

HOUSING OPPORTUNITY FUND

Building Back Stronger

2020 ANNUAL REPORT



Photography Credit: Brandon Lee



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“ *I was happy with the help I received, and it really was a blessing for me to have my roof fixed, especially after [all the recent rain]. It's really comforting to know that my roof won't leak. And I was very happy with everything that was done. Alicia worked with me and I was very happy with what she did for me.* **”**

*Ms. Jones-Cox,
Larimer resident and HAP participant*

Acronyms used throughout the report:

- HOF – Housing Opportunity Fund
- URA – Urban Redevelopment Authority of Pittsburgh
- AAP – Annual Allocation Plan
- AMI – Area Median Income
- DPCCAP – Down Payment/Closing Cost
- HAP/Plus – Homeowner Assistance Program/Plus
- HH – Household
- HSP – Housing Stabilization Program
- RGP – Rental Gap Program
- FSDP – For-Sale Development Program

Message from the Mayor

“In 2020, the COVID-19 pandemic produced exceptional economic challenges for our residents. However, the Housing Opportunity Fund’s solid framework allowed us to continue operations and quickly respond to our neighbors in need of assistance. The Demonstration Dollars Program, introduced in 2019, served as a reserve fund for housing emergencies. The fund was used to ramp up critical programs like the Housing Stabilization Program, which assisted 543 households in 2020 in navigating the pandemic.

Additionally, the Housing Opportunity Fund was able to continue working with the community to introduce and adjust programs to meet their needs; and we are continuing to see the development of affordable housing, including more than 380 rental units which began construction in 2020.

The Housing Opportunity Fund will continue to directly collaborate with the Pittsburgh community to understand and meet their housing needs and help to ensure that Pittsburgh is an affordable, equitable place to live for all residents.”

– Mayor William Peduto

Message from URA Deputy Executive Director

“On behalf of the Housing Opportunity Fund Advisory Board, I am pleased to present the 2020 Annual Report. Since the first program was implemented in late 2018, the HOF team has been working hard to create housing programs and resources to meet the needs of our most vulnerable residents and promote equitable growth across the City of Pittsburgh. In the three years since its adoption, the HOF has:

- Assisted over 118 homeowners with necessary home repairs
- Helped over 160 first-time homebuyers make the dream of homeownership a reality
- Helped prevent eviction and help stabilize over 694 households across the City
- Helped develop 260 units of affordable housing

In 2020, the implications of the COVID-19 pandemic left City residents even more housing insecure and unstable. Fortunately, the HOF and its strong network of community partners, stakeholders, and housing experts were able to quickly mobilize and provide critical rental, utility, and mortgage assistance to households in need. In 2020 alone, HOF helped stabilize and prevent evictions for 543 households throughout the City. When COVID-19 initially shut down businesses and stay-at-home orders were first issued, the HOF team was able to respond with increased capacity in a matter of five days and worked with the Pittsburgh Housing Court to identify City residents at risk of eviction throughout the rest of the year. The HOF team continues to work with the community to adapt to the unprecedented challenges brought on by the pandemic.

As challenging as 2020 has been, the City of Pittsburgh, much like its residents, is resilient. In 2020, the HOF assisted 95 first-time homebuyers and provided much-needed home repairs for 104 homeowners allowing them to shelter in place during the pandemic. The HOF also helped create and/or preserve 144 rental units and six units for homeownership.

I am excited to continue the important work of the Housing Opportunity Fund, and the HOF Advisory Board looks forward to serving the Pittsburgh community.”

– Diamonte Walker, URA Deputy Executive Director



William Peduto
Mayor



Diamonte Walker
Deputy Executive Director

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Response to COVID-19

In early 2020, the Pittsburgh region was greatly impacted by the COVID-19 pandemic. Many of Pittsburgh’s most vulnerable households who were struggling with housing-related issues prior to the pandemic were experiencing even more obstacles and fewer resources. In response to the growing housing needs, the HOF Advisory Board and URA Board of Directors approved 2019 Demonstration Program funding in March 2020 to catalyze the Housing Stabilization Program (HSP).

