

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

February 4, 2021

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

Staff present: Breanna Benjamin, Jeremy Carter, David Geiger, Vethina Hage, Doren Hilmer, Victoria Jackson, Derek Kendall-Morris, Evan Miller, Brett Morgan, Sara Shore, Jessica Smith Perry

Others present: Meghan Aitkens, Megan Confer-Hammond, Aaron Erb, David Finer, Alexander Fisher, Darnell Jackson, Linda Metropulos, Sarah Mistick, Michael Polite, Celeste Scott, Swain Uber, Anne Wright

#### **A. Roll Call**

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

#### **B. Review and Acceptance of Minutes from January 7, 2021**

Theresa Kail-Smith moved to approve the minutes of the board meeting on January 7, 2021 as written and previously distributed. Derrick Tillman seconded. The motion carried.

#### **C. Annual Meeting**

Diamonte Walker, chair of the nominating committee, recapped the nomination process for chair and vice chair of the HOF Advisory Board. The members of the committee included Lena Andrews, Knowledge Build Hudson, Sonya Tilghman, and Megan Winters. The nominees for chairperson were Derrick Tillman, Kellie Ware-Seabron, and Joanna Deming. J. Deming notified the nominating committee by email that she opted to withdraw her nomination. Upon review of their applications, the nominating committee recommended Kellie Ware-Seabron for chairperson and Derrick Tillman for vice chairperson. The committee recommended K. Ware-Seabron for chairperson given her experience in fair housing advocacy. The committee acknowledged its reticence to recommend a developer for the inaugural chairmanship. The committee recommended D. Tillman as vice chairperson given his personal history and professional experience in developing high quality affordable housing.

Theresa Kail-Smith thanked the committee for their work and commended the nominees. She appreciated the nomination of a chairperson with fewer interests that would require an abstention from voting.

#### **RECOMMENDATION 5 (2021)**

Diamonte Walker motioned to approve Kellie Ware-Seabron as the inaugural chairperson of the Housing Opportunity Fund Advisory Board. Theresa Kail-Smith seconded. The motion carried.

## **RECOMMENDATION 6 (2021)**

Diamonte Walker motioned to approve Derrick Tillman as the vice chairperson of the Housing Opportunity Fund Advisory Board. Jerome Jackson seconded. The motion carried.

J. Smith Perry offered K. Ware-Seabron, chairperson, the opportunity to form a Fair Housing Committee. The advisory board previously requested the creation of this committee after the election of a chairperson and vice chairperson.

K. Ware-Seabron agreed to begin accepting names of board members interested in joining the committee.

Lena Andrews, Jerome Jackson, Derrick Tillman, Adrienne Walnoha, and Megan Winters volunteered for the committee. Kellie Ware-Seabron, who serves as the Fair Housing Representative, will also serve as the committee chair.

D. Walker commented that the bylaws do not allow a committee to exceed five members.

Joanna Deming suggested a special session where all interested advisory board members can provide input on the committee, and those members who wish to become more involved can prepare for committee membership.

J. Smith Perry and K. Ware-Seabron will meet to discuss the committee and report to the advisory board next month. She asked David Geiger if a motion is necessary.

David Geiger affirmed that a motion is necessary to for a working group or subcommittee. He also clarified that the bylaws state the board chair should not serve as the committee chair. He noted that the term “should not” is flexible enough that K. Ware-Seabron could serve as the committee chair. Additionally, the bylaws explicitly state that committees are limited to five members, and a motion would be required to make an exception to the bylaws.

J. Smith Perry asked for a motion to create a Fair Housing Committee.

## **RECOMMENDATION 7 (2021)**

Sonya Tilghman motioned to create a Fair Housing Committee. Diamonte Walker seconded. The motion carried.

### **D. Update on the Coronavirus Relief Fund Rental Assistance Program**

Jeremy Carter explained that Allegheny County received approximately \$27 million and the City of Pittsburgh received just under \$9 million. The URA/City will coordinate with the county to ensure that there is a single program that both city and county residents can access. The City’s allocation will be reserved for city residents but will operate out of the county’s existing program.

J. Smith Perry added that the City will contract with the county, who is working with ACTION Housing. The \$8,947,600.50 allocated to the City is directly from the U.S. Treasury. The Commonwealth of Pennsylvania also received a large allocation, and it is anticipated that more funds will come through the state. An additional stimulus package may also come from the federal government which will most likely include rental assistance. She also commented that the rental assistance program can be utilized for a series of months.

Theresa Kail-Smith asked what percentage of funds will go to the county to administer.

