

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

January 6, 2022

Members Present: Lena Andrews, Jamil Bey, Joanna Deming, Knowledge Build Hudson, Mark Masterson, Marcus Reed, Sonya Tilghman, Derrick Tillman, Diamonte Walker, Adrienne Walnoha, Kellie Ware (Chair), Megan Winters

Staff Present: Breanna Benjamin, Rae Ann Driscoll, David Geiger, Vethina Hage, Victoria Jackson, Derek Kendall-Morris, Bailey Knapp, Lisa Korade, Shaina Madden, Evan Miller, Brett Morgan, Niklas Persson, Melinda Ward

Others Present: Mohak Chauhan, Megan Confer-Hammond, David Finer, Alexander Fisher, Jeph Martin, Aaron Sukenik

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

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

#### **B. Review and Acceptance of Minutes from the December 2, 2021 Meeting**

Jamil Bey motioned to approve the minutes of the December 2, 2021 board meeting as written and previously distributed. Mark Masterson seconded. Lena Andrews and Joanna Deming abstained. The motion carried.

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

No public comment.

#### **D. Community Discussions**

Megan Confer-Hammond, Executive Director from the Fair Housing Partnership (FHP), presented an overview of fair housing in 2021. Ms. Confer-Hammond explained that categories are largely related to federal administrative guidance and rules that have led to municipal policy and that, for case resolutions, administrative complaints are governed and investigated by HUD or state and local commissions, and housing discrimination claims can be taken into litigation. HUD defined sex to include sexual orientation and gender identity, based on the US Supreme Court *Bostock v. Clayton County* decision. She stated that this is important to the city because it provides the City Commission with federal jurisdiction and authority when it investigates sexual orientation and gender identity cases at the city level. She discussed disparate impact and explained that impact is a legal theory that governs discrimination when it is based on a rule that disproportionately impacts a protected group of people. In December 2020, the last federal administration implemented a new disparate impact rule that succeeded the 2013 rule. She said this means that on the administrative level at the city commission or at HUD, we have great difficulty to bring disparate impact cases forward. In June 2021, HUD announced that they will be restoring the rule, but until it is actually restored, our capacity and ability to do disparate impact cases, outside of litigation, is quite constrained. Also in June 2021, she said, HUD restored the Affirmatively Furthering Fair Housing (AFFH) requirement, but did not restore compliance.

She underscored that the AFFH regulation was built into the Fair Housing Act of 1968 but requires federal implementation, and at the federal level, the compliance requirements have seesawed wildly over the last decade. She provided an example, citing that, in March of 2021, Boston, Massachusetts, added an AFFH Assessment to their zoning code. This means residential and mixed-use projects with residential components submit an AFFH assessment that considers the impacts on historically discriminated residents, provides new housing opportunities, addresses history of exclusion, and completes an accessibility checklist. She explained that this Boston example provides a framework in which to create that assessment in order to give us knowledge on what value and harm our proposals can do, and how that can inform our decision making for what we want our housing to address. She stated that in the news there have been multiple stories about black homeowners whose properties were wildly under appraised because their homes featured their identities. In March of 2021 HUD reached a \$50,000 settlement with JP Morgan Chase Bank in Chicago, Illinois, regarding an appraisal, and it recognized that the complaint continues against the appraisal company. She went on to say that the JP Morgan Chase Bank reconciliation is based on the bank contract with the appraisal company and using that appraisal in the determination of the mortgage product for that homeowner. Now deeply invested in addressing appraisals, HUD and the federal government created an interagency task force on property appraisal and value equity in June and expect to move in 2022. She reported that in Eastern Pennsylvania the Housing Equality Center of Pennsylvania reached a \$115,000 settlement in a disability case that was based on reasonable accommodations. The settlement, which was reached in March of 2021, involved 19 apartment complexes that denied reasonable accommodation requests. She highlighted a local case, saying that in September of 2021, FHP won a motion to dismiss all accounts in federal litigation. This case included impact, where the argument was on behalf of a survivor of domestic violence, who was fleeing her unit because her abuser continued to stalk her at the unit after she had obtained a PFA. She explained that the housing provider, who was a private landlord in the Glenshaw area, was refusing to release the tenant from her lease, which meant that she was facing thousands of dollars in unpaid rent for future tenancy or potential violence committed against her by her abuser. She said that after we won the motion to dismiss, we then moved forward into conciliation, which resulted in the tenant receiving almost \$12,500 before the holiday season. FHP implemented a lease clause which requires private landlords to allow survivors of domestic violence to terminate their lease to flee abuse. FHP is now working with the City Commission on Human Relations on propagating such a requirement to private landlords within the city of Pittsburgh, where domestic violence is an explicit protected class, to prevent survivors from having to choose between physical violence perpetrated against them or debt. She pointed to another case, saying unfortunately, in October of 2021 the Pennsylvania Supreme Court struck down the City of Pittsburgh's Source of Income Ordinance (SOI), which means Pennsylvania's Home Rule charter was not triggered by the Second-Class City Law, or the Pennsylvania Human Relations Act. This underscores much of the affordable housing conversation, happening both nationwide and locally, about making vouchers more available, because we all know we cannot simply build our way out of the housing crisis.

