# HOUSING AUTHORITY OF THE CITY OF PITTSBURGH

2010 ANNUAL REPORT



www.hacp.org









### AGENCY OVERVIEW

Throughout 2010, the Housing Authority of the City of Pittsburgh (HACP) moved forward in advancing the two primary goals it has established during the past decade of participation in the Moving to Work (MtW) Program. These goals include:

- To reposition HACP's housing stock in order to develop housing that it is competitive in the local housing market, is cost-effective to operate, provides a positive environment for residents, and provides both higher quality and broader options for low-income families; and,
- To promote independence for residents via programs and policies that promote work and self-sufficiency for those able, and promote independent living for the elderly and disabled.

Since the initial HACP Moving To Work Annual Plan in 2001, a major component of HACP's strategy has been to reposition its housing stock through a.) preservation of successful developments and b.) revitalization of distressed developments through strategic investments that re-link public housing properties to their surrounding neighborhoods and act as a driver of other public and private investments to revitalize entire neighborhoods.

It is HACP's vision to create vibrant, sustainable communities where family members of all ages can thrive and where life choices and opportunities are not limited.

## **OUR MISSION STATEMENT**

To be the flagship agency providing property management and real estate development services in the City of Pittsburgh, thereby creating environments that improve the quality of life for HACP customers.

# A MESSAGE FROM THE EXECUTIVE DIRECTOR

Greetings, and thank you for your interest in the ongoing activities of the Housing Authority of the City of Pittsburgh (HACP) – the flagship agency providing property management and real estate development services in the City of Pittsburgh.

I'm pleased to report to you that during 2010, HACP maintained a course of strict fiscal prudence, while simultaneously pursuing our mission of providing quality affordable housing to more than 20,000 Pittsburgh residents. Through the course of the last year, the agency moved forward in earnest with a number of projects financed by a \$27 million grant through the American Recovery and Reinvestment Act (ARRA) provided in 2009.

ARRA funding has allowed HACP to pursue a number of new construction and renovation initiatives, including the comprehensive redevelopment of the Frank H.

Mazza Pavilion senior citizen community. ARRA funding has also afforded HACP with an opportunity to escalate construction and acquisition of housing that meets the federal standard for accessibility.

I am proud to report that, after five years of aggressive planning, construction and modernization work, HACP has successfully met the goals of the Voluntary Compliance Agreement, more commonly known as the VCA.

Per the terms of the VCA, HACP revised policies and procedures in order to provide individuals with disabilities equal access to our programs and services. The agreement called for HACP to construct 264 wheelchair-accessible apartments in accordance with the Uniform Federal Accessibility Standards (UFAS) by the end of 2010.

When HACP entered into this agreement five years ago, we collectively recognized the importance of the endeavor and made it a priority action item. Now, HACP can proudly boast to have more than 320 wheelchair-accessible homes – far more than the requirements of the VCA. We are proud to provide disabled citizens with top-notch affordable housing in neighborhoods throughout the City.

I am pleased to report on our accomplishments in regard to the VCA, and to a host of other accomplishments that are detailed in the following pages.

Sincerely

A. Fulton Meachem Jr. Executive Director

# OFFICE OF MAYOR LUKE RAVENSTAHL

Greetings from the City of Pittsburgh! 2010 proved to be a year of progress for the Housing Authority of the City of Pittsburgh (HACP) as the agency moved forward with a variety of development initiatives, while successfully fulfilling the commitments of its five-year Voluntary Compliance Agreement.



Completion of the agreement has produced more than 250 wheelchair-accessible housing units located throughout the City. HACP has gone above and beyond its formal obligations to improve accessibility, in turn creating a wide range of housing options designed to meet the needs of hundreds of Pittsburgh residents with disabilities.

HACP continues to provide quality, low-income housing for more than 20,000 City residents. In addition to its efforts to create accessible housing, the agency also focused on creating additional mixed-income housing while contributing to the overall revitalization of neighborhoods such as Garfield and the Hill District.