J. Smith Perry replied that the federal government restricts 10% for administration. She is unaware of the details between the county and ACTION Housing. She has heard that ACTION Housing is hiring staff to run the program so a portion will go to ACTION Housing.

K. Ware-Seaborn asked if the coordinated entry for the program is through Allegheny Link or 211.

J. Carter responded that entry will be through ACTION Housing and a DHS system. Residents seeking assistance will be able to apply through an online platform by accessing <https://covidrentrelief.alleghenycounty.us/>. The website is not live, but residents can sign up for alerts for when it goes live.

K. Ware-Seabron asked if there will be an analog version.

J. Carter replied that they are working with community-based organizations to bridge the digital divide. He does not have specifics on the plan.

M. Masterson asked if these funds would be following the requirements of the Pennsylvania Housing Finance Agency (PHFA) funds such as obtaining certain documentation and landlord agreement to forgive back rent.

J. Carter responded that the funds from Treasury have more relaxed regulations than the funds from the state. However, there is anticipation of new guidance from the Biden administration before rolling out the program. Income documentation requirements are relaxed so residents can use their 2020 tax filing as proof of income rather than recertifying every three months. He also noted that under the Treasury fund program, financial assistance payment can be issued directly to the tenant if the landlord does not respond or cooperate.

#### **E. Acknowledging and accepting of a line-item modification for the additional 2021 HOF funding**

J. Smith Perry updated the board on the need to shift the one-time allocation from city council from the Housing Stabilization Program (HSP) to the Rental Gap Program (RGP) to support the increased costs of Flats on Forward, a new construction affordable housing project in Squirrel Hill. Owned by ACTION Housing, Flats on Forward will be a 43-unit building and 100% of the units will be affordable. ACTION Housing acquired the land, but there is a road behind the site which requires extensive repairs. Given the influx of relief funds from the Treasury and anticipated funds from the state and federal government, Councilman O'Connor has agreed to allow \$750,000 of funding from the one-time allocation to be moved from HSP to RGP to support the project's increased costs. The advisory board would need to pass a motion to acknowledge the revised use of the one-time allocation.

Given the location of Flats on Forward, J. Smith Perry acknowledged the need to establish the Fair Housing Committee to give the advisory board an opportunity to create fair housing metrics for developers. ACTION Housing has agreed to use these metrics for Flats on Forward.

Sonya Tilghman was concerned that if funds are moved, then it would be difficult to serve residents who do not qualify for CARES funding.

J. Smith Perry responded that the Treasury funds will likely be more flexible than the CARES funds and will be available to applicants for 12 months. She expressed the possibility that because of the longer timeline, residents may choose to use that program rather than HSP.

M. Masterson asked if the vote could be tabled until the release of the program guidelines.

J. Smith Perry responded that the motion would need to be voted on today due the project's closing schedule with PHFA.

K. Ware-Seabron asked if this item can be moved on the agenda to after the Flats on Forward packet presentation.

J. Smith Perry agreed.

J. Carter responded to S. Tilghman's previous comment. \$3.9 million remains available for HSP and of that \$1.9 million is CDBG funds. \$2 million is available for residents not eligible for CBDG or county programs.

M. Masterson asked how Flats on Forward previously anticipated being funded.

J. Smith Perry stated that ACTION Housing was awarded Redevelopment Assistance Capital Program (RACP) funding last month as well as funding from the Department of the Community and Economic Development (DCED). However, that funding was not enough to cover the gap.

D. Walker stated she would like to hear the proposal about the necessity of this funding, particularly as it pertains to the housing composition of the project and neighborhood context.

S. Tilghman asked to have public comment before the presentation of Flats on Forward.

J. Smith Perry agreed.

## **H. Public Comment**

Celeste Scott, Housing Justice Organizer for Pittsburgh United, commented that most leases require tenants to waive their right to criminal proceedings against their landlord, and tenants—particularly those who are Black and poor—are largely at a disadvantage in legal proceedings. She commented on the necessity of an accessible version of the proposed Legal Assistance Program to support tenants.

Swain Uber, Community Justice Project Housing Fellow, commented he is thankful for the push to fund legal services at scale in the City of Pittsburgh. He acknowledged that there was an eviction

crisis before COVID and that the need now might be larger than anticipated. He encouraged the board to keep in mind the availability of the Demonstration Dollars to support legal assistance if need becomes greater.

Christine Kirby, Director of Development for Neighborhood Legal Services, thanked Jeremy Carter, URA staff, and the HOF Advisory Board for taking time to understand the issues pertaining to legal assistance for housing. She recommended changes to terminology in the guidelines for foreclosure prevention and tangled title assistance.

