

## HOUSING OPPORTUNITY FUND COOPERATION AGREEMENT

THIS COOPERATION AND LICENSE AGREEMENT (the "Agreement"), effective as of the 24 day of July, 2018, is made by and between the CITY OF PITTSBURGH, a municipal corporation of the Commonwealth of Pennsylvania (the "City"), and the URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH, a redevelopment authority organized and existing pursuant to the Pennsylvania Urban Redevelopment Law, 35 P.S. §§ 1701, *et seq.*, (the "URA"). Each of the foregoing may be referred to herein as a "Party" and collectively as the "Parties."

### RECITALS:

WHEREAS, there exists within the City of Pittsburgh a shortage of high-quality affordable housing, an aging housing stock in need of repair, a lack of energy efficient housing, neighborhoods with low rates of home ownership, a shortage of housing services for homeless households, and steadily declining funding for these needs from federal and state resources;

WHEREAS, on December 29, 2016, the City enacted Ordinance No. 37, codified at City of Pittsburgh Code of Ordinances, Title Two, Article V, Chapter 234, attached hereto as Exhibit "A" (collectively, "Chapter 234"), authorizing the creation of the Housing Opportunity Fund (the "Fund") to be used for the purpose of addressing affordable housing needs in the City, as more fully set forth the Chapter 234;

WHEREAS, Chapter 234, at Section 234.07(a), authorizes the City to enter into an agreement with the URA to allow the URA to administer the Fund, issue requests for proposals for Fund assistance, make final decisions regarding disbursement of Fund assets, and other related matters set forth in detail in the Ordinance;

WHEREAS, on December 28, 2017, the City enacted Resolution No. 867, authorizing the transfer by the City to the URA an amount up to the sum of \$10,000,000.00 annually, for a period of twelve (12) years commencing on January 1, 2018, to be deposited into the Fund; and

WHEREAS, the URA has agreed to administer the Fund as set forth in this Agreement and as otherwise authorized by applicable law.

NOW, THEREFORE, for and in consideration of the mutual promises contained herein, and intending to be legally bound hereby, the Parties agree as follows:

1. INCORPORATION OF RECITALS.

The recitals appearing above constitute a material part of this Agreement and are incorporated herein.

2. PURPOSE.

The purpose of the Fund shall be to address affordable housing needs within the City of Pittsburgh as set forth in detail in Chapter 234.

3. FUND ASSETS.

(a) Deposit Account. Within thirty (30) days of execution of this Agreement, the URA shall cause a deposit account for the Fund to be created with a third-party financial institution operating as trustee (the "Deposit Account") and shall notify the City's Department of Finance in writing of the identity and location of the Deposit Account.

(b) Initial Fund Transfer. Within thirty (30) days of receipt of notice of the creation of the Deposit Account, the City shall transfer the sum of \$10,000,000.00 to the Deposit Account via wire transfer from the following account: ~~JDE 11101.58.58101.107000.2018~~. Funds transferred to the URA for 2018 can only be spent in compliance with Section 234.06(e) of Chapter 234, except that, in order to expend at least some of the allocated funds in 2018, an expedited review process will be required. All funds deposited in the Deposit Account and not expended within the same calendar year shall be rolled over for use in future years in compliance with Section 234.02(d) of Chapter 234.

11101.91.91106.107000.2018 (120)

(c) Subsequent Transfers. For budget years 2019 through 2029, subject to annual appropriation by City Council, the City shall transfer each annual installment of an amount up to \$10,000,000.00 to the Deposit Account on or before each July 1st. Such transfers shall be from accounts to be created by the City in future budget years. All funds transferred to the URA shall be spent in compliance with Section 234.06(e) of Chapter 234.

