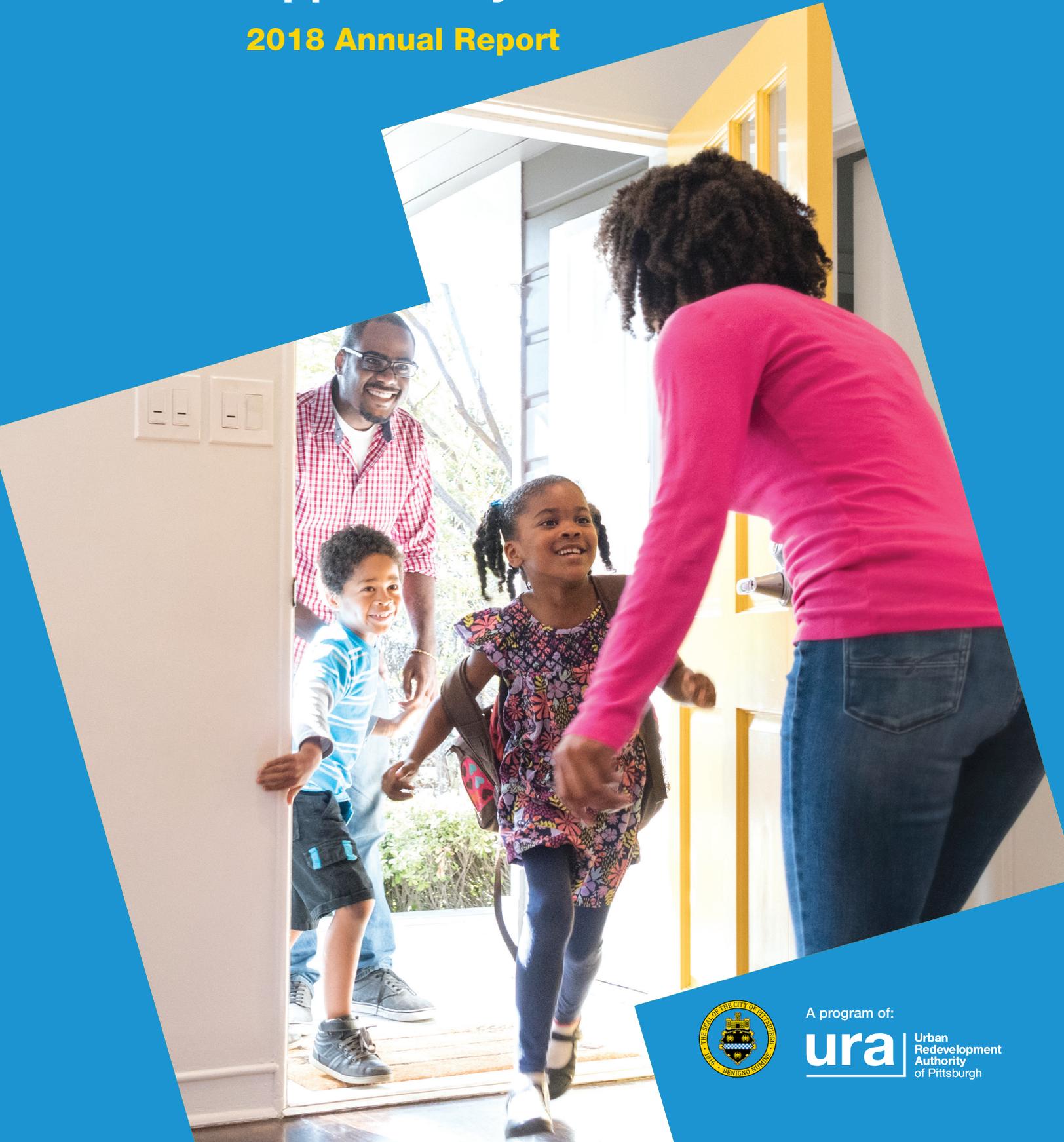




# Housing Opportunity Fund

2018 Annual Report



A program of:

**ura**

Urban  
Redevelopment  
Authority  
of Pittsburgh



The Housing Opportunity Fund is doing great work to ensure residents of any Pittsburgh neighborhood, whether they be renters or homeowners, have just access to affordable housing.

**It is a key partner in making sure Pittsburgh will be a city for all.**

**William Peduto**  
Mayor



The Housing Opportunity Fund is keeping Pittsburgh home. Its success will help us stop push-out, preserve and protect access to affordable housing, and promote equitable growth across the city. It's a critical part of making Pittsburgh truly livable for all.

