

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

December 2, 2021

Members Present: Oliver Beasley, Knowledge Build Hudson, Mark Masterson, Paul Spradley, Derrick Tillman, Adrienne Walnoha, Kellie Ware (Chair), Diamonte Walker, Megan Winters

Staff Present: David Geiger, Vethina Hage, Victoria Jackson, Lisa Korade, Shaina Madden, Evan Miller

Others Present: Daniel Conley (ASL Interpreter), David Finer, Melinda Quinerly, Amethy Weikel-Sandstrom, Dan Sullivan, Kyle Webster

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

Kellie Ware called the meeting to order. A quorum was present.

#### **B. Review and Acceptance of Minutes from the October 7, 2021, Meeting**

Mark Masterson motioned to approve the minutes of the October 7, 2021, board meeting as written and previously distributed. Paul Spradley seconded. Oliver Beasley and Knowledge Build Hudson abstained. The motion carried.

#### **C. Public Comment**

No public comment

#### **D. ACTION Housing Pilot Program Proposal**

Vethina Hage introduced the ACTION Housing Pilot Program proposal. ACTION Housing is seeking the support of the Housing Opportunity Fund, along with the Heinz Endowment, Wagner Foundation, Allegheny County Department of Economic Development, and PHFA to fund their COVID-19 Homeowners Assistance Pilot Program. The pilot program will be focused on providing homeowners financial assistance to households whose situation was caused or exacerbated by the COVID-19 pandemic, including those who were delinquent prior to January 2020. ACTION Housing is requesting a financial commitment of \$50,000 from HOF, as outlined in their proposal, and is requesting an additional \$2.5 million from PHFA to support this initiative. The mortgage assistance program would allow for up to \$35,000 in mortgage assistance per household, which is substantially more assistance than the up to \$6,000 in mortgage assistance currently offered through the HOF HSP Program. If HOF were to fund ACTION Housing's full request of \$50,000, that would assist approximately 10 households. This means, hypothetically, each household could be eligible for up to a \$5,000 HOF grant and up to \$30,000 in ACTION Housing assistance, resulting in a total assistance amount of \$35,000. If the Advisory board chooses to support this pilot program, ACTION Housing has agreed to administer HOF funds in accordance with the current Housing Stabilization Program guidelines and HOF legislation. The recommendation is that the \$50,000 come from the HOF Demonstration Dollar line item to fund this program.

Kyle Webster, from ACTION Housing, provided context on the pilot program. Mr. Webster explained the Housing Assistance Fund Program, which will be funded through the American Rescue Plan through PHFA to launch sometime in the spring. Mr. Webster said the purpose of this program is to offer a hammock, specifically to those communities that are most often left behind by homeowner assistance programs, in terms of housing stabilization. Mr. Webster said that data was used from the rental assistance program that ACTION is currently administering along with the CMU Create Lab to target communities where there are high levels of at-risk minority homeownership. Mr. Webster said they will start with the application of this program in those communities and then potentially expand beyond that based upon the success of the program. Mr. Webster explained that this is an innovative approach to use data driven metrics in order to assist in stabilizing minority homeownership as a result of the COVID crisis, while waiting for larger statewide program to come into play, and to help those who are at immediate risk of displacement and homelessness due to foreclosure, tax delinquency, and utility issues.

Paul Spradley asked where in the budget will this funding come from and also inquired about the application process for the 10 homeowners. Mr. Spradley questioned how the homeowners will be selected or if they have already been pre-identified.

V. Hage answered, at this time, we are recommending that this come from the Demonstration Dollars because it is separate from the Housing Stabilization Program and is a standalone program that ACTION Housing would be administering. Additionally, all of the Housing Stabilization Funds have been allocated, so there are no HSP funds that we can allocate towards this specific pilot program.

K. Webster stated that frontline community partners Operation Better Block and Kingsley Association in the city as well as civically in Wilksburg and Penn Hills are the community partners. Mr. Webster said there will be an application process that will require satisfaction of different criteria connected to proof of homeownership, hardship as a result of the COVID crisis, risk of homelessness, etcetera. He explained that it will be mimicking the requirements that we have for the Emergency Rental Assistance Program but applied to a homeowner lens and is specifically focused on that COVID hardship piece as a way to hammock the rather substantial program that will be launched in the spring by PHFA. Mr. Webster said homeowners have not been identified yet, but there is an initial pool of denials from ERAP from these communities who were denied because they are homeowners. Mr. Webster added that ACTION Housing will be doing broader advertising to these communities through community partners.

