A Message from the Executive Director

In the pages that follow you will read about the accomplishments and activities undertaken by the Housing Authority of the City of Pittsburgh in 2006. In many ways, this was a year of transition, as new leadership was installed at the HACP and in City Hall.

In addition to changes in leadership, HACP has been undergoing an organizational transition as we move forward with our plans to roll out a system of Site-Based Management across the entire Authority. Meanwhile, HACP has faced the challenge of adjusting to a continuous shortfall in funds stemming from funding cuts at the federal level.

2006 was a year of many challenges for our agency. At the same time, HACP managed to accomplish a number of milestone achievements. The Fairmont Apartments was warmly received upon its opening in the fall, while development initiatives for communities such as Garfield Heights, Bedford, Addison Terrace (the Legacy Apartments), and the Kelly Street High Rise were all further advanced.

In an effort to further ensure the future well being of low-income housing in Pittsburgh, HACP rallied public housing authorities from across the country in an effort to raise awareness of the recurring cuts to the federal budget for public housing. I am proud to report that Pennsylvania played an integral role in getting this message out to the public and securing an extension for the Moving to Work Program. HACP residents, in particular, took on an important leadership role in this nationwide effort.

Low-income Pittsburgh residents deserve a quality community to call home and the mission of this agency is to ensure that they have every opportunity to live in a safe and secure environment. Thanks to the efforts of HACP, affordable housing in Pittsburgh is becoming an ever-important asset to the City.

A. Fulton Meachem Jr.
Executive Director, Housing Authority of the City of Pittsburgh
CAPITAL DEVELOPMENT AND MODERNIZATION

The HACP continues to pursue all avenues to fulfill its commitment to providing safe, decent and sanitary housing to low-income residents in the City of Pittsburgh. HACP and its partners and affiliates continue to pursue all possible financing tools to replace obsolete and non-viable housing units with new mixed-income housing developments that are a positive force in the surrounding neighborhoods. The sections below describe these activities, including HOPE VI projects, non-HOPE VI redevelopment, demolitions, senior housing development and special housing initiatives.

HOPE VI SUPPORTED REDEVELOPMENT

In 2006, HACP continued to move toward completion of the three HOPE VI redevelopment projects as detailed below:

Manchester HOPE VI
Utilizing the HOPE VI funds provided by HUD, as well as other leveraged public and private funding, HACP has been able to transform this community and neighborhood by demolishing the 107 non-viable original public housing units and replacing them with 210 units, including a mix of public and affordable housing units. In 2005, HACP initiated the closeout phase for this HOPE VI project. The design and construction documents for the final phase include six additional units, three of which will be UFAS compliant accessible units.

Bedford/Middle Hill HOPE VI
FY 2006 activities included the demolition of Bedford Additions on Whiteside Road and Somers Drive; the allocation of Low Income Housing Tax Credits for Phase II rental in the amount of $1,276,746; the completion of A/E activities needed to prepare bid documents for site preparation work scheduled to begin in early 2007; completion of Phase II construction documents for bidding; financial closing of Phase I Homeownership (29 units) and construction start of the first eight units.

REDEVELOPMENT: COMPREHENSIVE

In 2006, HACP continued planning and development activities for the comprehensive redevelopment of two of HACP’s most severely distressed public housing communities, Garfield Heights and Addison Terrace, as well as partial demolition of Northview Heights Estates and St. Clair Village.

Garfield Heights
Garfield Heights was a severely distressed, 601-unit development built in 1966. The development originally consisted of 326 family units and a 275 unit senior high-rise tower. The 275 unit high rise failed its assessment of long-term viability in 1998 and was demolished in 2005. Residents in the high rise were relocated to the newly constructed Commons at North Aiken and other suitable housing. The 326 unit family portion of the community is also distressed and, in 2004, HACP began the planning process for the comprehensive redevelopment of this development.
The long-range goal for this community is to lower the population density and replace the public housing community with a 150 to 250 unit mixed-income community. In 2006, the HACP Board approved an agreement with Garfield Jubilee Association, a local community development corporation, for the development of 8-10 off site rental units. Also in 2006, a master development agreement was negotiated with KBK Enterprises, Inc. for Phase I of on-site development (this agreement was formally executed in early 2007).

