

Pittsburgh Housing Opportunity Fund Summary

Goals

- Repair the existing housing stock and improve energy efficiency
- Increase resident homeownership
- Help give low-income Pittsburgh families better opportunities to escape poverty
- Support permanent affordability through tenant ownership and community land trusts
- Address Pittsburgh's severe shortage of homes affordable to low income working people.

MAIN OFFICE

2 S. Easton Road
Glenside, PA 19038-3423

CENTRAL PA OFFICE

118 Locust Street
Harrisburg, PA 17101-1414

WESTERN PA OFFICE

710 Fifth Avenue
Suite 1000
Pittsburgh, PA 15219-3000

WWW.RHLS.ORG

Annual Revenue Sources – Goal: \$10 million per year minimum

- Revenue received from expiring TIF tax financing, capped at \$10 million per year
- Other sources to be identified and authorized by Council at a later date
- \$5 million minimum FY 2017, \$10 million minimum thereafter

Eligible Uses

- Preservation:
 - Home rehabilitation/repair and other homeowner supports
 - Financing for tenant purchase
 - Financing to preserve affordable rental housing that is at risk
- Accessibility modifications for seniors and people with disabilities
- Production of new affordable housing
- Homelessness prevention
- Permanently affordable housing (e.g., community land trusts or tenant purchase)
- Neighborhood stabilization:
 - Loans and grants available to individuals for the construction or rehab of owner-occupied homes in high-vacancy neighborhoods
 - Financing for the purchase and rehabilitation of vacant structures by neighborhood-based non-profits for affordable homeownership
- Administrative expenses (up to 15%)

Income Targeting

- 50% of funds restricted to 30% AMI and below
- 25% of funds restricted to 50% AMI and below
- 25% restricted to 80% AMI and below (homeownership)

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The 2016 HUD AMIs for the 7-county Pittsburgh metropolitan area are as follows:

	1 person	2 person	3 person	4 person	5 person	6 person
30% AMI	14,950	17,100	20,160	24,300	28,440	32,580
50% AMI	24,950	28,500	32,050	35,600	38,450	41,300
80% AMI	39,900	45,600	51,300	56,950	61,550	66,100

Long Term Affordability

- At least 50% of all housing units produced or preserved must be permanently affordable

Supporting Neighborhood-Based Development

- All projects of four units or more seeking Trust Fund support must have a neighborhood-based non-profit applicant.

“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.

Accessibility and Visitability

- To the greatest extent feasible, all new construction and all new housing rehabilitation projects of four or more units must include:
 - A minimum of 10% of all units accessible to individuals with mobility impairments
 - A minimum of 4% of all units accessible to individuals with sensory impairments
 - All units at universal design (i.e., “visitable”) standards

Funding Priorities

- Funding decisions will be made according to the following priorities:
 - depth of affordability
 - length of affordability commitments
 - geographic distribution of funds to diverse neighborhoods
 - historical disinvestment in the neighborhood where the project is located
 - affirmatively furthering fair housing
 - accessibility features beyond the minimum requirements of the ordinance
 - energy efficiency
- For new rental projects of 20 or more units, special priority will be given to developments located in areas with access to frequent transit and walkable/bikeable streets
- The Governing Board may adopt additional priorities consistent with the purposes of the ordinance

Organizational Structure and Oversight

- A 5-person **Governing Board** would establish Trust Fund policies and make decisions regarding the use of funds based on recommendations of the Advisory Board
- Appointed by the Mayor and approved by Council

- Members:
 - One member from Mayor's Office
 - One member from City Council
 - One member from Urban Redevelopment Authority
 - One member who represents low-income tenants, low-income homeowners, the homeless, or a neighborhood-based non-profit that serves a low-income population and resides in a CDBG-eligible census tract
 - One member from the non-profit development community

- A 13-person **Advisory Board** would make recommendations regarding policies and the use of funds, and provide oversight of the performance of the Trust Fund.
- Appointed by the Mayor and approved by Council
- Members:
 - The Mayor's Office representative on the Governing Board
 - The City Council representative on the Governing Board
 - The Urban Redevelopment Authority representative on the Governing Board
 - A representative from the Housing Authority of the City of Pittsburgh
 - One member who is a low income tenant earning less than 30% of AMI or who represents a tenant association, a majority of whose members are tenants who earn less than 30% of AMI.
 - One 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
 - One member from the non-profit community
 - One member who is homeless, formerly homeless, has a disability, or is an advocate for persons who are homeless and/or have disabilities
 - One member from the for-profit development community
 - One member from the non-profit development community
 - One member from a neighborhood-based non-profit that serves a low-income population and resides in a CDBG-eligible census tract
 - One member from a lending institution
 - One member who is a fair housing advocate.

- Additional members to the Governing Board and Advisory Board may be appointed as necessary to secure non-City contributions, subject to the approval of Council.

- The URA would staff the Trust Fund and administer its assets under contract with the City, at a negotiated fee that could not exceed 15% of annual Trust Fund assets

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Public Participation and Accountability

- The Governing Board and Advisory Board will make decisions at monthly meetings that are open to the public and that provide an opportunity for public comment
- Notices of meetings will include a summary of matters for consideration
- Projects will be selected through an open and competitive process
- A summary of actions taken by the Advisory Board and Governing Board will be made available within seven days of each meeting
- An audit and report of Trust Fund activities will be made publicly available every year. The report will include:
 - The total number of housing units produced, homes preserved, and households prevented from being displaced or becoming homeless as a result of Trust Fund support.
 - A list of projects funded through the Trust Fund.
 - Funds expended and dollars leveraged by Trust Fund funds.
 - Aggregate number of households benefiting from the Trust Fund by income level, geographic distribution, family size, and other criteria as selected by the Advisory Board.
 - Aggregate rents and sale prices of units produced, number of accessible units built, number of such units occupied by disabled individuals, and other criteria as selected by the Advisory Board.