During the past year, HACP continued to improve its housing stock by moving forward with a variety of development and modernization efforts, including the redevelopment of Garfield and the comprehensive renovation of Brookline's Frank H. Mazza Pavilion.

I look forward to seeing HACP's ongoing community redevelopment efforts at locations like Oak Hill and Garfield Commons in the upcoming year and I applaud the agency for its commitment to maintaining safe and vibrant communities for City residents, regardless of income level.

I thank you for your commitment to the residents of our great City and look forward to continuing to work with HACP to help make a better Pittsburgh.

Sincerely

Luke Ravenstahl

Mayor, City of Pittsburgh

#### DEVELOPMENT, MODERNIZATION AND CAPITAL PLANNING

#### **Comprehensive Redevelopment**

HACP's major community redevelopment initiative for 2010 has been underway on the site of the former Garfield Heights, since renamed **Garfield Commons**. Garfield Commons includes a mixture of both affordable and market rate housing. It also provides an accurate representation of HACP's vision for current and future community redevelopment. Garfield Commons stands in stark contrast to the isolated locations, crowded living conditions and concentrated poverty that existed in the public housing of yesterday.

The community features ample green space, improved infrastructure, and new housing designed specifically for persons with disabilities. It is also a community that is well connected to public transportation, accessible to those with disabilities, easy to navigate by foot, and better integrated to the surrounding neighborhoods.

HACP and its development partner, KBK Enterprises, opened the doors of Garfield Commons to Phase I residents in January of 2010. Phase I redevelopment of

Garfield Commons includes 90 units, including 10 UFAS units and 20 market rate units. Construction of the new housing units was accompanied by the construction of a 6,500-square-foot community center, equipped with computer lab, which was also completed in early 2010.

Meanwhile, as Phase I came to close in early 2010, an additional 25 units were created by year's end as Phase II redevelopment progressed. Additional funding has been obligated to allow HACP to move forward with the continued redevelopment of Garfield Commons in 2011 and beyond.

#### **Modernization of Housing Stock**

HACP's modernization efforts were focused on expanding the agency's stock of accessible housing in order to create additional housing options for persons with disabilities. In addition, HACP moved forward with plans for the comprehensive renovation of the **Frank H. Mazza Pavilion** high-rise community in Brookline. The \$5.76 million renovation project was paid for with funds provided to HACP under the American Recovery and Reinvestment Act.

Executive Director A. Fulton Meachem, Jr., along with the Housing Authority of the City of Pittsburgh Tenant Council Presidents during HACP's 2010 Thanksgiving Luncheon.



The Housing Authority unveiled plans for a fully renovated Mazza Pavilion in early 2010. The \$4.7 million renovation project was paid for with ARRA funds and completed summer 2011.





HACP Executive Director A. Fulton Meachem Jr. and Chairman Rev. Ricky Burgess unveiled the first completed units in Garfield Heights in late 2010.

Design features have been put in place to incorporate the building with the surrounding Brookline business district, with the goal of creating a stronger connection between the building and its surrounding neighborhood. The design features reconfigured community space at the ground level to encourage increased resident interaction.

Through the use of an insulated metal panel system and fiberglass window systems, the building achieves a high-performing thermal envelope, designed to increase both resident comfort and energy efficiency. Each apartment was completely renovated, including the provision of new kitchens, bathrooms, and mechanical systems. Through these design concepts and strategies, Mazza Pavilion will improve the quality of life for the building's residents, and enhance the neighborhood's character.

Just as the building design signals the HACP's commitment to the quality of life for the residents, the site improvements will create meaningful outdoor space for the residents and solidify the relationship between the building and the surrounding neighborhood.

The building maintained its previous unit composition, and will remain at a total of 30 apartments, including two UFAS-accessible apartments.

#### **Recovery Act-Financed Improvements**

Throughout 2010, the Housing Authority of the City of Pittsburgh (HACP) moved forward with the implementation of a variety of development and renovation initiatives funded by a \$27 million Recovery Act Public Housing Capital Fund Formula Grant provided to the agency in 2009. As of late 2010, the Housing Authority fully obligated the entire \$27.1 million in American Recovery and Reinvestment Act (ARRA) funding and has expended more than 50 percent of all ARRA (stimulus) funds – more than \$15 million dollars.