Relocation began in late 2006 in preparation for demolition of 105 units in the Phase I redevelopment area. Phase I of the project is on track for an April 2007 tax credit application. Design documents for the first phase of demolition should be completed by mid-2007, with demolition efforts to commence by the end of 2007.

Addison Terrace/Addison Additions
Addison Terrace/Additions is a severely distressed family community comprised of 730 walk-up units. In a 1998 Viability Assessment, the 149-unit Louis Mason Jr. High Rise failed its assessment of long-term viability and is subject to demolition under the HUD Mandatory Conversion Rule. The Lou Mason Jr. High Rise will be demolished once the replacement building is completed. HACP continues to evaluate funding options for moving forward with Requests for Qualifications and other actions to begin the first phase of this redevelopment.

REDEVELOPMENT: PARTIAL
HACP continued development planning and predevelopment activities for the partial redevelopment of Northview Heights Estates, St. Clair Village and Broadhead Manor.

Northview Heights Estates
Northview Heights currently consists of 502 family dwelling units in 78 family buildings. In addition, Northview contains a 90-unit senior citizen high rise with a higher than average vacancy rate. In an effort to improve the long-term viability of the whole community, HACP began evaluating partial demolition/redevelopment alternatives for this community in 2004. During 2005, HACP began strategic planning with the assistance of a master-planning firm. During 2006, HACP staff and an architectural firm prepared an analysis of phasing alternatives that considered funding availability, safety, cost efficiencies and marketability. Demolition of 72 units was also completed in 2006.

St. Clair Village
St. Clair Village once had 680 family units. Prior demolitions reduced that number to the current total of 456. In 2005, HACP began redevelopment planning activities that carried over to 2006. In 2006, HACP received approval to demolish an additional 325 units, and planned for an initial abatement and demolition of 99 units, beginning the first quarter of 2007.

The demolition plan was accompanied by a relocation plan. Residents in the first phase units were relocated to other vacant St. Clair units, other vacant HACP units, or were provided Section 8 vouchers. A contract was awarded in November 2006 for the removal of hazardous materials in preparation for the demolition.

Broadhead Manor
Broadhead Manor was hit by a catastrophic flood in September 2004, rendering 48 of the 64 units uninhabitable, and necessitating immediate evacuation. The flood exposed fatal flaws with the Broadhead Manor site, dictating the exploration of alternatives to on-site redevelopment. In 2006, HACP planned for the demolition or disposition of the 64 units remaining on the site, while simultaneously working with residents and their representatives to determine the future direction of the community. Later in the year, Broadhead Manor residents and HACP reached an agreement on a permanent relocation plan. HACP and the residents agreed to pursue a strategy of acquiring scattered site homes as replacement units for as many of the lost Broadhead Manor units as funding will allow, pending HUD approval. It is expected that acquisition of scattered site homes will begin in 2007.
REPLACEMENT HOUSING: SENIOR CITIZEN COMMUNITIES

In 2006 the HACP continued to develop enhanced-services replacement housing for HACP’s elderly residents. In 2006 new senior housing development activities included the Fairmont Apartments, the Legacy (Lou Mason replacement) and Kelly Street High Rise.

Fairmont Apartments (Auburn Replacement Housing)
The building designed to replace the Auburn Towers is the Fairmont Apartments, a 60 unit mid-rise building. It is designated elderly-only and will provide replacement housing for Auburn Towers residents. The building was completed in 2006 and is now fully occupied.

Lou Mason (Addison High-Rise) Replacement – The Legacy
The facility will consist of 108 apartments and will include space for enhanced services. Construction on the new building started in early 2006, and was at 75 percent completion by the end of 2006. It is scheduled for completion by June 2007. HACP has also completed the design of the demolition for the existing Lou Mason High Rise. Demolition of the building is expected to commence by the fourth quarter of 2007.