**Sam Williamson**  
Chair of the URA Board

**I WAS SITTING on my porch on a Friday evening when my son's 11-year old friend came up my steps and said "I hear you help build homes for people who don't have a place to live. I saved \$50 from my allowance and want to give it to you to help build someone a house. Everyone should have a place to live." Out of the mouth of a child.**

**It's so simple but so true. Everyone should have a place to live. In fact, everyone should have a place to live that is safe, healthy and warm. But for some reason, not everyone in America, including in Pittsburgh, is able to avail themselves of this most fundamental basic right to sleep in a warm, safe place.**

Fortunately, in Pittsburgh we have a local government that recognizes that almost 20,000 extremely low-income households either do not have a home or are at extreme risk of housing instability. In 2018, Mayor Peduto and City Council approved \$10 million per year for 12 years of City operating funds to support affordable housing activities.

Through the Housing Opportunity Fund (HOF), the senior citizen who is living on a monthly social security check will now be able to get much-needed repairs done to his or her house. The mom who works two jobs to make ends meet will now be able to go to a social service provider and get short-term, partial rental assistance if she gets sick and is temporarily unable to work. The family of six who needs a rent-subsidized unit but is on the wait list for five different buildings now has a greater chance of moving up the list. And the young professional who just landed his or her first job will receive down payment assistance to buy his or her first home.

Through the HOF, we will be able to help approximately 525 Pittsburgh households a year. With the 2018 funds, we hope to build or rehabilitate 100 units of new or preserved rental housing, repair/renovate 100 existing owner-occupied homes, help provide rental assistance to approximately 186 households, create 14 units of new or rehabbed for-sale housing stock, and help 125 families purchase their first home. Additionally, in 2019, the HOF will receive another year of funding which will help another 500-600 households.

I am very proud of the HOF Advisory Board and the HOF staff who worked tirelessly to create an allocation plan and structure program requirements that will help as many people as possible. Through the Advisory Board and staff's diligence, and the hard work of many others in the government, philanthropic, nonprofit, financial, and advocacy sectors, together as a city we can hear hammers pounding in Pittsburgh neighborhoods; and if we listen very closely, hear children quietly snoring in their safe and warm homes.

**Jessica Smith Perry**  
Housing Opportunity Fund Director



At Lawrenceville Corporation, we are working aggressively to address our region's housing shortage and locational gaps. We view the Housing Opportunity Fund as an integral fuel—focused, generous, and aspirational investments--that will allow us to bring high-quality permanently affordable homeownership solutions to Pittsburgh at scale."

**Matthew Galluzzo**  
Executive Director,  
Lawrenceville Corporation

## Establishing the Housing Opportunity Fund (HOF)

In 2015, an Affordable Housing Task Force was established by the City to study the affordable housing needs in Pittsburgh. The Task Force put forth the recommendation that an Affordable Housing Trust Fund be established which resulted in the creation of the Housing Opportunity Fund.

The City of Pittsburgh's HOF is a Housing Trust Fund that aims to increase and preserve the supply of decent, safe, and sanitary affordable housing for low-income households. The City of Pittsburgh is committing \$10 million per year for the next 12 years to fund HOF programs and activities.



photos by Pittsburgh United

- 2015 Affordable Housing Task Force established
- 2016 Housing Needs Assessment identifies 20,000 unit gap for households earning 50% AMI or less
- Affordable Housing Task Force recommends creating Housing Opportunity Fund (HOF)
- Housing Opportunity Fund created by City Council legislation
- 2017 City Council votes to fund HOF at \$10M per year
- 2018 Mayor appoints 17 person Advisory Board
- 2019 First projects approved for funding



I am proud of the progress that we made over the past year. We listened to what residents wanted to see happen, came together as a team to decide where to dedicate funds, and the URA staff was able to create and craft new programs and guidelines based on these recommendations. We have laid a ton of groundwork and are already starting to see some of the impact!”

**Joanna Deming**  
HOF Advisory Board Member,  
Homeowner Representative



The Housing Opportunity Fund is fundamentally and permanently changing lives in our communities. Our most vulnerable neighbors can finally stay in the neighborhoods they’ve always called home. The Housing Opportunity Fund means real opportunities for growth and change for Pittsburgh families. It means a leap in the right direction for the city of Pittsburgh.”