In doing so, HACP has directly supported more than 50 full-time local jobs, while completing or nearly completing sorely needed property improvements at several public housing sites. The rapid progression of ARRA-funded projects demonstrates the agency's ability to manage these large capital projects, while improving housing conditions, contributing to the revitalization of neighborhoods, and generating employment opportunities.

Most of the \$27 million in stimulus funds is being used for the completion of additional accessible homes that meet the requirements of the Uniform Federal Accessibility Standards (UFAS), and for related site and common area work and other modernization projects at a variety of public housing sites. The stimulus package created a wide range of employment opportunities and

allowed HACP to focus on providing its residents with a higher quality of housing.

HACP has directed a large portion of the funding toward efforts to increase the number of housing units available to persons with disabilities. In addition, Stimulus Funds have been used to advance efforts to improve the agency's stock of senior citizen housing, in turn, providing hundreds of senior citizens with an environment to age safely and comfortably in place.

ARRA funding is supporting the creation of 50 fully accessible homes, bringing HACP's total to over 360 units of housing that are fully accessible to persons with disabilities. It has also supported several other modernization projects, including new fire alarm systems at Bedford Dwellings in the Hill, new elevators at Gualtieri Manor in Beechview, replacement of the roof at the Northview Heights High Rise, and the complete renovation of the Mazza Pavilion in Brookline.

Contractors on ARRA-supported projects hired a variety of workers such as laborers, carpenters, electricians, plumbers and HVAC specialists, among others. Forty-six (46) of those hired were Housing Authority of the City of Pittsburgh residents or other low-income Pittsburgh residents who count toward the "Section 3" local hiring objectives of these federal grants. ARRA funding has also supported a variety of architectural and engineering positions, foremen and project managers, as well as administrative work. Meanwhile, HACP has achieved a 29.5 percent M/WBE participation rate on its ARRA contracts to date.

ARRA Public Housing Capital Fund Grant-funded projects include the following:

- Modernization work at Northview Heights, including unit conversions to create 26 fully accessible units and 26 remodeled standard units, plus related site and common area work;
- Modernization work at Homewood North, including construction of eight fully accessible units and seven remodeled standard units, plus related site and common area work;
- Modernization work at Addison Terrace, including construction of three fully accessible units and a "Providers Row" of accessible community spaces, plus related site and common area work;
- An Authority-wide physical needs assessment;
- Fire alarm system replacement at Bedford Dwellings;
- The construction of a retaining wall at Finello Pavilion;
- Modernization work to create two fully accessible units, plus related site work at Hamilton-Larimer;
- Acquisition of 11 new fully accessible scattered sites (single-family and duplexes);
- Roof replacements at the Addison Terrace Recreation Center and Northview Heights High Rise;
- The renovation of Frank H. Mazza Pavilion, including a complete renovation of the building exterior and most of the building interior, a new entrance and lobby areas, and new heating and cooling systems; and.
- The renovation of elevators at Gualtieri Manor.





HACP Executive Director A. Fulton Meachem Jr. and the Western Pennsylvania Police Athletic League opened the doors to a new boxing and general fitness program on July 1, 2010. The facility, known as the North Side Fitness Center, is open to all Housing Authority residents free of charge.

# RESIDENT SELF-SUFFICIENCY AND COMMUNITY OUTREACH

Throughout 2010, HACP maintained its commitment to continuing to pursue programs and policies that promote **self-sufficiency** and independent living. HACP's Family Self-Sufficiency (FSS) Program, called Realizing Economic Attainment For Life, or REAL, includes the Resident Employment Program (REP). Through these programs, HACP provides a variety of supports to residents in order to assist them in preparing for, seeking, finding, and retaining employment.