Aaron Sukenik, Executive Director of Hilltop Alliance (HA), shared a presentation on his organization's history and work as a Homeowner Assistance Program (HAP) Administrator. Hilltop Alliance responded to the original HAP RFP when the program was announced in the spring of 2019 and received their first project in August of 2019. The organization assisted 73 homeowners in South Pittsburgh, 29 of which have been approved by the URA. Hilltop Alliance currently has 1 project under construction and 25 projects completed to date. Mr. Sukenik explained that one reason HA loves working with HAP is that they have other programs that work very well with our role as a HAP administrator. One program, in particular, is the Emergency Stabilization Grant program, which is an internal program that is completely funded through philanthropic, corporate, and other sources. The program provides up to \$5,000 in a

number of neighborhoods in the service area, and typically addresses emergency issues that need triage, assigning highest priority to conditions that threaten water or fire damage. If someone is awaiting or denied a HAP award, the program can be utilized to provide support. HA's Free Wills program also works well vertically with their role as a program administrator and provides a free last will and testament to any Hilltop homeowner over 50 years old.

Mohak Chauhan, Hilltop Alliance's Construction and Redevelopment Manager, shared some case studies of recent projects. Case Study 1, the Concordia Street project, first presented as a straightforward roof replacement. However, once the existing roof was torn down, several unexpected structural issues were revealed. Mohak detailed the many issues he encountered during construction, and the ways in which budget constraints determined temporary solutions. HA's willingness to address issues that were not part of the scope and to pay out-of-pocket costs ultimately resulted in a successful project. In Case Study 2, during the initial walkthrough at Linnview Avenue, a compromised retaining wall was discovered in the rear of the property. Once again, this required an expensive structural repair that was not included in the scope. This prompted HA to team up with URA inspectors, city inspectors, and contractors to come up with a design which could strengthen the existing retaining wall. Upon further inspection, a drainage issue was also identified, which resulted in the need to revise the scope, and to eliminate some aesthetic repairs that were included in the original scope. Even though concessions were made, the project was successful, and the homeowner was happy with the results.

Case Studies 3 and 4 were presented by, Jeph Martin, Hilltop Alliance's Services Manager. Both projects required the creation of game plans based on human conditions. Contractors encountered a myriad of obstacles with Case Study 3 on Meredith Street. A hoarding issue, the limited mobility of the elderly homeowner, limited working hours, unsanitary conditions, and the difficult topography of the property all challenged the contractors to find creative solutions to work in the home and to complete the project. Despite the many difficulties faced, the team managed to successfully finish the project and leave the homeowner happy with the results. Mechanical, electrical, and plumbing issues plagued Case Study 4 on Spring Street. These repairs ate up much of the budget and required the team to rework the original scope. Once again, HA worked through these challenges with the contractors and homeowner to accomplish the goals of successfully completing the project and enabling the homeowner to safely remain in the home.

Aaron Sukenik concluded the presentation by sharing the lessons learned through some of the more challenging projects that Hilltop Alliance has faced and explained we chose to highlight these cases because of the HOF Advisory Board's policymaking and oversight role in the program. He suggested that an on-call social worker to work with clients who have special needs would be helpful. He also stressed the importance of additional emergency project funds. He said a scope of work and contractor pricing is only determined based on what can be seen, and we often go into these projects fearing what lies beneath. He also emphasized that having administrative discretion over emergency project funds is critical. Lastly, he stated that a diagnostics budget would be helpful in situations when the scope includes sewer line and plumbing work.

Joanna Deming said I am wondering about the timing for approval and asked if it has improved. She also said I am unclear about whether you were able to assist all 79 people you helped apply for HOF.