**Celeste Scott**  
Pittsburgh United, Organizer

## How can the Housing Opportunity Fund be used?

- 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 mid and lower market neighborhoods
- Secure more funding and identify other opportunities



## HOF funds are allocated to assist households between 30% AMI – 80% AMI\*

# of people in the home	30% AMI	50% AMI	80% AMI	115% AMI
1	\$16,000	\$26,600	\$42,600	\$61,000
2	\$18,250	\$30,400	\$48,650	\$69,950
3	\$20,550	\$34,200	\$54,750	\$78,700
4	\$22,800	\$38,000	\$60,800	\$87,400
5	\$24,650	\$41,050	\$65,700	\$94,400

AMI – Area Median Income  
\*Down Payment and Closing Cost Assistance Program may go as high as 115% AMI

## How were the 2018 HOF programs created?

Pittsburgh United conducted five public meetings in the North, South, East, West, and Central areas of the City in 2018 and received feedback to help determine funding priorities. **The critical needs identified were:**

- Home repairs for extremely low-income homeowners
- Deeply affordable rental units with accompanying supportive services
- Programs to expand homeownership
- Short-term/emergency rental assistance
- Rehabilitation of vacant and abandoned housing stock for resale to homeowners

**To address these needs, the following programs were created for 2018.**



## HOF 2018 Programs

### Rental Gap Program (RGP)

The RGP funds the creation and/or preservation of affordable rental units in the City of Pittsburgh.

### Homeowner Assistance Program (HAP)

The HAP provides financial assistance up to \$30,000 to eligible homeowners in the City for the rehabilitation and improvement of residential owner-occupied properties.

### Housing Stabilization Program (HSP)

The HSP provides emergency rental assistance to households in the City. The HSP also allows for legal eviction prevention services.

### For-Sale Development Program (FSDP)

The FSDP provides low interest rate construction financing and/or grants for the purpose of increasing the supply of affordable housing for homeownership in the City.

### Down Payment and Closing Cost Assistance Program (DPCCAP)

The DPCCAP provides financial assistance up to \$7,500 to income eligible first-time homebuyers in the City.



My clients have been able to increase their buying potential with down payment assistance, closing cost assistance, and soft second mortgages.”

**Danielle Graham Robinson**  
Licensed Agent- Realtor

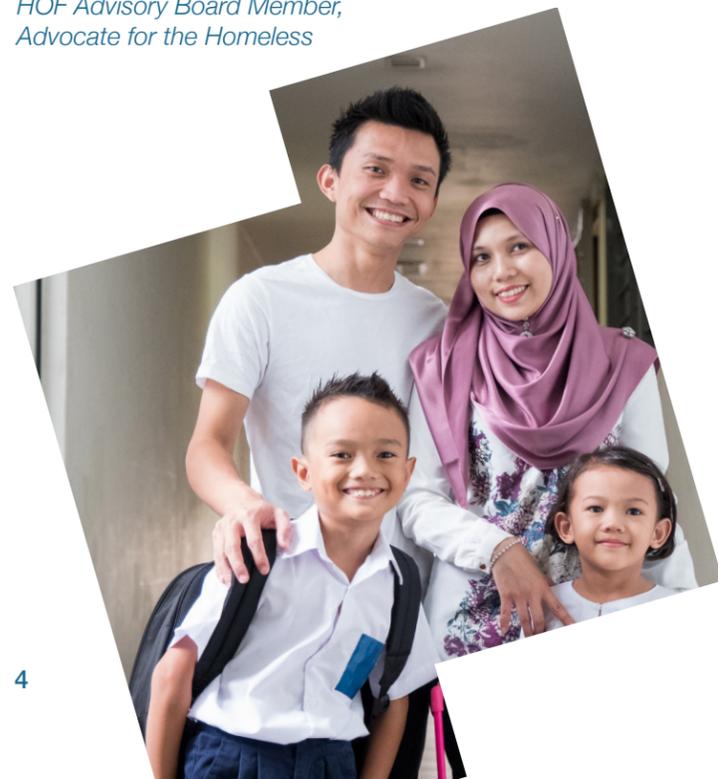
## 2018 HOF Program Summary

Program name	Who receives funds	What it funds
<b>Down Payment &amp; Closing Cost Assistance</b>	First-time homebuyers	Down payment & closing costs
<b>Homeowner Assistance Program</b>	Homeowners	Home repairs
<b>Rental Gap Program</b>	Nonprofit developers or developers with nonprofit applicants	Preserving and creating affordable rental units
<b>Housing Stabilization Program</b>	Renters near eviction	Emergency rental assistance
<b>For-Sale Development Program</b>	Nonprofit developers or developers with nonprofit applicants	Preserving and creating affordable for-sale units