The Authority works constantly to link with other programs, leverage additional services, and create positive environments for families, adults, seniors, and children. REAL and REP are complemented by the programs provided by HACP and its partners that focus on youth of various ages, including the BJWL after-school and summer programs, the Youth Places program, the Clean Slate Drug Free Lifestyles and Youth Leadership Development Program, and the Creative Arts Corner audio-video programs at Northview Heights and the Bedford Hope Center. HACP also partners with Family Links to provide mental health services to families and individuals, regardless of age.

The goal of these initiatives is to create an environment where work is the norm and personal responsibility is expected, and HACP continues to explore additional policy adjustments toward this end. Such policy changes may include alternative rent structures for the Low Income Public Housing program and/or the Housing Choice Voucher Program; increasing the minimum rent for those able-bodied non-elderly residents who do not work or participate in the FSS program for over one year; and partnering with schools to create academic achievement support and/or incentive programs or other mandatory school attendance programs.

HACP also continued its efforts to provide programs and services that provide our senior citizen residents with the opportunity to age comfortably in place. Through a partnership with the Senior Living Enhancement Program and Hill House Senior Services, HACP residents were offered the opportunity to participate in the "Healthy Steps" fall-prevention program, held throughout HACP's senior high-rise communities in spring 2010.



Section 3 laborer Elbert David moves construction equipment to a renovation sight in Northview Heights. He was hired by Liokareas Construction in September 2010.

Developed by the Pennsylvania Department of Aging and the University of California, Berkeley, the Healthy Steps program teaches seniors how to create a safer home, do balancing exercises and build strength in order to prevent falls. HACP introduced the awardwinning program in collaboration with the Hill House Association Senior Services Program.

#### **Resident Employment**

The Housing Authority of the City of Pittsburgh has devoted a significant amount of time and effort to facilitate growth of resident employment throughout our communities. HACP is committed to providing any willing resident with access to the skills and resources needed to gain employment in today's evolving job market.

In conjunction with local businesses and organizations, the HACP Resident Self-Sufficiency program hosts a number of events, including job fairs, certification courses, and preparatory classes, designed to help job seekers link up with local employers.

In addition, the Authority recently collaborated with Community College of Allegheny County to assist

residents through the college's Weatherization Program, which teaches the skills needed to make homes more energy efficient. Qualified participants later received a \$700 voucher covering the cost of the courses. A total of seven participants passed the certification, five of whom have already secured employment.

HACP is continuously investing in the future of residents and is proud to offer a wide variety of programs and events designed to help residents obtain sustainable employment and upward mobility. The Authority has also entered into a creative partnership intended to connect residents with training and employment opportunities. One such partnership conducted in 2010 is the **Green Jobs** program, held in conjunction with the U.S. Steel Workers and the A. Philip Randolph Institute.

The Green Jobs program, "Breaking the Chains of Poverty," aims to connect residents of public housing and the surrounding communities with employment in the Green Economy. The program objectives are to raise awareness of green job opportunities, develop a leadership pipeline in the public housing community, and prepare residents with training and employment.

#### Homeownership

The Housing Authority of the City of Pittsburgh has made resident homeownership an agency-wide priority since 2004. Since that time, 92 Housing Authority residents, some coming from traditional low-income public housing and some coming from the Housing Choice Voucher Program, have closed on their own homes. During 2010 alone, HACP assisted 13 residents with the purchase of their own homes, surpassing the agency's annual goal by three homes. Despite the recent economic recession, not a single HACP resident who bought a home through the HACP Homeownership Program has foreclosed on his or her home.

To qualify for the Housing Authority's Homeownership Program, residents must earn a yearly minimum income of \$17,000, and be in good standing with all other HACP obligations. After contacting an FSS Service Coordinator, participants are eligible to work toward independent homeownership as they learn about the details of the homeownership process, such as down payments, closing costs, insurance, warranties, and home inspections.

# Community Outreach and Youth Programming

HACP's outreach efforts in 2010 included the continuation of the agency's signature youth empowerment event, Clean Slate, which was held for the 13th consecutive year. In addition, HACP further

expanded its audio/video training and production program, the Creative Arts Corner; administered \$9,000 in scholarship funds through the HACP's non-profit affiliate Clean Slate E3; and helped dozens of residents in their efforts to achieve educational advancement through our GED assistance program. Meanwhile, HACP partnered with the Western Pennsylvania Police Athletic League to create a unique boxing and fitness programmed located at Allegheny Dwellings.