The fund was designed to provide short-term assistance to workers who had experienced a reduction in hours and faced a financial hardship. The program was initially administered by the Urban League of Greater Pittsburgh and provided rental and mortgage assistance for households at or below 80% AMI whom had been affected by the economic impact of the COVID-19 pandemic.

The demand for the program only increased throughout 2020. The URA utilized relief funding from the CARES Act to build capacity to bring on seven new program administrators and serve over 540 clients in 2020. Whether or not the individual’s need was related to the pandemic, HOF was able to assist renters and homeowners with rent in arrears, future rent payments, utilities in arrears, future utility payments, security deposits, application fees, and mortgage payments.

The Housing Opportunity Fund staff also responded to emerging community needs as the pandemic affected a disproportionate rate of our immigrant, refugee and new American neighbors. HOF staff listened to our neighbors and community partners to implement several program changes to make the programs easier to access and reduce administrative burdens on the providers and renters. These changes included having readily available translated program flyers, offering over-the-phone translation services, and providing extra assistance in helping clients collect program documentation. It is the commitment of the URA and HOF to continue making programs accessible to all.

“We all knew how critical the Housing Opportunity Fund would be in keeping Pittsburgh home when it was established, but none of us could have predicted COVID-19. Our ability to immediately assist hundreds of Pittsburgh households before Federal and State resources arrived is a testament to our housing justice commitment – the most vulnerable cannot wait, they need action now – and proof that the HOF is essential to making Pittsburgh a city for all.”

**Sam Williamson,
URA Board Chair**

Background

The City of Pittsburgh’s Housing Opportunity Fund is a Housing Trust Fund that aims to increase and preserve the supply of decent, safe, and sanitary affordable housing for low-income households. Since 2018, the City of Pittsburgh is committing \$10 million per year for twelve years to fund HOF programs and activities.

How can the Housing Opportunity Fund be used?

HOF projects and programs can only be used in the ways outlined in its legislation:

- 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 neighborhoods
- Use this funding to secure more and identify other opportunities

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

2020 Area Median Income Limits

Household Size	30% AMI	50% AMI	80% AMI	115% AMI*
1	\$17,450	\$29,050	\$46,500	\$66,850
2	\$19,950	\$33,200	\$53,150	\$76,400
3	\$22,450	\$37,350	\$59,800	\$85,950
4	\$26,200	\$41,500	\$66,400	\$95,450
5	\$30,680	\$44,850	\$71,750	\$103,100

**Down Payment and Closing Cost Assistance Program may go as high as 115% AMI.*

Who oversees HOF?

Advisory Board

The HOF Advisory Board is composed of Pittsburgh residents with varying occupations, socioeconomic backgrounds, and expertise. The role of the Advisory Board is to review applications and help guide program development.

Advisory Board Members

- Lena Andrews – Nonprofit Development Community
- Jamil Bey, PhD – Neighborhood Based Nonprofit/Community Resident (South)
- Joanna Deming – Homeowner Representative
- Knowledge Build Hudson – Housing Authority of the City of Pittsburgh Representative
- Jerome Jackson – Neighborhood Based Nonprofit/Community Resident (East)
- Theresa Kail-Smith – City Council President
- Mark Masterson – Neighborhood Based Nonprofit/Community Resident (North)
- Sonya Tilghman – Nonprofit Community
- Derrick Tillman – For-profit Development Community
- Diamonte Walker – Urban Redevelopment Authority of Pittsburgh
- Adrienne Walnoha – Advocate for the Homeless
- Kellie Ware, Esq. – Fair Housing Representative
- Megan Winters – Community Resident (West)
- Oliver Beasley – Mayor’s Office
- James H. Myers, Jr. – Neighborhood Based Nonprofit/Community Resident (Central)
- Paul Spradley, EdD – Lending Institution