Year	Account
2019	JDE 11101.58.58101.107000.2019
2020	JDE 11101.58.58101.107000.2020
2021	JDE 11101.58.58101.107000.2021
2022	JDE 11101.58.58101.107000.2022
2023	JDE 11101.58.58101.107000.2023
2024	JDE 11101.58.58101.107000.2024
2025	JDE 11101.58.58101.107000.2025
2026	JDE 11101.58.58101.107000.2026
2027	JDE 11101.58.58101.107000.2027
2028	JDE 11101.58.58101.107000.2028
2029	JDE 11101.58.58101.107000.2029

4. FUND ADMINISTRATION.

(a) Governance. The Board of Directors of the URA shall take all actions reasonable and necessary to direct the administration the Fund as set forth in Section 234.05 of Chapter 234, including, but not limited to, authorization of an annual allocation plan (each, an "AAP"), authorization of the distribution of Fund assets by program and/or project, adoption of

program guidelines and fund procedures for distribution of Fund assets, consideration of the recommendations of the Housing Opportunity Fund Advisory Board (as established pursuant to Section 234.06 of Chapter 234), issuance of RFPs/RFQs as needed, and all other matters reasonable and necessary to the administration and use of the Fund.

(b) Administration. Staff of the URA shall provide administrative support necessary for the operation and use of the Fund as contemplated in Section 234.07 of Chapter 234. As authorized by subsection 234.03(b) of Chapter 234, the URA shall invoice the Trustee, with a copy to the City's Department of Finance, no more than once per month, for the expense of administering the Fund, which invoices shall be accompanied by supporting documentation and shall not exceed 10% of the total annual expenditure of the Fund. URA legal counsel will review each AAP and provide legal advice to the Governing Board regarding compliance with Chapter 234 and other applicable law.

(c) Trustee. The URA shall engage the services of a third-party financial institution to serve as trustee of Fund assets, shall notify the Advisory Board in writing of the selection of such trustee (which trustee may be replaced at the URA's discretion, with contemporaneous written notice of such replacement to the Advisory Board), and shall pay any fees associated with the trustee's services from the Fund.

(d) Audits. The URA shall engage the services of an independent auditing firm, which firm shall prepare an annual audit of the Fund as required by Section 234.08 of Chapter 234. The results of each annual audit shall be provided to the Advisory Board promptly upon completion of each respective audit. The URA shall pay any fees associated with the audits from the Fund.

(e) Annual Report. Commencing on the latter of (i) 2019, or (ii) the year after the first year in which Fund assets are received by the URA, and continuing annually through the term of this Agreement, the URA shall commission an annual report on the activities of the Fund for the prior year in compliance with Section 234.08(b) of Chapter 234.

(f) Shared Files. The URA shall work with the City to provide access to records of expenditure of Fund assets.

(g) Public Disclosure. The URA shall make all annual reports and audits required hereunder to be available to the public through, among other things, the URA's website and/or a website developed for the Fund.

## 5. TERM.

The term of this Agreement shall commence as of the date set forth above and shall continue until such time as it is terminated by either Party in writing on 180 days' written notice. Upon such termination, the URA shall transfer all unencumbered funds within the Fund to the City's control on or before the date of termination. The URA shall continue to administer any funds encumbered as of the date of notice of termination for a workout period not to exceed eighteen (18) months from the date of notice of termination, during which period all other provisions of this Agreement relating to administration of the Fund shall remain in full force and effect with regard to the encumbered funds.

6. GOVERNING LAW.

This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania without regard to its principles of conflict of law.

7. HOME RULE CHARTER.

This Agreement is subject to the provisions of the Pittsburgh Home Rule Charter; the liability of the City of Pittsburgh thereunder is limited to the annual sums appropriated by City Council for the Fund as set forth in Paragraph 3 above.

8. ANTI-DISCRIMINATION.

All Parties hereto shall comply with the applicable sections of the Pittsburgh Code: Title Six - Conduct, Article V - Discrimination, and any amendments thereto.

9. COMPLIANCE WITH LAWS.

All Parties hereto shall fully obey and comply with all laws, ordinances, and administrative regulations applicable to the subject of this Agreement, including, but not limited to, the provisions of Chapter 234 relating to administration of the Fund and use of Fund assets.

10. AMENDMENT AND TERMINATION.

This Agreement contains all terms and conditions agreed upon by the Parties hereto, and no other agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the Parties hereto. This Agreement may not be changed, modified, discharged or extended except by a written amendment duly executed by the Parties. Termination is further addressed in Paragraph 5.

11. ASSIGNMENT.

No Party to this Agreement may assign its rights or duties to another individual or entity, except with the prior written consent of the other Parties to this Agreement.