Aaron Erb, Executive Director of Just Meditation PGH, explained that Just Mediation PGH was formed in the early months of the pandemic in response to the public health crisis as well as the long-standing eviction crisis. The organization mediates cases between landlord and tenants to prevent eviction and find sustainable solutions to their conflict. Regarding the guidelines for legal assistance, he commented on the desire for clarity and detail on the coordinated entry system.

Megan Confer-Hammond, Executive Director of the Fair Housing Partnership of Greater Pittsburgh, commended the advisory board for establishing the Fair Housing Committee. She commented on the executive memo issued by the Department of Housing and Urban Development (HUD) to affirmatively further fair housing and to address systemic racism. She referred to the demographics of the Black population in Squirrel Hill compared to the City of Pittsburgh as an example of understanding fair housing and funding decisions. She requested to be contacted prior to the March meeting to collaborate with the Fair Housing Committee on future actions for fair housing.

Anne Wright thanked Jeremy Carter and the URA staff for the thoughtful preparation of the Legal Assistance Program guidelines. She reiterated Aaron Erb's statement about the coordinated entry system and the need for the coordinators to have substantive expertise to determine appropriate program referrals. She advocated for applicants to be able to approach mediation and legal consultation or representation directly rather than strictly through the coordinated entry system. She also asked the advisory board to hold a special meeting in February to vote on the Legal Assistance Program.

Crystal Jennings congratulated Kellie Ware-Seabron and Derrick Tillman on their elections, and she commented in support of the implementation of the Legal Assistance Program.

## **F. Flats on Forward Development**

Derrick Tillman, Sonya Tilghman, Jerome Jackson, and Lena Andrews stated they would need to abstain from the vote due to conflicts of interest. Lena Andrews also abstained from discussion given that she is a staff member of ACTION Housing. Linda Metropulos will speak on behalf of ACTION Housing.

Sara Shore presented the Flats on Forward Development. She recommended the increase of HOF Rental Gap Program funding from \$585,000 to \$1,335,000 for the new construction of the Flats of Forward development. The commitment will expire on June 4, 2021. To advance and support Affirmatively Furthering Fair Housing, ACTION Housing will work with the Housing Opportunity Fund Advisory Board and the Fair Housing Partnership to maximize and document the development's Fair Housing Marketing efforts and leasing practices. Data will be reported and documented.

J. Smith Perry commented that ACTION Housing has done an amazing job fundraising for Flats on Forward. The state awarded ACTION Housing with RACP funding; however, the award was not for the total amount they requested. The organization also secured non-HOF sources including the Low-Income Housing Tax Credit (LIHTC), the PHFA's Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (PHARE), HOME funds from DCED as well as have outstanding applications for the Federal Home Loan Bank (FHLB) and multi-modal funds. She also emphasized that this project demonstrates the commitment for affirmatively further fair housing in the City of Pittsburgh.

Linda Metropulos spoke to the history and mission of ACTION Housing in acquiring this site and the outstanding costs associated with Maeburn Road.

K. Ware-Seabron noted that Squirrel Hill is a high opportunity area. She asked about household sizes the units would be able to support.

L. Metropulos acknowledged that family housing is a priority. Given the relatively small size of the site, the number of two-bedroom units are limited. She also noted that ACTION Housing runs a program called My Place which assists young adults transitioning from foster care or homelessness into stable, affordable housing. ACTION Housing believes that they will be able to attract participants in that program into Flats on Forward.

Lena Andrews responded that the site will have 38 one-bedroom units and five two-bedroom units.

J. Smith Perry returned to the motion to acknowledge and accept the line-item modification for the additional 2021 HOF funding. This motion must be voted on prior to entertaining a motion to increase RGP funding for Flats on Forward.

M. Masterson asked if city council designated that the allocation be used for HSP.

D. Geiger explained that the budget book stated that the funds were preliminarily allocated which means some amount of flexibility for the use of the funds. The HOF Advisory Board accepted the preliminary allocation. Councilman O'Connor agreed to the reallocation. It is the decision of the advisory board to accept or reject the reallocation.

M. Masterson stated that the advisory board was told that they did not have ability to vote on accepting the allocation.

T. Kail-Smith requested an opinion from the Law Department on the recommendation.

D. Geiger responded that he believes that the slide from the previous month read "preliminarily allocated" and the authorization was to accept.

J. Smith Perry noted that the slide read "preliminarily budgeted as" and that language was taken from the legislation.

Adrienne Walnoha stated her support of the project. Given the large increase, she requested the advisory board discuss parameters for threshold exceptions in the future.