“ I am truly excited to participate in the Housing Opportunity Fund Advisory Board as its Fair Housing Representative. I believe the HOF presents a unique opportunity to move the needle in Pittsburgh on fair and affordable housing. When we say ‘fair housing’ we don’t just mean that in the legal sense, restricted to protected classes, but ‘fair’ as in what is fair and just and equitable. We have the ability through the HOF to be responsive to the community and changing conditions and strive to shape a city where everyone thrives. The Advisory Board is committed to this, and I am honored that they selected me as their inaugural chair to help shape this work. **”**

**Kellie Ware, Esq.,
Fair Housing Advocate**

Governing Board

As the governing board for HOF, the role of the URA Board of Directors is to approve HOF programs and projects, and to advance the HOF Annual Allocation Plan to City Council.

URA Board of Directors

Sam Williamson, Chair
The Honorable Edward Gainey, Vice Chair
The Honorable R. Daniel Lavelle, Co-Treasurer
Jodi Hirsh, Co-Treasurer
Lindsay Powell, Member

City Council

The Pittsburgh City Council votes to approve HOF’s Annual Allocation Plan.



Longtime South Oakland resident, **Rita Sims** utilized the Homeowner Assistance Program (HAP) to do home repairs including bathroom, electrical updates, and roof repairs.

2020 HOF Programs Overview

During the HOF 2020 funding year (January 1, 2020 – December 31, 2020) the HOF administered five programs.



Housing Stabilization Program

The Housing Stabilization Program (HSP) is a housing crisis intervention program that provides one-time or short-term financial assistance to households who are facing a temporary, non-recurring housing crisis. The HSP may assist with rent arrears, forward rent, utility arrears, future utilities, utility deposits, and security deposits.

In 2020, HSP expanded the program to assist homeowners with mortgage assistance. In total, HSP assisted 519 renters and 24 homeowners in stabilizing their housing situation and preventing displacement.

Rental Gap Program (RGP)

The Rental Gap Program (RGP) helps fund the creation of new affordable housing and/or preserve existing affordable housing in the City of Pittsburgh. RGP loans are available to developers for the creation and/or preservation of affordable units. All development teams must include a nonprofit applicant. During 2020, HOF closed a total of six RGP projects resulting in the creation and/or preservation of 144 affordable rental units.

For-Sale Development Program (FSDP)

The For-Sale Development Program (FSDP) provides low interest rate construction financing and/or grants for the purpose of increasing the supply of affordable housing for homeownership. Upon completion, properties financed under the program must be sold to owner-occupants who are at or below 80% AMI. During 2020, a total of four FSDP projects closed resulting in the creation and/or preservation of six affordable for-sale homes.

Down Payment and Closing Cost Assistance Program

The Down Payment and Closing Cost Assistance Program (DPCCAP) provides financial assistance to eligible first-time homebuyers in the City who are interested in purchasing an existing or newly constructed residential unit. In 2020, the DPCCAP assisted 95 homebuyers with purchasing their first home in the City of Pittsburgh.

City Council District	DPCCAP Households Assisted
City Council District 1	15
City Council District 2	14
City Council District 3	9
City Council District 4	24
City Council District 5	11
City Council District 6	5
City Council District 7	7
City Council District 9	10
Total	95

Homeowner Assistance Program/Plus

The Homeowner Assistance Program (HAP) provides financial assistance up to \$30,000 to eligible homeowners in the City for rehabilitating and improving residential owner-occupied properties within the City of Pittsburgh. In 2020, the HAP/+ completed 104 home renovations. The renovations include necessary repairs such as roofs, electrical system repairs, hot water heaters, etc.