12. AUTHORIZING RESOLUTIONS.

This Agreement is entered into by the City of Pittsburgh pursuant to Ordinance No. 37, effective December 29, 2016, and pursuant to Resolution No. 867, effective December 28, 2017, and by the URA pursuant to Resolution No. 1 of 2018, duly adopted by its Board of Directors on January 11, 2018.

[SIGNATURE PAGES FOLLOW]

[SIGNATURE PAGE TO HOUSING OPPORTUNITY FUND  
COOPERATION AGREEMENT]

IN WITNESS WHEREOF, the parties have duly executed this Agreement the day and year first above written.

WITNESS/ATTEST:

Jamie Drake  
Secretary to Mayor

CITY OF PITTSBURGH

By: [Signature]  
Mayor

WITNESS/ATTEST:

Michelle Hill  
Secretary to Mayor

By: Margaret L. Linn  
Director, Department of Finance

EXAMINED BY:

[Signature]  
Assistant City Solicitor

APPROVED AS TO LEGAL FORM:

[Signature]  
Acting City Solicitor

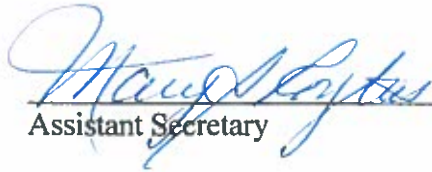
COUNTERSIGNATURE:

[Signature] 7-24-18  
City Controller 52585



[Signature]

WITNESS/ATTEST:

  
Assistant Secretary

URBAN REDEVELOPMENT  
AUTHORITY OF PITTSBURGH

By:   
Robert Rubinstein  
Executive Director

APPROVED AS TO LEGAL FORM:

  
Attorney

EXHIBIT A  
Ordinance No. 37

§ 234.01 - DEFINITIONS.

- (a) **ACCESSIBLE** means housing that meets the design standards most recently published by the American National Standards Institute (ANSI) for Accessible Units or for Units with Accessible Communication Features, as applicable.
- (b) **ADVISORY BOARD** means the seventeen-member board described in Section 234.06 of this Chapter.
- (c) **AFFORDABLE** means housing related expenses do not exceed thirty (30) percent of a household's gross income. When used in conjunction with a specific income target (e.g., *affordable to households earning at or below fifty (50) percent of AMI*), the term means housing expenses do not exceed thirty (30) percent of the gross income of the highest income household within the target category. If no income target is specified, affordable shall be construed as referring to an income target of eighty (80) percent of AMI.
- (d) **AREA MEDIAN INCOME** or **AMI** means the median household income for the Pittsburgh metropolitan area published annually by the U.S. Department of Housing and Urban Development (HUD).
- (e) **DEED RESTRICTED AFFORDABLE HOUSING** means real estate that is required to be used as affordable housing for a period of time pursuant to a restrictive covenant or similar enforceable, recorded instrument, with income targets that are no higher than eight (80) percent of AMI. The term shall include, but not be limited to, HUD multifamily housing and low income housing tax credit projects authorized by applicable law.
- (f) **EXTREMELY LOW INCOME** means having a household income that is at or below thirty (30) percent of AMI.
- (g) **FAMILY-SUSTAINING RENTAL HOUSING** means rental housing that is affordable to households earning at or below fifty (50) percent of AMI. The term shall not include lease purchase or cooperatively owned housing.
- (h) **GOVERNING BOARD** means the Urban Redevelopment Authority of Pittsburgh (URA) Board of Directors.
- (i) **HOUSING ASSISTANCE TO INDIVIDUALS** means housing assistance that is provided directly to low-income persons, including, but not limited to, owner-occupied home rehabilitation or repair services; owner-occupied home energy efficiency upgrades; foreclosure prevention and mitigation services; and rapid rehousing services.
- (j) **LOW INCOME** means having a household income that is at or below eighty (80) percent of AMI.
- (k) **MID- AND LOWER MARKET** shall have the meaning specified in the performance measures created by the p4 Performance Measures Project in October, 2016.
- (l) **NEIGHBORHOOD-BASED NON-PROFIT** means:
  - (1) A non-profit that has a substantial base of operations within the neighborhood where the housing to be funded by the Housing Opportunity Fund is located, or
  - (2) A tenant association that represents the tenants in the housing to be funded by the Housing Opportunity Fund.
- (m) **NON-PROFIT** means a non-profit organization that:
  - (1) Is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and
  - (2) Has providing affordable housing or combating community deterioration among its tax exempt



purposes.