**Clean Slate** brought a message of empowerment and achievement over personal and professional obstacles to an audience of hundreds of Housing Authority of the City of Pittsburgh resident youth and dozens of HACP's tenant leaders.

Held on Oct. 20, 2010, at the Carnegie Science Center, Clean Slate 2010 featured a guest appearance by Vernice Armour, a former United States Marine who holds the distinction of being the first African American female combat pilot.

Ms. Armour shared her success model, "From Zero to Breakthrough," to eager audiences at both the HACP Tenant Council Presidents Meeting and the 2010 Clean Slate Town Hall Meeting. The energetic speaker, who has been featured on "Oprah Winfrey," "Tavis Smiley," and National Public Radio, brought an inspirational message for her audience. Clad in business attire and thereafter in a U.S. Marine Corps flight suit, Ms. Armour continually told her audience to "Acknowledge your obstacles, but do not give them power."

The Housing Authority hosted its Service Providers Fair in conjunction with the April 2010 Presidents' Meeting in Pressley Street High Rise.



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Pictured above are two new HACP Scattered Site homes. Both are fully wheelchair accessible.

Ms. Armour shares the Housing Authority's vision of inspiring and empowering young minds to strive for educational success. Her appearance helped make Clean Slate 2010 another successful attempt to "Educate, Empower and Educate," as nearly 400 HACP residents of all ages had the chance to hear her message.

Funding for Clean Slate was provided by a number of community-minded organizations, with a major contribution provided by the Pepsi Bottling Group and support and funding from **Clean Slate E3**.

HACP's **Creative Arts Corner Program** was continued in both Northview Heights Estates and Bedford Dwellings. For 2010, students were introduced to a more formal curriculum that requires them to develop their skills in four unique areas: Audio Production, Video Camera Training, Video Editing, and General Production Studio Skills. Beginning in 2010, the program required all students to participate in a formal learning process in which they work toward a goal of achieving "proficiency" in each of the four learning platforms.

During the fall of 2010, the Housing Authority of the City of Pittsburgh, Machine Age Studios and more than 20 students from the HACP's Creative Arts Corner unveiled the studio's first feature documentary: "Beat of the Hill." the program documents the musical and social evolution that has occurred in Pittsburgh's Hill District over several decades.

The short film highlights the historic legacy of the Hill District via anecdotal accounts from both residents

and those who have experienced the changes in the community. At its heart a music documentary, panelists provide perspectives about topics such as the intergenerational discussions of musical perceptions and the necessary drive to become successful in the music industry.

Production took place in the Bedford Hope Center's Creative Arts Corner and a variety of locations throughout the Hill District community. Participants in the CAC program were involved in every step in the process, including camera work, editing and the interviewing process. Filming began in early 2010, and the project was completed and screened during the annual African American Heritage Day Parade, held on Oct. 2, 2010, at the August Wilson Center for African American Culture.

The Housing Authority of the City of Pittsburgh and Western Pennsylvania Police Athletic League opened the doors to a new boxing and general fitness facility on July 1, 2010. The facility, known as the **North Side Fitness Center**, offers free fitness programming to Housing Authority residents regardless of gender or age.

The fitness center also hosts a youth boxing program facilitated under the direction of experienced boxing instructors and offers a variety of fitness programs offered exclusively for women. The center is equipped with free weights and aerobic exercise equipment and offers open gym hours. The gym is also fully compliant with the Uniform Federal Accessibility Standards and will be accessible by wheelchair.



Byron Wright of the HACP Resident Self-Sufficiency Department provides instruction during an HACP computer literacy workshop.

