

Minutes of the Regular Meeting of the Housing Opportunity Fund Advisory Board for the Urban Redevelopment Authority of Pittsburgh. City of Pittsburgh YouTube channel.

November 5, 2020

Members present: Lena Andrews, Oliver Beasley, Jamil Bey, Knowledge Build Hudson, Joanna Deming, Theresa Kail-Smith, Mark Masterson, Paul Spradley, Sonya Tilghman, Derrick Tillman, Diamonte Walker, Adrienne Walnoha, Kellie Ware-Seabron, Megan Winters

Staff present: Breanna Benjamin, Jeremy Carter, David Geiger, Doren Hilmer, Victoria Jackson, Evan Miller, Brett Morgan, Jessica Smith Perry

Others: Megan Confer-Hammond, David Finer, Alexander Fisher, Darnell Jackson, Celeste Scott, Swain Uber

A. Public Comment

Swain Uber, attorney with the Community Justice Project, thanked the committee for the allocation of funds for legal services.

Celest Scott, Affordable Housing Organizer for Pittsburgh United, commented on how the Housing Stabilization Program (HSP) will be useful when the eviction moratorium is lifted. She also supported public comments provided by Megan Confer-Hammond at the October 19th advisory board meeting on implementing fair housing criteria for program outcomes. She additionally supported the public comments at the previous meeting regarding the need for flexible legal service funding.

Megan Confer-Hammond, Interim Executive Director of Fair Housing Partnership, commented on the discussions from the October 19th advisory board meeting. She remarked that the breakdown of survey responses by city-level demographics was too broad for a budget allocation. She also restated the need for a fair housing lens to measure program outcomes and the need for flexibility of HSP in anticipation of the end of the eviction moratorium.

B. Roll Call

Jessica Smith Perry called the meeting to order. A quorum was present.

C. Review and Acceptance of Minutes from the October 19, 2020 Special Meeting

Sonya Tilghman moved to approve the minutes of the Special Board Meeting on October 19, 2020 as written and previously distributed. Mark Masterson seconded. The motion carried.

D. For Sale Development Program (FSDP) Perry North – Bonvue Phase II

Brett Morgan requested the approval of a For-Sale Development (FSDP) grant in the amount of \$200,510 for the Observatory Hill Development Corporation's (OHDC) Bonvue Phase II. This project proposes to rehabilitate five four-bedroom units on Bonvue Street. Three of these units will be sold to buyers at or below 80% AMI, and the other two will be sold at market rate. The URA is also providing a Pittsburgh Housing Construction Fund (PHCF) loan in the amount of \$185,945, a PHCF grant in the amount of \$150,409, and a Housing Recovery Program (HRP) in the amount of \$120,000 for second deferred mortgages on three of the units.

Darnell Jackson, Real Estate Director for Northside Leadership Conference, spoke to the ongoing neighborhood revitalization efforts on Bonvue Street and Observatory Hill.

Mark Masterson remarked that the neighborhood where the project is located should be referred to as Observatory Hill and not Perry North.

Kellie Ware-Seabron asked about the funding year for the project.

Evan Miller responded the funding year is 2019. All 2018 FSDP funds are committed.

RECOMMENDATION 21 (2020)

Oliver Beasley motioned to agree to the grant for the For-Sale Development Program in the amount of \$200,510 to Observatory Hill Development Corporation for the acquisition and rehab of for-sale homes in Bonvue Phase II. Adrienne Walnoha seconded. Joanna Deming, Mark Masterson, Sonya Tilghman, and Derrick Tillman abstained. The motion carried.

E. Discussion and Final Vote and Recommendation for the 2021 Allocation Plan

J. Smith Perry recapped the allocation plan timeline leading to the final vote and presented the allocation plan for review. Additionally, she remarked on how URA staff has recently seen an increase in the number of existing affordable projects that need preserved. She therefore proposed changing the title of "Demonstration Dollars" to "Preservation Dollars" for flexibility to use those funds on any activity that preserves affordable rental, affordable for-sale, affordable owner-occupied, or shelter housing.

Derek Tillman asked if the name change would still allow for funding for projects other than preservation.

J. Smith Perry agreed that it is possible that a project may fall outside of preservation and not qualify for the demonstration funds.

Diamonte Walker stated the importance of the Demonstration Dollars is to have flexible funding to respond to emergency housing crisis. D. Walker asked why there is not an allocation for legal help for households at or below 80% AMI.

Kellie Ware-Seabron responded that Demonstration Dollars could be utilized for legal help for households at 80% AMI. She was concerned that changing the program to "Preservation Dollars" will not allow for that flexibility.

Mark Masterson asked for the reason for changing the wording.

J. Smith Perry responded that, in this trying budget year, the goal was to be as clear with vocabulary as possible. Additionally, she reiterated that there is a significant number of properties that need assistance for the health and safety of their residents. She cited a recent visit to a 35-unit apartment building in East Hills.

M. Masterson asked if that property was eligible for RGP.

J. Smith Perry responded that it would be eligible for the RGP; however, she reminded the committee that demand for the program exceeded current supply.

K. Ware-Seabron asked if the removal of the term “large scale emergencies” in parentheses would allow Demonstration Dollars to be used for the project.