The term shall not include a non-profit organization that is controlled by a for-profit or public entity.

- (n) **OWNER-OCCUPANT** means a natural person with a legal or equitable ownership interest in property which is the primary residence of the person.
- (o) **PERMANENTLY AFFORDABLE** means housing that is subject to a deed restriction, ground lease, shared equity agreement, or similar enforceable, recorded instrument that:
  - (1) In the case of rental or cooperatively owned housing, requires all current and subsequent owners to maintain the housing as affordable for a period of at least ninety-nine (99) years or for the life of the building, or
  - (2) In the case of for-sale housing, restricts the resale price to subsequent home buyers to an affordable price for a period designed to maintain the housing as affordable for at least ninety-nine (99) years or for the life of the building.
- (p) **PRESERVATION OF DEED RESTRICTED AFFORDABLE HOUSING** means the rehabilitation, redevelopment or replacement of deed restricted affordable housing, in order to extend the long term affordability and habitability of the units, such that there is no net loss in affordability and all affordable units are maintained or replaced in locations that are no less desirable than the original location.
- (q) **TENANT ASSOCIATION** means a membership association consisting of the residents of a residential development that operates democratically, is representative of all residents in the development, and is completely independent of owners, management, and their representatives. An association that otherwise satisfies the foregoing criteria shall not be disqualified solely because it has an ownership interest in the residential development.
- (r) **VERY LOW INCOME** means having a household income that is at or below fifty (50) percent of AMI.
- (s) **UNIVERSAL DESIGN** means housing that meets the design requirements specified in Title Two, Section 265.04.1(2)(b) of the Pittsburgh Code on all floors and in all common areas and public spaces.

(Ord. No. 37-2016, eff. 12-29-16)

#### § 234.02 - ESTABLISHMENT OF THE PITTSBURGH HOUSING OPPORTUNITY FUND.

- (a) The Pittsburgh Housing Opportunity Fund ("Fund") shall be created by the Office of the Controller, and managed by the Office of Management and Budget as a separate fund for the purpose of supporting the development and preservation of affordable and accessible housing in the City of Pittsburgh as more particularly specified in Sections 234.03 and 234.04 of this Chapter. The City may appropriate revenue and the Fund may receive monies from sources as deemed appropriate and consistent with the purposes set forth in this Chapter and applicable law.
- (b) It is the intent of the City Council that the Fund have a goal of ten million dollars (\$10,000,000.00) or more per year in annual revenue after a corresponding amount of budgeted legal revenue has been identified, a new legal revenue line in the said amount has been established or a combination of both.
- (c) The dedication of any revenue must be consistent with the City of Pittsburgh Act 47 plan and Act 11 (Intergovernmental Cooperation Authority) agreements, as applicable, and the City's annual five-year plan. Unless Council approves a dedicated source of annual funding, the actual amount of funds shall be contingent upon annual appropriation of Council.

- (d) Monies allocated for the Fund must be used exclusively for purposes consistent with this Chapter and applied. Therefore, any assets remaining in the Fund at the end of any fiscal year shall be carried into the next fiscal year including all interest and income earned, as well as any repayments or forfeitures of loans and/or grants.
- (e) It is the intent of this Chapter that the trust fund provide net new resources for affordable housing in the City of Pittsburgh, and that the fund not be used to substitute or supplant existing resources.

(Ord. No. 37-2016, eff. 12-29-16)