Kellie Ware asked K. Webster to explain what he means in using the term “hammock.”

K. Webster answered that there is potential for a massive foreclosure and tax sale crisis in Allegheny County and other parts of the state, and there are people who are in desperate need today. Mr. Webster explained that because the PHFA Homeowners Assistance Fund program will not be launching until the spring, he is using the term hammock to explain that this pilot program will fill the gap to assist people in need until PHFA’s program launches. Additionally, this funding is going to be leveraging the PHFA funding. He said PHFA would like to see local investments and to see that local authorities have faith in this program before they buy into this proposal.

Mark Masterson asked if the funds are being used to help people stay in their homes or to help people purchase homes.

K. Webster responded that the Mortgage Assistance Program is intended to help people who are delinquent as a result of the COVID crisis stay in existing housing.

## **RECOMMENDATION 37 (2021)**

Mark Masterson motioned to reallocate \$50,000 of HOF Demonstration Dollars to the ACTION Housing Pilot Program. Diamonte Walker seconded. The motion carried.

### **E. Advisory Board Administrative Items**

K. Ware stated that she would like the Advisory Board to consider the issue of timeliness, which has been discussed in previous meetings. Ms. Ware pointed out that there are mechanisms in the bylaws around seeking new appointments and taking actions against members of the Advisory Board who are not regularly participating and suggested it is an issue that needs to be discussed at some point in the future.

Megan Winters asked if there were any recommendations to improve board structure in the report that the Advisory Board received at the end of 2020/beginning of 2022.

David Geiger reported that the bylaws, section 1.4, which the Advisory Board approved at the end of last year or very beginning of this year, require that board members must try to attend monthly meetings either virtually or in person, and if a member misses two consecutive meetings, that person may be asked to step down.

K. Ware replied that the Advisory Board has not taken that action up to this point, but it is in the bylaws, and she would like the members to start thinking about it over the next month. She said, as a board, we do need to function, and if we are cancelling two months of meetings because we cannot achieve quorum, then we are no longer able to function. She concluded by saying that we will either need to look at implementing that portion of the bylaws or something in its place, so that we can continue the business of the Advisory Board on a monthly basis.

Diamonte Walker commented that she wonders if it would be helpful to actively engage board members to find out who is interested in continuing to serve and who is waiting until their tenure is up to help understand the level of commitment and availability. She also encouraged the board and the staff to reassess whether or not the meeting needs to be two hours long and suggested structuring the meeting in a way where folks who are busy know that they are going to be on a call and they are going to be able to do the voting agenda first and participate in any post discussion. She said she thinks a two-hour meeting is a bit laborious for folks and that could be weakening engagement.

K. Ware said she likes the idea of reaching out to people to figure out if they are interested in continuing to serve on the board.

D. Walker made another note that it might be time to revisit the time and day the meeting takes place and questioned if there is a more optimal time when we might be able to capture more participants.

### **F. Programmatic Expenditures and Updates**

V. Hage presented a slide on Down Payment and Closing Cost Assistance Program updates. 252 first-time homebuyers in the city have utilized the program since it opened. 72% of the funding has been

committed and the program is expected to slowly increase throughout the following months. There is enough funding to last the next 12 months until the allocation for 2022 is received. 121 of the first-time homebuyers fall between the 51% and 80% AMI level.

V. Hage presented a slide on the Homeowner Assistance Program. 89% of funding has been committed; however, when those on the waitlist are considered, 100% of funding is committed. There are approximately 130 people on the waitlist. Currently, 324 households have been served or are in the process of being served through this program.

V. Hage presented a slide on the For Sale Development and Rental Gap Programs. Approximately \$26 million of HOF funding has been closed and committed for the Rental Gap Program. Around \$4.5 million has been RFP'd out and the program is spending down nicely. The Legal Assistance Program is spending down as well. There is still a lag with invoicing, so this number is likely higher than is represented on the slide.

#### **G. Announcements presented by Evan Miller**

- Rental Gap Program (RGP) Request for Proposals (RFP) released November 23, 2021
- 9% Low Income Housing Tax Credit (LIHTC) Preapplication released November 23, 2021
- 2022 HOF AAP was approved by City Council
- The next HOF Advisory Board Meeting is Thursday, January 6th, 2021, at 9:00 AM

#### **H. Adjournment**

Paul Spradley motioned to adjourn.