Kelly Street High Rise
The Kelly Street High Rise was originally constructed in 1969. Based upon a variety of factors, including the information in the HACP’s 1998 Viability Assessment, the Housing Authority of the City of Pittsburgh has determined that the best use of funds is to demolish the old Kelly Street and build a new Kelly Street building rather than to modernize the existing structure. Demolition of the existing structure has been approved and relocation is complete. Hazardous material abatement was completed during 2006.

DEMOLITION (NORTHVIEW HEIGHTS ESTATES, COVE PLACE, EAST HILLS HIGH RISE, LOU MASON HIGH RISE, BEDFORD ADDITIONS)

During 2006, HACP continued the demolition of obsolete, non-viable housing stock. The East Hills High Rise, remaining units at Bedford Additions, and three buildings at Northview Heights were demolished. The demolition of Cove Place also had final site cleanup and final payments in 2006. The demolition of East Hills High Rise took place in December 2006. Preparation of design documents for the demolition of the Lou Mason High Rise continued throughout the year.
## Operating Revenues:

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenant revenue:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net tenant rental revenue</td>
<td>$8,466,072</td>
<td>$8,292,815</td>
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<tr>
<td></td>
<td>Tenant revenue-other</td>
<td>75,624</td>
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<tr>
<td><strong>Total tenant revenue</strong></td>
<td>8,541,696</td>
<td>8,315,479</td>
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<tr>
<td>Government grants</td>
<td>94,316,016</td>
<td>83,683,556</td>
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<tr>
<td>Other revenue</td>
<td>4,090,409</td>
<td>3,930,008</td>
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<tr>
<td>Investment income-unrestricted</td>
<td>1,181,511</td>
<td>1,148,692</td>
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<tr>
<td>Investment income-restricted</td>
<td>1,008,901</td>
<td>287,223</td>
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<tr>
<td>Fraud recovery</td>
<td>22,748</td>
<td>14,463</td>
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<tr>
<td><strong>Total operating revenues</strong></td>
<td>109,161,281</td>
<td>97,379,421</td>
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</tbody>
</table>

## Operating Expenses:

### Housing assistance payments

<table>
<thead>
<tr>
<th></th>
<th>2006</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative:</td>
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<tr>
<td>Administrative salaries</td>
<td>6,008,916</td>
<td>6,205,992</td>
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<tr>
<td>Auditing Fees</td>
<td>37,540</td>
<td>65,301</td>
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<tr>
<td>Outside management fees</td>
<td>3,000,018</td>
<td>2,676,853</td>
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<tr>
<td>Employee benefit contributions-administrative</td>
<td>1,643,104</td>
<td>1,966,526</td>
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<tr>
<td>Other operating-administrative</td>
<td>18,310,532</td>
<td>22,209,536</td>
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<tr>
<td><strong>Tenant service:</strong></td>
<td>4,328,794</td>
<td>6,776,079</td>
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<tr>
<td>Utilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gas</td>
<td>6,009,091</td>
<td>5,227,572</td>
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<tr>
<td>Electricity</td>
<td>2,139,527</td>
<td>2,365,608</td>
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<tr>
<td>Water</td>
<td>2,306,782</td>
<td>3,391,966</td>
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<tr>
<td>Other utilities expense</td>
<td>1,902,517</td>
<td>939,550</td>
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<tr>
<td><strong>Ordinary maintenance and operations:</strong></td>
<td>7,216,086</td>
<td>6,996,528</td>
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<tr>
<td><strong>Total operating expenses</strong></td>
<td>109,816,019</td>
<td>108,117,027</td>
</tr>
</tbody>
</table>

## Operating Income (Loss)

- **Operating Income (Loss)**: $654,738 (10,737,606)

## Non-Operating Revenues (Expenses):

- **Extraordinary maintenance**: (2,515) (18,547)
- **Gain (loss) on disposition of fixed assets**: (3,032,649) (2,160,716)
- **Depreciation and amortization expense**: (15,104,356) (18,884,470)