#### § 234.03 - DISBURSEMENT OF FUND ASSETS.

- (a) Funds appropriated from the Opportunity Fund shall be consistent with an annual allocation plan (AAP), created by the Advisory and Governing Boards, as described below. The AAP shall outline the types of programs, projects, and activities that are eligible for Opportunity Fund investment. Each year the Advisory Board shall provide an opportunity for public comment on the AAP and shall submit the AAP to Council for review and approval, prior to the passage of the budget. Such programs, projects, and activities shall:
  - (1) Preserve existing affordable housing through investments such as home rehabilitation or repair (both owner-occupied and one- to three-unit rental); down payment/closing cost assistance; homeownership counseling, pre- or post-purchase; foreclosure prevention and mitigation; tangled title assistance; energy efficiency; and a tenant purchase fund that supports tenants in the process of acquiring a controlling interest in expiring affordable housing.
  - (2) Rehabilitate, redevelop, or replace existing deed restricted affordable housing in order to extend the long term affordability and habitability of the units.
  - (3) Increase the accessibility of new and existing affordable housing to seniors and people with disabilities.
  - (4) Increase the production of affordable housing for sale or rental so as to ensure that communities experiencing rapid growth and escalating housing costs continue to have family-sustaining rental housing and ensure that very low income families have opportunities to live in housing in areas of high opportunity or consistent with a neighborhood revitalization plan.
  - (5) Prevent or reduce homelessness by increasing the supply of homes with supportive services available to people at imminent risk of homelessness or experiencing homelessness. The Fund can also be used for programs including rental assistance, rapid re-housing, permanent supported housing, housing first and/or other homeless housing purposes, especially for youth, families, seniors, veterans, people who are chronically homeless and those with disabilities.
  - (6) Provide for funding projects that promote permanently affordable housing through structures such as tenant purchase, community land trusts, shared-equity or deed restrictions placed upon the land.
  - (7) Stabilize mid- and lower market neighborhoods through activities such as making affordable loan products and grants available for the construction or rehab of owner-occupied homes or financing the purchase and rehabilitation of vacant structures by neighborhood-based non-profits for affordable homeownership.
  - (8) Advance any additional housing needs and leverage additional funding opportunities for affordable housing and neighborhood stabilization as they arise. To that end, the Governing Board may

provide such additional uses and goals consistent with the purposes of this Chapter and the findings listed by City Council based upon the recommendation of the Advisory Board after public notice and an opportunity for comment.

- (b) Up to ten (10) percent of annual Fund expenditures may be used for administrative expenses, which shall include the URA's reasonable and necessary cost of administration and the preparation of the Annual Audit and Report by the Governing Board and the Advisory Board pursuant to an annual budget reviewed by the Advisory Board.

(Ord. No. 37-2016, eff. 12-29-16)

#### § 234.04 - PRIORITIES AND RESTRICTIONS.

- (a) The AAP shall:

- (1) Outline an open and competitive selection process for all projects receiving Fund investment.
- (2) Establish evaluation criteria for awards that are consistent with the goals and purposes of this Chapter and the findings listed by City Council. At a minimum, the evaluation criteria shall include, as relevant: depth of affordability; length of affordability commitments; geographic distribution of funds; coordination with a neighborhood revitalization plan; affirmatively furthering fair housing; accessibility features; energy efficiency; cost effectiveness; readiness to proceed, and access to frequent transit and walkable/bikeable streets.
- (3) Set standards by which all applicants with projects of four (4) units or more will be required to demonstrate community engagement to understand needs, align development interests, and maximize community participation and partnerships. Any project presented for community input must be documented as substantially similar to the project included in the application. At a minimum, all applicants with projects of four (4) units or more must provide a memorandum of understanding with a neighborhood-based non-profit organization. The Governing Board may allow for exceptions where:
  - a. The rehabilitation of rental units are in exchange for enforceable;
  - b. Commitments to accept rental assistance and provide housing for special needs populations;
  - c. The project is necessary to affirmatively further fair housing and there is no neighborhood-based non-profit that is willing or available to participate;
  - d. There are no neighborhood-based non-profits in the neighborhood where the project is located; or
  - e. Any additional provisions consistent with this Chapter.
- (4) Require that all housing production or preservation projects of four (4) units or more (for sale or rental) have a non-profit applicant. The Advisory Board and Governing Board will give added weight to projects where a neighborhood-based non-profit organization is a partner with the ability to approve major project decisions and acquire the property.

- (b) The AAP shall set the following income targets for the overall investment of fund assets in projects, programs, and activities:

Fifty (50) percent of funds must benefit families and individuals at or below thirty (30) percent AMI.

Twenty-five (25) percent of funds must benefit families and individuals at or below fifty (50) percent AMI.

Twenty-five (25) percent of funds should benefit families and individuals at or below eighty (80) percent AMI by providing or supporting homeownership opportunities.

