years old.

I have been working in the housing industry for the last 25 years. The Housing Opportunity Fund has provided us with not only desperately needed resources but flexibility in addressing the need for diverse types of affordable housing across Pittsburgh’s neighborhoods. Having the opportunity to be part of the Advisory Board has been both exciting and humbling and I look forward to reviewing our first year’s progress and looking into the future of the Fund.”

Adrienne Walnoha
HOF Advisory Board Member, Advocate for the Homeless

2018 Annual Allocation Plan (AAP)

<table>
<thead>
<tr>
<th>AMI Level</th>
<th>30%</th>
<th>50%</th>
<th>80%</th>
<th>Total</th>
<th>Estimated Units / Households Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>Required Allocation</td>
<td>50%</td>
<td>25%</td>
<td>25%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing Stabilization</td>
<td>$0.5M</td>
<td>$0.25M</td>
<td>$0.75M</td>
<td>186</td>
<td></td>
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<tr>
<td>Rental Gap Financing</td>
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<td>$1.375M</td>
<td>$3.875M</td>
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<tr>
<td>Owner-Occupied Rehabilitation</td>
<td>$1.5M</td>
<td>$0.625M</td>
<td>$2.375M</td>
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<tr>
<td>Down Payment/Closing Cost</td>
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<td>$0.75M</td>
<td>$1.50M</td>
<td>125</td>
<td></td>
</tr>
<tr>
<td>Affordable For Sale Development Program</td>
<td>$1.25M</td>
<td>$1.25M</td>
<td></td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>Administration up to $1M</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$4.5 M</td>
<td>$2.25 M</td>
<td>$2.25 M</td>
<td>$10 M</td>
<td>525</td>
</tr>
</tbody>
</table>

HOF Programs did not start accepting applications until December 2018; therefore, only $231,773.70 was expended in 2018 for consulting costs to create policies, procedures, and programs and additional administrative costs.

Who oversees HOF?
The Advisory Board is made up of a diverse group of 17 Pittsburgh residents. They review applications and guide program development. The URA Board of Directors acts as the HOF Governing Board which votes on projects and votes to advance the Annual Allocation Plan to City Council. Every year, City Council votes to approve the proposed allocation plan.

2018 HOF Advisory Board Members

Lena Andrews
Nonprofit Development Organization

Jamil Bey, PhD
Neighborhood Based Nonprofit Community Resident - South

Richard Butler
Neighborhood Based Nonprofit Community Resident - West

Kyle Chintalapalli
URA

Joanna Deming
Homeowner Representative

Jerome Jackson
Neighborhood Based Nonprofit Community Resident - East

Theresa Kail-Smith
City Council

Majestic Lane
Mayor's Office

Mark Masterson
Neighborhood Based Nonprofit Community Resident - North

Valerie McDonald Roberts
Housing Authority

Leslie Springs
Tenant Association Representative

Samuel Su
Lending Institution

Sonya Tlghman
Nonprofit Organization

Derrick Tillman
Developer

Carlos Torres
Fair Housing Advocate

Diamonte Walker
Neighborhood Based Nonprofit Community Resident - Central

Adrienne Walnoha
Advocate for Homeless
Almost 25,000 Pittsburgh households are paying more than half of their household income on housing costs.

There is an affordability gap of 19,957 units for households earning up to 50% of the city’s median household income.

Many Pittsburgh neighborhoods have very low rates of homeownership.

Housing Choice Vouchers are frequently returned when renters are unable to find a place to live.

Thank you City of Pittsburgh for your dedicated commitment to Affordable Housing! We look forward to helping approximately 525 households with the 2018 funding and another 500-600 households with the upcoming 2019 funding!