City Council District	HAP Households Assisted
City Council District 1	16
City Council District 2	8
City Council District 3	22
City Council District 4	9
City Council District 5	3
City Council District 6	13
City Council District 7	6
City Council District 8	1
City Council District 9	26
Total	104

HOF Program Allocations in 2020

	Assists HH at 30% AMI or Below	Assists HH at 50% AMI or Below	Assists HH at 80% AMI or Below	Totals
Rental Gap Program (RGP)	\$2,980,000	\$1,520,000		\$4,500,000
Housing Stabilization Program (HSP)	\$685,000	\$330,000		\$1,015,000
Down Payment/Closing Cost Assistance Program (DPCCAP)*			\$500,000	\$500,000
Homeowner Assistance Program (HAP)	\$835,000	\$400,000	\$1,250,000	\$2,485,000
For-Sale Development Program (FSDP)			\$500,000	\$500,000
Admin (Up to \$1M)				\$1,000,000
Total				\$10,000,000

*DPCC goes as high as 115% AMI

HOF Expenditures and Closings in 2020 (from various funding years)

HOUSING OPPORTUNITY FUND PROGRAMS	DOLLARS				HOUSEHOLDS/UNITS			
	30% AMI	50% AMI	80% AMI	115% AMI	30%AMI	50% AMI	80% AMI	115% AMI
Rental Gap Program (RGP)	\$1,322,000	\$808,000			58	86		
For-Sale Development Program (FSDP)			\$420,000				6	
Homeowner Assistance Program/Plus (HAP/Plus)	\$1,010,654	\$1,391,447	\$356,691		39	44	21	
Down Payment/Closing Cost Assistance Program (DPCCAP)	\$52,500	\$87,800	\$330,000	\$150,000	7	12	46	30
Housing Stabilization Program (HSP)	\$666,031	\$272,041			386	157		
Total	\$3,051,185	\$2,559,288	\$1,106,691	\$150,000	490	299	73	30
	Total Dollars Expended - \$6,867,164				Total HH/Units - 892			

HOF Total Households Assisted and Units Preserved/Created between 2018 - 2020

HOF Program	Total Households/Units
Rental Gap Program (RGP)	247
For-Sale Development Program (FSDP)	13
Homeowner Assistance Program/Plus (HAP/Plus)	118
Down Payment/Closing Cost Assistance Program (DPCCAP)	160
Housing Stabilization Program (HSP)	694
Total	1,232

“I accepted the appointment to the Housing Opportunity Fund Board because I saw an opportunity to help people and impact the lives of residents in our City in a real way. HOF helps people and organizations to buy, rent, fix up and stay in affordable housing and I'm proud to be a part of this team. We continue to look forward to challenging ourselves to improve upon and further our collective impact.”

*Derrick Tillman,
For-profit Development Community*



Leveraged Funds in 2020

HOUSING OPPORTUNITY FUND PROGRAM	Leveraged Fund Source	Leveraged Funds Total
Rental Gap Program	PHFA Community Revitalization Fund Program, Allegheny County Community Tourism and Infrastructure Fund Grant, Federal Historic Tax Credits, Low Income Housing Tax Credit Equity, Bank Financing, HOME, PHFA Housing Affordability and Rehabilitation and Enhancement Fund, Housing Authority City of Pittsburgh	\$11,399,766
For-Sale Development Program	Bank Financing, URA Pittsburgh Housing Construction Fund, Local Philanthropy Grants, PHFA Housing Affordability and Rehabilitation and Enhancement Fund, U.S. Department of Housing and Urban Development Upfront Grant	\$3,052,775
Down Payment/Closing Cost Assistance Program	LIFT, URA 2nd Deferred	\$65,000
Homeowner Assistance Program	HILP, Wells Fargo, CDBG, PHRP Repayment	\$363,835
Housing Stabilization Program	CDBG Rental, CDBG Mortgage, Pittsburgh Foundation	\$212,542



Photography Credit: Brandon Lee

DPPCAP Client Story (Front Cover) Emerald Huggins

“The thing I’m most excited about is making this house my home. I’ve never painted a room and I rarely hung art or pictures on a wall, because I knew the place was not my own. What a gift to own a space to cultivate love, acceptance, and grace for myself.”