J. Smith Perry proposed retaining the name “Demonstration Dollars” and adding the word “preservation” in parentheses.

Sonya Tilghman stated the name “Demonstration Dollars” allows for flexibility and asked why there is a need for parentheses.

D. Walker remarked that the creation of Demonstration Dollars was in response to the Bethesda-Homewood Properties and ensuring funds to address large scale emergencies in the future. She affirmed retention of the name and emphasized the need for flexibility to address the preservation of affordable units such as East Hills. She noted that there is now a better understanding of the demand for legal help compared to before, and the advisory board can make better informed allocation decisions. Additionally, she proposed moving funds from the Down Payment and Closing Cost Assistance Program (DPCC) at 80% AMI to legal help for 80% AMI.

J. Smith Perry asked the advisory board members if they wanted to approve the drafted allocation plan as is or reallocate funds from one program to another.

D. Walker recommended moving \$35,000 from DPCC for 80% AMI to legal help for 80% AMI.

Oliver Beasley agreed with the need to move funds from DPCC to legal help for 80% AMI in the amount of \$50,000.

Joanna Deming reminded the board that the URA analysis recommended \$550,00 for DPCC in total and, even with the decrease of \$50,000, DPCC would still have more funding than recommended by the URA.

Megan Winters asked if there is a provision to prevent landlords from raising rents if they receive Demonstration Dollar funding for preservation or rehabilitation.

J. Smith Perry replied that the program does not currently have guidelines due to its emergency nature. If landlords receive funding, the guidelines will most likely follow RGP guidelines which require an affordability declaration on the property.

D. Tillman asked if the Small Landlord Fund (SLF) could be restructured as a grant rather than a loan to address preservation of smaller affordable rental unit projects.

J. Smith Perry clarified that SLF is sourced by investments from PNC and not HOF, so it needs to be structured as a loan. The URA is exploring changing the guidelines to be more user friendly.

D. Tillman asked if there is a mechanism to allow SLF funds to be a grant.

J. Smith Perry responded this is not currently possible because of the source of the fund.

RECOMMENDATION 22 (2020)

Mark Masterson motioned for final vote to approve of the following funding amounts for the 2021 HOF Allocation Plan:

- \$4,100,000 for the Rental Gap Program (RGP)
- \$575,000 for the Housing Stabilization Program (HSP)
- \$600,000 for the Down Payment and Closing Cost Assistance Program (DPCC)
- \$2,340,000 for the Homeowner Assistance Program (HAP)
- \$735,000 for the For-Sale Development Program (FSDP)
- \$400,000 for Demonstration Dollars
- \$250,000 for legal help
- \$1,000,000 for administration

Diamonte Walker seconded the motion. No abstentions. No nay votes. The motion carried.

F. Update—Creation of Bylaws and Committee Structure

J. Smith Perry received the survey from HR&A this morning. Following minor adjustments, the survey will be sent to the advisory board by the end of the week.

Programmatic Discussion

J. Smith Perry presented the commitments and closings to date of both consumer and development programs.

Jeremy Carter explained that funding for HSP increased to approximately \$7 million between HOF funding, foundation and corporate donations, and the CDBG CARES Act funding. The URA increased the provider network to 12 providers. Additionally, the URA has piloted the Community Ambassadors Program led by Omicelo and implemented an emergency eviction prevention program to work directly with housing court and magistrate's court.

M. Masterson observed that there are no development projects in neighborhoods below the Monongahela or Ohio Rivers. He asked if the URA is working with organizations to develop projects in those neighborhoods.

J. Smith Perry noted that a few projects are in the pipeline such as a project in Fairywood on URA-owned land and for-sale development projects in Mount Washington through the Pittsburgh Housing Development Corporation (PHDC). She stated that she was open to advisory board suggestions as to how to advertise the development programs in those areas.

Jamil Bey remarked that the community organizations in Beltzhoover and Knoxville are working with the Hilltop Alliance but do not currently have the capacity to undertake development projects on their own right now.

Theresa Kail Smith noted that there is ongoing work with PHDC, McKees Rocks CDC, and other organizations in her district.

D. Walker gave an overview of the Avenues of Hope. The goal of this city initiative is to deploy scalable resources to develop the main streets of seven historically black and disinvested neighborhoods. The URA is in the beginning stages of developing a work plan, information sessions, and a community engagement strategy.

J. Smith Perry presented tables detailing the total allocations over three years to each of the HOF programs, including total commitments and closings to date.

Lena Andrews spoke about the importance of the Demonstration Dollars to ACTION-Housing for the preservation of the winter shelter downtown.

D. Tillman suggested highlighting ribbon cuttings and other opening events to advertise the use of the HOF fund.

J. Deming added that grantees could be invited to the HOF Advisory Board to share how people benefit from these HOF funds.

K. Ware-Seabron added that the advisory board should plan to strategically reach out to end users to ensure that the programs are useful and beneficial and to eliminate funds that are unnecessary.

J. Smith Perry proposed to invite individuals who have used the programs to present to the HOF Advisory Board in the future.

Adjournment

Lena Andrews moved to adjourn the meeting. Derrick Tillman seconded. The motion carried.

There being no further business, the meeting was adjourned