- (1) Eighty (80) percent AMI may only be exceeded for funds used to provide or support homeownership opportunities by providing down payment and closing cost assistance to first-time homebuyers consistent with the income targets and policies used by the Pittsburgh Home Ownership Program (PHOP).
- (c) The AAP shall set targets regarding permanent affordability for the overall investment of Fund assets in projects and the Governing Board shall develop an implementation plan for achieving the same, with review and input by the Advisory Board. Within five (5) years, the target shall be for at least fifty (50) percent of all housing produced or preserved through investments of Fund assets in the aggregate, in projects of four (4) units or more, shall be permanently affordable. The AAP may allow for operating and capacity support for community land trusts in order to meet the fifty (50) percent target.
- (d) All other housing that is produced or preserved through an investment of Fund assets, excluding investments in projects, programs, or activities that provide housing assistance to individuals, shall meet or exceed the following affordability/repayment requirements:
- (1) For rental housing, the minimum affordability periods required under the Federal HOME program at 24 CFR 92.252, or such longer affordability periods as the Governing Board may adopt.
  - (2) For for-sale housing, the Fund assets shall be in the form of a secured loan that must be repaid upon conversion of the unit to a use other than owner-occupied housing or upon sale of the unit to a purchaser who is not low income. The Governing Board, at its discretion, may require earlier repayment of any or all of the Fund loan and may subordinate the Fund mortgage to other financing.
  - (3) Lease-purchase housing shall be treated as rental housing until the units are sold to the tenants, at which time the minimum affordability periods required under the Federal HOME program at 24 CFR 92.254 shall apply from the date of the most recent investment of Fund assets.
- (e) All new construction and all projects of four (4) units or more receiving an investment of Fund assets shall target to meet or exceed the following goals, to the greatest extent feasible:
- (1) A minimum of ten (10) percent of units shall be accessible to individuals with mobility impairments and a minimum of four (4) percent shall be accessible to individuals with sensory impairments.
  - (2) All units shall meet visitability standards.
  - (3) All projects shall maximize the number of units that meet universal design standards.
- (f) All programs, projects, and activities funded by the Fund shall adhere to the City's Equal Opportunity policies and the City's obligations to Affirmatively Further Fair Housing.
- (g) When Fund assets are used to preserve deed restricted affordable housing, the Governing Board shall, to the greatest extent feasible, ensure that: there is no net loss in affordability; all affordable units are maintained or replaced in locations that are no less desirable than the original location; all existing residents are given their choice to live in the redeveloped housing or receive comparable relocation housing; and replacement housing is built first or otherwise phased so that residents will not be required to make more than one (1) move.

- (h) It is the intent of this Chapter that rental projects supported by the Fund be owned and managed by responsible landlords. To that end, Fund assets shall not be disbursed for projects, programs, or activities where the property owner or related party has outstanding tax or municipal claims or has failed to comply with City codes or policies or other applicable legal obligations. The Advisory Board may make appropriate exceptions where the funds will be used to bring rental property into compliance, subject to Governing Board approval.
- (i) Rehabilitation and repair services funded by the Fund shall be performed in a responsible manner and shall have obtained all required permits have been secured prior to the start of work. At a minimum, contractors performing skilled labor must demonstrate PA Home Improvement Consumer Protection Act registration, Federal Environmental Protection Agency lead safe work practices certification if they will be working on a pre-1978 home and the work will disturb a coated surface, and that skilled labor will be performed or inspected by a licensed tradesperson. The Governing Board may make exceptions for property owners and volunteer or training organizations who will be self-performing non-skilled labor.
- (j) All rental housing receiving an investment of Fund assets must adhere to the tenant and applicant protections required under the Federal HOME program at 24 CFR 92.253, or such stronger tenant and applicant protections as the Governing Board may require, for the duration of the affordability period required under Section 234.01(a)(1) of this Chapter.