### Total non-operating revenues (Expenses)

- **(18,139,520) (21,063,733)***

### Capital Contributions

- **HUD capital grants**: 10,225,878 6,176,746
- **Change in net assets**: (8,568,380) (25,624,593)

### Total net assets - beginning

- $172,305,324 197,929,917

### Total net assets - ending

- **$163,736,944 $172,305,324***
RESIDENT SERVICES AND PROGRAMS

The HACP continued its efforts to develop its programs and improve integration of HACP programs with both internally and externally provided resident services. Specifically, the HACP worked to develop and expand its Realizing Economic Attainment For Life (REAL) Family Self-Sufficiency Program, including its Resident Employment Program component. Areas of focus for 2006 included the implementation of the Community Planning model, further development of youth programs and expanded collaboration with the Allegheny County Department of Human Services.

REAL/FAMILY SELF-SUFFICIENCY PROGRAM

The HACP REAL (Realizing Economic Attainment for Life) Program accomplished the following in 2006:

REAL LIPH 2006 Performance Data

- 835 residents were enrolled in FSS.
  2005 – 658 residents
- 782 residents were assisted with recertification.
  2005 – 337 residents
- 835 residents signed contracts of participation.
  2005 – 626 residents
- One resident purchased a home.
  2005 – 0 Residents

REAL Section 8 2006 Performance Data

- 314 residents were enrolled in FSS and signed contracts of participation.
  2005 – 316 residents
- 222 residents employed.
  2005 – 161 residents
- 111 residents with escrow accounts; 44 actively accruing Escrow Account funds.
  ($296,846 total accrued escrow funds)
- 12 residents purchased homes.
  2005 – 9 residents

Improvements and Enhancements to the REAL FSS Program

The REAL Program made several administrative modifications to improve program efficiency. These included updates to the program manual, streamlining the referral process, and adjusting the contact standard for service coordinators and participants. The REAL Program also increased its newsletters and discontinued community blitzing except for special activities in order to improve the efficiency of outreach efforts and make the best use of staff.

SPECIAL NEEDS HOUSING

The HACP continued to explore opportunities to enter into partnerships to provide housing solutions to special needs populations. This included fulfilling commitments made to partners to support innovative approaches to the provision of housing to special needs populations.

HOUSING PRESERVATION PROGRAM/UNIFORM FEDERAL ACCESSIBILITY STANDARDS

The HACP successfully implemented several Housing Preservation Program goals for 2006 including:

- Completion of an excess of 50 fully compliant UFAS Accessible housing units;
- Completion of replacement/repairs of key mechanical systems, such as boilers, chillers, generators and elevators at several high-rise buildings; and,
- Completion of kitchen renovations and UFAS upgrades to several senior citizen housing facilities.

HACP has evaluated several alternative locations for scattered site new construction or acquisition of UFAS units. HACP will continue to review options for 2007.
HOMEOWNERSHIP PROGRAM

Through our Homeownership Program, HACP provides potential low-income homebuyers with a single point of contact for assistance with the purchasing process. During 2006, 248 families completed the first requirement of the program, a homebuyer education class. 173 families participated in credit counseling, 28 families received mortgage pre-approval letters, and 23 families purchased homes through participation in the program.

HEALTHY HOMES

The agency introduced Healthy Homes to its service roster in 2006 to improve resident responsibility and decrease failed home inspections. This program contacts residents within 60 days of lease ups for a Healthy Homes Initial Visit where each new family is provided with basic cleaning tools and supplies (broom, dustpan, mop, bucket, plunger, and some cleaners), and provided a short training on how to keep their apartment clean.

RESIDENT EMPLOYMENT PROGRAM

The Resident Employment Program achieved full operation in 2006, providing and/or coordinating a variety of direct service, assessment, referral and training opportunities for residents. The Resident Employment Program also collaborated with a variety of agencies to facilitate enrollment of program participants into programs that will best meet their needs.