“HOF helps to create affordable living options in Pittsburgh. I couldn’t be more thankful for the hard work of URA/City staff, community/housing stakeholders, contractors, lenders, developers, residents, service providers, the URA Board, the HOF Advisory Board, and many other collaborators. Together amazing things can happen.”

Jessica Smith Perry,
HOF Director

HOF 2020 Highlights

Rental Gap Program: Centre Avenue YMCA

In January 2020, ACTION-Housing, Inc. closed on a \$600,000 Rental Gap Program loan to redevelop the historic Centre Avenue YMCA in the Hill District. The Centre Avenue YMCA provides 74 single-room occupancy units, all affordable, primarily for men.



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Centre Avenue YMCA: The Centre Avenue YMCA renovations included roof replacement, mechanical and electrical upgrades, and updates to the kitchen, sleeping rooms, bathrooms, common areas, meeting rooms and offices.

For-Sale Development Program: Manchester Row House Renaissance

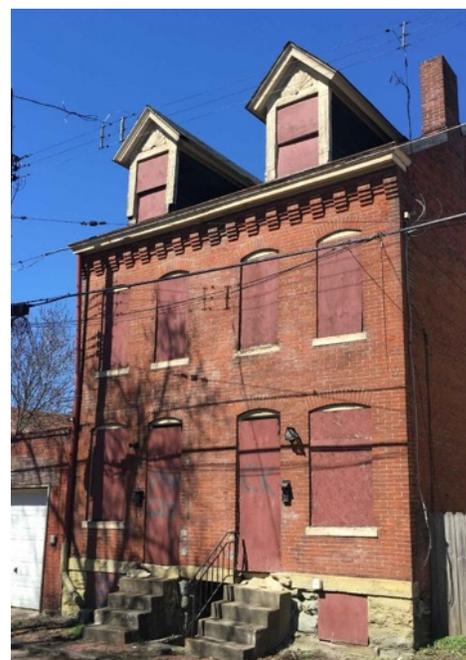
In March 2020, the HOF Advisory Board and URA Board approved a HOF FSDP grant with Manchester Row House Renaissance, LLC, for the scattered-site housing rehabilitation and resale project in the Manchester neighborhood for \$210,000. The development includes historic renovations and affordable resale of a total of nine single family townhomes for homeownership. The total development cost is \$2,695,724. An affordability deed restriction will be recorded for all units for 99 years. The HOF FSDP grant will go towards preserving three of the nine for-sale units.

HOF FSDP Manchester Row House Units Overview

Property Address	Project Type	Anticipated Sales Price	Affordability To
1122 Warlo St	3br/1ba	\$115,000	3 person HH at or below 80% AMI
1124 Warlo St	3br/1ba	\$115,000	3 person HH at or below 3 person 80% AMI
1126 Warlo St	3br/1ba	\$115,000	3 person HH at or below 80% AMI

Manchester Row Houses:

The Manchester Row Houses development project will eliminate blight and increase affordable homeownership opportunities in a historic Pittsburgh neighborhood that has seen an increase in housing values.



Homeowner Assistance Program

“The Hilltop is home to many low-income homeowners who are just one major home repair issue away from displacement. In the past decade, we have seen too many households displaced by roof, electrical, plumbing, and foundation issues. Since HAP began, we have been grateful that the HAP project budget is enough to prevent these types of fire and water threats. With projects being steadily completed, HAP is proving to be the most successful resource in the City for keeping low-income homeowners safely in their homes. Every HAP project is an affordable home being saved and secured.”

Aaron Sukenik,
Hilltop Alliance, a HAP Administrator



Before: A Hilltop Alliance client utilized the HOF's Homeowner Assistance Program to replace their roof.