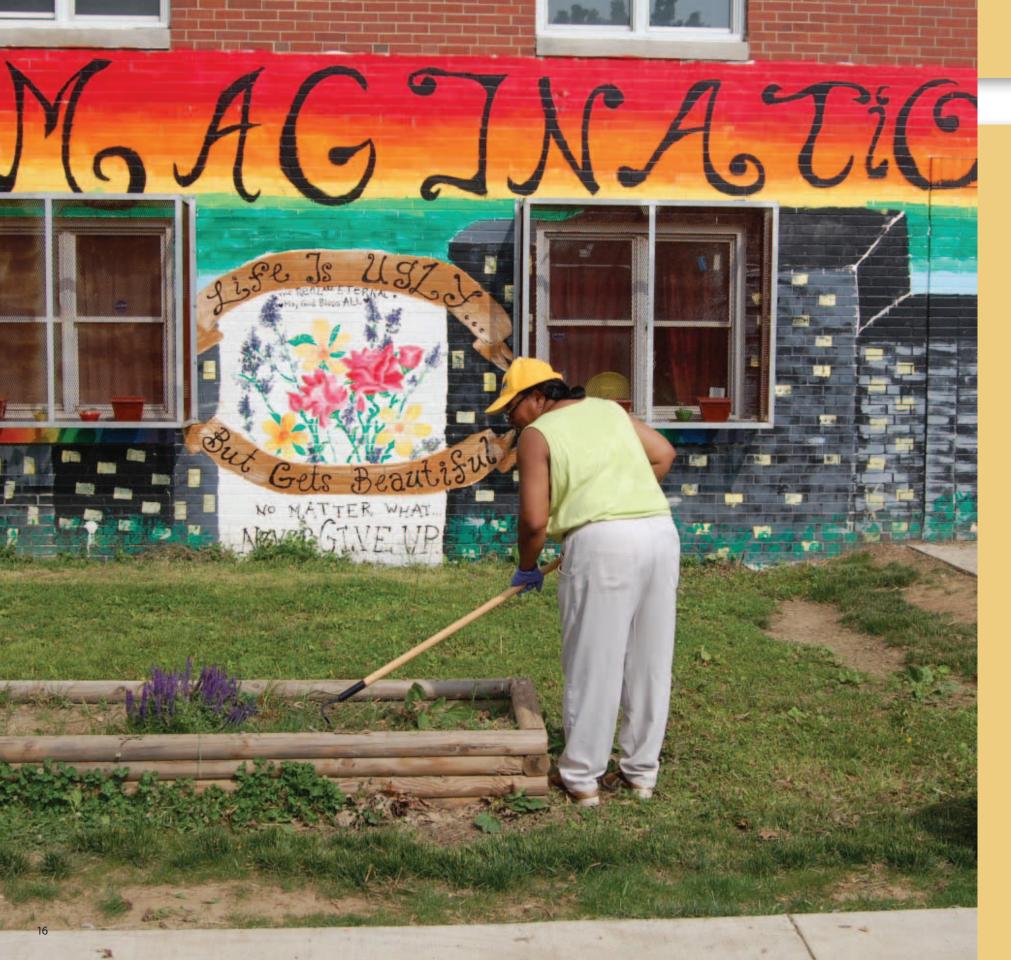


Executive Director A. Fulton Meachem Jr. joined the Pittsburgh Bureau of Police to introduce "Operation Fresh Start," a new police initiative that includes motorcycle and K-9 unit patrols of HACP communities. As part of the effort, police swept through four HACP high rises on May 6, 2010.