I have been working in the housing industry for the last 25 years. The Housing Opportunity Fund has provided us with not only desperately needed resources but flexibility in addressing the need for diverse types of affordable housing across Pittsburgh's neighborhoods. Having the opportunity to be part of the Advisory Board has been both exciting and humbling and I look forward to reviewing our first year's progress and looking into the future of the Fund."

**Adrienne Walnoha**  
HOF Advisory Board Member,  
Advocate for the Homeless



### HOF Highlight: Riverview Towers

In December 2018, the first HOF Rental Gap Program funds were approved for Riverview Towers.

Riverview Towers, located in Squirrel Hill, is an affordable housing complex for senior citizens. With HOF funds, Riverview Towers Inc. will be able to renovate and update 191 units. Riverview Towers offers residents supportive services such as transportation, fitness, and health and wellness programs; the average age of residents is 85 years old.



## 2018 Annual Allocation Plan (AAP)

AMI Level	30%	50%	80%	Total	Estimated Units / Households Served
<b>Required Allocation</b>	<b>50%</b>	<b>25%</b>	<b>25%</b>		
Housing Stabilization	\$0.5M	\$0.25M		<b>\$0.75M</b>	<b>186</b>
Rental Gap Financing	\$2.5M	\$1.375M		<b>\$3.875M</b>	<b>100</b>
Owner-Occupied Rehabilitation	\$1.5M	\$0.625M	\$0.25M	<b>\$2.375M</b>	<b>100</b>
Down Payment/Closing Cost			\$0.75M	<b>\$0.75M</b>	<b>125</b>
Affordable For Sale Development Program			\$1.25M	<b>\$1.25M</b>	<b>14</b>
Administration			up to \$1M		
<b>Total</b>	<b>\$4.5 M</b>	<b>\$2.25 M</b>	<b>\$2.25 M</b>	<b>\$10 M</b>	<b>525</b>

HOF Programs did not start accepting applications until December 2018; therefore, only \$231,773.70 was expended in 2018 for consulting costs to create policies, procedures, and programs and additional administrative costs.

### Who oversees HOF?

The **Advisory Board** is made up of a diverse group of 17 Pittsburgh residents. They review applications and guide program development. The URA Board of Directors acts as the **the HOF Governing Board** which votes on projects and votes to advance the Annual Allocation Plan to City Council. Every year, City Council votes to approve the proposed allocation plan.

## 2018 HOF Advisory Board Members

**Lena Andrews**  
Nonprofit Development Organization

**Jamil Bey, PhD**  
Neighborhood Based Nonprofit  
Community Resident - South

**Richard Butler**  
Neighborhood Based Nonprofit  
Community Resident - West

**Kyle Chintalapalli**  
URA

**Joanna Deming**  
Homeowner Representative

**Jerome Jackson**  
Neighborhood Based Nonprofit  
Community Resident - East

**Theresa Kail-Smith**  
City Council

**Majestic Lane**  
Mayor's Office

**Mark Masterson**  
Neighborhood Based Nonprofit  
Community Resident - North

**Valerie McDonald Roberts**  
Housing Authority

**Leslie Springs**  
Tenant Association Representative

**Samuel Su**  
Lending Institution

**Sonya Tilghman**  
Nonprofit Organization

**Derrick Tillman**  
Developer

**Carlos Torres**  
Fair Housing Advocate

**Diamonte Walker**  
Neighborhood Based Nonprofit  
Community Resident - Central

**Adrienne Walnoha**  
Advocate for Homeless

## WHY WAS THE HOUSING OPPORTUNITY FUND CREATED?

Almost **25,000** Pittsburgh households are paying **more than half of their household income on housing costs.**

There is an **affordability gap** of **19,957** units for households earning up to 50% of the city's median household income.

Many Pittsburgh neighborhoods have very **low rates of homeownership.**

Housing Choice Vouchers are frequently returned when **renters are unable to find a place to live.**



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Thank you City of Pittsburgh for your dedicated commitment to Affordable Housing! We look forward to helping approximately 525 households with the 2018 funding and another 500-600 households with the upcoming 2019 funding!