COLLABORATION WITH ALLEGHENY COUNTY

HACP increased its collaborative efforts with the Allegheny County Department of Human Services (ACDHS) to provide direct linkages to mental health, drug and alcohol outreach and treatment services. The result of these efforts was a new intergovernmental agreement between HACP and the Department of Human Services. Under this agreement, the ACDHS will designate staff to link public housing residents to drug and alcohol treatment service. ACDHS will also provide mental health services as needed.

IMPROVING COLLABORATION AND INTEGRATION ACROSS PROGRAMS

In addition, the HACP worked to improve its efforts in the following areas:

- Collaboration between groups serving youth 13-18 years of age and adults;
- Coordination between the Resident Employment Program and community sites; and,
- Involvement of residents in the decision to place programs in their communities/site.

YOUTH DEVELOPMENT AND INTERVENTION INITIATIVE

The HACP continued its Youth Development and Intervention Initiative in 2006 and continued the use of performance-based funding contracts. Several providers were procured to provide case management and other services in various HACP communities. Some of the agencies contracted to provide services include:

- **YouthPlaces, Inc.** provided services to resident youth living in the communities of St. Clair Village and Northview Heights Estates. YouthPlaces was contracted to serve 250 youth and actually served 449 youth.
- **Family Resources** provided services at Bedford Dwellings, where they also operated the County supported Bedford Family Support Center and the foundation supported BJWL After School and summer program (serving youth ages 6-12). Family Resources was contracted to serve 40 youth living in these communities.
- **Garfield Jubilee Association** has a long history of providing services in Garfield. They contracted with HACP to provide services to 50 youth living in Garfield Heights.

Working with the Providers Council, the HACP implemented the following changes:

- Secured an intergovernmental agreement with Allegheny County Department of Human Services for Mental Health, Drug and Alcohol abuse services including assessments and treatment;
- Held monthly service provider meetings to discuss program collaborations and individual community issues;
- Established a process to consult with Resident Councils when new providers are approved for a community;
- Involved Service Coordinators in recruiting residents for Section 3 opportunities from every HACP community. In addition, training is provided at the site level when possible;
- The Resident Employment Program sends notices to each household when a Section 3 pre-orientation will be held in a community; and,
- The Resident Employment Program’s Section 3 Program Community Liaison visits Section 3 job sites weekly to resolve any personnel issues, refer new residents and verify information provided in contract or payroll documents.
CLEAN SLATE AND ADDITIONAL YOUTH PROGRAMS

The Creative Arts Corner
HACP unveiled its state-of-the art Creative Arts Corner in May 2006 in conjunction with its annual Clean Slate Program. The facility is a unique audio/video production studio, located in Northview Heights Estates, owned, operated and constructed by HACP in house staff.

The Creative Arts Corner is the first facility of its kind to be owned and operated by a public housing authority. Included in the facility are a dance studio and audio/visual production studio. With the opening of the studio, HACP residents have been afforded a unique opportunity to learn the art of studio recording and to get an inside track in their efforts to learn how to use high-tech production equipment. By mid-2006, there were more than 15 students regularly attending a/v production classes at the Creative Arts Corner.

Youth Violence Prevention Project operated under the auspices of the Allegheny County Department of Human Services and the Wesley Center AME Zion Church. This program engages and employs young people who are known and trusted on the street to gather street level intelligence and respond to violent incidents. In addition, the Street Team Program was maintained throughout 2006 despite the three-year grant that previously funded the program coming to end. During 2006, six members of the Street Team graduated from high school and each of them were accepted and enrolled into four-year universities for the fall 2006 school term. Highlights of the program for 2006 included a supervised cultural tour and field trip to New York City, continued participation in the Youth Outdoor Adventure Program and a wellness workshop series provided by Adagio Health.

One Vision One Life
The HACP continued its support for and collaboration with One Vision One Life (OVOL), a grass roots Youth Violence Prevention Project operated under the auspices of the Allegheny County Department of Human Services and the Wesley Center AME Zion Church. This program engages and employs young people who are known and trusted on the street to gather street level intelligence and respond to violent incidents. In 2006, OVOL conducted outreach and education activities on HACP properties and responded to 68 incidents to prevent retaliations and escalation.