(Ord. No. 37-2016, eff. 12-29-16)

#### § 234.05 - GOVERNING BOARD.

- (a) Upon adoption of a resolution accepting the responsibilities of the governing board as set forth in this chapter, The URA Board shall serve as the Housing Opportunity Fund Governing Board (the "Governing Board"). The Governing Board shall:
  - (1) Ensure that the AAP and all decisions to fund programs, projects, and activities comply with the requirements of this Chapter and all applicable laws and ethical requirements.
  - (2) Issue requests for proposal for Fund assistance, based on the draft requests for proposals and recommendations provided by the Advisory Board and consistent with the AAP and all applicable laws.
  - (3) Make final decisions regarding the disbursement of Fund assets, consistent with the requirements of this Chapter and based on recommendations of the Advisory Board. The Governing Board shall not approve any project for funding that has not first been reviewed and discussed by the Advisory Board.
  - (4) Enter into agreements to disburse fund assets for projects, programs, and activities consistent with applicable laws.
  - (5) Establish additional priorities consistent with the purposes and intent of this Chapter for inclusion in the AAP based on recommendations of the Advisory Board.
  - (6) Ensure the alignment of Fund disbursements with the City's other affordable housing resources.
  - (7) Seek contributions from non-City sources to supplement the assets of the Fund.
  - (8) Commission Annual Audits and Annual Reports pursuant to Section 234.09 of this Chapter.
- (b) The Governing Board shall meet in regular session at least quarterly and shall conduct its first meeting no later than sixty (60) calendar days after adoption of the resolution of the URA Board as described

above. Meetings of the Governing Board, which may be combined with meetings of the URA Board, shall be public and shall be advertised in a manner designed to ensure that the decisions of the Governing Board are open and transparent. The Governing Board shall also provide a mechanism through which interested persons may request and receive timely notification of regular and special meetings, which shall include at a minimum a description of the material terms of financing decisions that will be under consideration. The Governing Board shall allow for public comment on matters up for deliberation at each public meeting, and shall make publicly available a summary of actions taken at each meeting within ten (10) business days. This summary will be unofficial until approved and adopted by the Governing Board.

(Ord. No. 37-2016, eff. 12-29-16)

§ 234.06 - ADVISORY BOARD.

- (a) A Housing Opportunity Fund Advisory Board (the "Advisory Board") is hereby created to:
  - (1) Develop a draft AAP subject to approval by the Governing Board and City Council, as provided herein.
  - (2) Provide recommendations to the Governing Board concerning additional fund priorities.
  - (3) Prepare draft requests for proposals for Fund assistance.
  - (4) Provide recommendations to the Governing Board concerning the disbursement of Fund assets.
  - (5) Make recommendations to the Mayor and City Council regarding funding levels for the Fund, potential additional funding sources, and potential additional funding priorities.
- (b) The Advisory Board shall initially be comprised of seventeen (17) persons appointed by the Mayor to four-year staggered terms and approved by the City Council as follows:
  - (1) One (1) member from the Mayor's Office.
  - (2) One (1) member of City Council.
  - (3) One (1) member from the Urban Redevelopment Authority.
  - (4) One (1) member from the Housing Authority of the City of Pittsburgh.
  - (5) One (1) member who is a low income tenant earning less than 50% of AMI or who represents a Tenant Association, a majority of whose members are tenants who earn less than 50% of AMI.
  - (6) One (1) member who is a low-income homeowner earning less than 80% of AMI or who represents low income homeowners and resides in a CDBG-eligible census tract.
  - (7) One (1) member from the non-profit community.
  - (8) One (1) member who is homeless, formerly homeless, has a disability, or is an advocate for persons who are homeless and/or have disabilities.
  - (9) One (1) member from the for-profit development community.
  - (10) One (1) member from the non-profit development community.
  - (11) Five (5) members from Neighborhood Based Nonprofits that serve a low-income population and who reside in a CDBG-eligible Census Tract in each geographic region of the city (north, south, east, west, and central).
  - (12) One (1) member from a lending institution.
  - (13) One (1) member who is a fair housing advocate.