After: HAP roof replacement

Homeowner Assistance Program Client Story Vickie Hardy

Contractor Concrete Rose Construction (pictured below) worked with client Vickie Hardy utilizing the HOF's Homeowner Assistance Program Plus to replace the client's roof.



Before



After



“Being a HAP Administrator, we've had the pleasure of helping homeowners across the city of Pittsburgh by providing much-needed repairs. These are people who have worked hard to become homeowners, and for one reason or another are now dealing with their homes falling into disrepair. I can hear the relief in a client's voice when I call to set up the initial walkthrough appointment and see the difference in their stress level as their project progresses. The relief of having support with a major repair is palpable.”

Tina Daniels, Owner
Concrete Rose Construction



Pictured is a completed roof from the first Roof-a-Thon.

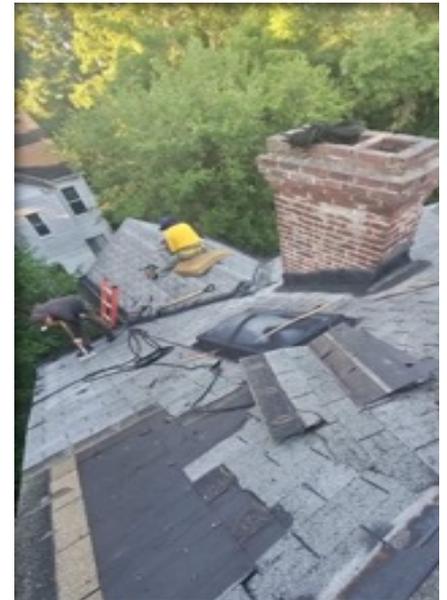
URA's First Annual Roof-a-thon

Roofing repair and replacements is one of the largest home repair needs among households who apply for the HOF's Homeowner Assistance Program. In 2019, URA staff began discussions on how to repair and replace a large number of roofs as quickly and efficiently as possible, and the concept of the Roof-a-thon was born. The first Roof-a-thon event took place in June and July of 2020.

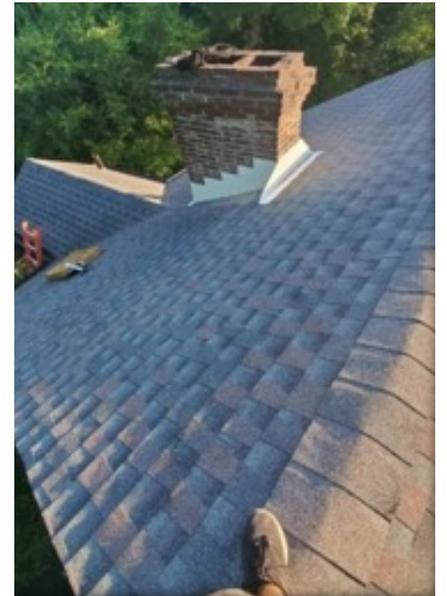
The HOF and Wells Fargo's NeighborhoodLIFT program worked together to support the first citywide Roof-a-thon initiative. Twenty-four homes throughout the City of Pittsburgh received between \$30,000-\$35,000 worth of home repairs and a new roof through the initiative. The Wells Fargo Foundation provided \$125,000, from which the URA allocated \$5,000 per household; HOF provided \$608,028. The total cost of the Roof-a-Thon is \$733,028.

“*The two most direct routes to impacting generational wealth is owning a home and owning a business. The HOF has been laser focused on ensuring we are disrupting systemic injustices that have negatively impacted low to moderate income families through the distribution of this fund. The deep and meaningful work that is able to be accomplished through the collective efforts of the board, the city, the URA and the community is just incredible! If you've wondered what it looks like to move the needle with impactful community development that is both equitable and driven by the community, look no further than the Housing Opportunity Fund. The results and testimonials speak for itself.***”**

*Paul Spradley, EdD.,
Lending Institution Representative*



Before



After

Sponsors



2020 Annual Report



**Housing
Opportunity Fund**

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