### HOUSING AUTHORITY OF THE CITY OF PITTSBURGH STATEMENTS OF NET ASSETS DECEMBER 31, 2010 AND 2009

	2010	2009		2010	2009
Assets					
Current assets:			Prepaid expenses and other assets - noncurrent	400,000	400,000
Cash and cash equivalents:			Other notes receivable - noncurrent	304,890	614,790
Cash:			Investment in mixed finance development activities,		
Cash - unrestricted	\$40,030,068	\$56,786,744	net of accumulated amortization	85,729,668	74,748,153
Cash - other restricted	32,986,063	35,913,173	Total noncurrent assets	187,030,101	169,762,850
Cash - restricted - tenant security deposits	241,760	268,121			
Total cash	73,257,891	92,968,038	Total Assets	\$326,837,021	\$295,174,945
Investments (cash equivalents):			Liabilities and net assets		
Investments - unrestricted	37,050,721	7,662,355	Liabilities:		
Investments - restricted	19,255,267	10,217,428	Current liabilities:		
Total investments (cash equivalents)	56,305,988	17,879,783	Accounts payable and other accrued liabilities	\$5,765,694	\$4,524,611
Total cash and cash equivalents	129,563,879	110,847,821	Accrued wage/payroll taxes payable	387,029	1,163,573
Accounts receivable, net of allowances			Accrued compensated absences - current	149,262	133,172
for doubtful accounts:			Accrued contingency liability	1,136,075	820,366
Accounts receivable - PHA projects	=	526,275	Accounts payable - HUD PHA programs	5,918	1,092
Accounts receivable - HUD other projects	8,050,448	5,360,230	Accounts payable - PHA Projects		- 22,455
Accounts receivable - other government		153,217	Tenant security deposits	241,760	268,121
Accounts receivable - miscellaneous	95,191	61,166	Deferred revenue	435,797	123,406
Accounts receivable - tenants - dwelling rents	560,403	736,273	Current portion of capital lease liability	1,407,743	1,282,265
Allowance for doubtful accounts - dwelling rents	(294,764)	(560,065)	Other current liabilities	2,805,534	3,855,882
Mixed finance notes receivable - current	430,172	6,945,770	Total current liabilities	12,334,812	12,194,943
Fraud recovery	329,095	249,115			
Accrued interest receivable	133,111	2,942	Noncurrent liabilities:		
Total accounts receivable, net of			Capital lease liability - noncurrent	22,113,183	23,520,927
allowances for doubtful accounts	9,303,656	13,474,923	Accrued compensated absences - noncurrent	1,629,688	1,521,481
Prepaid expenses and other assets - current	487,294	602,484	Other noncurrent liabilities	7,515,766	7,333,928
Inventories, net of allowance	=	1	Total noncurrent liabilities		
Assets held for sale	452,091	486,866		31,258,637	32,376,336
Total current assets	139,806,920	125,412,095	Total liabilities	43,593,449	44,571,279
Newsymmetres			Net Assets:		
Noncurrent assets:			Invested in capital assets, net of related debt	77,074,618	69,196,715
Capital assets:	20.020.611	10.130.631	Restricted for:		
Land	20,830,611	19,139,631	Business activities loans	118,108,565	111,593,497
Buildings	247,627,936	273,188,523	Loan collateral	4,225,000	4,225,000
Furniture, equipment, and machinery - dwellings	500,540	500,540	Oak Hill mixed financing project	3,786,342	-
Furniture, equipment, and machinery - administration	3,307,970	3,240,435	Housing Choice Voucher Program	1,448,970	1,544,322
Accumulated depreciation	(219,353,965)	(246,119,169)	Unrestricted net assets	78,600,077	64,044,132
Construction in progress	47,682,451	44,049,947		<del></del> -	
Total capital assets, net of accumulated depreciation —	100,595,543	93,999,907	Total net assets	283,243,572	250,603,666
			Total liabilities and net assets	\$326,837,021	\$295,174,945

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# HACP COMMUNITIES

## **Family Communities**

- Addison Terrace
- Allegheny Dwellings
- Arlington Heights
- Bedford Dwellings
- Garfield Heights
- Glen Hazel
- Hamilton-Larimer
- Homewood North
- Northview Heights Estates

#### **Senior Citizen Communities**

- Caliguiri Plaza
- Carrick Regency
- Glen Hazel/Bernice Crawley Manor
- Gualtieri Manor
- Mazza Pavilion
- Morse Gardens
- Murray Towers
- Northview Heights High Rise
- Pennsylvania Bidwell
- Pressley Street High Rise
- Finello Pavilion

# **Privately Managed Communities**

- Bedford Hill
- Commons at North Aiken
- Fairmont Apartments
- Garfield Commons
- The Legacy
- Manchester
- Oak Hill
- Silver Lake Commons