- (c) The Mayor may appoint, subject to the approval of City Council, one (1) or more additional persons to the Advisory Board as necessary to secure non-City contributions to the Fund.
- (d) The Advisory Board shall meet in regular session at least quarterly and shall conduct its first meeting no later than thirty (30) calendar days after its members are appointed. Meetings of the Advisory Board shall be public and shall be advertised in a manner designed to ensure full and meaningful public participation in Advisory Board decisions. The Advisory Board shall also provide a mechanism through which interested persons may request and receive timely notification of regular and special meetings, which shall include at a minimum a summary of the matters that will be under consideration. The Advisory Board shall allow for public comment on matters up for deliberation at each public meeting, and shall make publicly available a summary of actions taken at each meeting within ten (10) business days. This summary will be unofficial until approved and adopted by the Advisory Board.
- (e) No later than June 30 of each year, the Advisory Board shall develop a draft AAP to determine the use of funds for the following year and to govern the selection of programs, projects, and activities, consistent with the provisions of this Chapter and applicable law. The Advisory Board shall provide an opportunity for public comment and shall submit its proposed AAP to the Governing Board for review no later than August 31. The Governing Board shall review the proposed AAP to ensure that it complies with the requirements of this Chapter and to all other applicable laws and ethical requirements, and shall promptly work with the Advisory Board to correct any deficiencies. The Governing and Advisory Boards shall submit the AAP to City Council for review no later than October 31. Any decision to reject or modify the AAP must be made by City Council no later than December 31 for adoption by the Governing Board in January of the following year.

(Ord. No. 37-2016, eff. 12-29-16)

#### § 234.07 - ADMINISTRATION AND MANAGEMENT OF FUNDS.

- (a) The City shall enter into an intergovernmental cooperation agreement with the URA to provide implementation support and administer Fund assets, in a form acceptable to the City Solicitor. The agreement shall be transmitted to the City Clerk for distribution to City Council. The agreement shall provide substantially as follows:
  - (1) The URA will perform administrative functions related to the operations of the Fund and will provide staff support and technical assistance to the Governing and Advisory Boards.
  - (2) Specific duties will include:
    - a. Administration and Fund management;
    - b. Technical review and underwriting of proposals;
    - c. Construction review and monitoring;
    - d. Approval of draw requests and disbursement of funds;
    - e. Loan management and servicing;
    - f. Reporting;
    - g. Compliance monitoring and enforcement;
    - h. Staff support for the Advisory and Governing Boards to assist with preparation of the draft and final AAP; and
    - i. Additional duties as may be determined by the Advisory Board and Governing Board.

- (3) Opportunity Fund assets shall be accounted for separately from other funds held by the City and URA.
- (4) Generally accepted accounting principles (GAAP) for state and local governments, as defined by the Government Accounting Standards Board (GASB), shall be used in the management of all Fund accounts.

(Ord. No. 37-2016, eff. 12-29-16)

§ 234.08 - ANNUAL AUDIT AND REPORT.

- (a) Within ninety (90) days after the end of the fiscal year, the Governing Board shall commission an annual audit (the "audit") of Fund income and expenditures for the previous fiscal year. The audit shall be completed no later than one hundred eighty (180) days after the end of the fiscal year. Copies of the audit shall be provided to City Council, the Mayor, the Governing and Advisory Boards, and shall be made publicly available with the annual report. The audit shall include an account of all administrative expenses sufficient to demonstrate that the expenses are reasonable and necessary to the administration of the Fund.
- (b) The Governing Board shall commission an annual report on the activities of the Opportunity Fund in the previous fiscal year. The annual report shall be completed no later than one hundred eighty (180) days after the end of the fiscal year. Copies of the annual report shall be provided to City Council, the Mayor, the Governing and Advisory Boards, and shall be made publicly available with the audit. The annual report shall:
  - (1) Provide total numbers of housing units produced, homes preserved, and households prevented from being displaced or becoming homeless as a result of Fund support.
  - (2) List projects, programs, and activities funded through the Fund.
  - (3) Report on funds expended and dollars leveraged by Fund funds.
  - (4) To the extent feasible, report in aggregate form the number of households benefiting from the Fund by income level, geographic distribution, family size, and other criteria as requested by the Advisory Board.
  - (5) Report in aggregate form rents and sale prices of units produced, the number of accessible units built, the number of such units occupied by disabled individuals, and other criteria as requested by the Advisory Board.
  - (6) Report on Opportunity Fund expenditures in each of the income targets specified in Section 234.05(a)(4) of this Chapter.

(Ord. No. 37-2016, eff. 12-29-16)

§ 234.09 - EFFECTIVE DATE.

This Chapter shall become effective upon enactment.

(Ord. No. 37-2016, eff. 12-29-16)