J. Smith Perry agreed. The URA has a threshold of \$1,250,000 from all sources, and projects rarely exceed that threshold. Given the opportunity to develop fair housing in Squirrel Hill and the increased cost of the development, this would be an instance in which the URA would consider exceeding the threshold. She also noted that the Housing Authority issues higher rent payments for six stronger market neighborhoods, including Squirrel Hill, to encourage landlords to rent to voucher holders. An administrative waiver on the guidelines would pattern after the Housing Authority's efforts to affirmatively further fair housing.

M. Masterson asked J. Smith Perry to recount the existing program caps by income.

J. Smith Perry explained the current HOF cap is \$60,000 per unit for a 30% AMI unit and \$30,000 per unit for a 50% AMI unit. All sources URA sources together—HOF, HOME, CDBG, etc.—are capped at \$1,250,000 per project.

M. Masterson asked if the Flats on Forward 30% AMI units would increase from \$60,000 per unit to \$63,000 per unit and 50% AMI units would increase from \$30,000 to \$60,000.

S. Shore affirmed.

L. Metropulos reiterated that ACTION Housing would not have requested a funding increase if it did not have to fix Maeburn Road.

A. Walnoha commended ACTION Housing for pursuing other funding sources but is concerned about HOF paying for an infrastructure project.

Jerome Jackson asked how the infrastructure project would be funded if the advisory board does not approve this funding increase.

L. Metropulos replied that there are no other sources available.

J. Smith Perry called for a vote.

T. Kail-Smith asked that the recommendation include a provision to remain pending until receipt of approval by the Law Department. She suggested that the board could also recess the meeting until the Law Department rendered an opinion.

K. Ware-Seabron suggested the possibility of a special meeting to vote on the recommendation.

L. Metropulos explained that ACTION Housing needs a decision this month to close and begin construction. Otherwise, the project will lose its construction pricing.

#### **RECOMMENDATION 8A (2021)**

Kellie Ware-Seabron motioned to reallocate \$750,000 from the Housing Stabilization Program (HSP) to the Rental Gap Program (RGP) for the purposes of Flats on Forward from previous receipt of Councilman O'Connor's additional funding pending approval from the City of Pittsburgh Law Department. Knowledge Build Hudson seconded the motion.

Lena Andrews, Derrick Tillman, and Jerome Jackson abstained due to conflicts of interest. Mark Masterson and Sonya Tilghman also both abstained.

Theresa Kail-Smith commented that she spoke with Councilman O'Connor who confirmed he spoke with the Law Department.

The motion carried.

#### **RECOMMENDATION 8B (2021)**

Kellie Ware-Seabron motioned to recommend an increase in Rental Gap Program funding for Flats on Forward by \$750,000 and waive administrative guidelines to exceed the per unit and per project cap. Knowledge Build Hudson seconded the motion. Lena Andrews, Derrick Tillman, Sonya Tilghman, and Jerome Jackson abstained due to conflicts of interest. The motion carried.

The commitment to Flats on Forward will expire August 11, 2021.

#### **G. Northside Properties Phase IV**

Brett Morgan presented Northside Properties Phase IV. He recommends the approval of a Rental Gap Program loan in the amount of \$450,000 for the new construction for 42 units for Cal-Bride Place (Northside Properties Residences Phase IV). The commitment will expire on August 11, 2021.

#### **RECOMMENDATION 9 (2021)**

Adrienne Walnoha motioned to recommend the approval of Rental Gap Program loan in the amount of \$450,000 for the new construction for 42 units for Cal-Bride Place (Northside Properties Residences Phase IV). The commitment will expire on August 11, 2021. Theresa Kail-Smith seconded the motion. Lena Andrews, Derrick Tillman, Sonya Tilghman, and Jerome Jackson abstained due to conflicts of interest. The motion carried.

#### **I. Legal Assistance Programs**

J. Carter explained that the URA hosted a series of roundtable discussions with tenant advocates, mediation and legal advocates, the Bar Association, and HOF Advisory Board members to get a diverse perspective of what needed to be included in this program and synthesized that feedback into the guidelines. He presented an overview of the guidelines and services provided by the Legal Assistance Program for both tenants and homeowners. The URA will issue two requests for proposals (RFP) for the Legal Assistance Program through the URA's website—one for tenant services and coordinated entry and the other for homeowners. The goal is for the program to be operational by mid- to late-March.

K. Ware-Seabron asked about the AMI levels for legal services.

J. Carter responded that the AMI levels for renters is up to 50% AMI for renters and 80% AMI for homeowners.

K. Ware-Seabron asked why limited legal representation, such as writing a letter, was not included in the RFP.

J. Carter responded that limited legal representation is a service of the program, and he will ensure that is clear in the RFP.