Aaron Sukenik, answered her second question, saying there is still a very long waitlist of people and new applications are not currently being accepted, so the demand for this program far exceeds the amount of funding and capacity. He deferred to Mohak Chauhan for an answer to the first question.

Mohak Chauhan replied that the timeline has definitely improved from 2019 to now, and closing, from the initial walkthrough to the final approval, takes approximately 6 weeks.

Jamil Bey questioned what a reasonable amount is to set aside for those diagnostics.

M. Chauhan responded a \$1,000 cap.

A. Sukenik clarified that not all projects require the diagnostic funds; they would be more of a discretionary administrative resource.

Derrick Tillman asked, on average, how long has it taken to complete a project once it is started.

M. Chauhan responded our timelines have been very swift, so 8 to 10 weeks is a good timeline for a project.

Mark Masterson, speaking to capacity, asked what is the number of homeowners that you could help if the funding was available.

M. Chauhan answered we handle almost 4 projects simultaneously at this point but can definitely increase to 6 or 7 projects.

D. Tillman asked if HA has been successful with finding minority contractors to do some of your work.

M. Chauhan replied yes; we have been successful in finding minority workforce for these projects.

A. Sukenik added that I would have to check the numbers, but last we checked, it was over 50% or our contractors.

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

### Committee Updates

#### 1. Fair Housing Committee

J. Deming reported the Committee met yesterday and talked about ways to promote the HOF. She said we want to make sure that people know about it so that they can access the program, and that there is broad support for the programs and the funding. We also talked about working with URA staff around bolstering the HOF within their existing marketing strategies. Additionally, the Committee talked about strategy that would highlight stories of people that have benefited from the HOF in local and regional newspapers.

#### 2. RFP Review Committee

No meetings were held.

#### 3. Communications and Community Outreach Committee

No meetings were held.

## **F. Programmatic Expenditures and Impacts**

V. Hage presented a slide on HOF Expenditures and Impacts that shows funds that have been committed and closed from 2018 through 2021. For the Rental Gap Program, approximately 60% of funding has been committed. The Homeowner Assistance Program is essentially fully committed until 2022 funding is received from the city, especially when the waitlist of over 130 people is taken into account.

V. Hage presented a slide on Dollars Committed or Closed by AMI. For the Rental Gap Program, approximately 55% of funding is committed to households at 30% AMI or below, whereas the Down Payment and Closing Cost Assistance Program funding is going towards households at 80% AMI or below.

V. Hage presented a slide on Households and Units by AMI to help the Advisory Board and the public better understand where the money is going and who it is helping.

Adrienne Walnoha said this really helps me visualize the programs a lot more clearly, and also highlights, when thinking about waiting lists for programs, that question of demand.

Lena Andrews said I wonder if we want to show something related to job creation. In addition to helping households, we are also creating jobs for contractors. She added I think that is an impact of the HOF that people are not thinking about as much but is really significant.

M. Masterson asked about geographic distribution and suggested that it would be helpful to see that funding is fairly distributed through all 9 council districts.

V. Hage explained it is difficult to create meaningful insights when all projects are plotted on a single map. She suggested that perhaps it might be better if I do individual maps for each program and asked for feedback.

M. Masterson said I think individual programs will be more meaningful. He added the maps are helpful but also the numbers would be important by council districts.

Knowledge Build Hudson agreed with Mark's point.

Kellie Ware said I think it would be helpful to have both.

Sonya Tilghman, referring to the marketing and research discussion, commented that one of the things that is going to be helpful, as we do outreach to specific communities, is having that granular information, so whether it is by council district, or income level, or both, I think the more specific we can make it to specific populations, the better chance we will have of hitting our targets and outreach.

D. Tillman said I am not sure about having a separate map for each. He suggested grouping them and said one concern I have about listing by council district is that not everyone knows what communities they represent.

J. Deming said we may not need a report on the council districts in every meeting, but it would be nice to have an annual report by council district.

**G. Announcements presented by Evan Miller**

- Requests for Proposals (RFP's) for the Rental Gap Program (RGP) are being accepted on a rolling basis and the Advisory Board will begin to see applications come through in the next couple of months
- The deadline for the 9% Low Income Housing Tax Credit (LIHTC) Preapplications has been extended to Monday, February 21, 2022 – 4 PM
- 2022 HOF AAP was approved by City Council
- The next HOF Advisory Board Meeting is Thursday, February 3<sup>rd</sup>, 2022, at 9:00 AM

**H. Adjournment**

Derrick Tillman motioned to adjourn.