Urban Youth Action Summer Employment
In response to broad concern regarding possible violence in the summer of 2006, the HACP contracted with Urban Youth Action to collaborate with other HACP contracted service providers to provide workforce orientation/job readiness training to HACP youth. More than 110 youth participated in this program and received job readiness training.

YouthSports and other HACP facilitated Collaborative Efforts
These activities served (536) youth in addition to (120) youth served by Youth Services Investment Fund (YSIF) supported summer programs. The activities included basketball and football camps, golf instruction, the Ammons Basketball League, Introduction to Dance and Fencing, computer camp and a trip to the Football Hall of Fame. HACP collaborated with the BJWL after school program to expand Youth Sports by offering sports activities for youth ages 5-12. A similar approach was utilized in collaborating with summer programs funded by YSIF for youth ages 13-21.

Youth Services Investment Fund
In 2005, the HACP established the Youth Services Investment Fund (YSIF). The purpose of the fund is to improve the outcomes for HACP resident youth, ages 13-21, through investment in programs that result in academic success, career development and good citizenship. The goals of this fund are to provide financial support to evidence-based, outcome-oriented programs in public housing communities and to engage stakeholders for a sustained period to improve program quality, coverage and connections. The fund is established at The Pittsburgh Foundation. In 2006, YSIF awarded grants for two summer programs in the combined total amount of $220,000. These summer programs were focused on career exploration, community service and conflict resolution.

Senior Living Enhancement Program (SLEP)
The HACP continued the Senior Living Enhancement Program (SLEP) to provide activities and services to HACP resident senior citizens. Initiated as a collaboration with The Pittsburgh Foundation and the Allegheny County Housing Authority, HACP continued to support this program in 2006 while its partners had to step back from support. Through this program, seniors are provided a variety of services, mostly on site, via agencies contracted by the Allegheny County Area Agency on Aging. Services include case management, nurse visits, and referrals to needed services. In 2006, the SLEP partners served 719 seniors.
COMMUNITY IMPACT/RESIDENT SERVICES

The HACP continues to develop its relationships with the City of Pittsburgh Police, the Pittsburgh Public Schools, the Allegheny County Department of Human Services and the local court system to improve the detail and timeliness of available information.

In reviewing 2006 data currently available, HACP determined that there are a total of 2100 youth ages 13-21 living in communities with Youth Development Initiative services. Of those youth, 508, or 24 percent of all resident youth in the target age group, were enrolled in programs. Of those enrolled:

- 75% or 381 youth attended school on a regular basis;
- 70% or 355 youth improved their letter grades by at least one level; and,
- 92% had no major school or community incidents.

In addition, of the 508 youth served, a total of 133 youth were involved in the Juvenile Justice system at program entry according to the Allegheny County Juvenile Courts. An additional 34 youth (6% of youth served) entered the Juvenile Justice system during the program year. Of the program participants, 76 youth were discharged and 15 youth re-entered the juvenile justice system after discharge. Thus at program conclusion, the number of participating youth with active adjudicated cases had declined to 106 youth.

HACP COMMUNITIES

Family Communities
Addison Terrace
Allegheny Dwellings
Arlington Heights
Bedford Dwellings
Garfield Heights
Glen Hazel
Hamilton-Larimer
Homewood North
Northview Heights Estates
St. Clair Village

Senior Citizen Communities
Louis Mason/Addison Terrace
Auburn Towers
Mazza Pavilion
Caliguiri Plaza
Carrick Regency
Bernice Crawley Manor/Glen Hazel
Guallieri Manor
Kelly Street High Rise
Morse Gardens
Murray Towers
Northview Heights High Rise
Pennsylvania Bidwell
Pressley Street
Finello Pavilion

Privately Managed Communities
Bedford Hill
Commons at North Aiken
Fairmont Apartments
Manchester
Oak Hill
Silver Lake Commons