K. Ware-Seabron expressed concern that the guidelines are written as if when a habitability issue arises services are no longer applicable because the issue is no longer about the non-payment of rent.

J. Carter responded that the URA changed the wording from “habitability” to “implied warranty of habitability” to refine that to mean that it’s limited to that implied warranty that the landlord is legally obligated to maintain habitability, not just any habitability concerns.

M. Masterson requested flexibility in the guidelines to assist renters facing evictions for causes other than nonpayment of rent since evictions could have multiple underlying causes.

J. Smith Perry responded the URA does not want to be in the position of determining fault in landlord-tenant disputes.

J. Carter added that during the roundtable discussions, the most common issues were identified as nonpayment of rent, habitability, and security deposit returns. Given that this program is a pilot program, there needs to be evidence that the program works before expanding it so the program addresses the three most common legal assistance issues.

M. Masterson asked for language about end of lease terms.

K. Ware-Seabron suggested adding language about if nonpayment of rent is ever raised. The language would allow legal services to address nonpayment and any underlying causes.

J. Jackson disclosed he is board member of Just Mediation PGH. He expressed concern that mediation is offered to tenants but not homeowners. He disagreed with the guidelines stating that the mediation agreement will be drafted on behalf of the tenant and argued the agreement should be for the good of all parties involved. Additionally, he also expressed concern about the cultural competency of the mediators; the limitations on what issues can be mediated; and the review of the mediation agreement by an attorney.

D. Tillman asked if the coordinated entry system will allow for legal assistance to be paired with rental assistance. Regarding mediation, he asked if coordinated entry will determine if a tenant needs mediation rather than legal support.

J. Carter responded that this is the intent of coordinated entry. The referrals can also happen at other steps in the process. For example, if the mediator identifies rental assistance or habitability as an issue, they make referrals to HSP or the Small Landlord Fund to the tenant or landlord, respectively.

K. Ware-Seabron asked if landlords can reach out for mediation and if income documentation requirements could be relaxed as it has been for other programs.

J. Carter responded that the income documentation requirement was not relaxed for other programs. What was relaxed was how income documentation can be provided.

S. Tilghman emphasized the need for highly skilled and trained staff managing the coordinated entry system.

J. Carter explained that the coordinated entry provider must have legal assistance experience in order to triage the calls.

M. Masterson asked if the vote can be tabled to allow the board to give more input.

J. Smith Perry affirmed that the board could table the vote; however, she explained that it is on the agenda this month because the eviction moratorium ends March 31<sup>st</sup> and the URA wants to move as fast as possible.

T. Kail-Smith acknowledged the concerns of the board members but does not want to jeopardize the opportunity for people to receive assistance. She asked if the board could move to approve the recommendation pending a review of the RFP before it is issued.

J. Smith Perry agreed. She asked J. Carter if mediation could be included in the homeowner guidelines.

J. Carter believes that is possible but would need to learn more about which mediation services are currently available to homeowners.

J. Smith Perry asked J. Jackson if the mortgage company is the other party in the homeowner mediation.

J. Jackson explained that mortgage companies have participated in mediations in the past, including as part of foreclosure prevention. He also noted that mediation could be beneficial for tangled title assistance.

M. Masterson suggested that the board amend the guidelines for mediation and dual causes for eviction.

### **RECOMMENDATION 9 (2021)**

Kellie Ware-Seabron motioned to recommend approval of the Legal Assistance Guidelines and to add the following: (1) dual causes where there is nonpayment of rent or has been recent nonpayment of rent as causes for eviction and (2) if applicable, mediation as a permissible use for the homeownership tangled title and/or foreclosure prevention program. Mark Masterson seconded the motion.

## **J. Programmatic Expenditures and Impacts**

J. Smith Perry presented the commitments and closings to date of both consumer and development programs through 2020. She noted that the Northside Properties Phase IV is the first of the LIHTC deals to utilize the \$4.5 million 2020 RGP allocation.

## **K. General Housing Announcements**

J. Carter presented the additional funding awards for HSP to be presented to the URA Board. None of the awards are HOF funds.

The Community Engagement Ambassador (CEA) Program will be extended for three months to ensure there will not be a lack of coverage as the county sets up its program.

## **L. Adjournment**

A. Walnoha commented that this meeting has highlighted the need for the board to receive materials earlier for review.

T. Kail-Smith requested that the URA gather data from 2-1-1 on the number of people calling for assistance and how they are being helped.

The next HOF Advisory Board meeting will occur on March 4, 2021 at 9:00am.

Derrick Tillman moved to adjourn the meeting. Kellie Ware-Seabron seconded. The motion carried.

There being no further business, the meeting was adjourned.