



HOUSING AUTHORITY of the CITY OF PITTSBURGH

2018 ANNUAL REPORT

Providing a
hand up and
a higher quality
of life for 20,000
Pittsburghers.



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.

AGENCY OVERVIEW

*The Housing Authority of the
City of Pittsburgh*

BOARD MEMBERS

Valerie McDonald-Roberts, Chair
Janet Evans, Vice Chair
Peter R. Kaplan, Secretary
Enid Miller, Treasurer
Rev. Ricky Burgess
Richard Butler
Leroy Morgan

Throughout 2018, the Housing Authority of the City of Pittsburgh (HACP) continued to work toward two major long-term goals that we established during our participation in the Moving to Work program (MTW). These goals include:

- repositioning HACP's housing stock in order to produce housing that is more competitive in the local housing market, is cost effective to operate, provides positive living environments for HACP residents and provides more variety and higher-quality housing options available to low-income families; and
- promoting independence for residents through programs and policies designed to promote employment, education, and self-sufficiency for those who are able; and promoting independent living for senior citizens and people with disabilities.

Since we launched the MTW initiative in 2001, a key component of our strategy has been to reposition our existing housing stock, both through the preservation of successful developments and the revitalization of distressed developments. Throughout our current and recent redevelopment initiatives, we have made great efforts to connect public housing communities to their surrounding neighborhoods, catalyzing additional investments and focusing on revitalizing entire neighborhoods.

In 2018, HACP made significant progress in our pursuit of these goals, while also striving to create vibrant, sustainable communities where families and individuals of all ages can thrive and where life choices and opportunities are not limited.



A Message from the Mayor

During my tenure as Mayor of the City of Pittsburgh, I have strived to build an equitable and accessible city. To do this, we've brought together stakeholders from across the city, from community leaders to developers to non-profits to city agencies. When we come together, we are stronger and better equipped to address the challenges facing us.

One of the major challenges my administration has faced has been the affordable housing crisis gripping the City. I care deeply about this issue: housing is more than just somewhere to sleep at night. It's somewhere to feel safe, it's somewhere to call your own, and it's somewhere that allows people to reach their fullest potential. We have worked diligently and strategically to expand housing opportunities for our residents, and are continually pursuing opportunities to develop and preserve affordable housing throughout the city.

Following the recommendations of the Affordable Housing Task Force, we established and implemented the Housing Opportunity Fund. This alone has already led to affordable housing investments in the Hill District, Squirrel Hill, and across the City, building a more inclusive Pittsburgh.

Stakeholders all over the city came together in 2018 to make significant progress on these goals, and the Housing Authority of the City of Pittsburgh (HACP) was a central player in these efforts. From preserving existing affordable housing to innovating ways to expand housing options, HACP is strengthening housing security in the city. From opening a one-of-a-kind early childhood education center to providing college scholarships, HACP's commitment to expanding opportunities for its residents is making a real difference in people's lives.

2018 was a great year for affordable housing in Pittsburgh, but there's still much to be done. We're strongest when we come together and combine our strengths. I look forward to working with community leaders, residents, and city officials to continue our efforts to build a better Pittsburgh.

A handwritten signature in blue ink, appearing to read 'W Peduto'.

William Peduto

Mayor, City of Pittsburgh



A Message from the Executive Director

The Housing Authority of the City of Pittsburgh (HACP) is deeply committed to developing and providing high-quality, affordable housing for the residents of the city of Pittsburgh. That means working with city leaders and community stakeholders to face concerns, issues, and problems head-on. Building partnerships to address the city's affordable housing shortage is a priority. We are committed to creating strong, vibrant communities that can support our residents and help them become their best selves.

We are proud of the work we accomplished in 2018. From community development to early childhood education and everything in between, we engaged our residents, business partners, and community stakeholders to revitalize communities. We made significant progress on redevelopments across the city as construction moved forward on the Allegheny Dwellings redevelopment and as the Larimer/East Liberty Choice Neighborhood Initiative entered an exciting new chapter.

Our commitment to preserving affordable housing in Pittsburgh and improving the lives of our residents is a priority. We will continue to innovate. Our Gap Financing and Project-Based Voucher programs are empowering smaller developers and community organizations, as well as preserving and expanding the Pittsburgh stock of affordable housing.

Beyond our efforts to expand the supply of affordable housing in the city, the HACP provided essential support and additional resources to our residents. By working with non-profit and community partners, we were able to leverage needed resources and provide enriching programming. The ABK Early Childhood Learning & Development Center, a collaboration with the Duquesne University School of Education, opened this year, making high quality childcare available to our residents. These partnerships helped drive our success in 2018.

With a record number of families achieving homeownership through our Homeownership Program and nearly 200 residents attaining new employment through our Resident Employment Program, 2018 was a banner year for our self-sufficiency efforts. In the year ahead, we will continue maximizing our resources to expand affordable housing, strengthen communities, and improve the quality of life for all of our residents.

The HACP is changing the face of affordable housing in Pittsburgh. We're rebuilding communities and expanding housing options. We're providing residents with the support they need. Most importantly, we're investing in people and communities. At the end of the day, the HACP is not just building houses, we're creating homes.

Caster D. Binion
Executive Director

Promoting Self-Sufficiency and Independent Living

HACP is dedicated to lifting up our residents by pursuing programs and policies that promote self-sufficiency. Meeting residents where they are with our wide range of supportive services and programs, we do everything we can to help residents succeed.

Resident Self-Sufficiency

By providing residents with the support and programs they need to succeed, HACP is doing more than just providing our clients a roof over their heads. HACP is individualizing help, setting up its residents for success, preparing them for the future, and giving them the skills they need to achieve financial

independence and economic stability. Beyond that, HACP is providing residents with the necessary support and social services to improve their quality of life.

The Resident Self-Sufficiency Department (RSS) coordinates and provides services for residents through various programs and divisions, creating a comprehensive, holistic, and resident-based system to put residents on the path to self-sufficiency. These various programs and divisions, which include the Family Self-Sufficiency Program (FSS) and the Resident Employment Program (REP), connect residents with the services they need to achieve stability, self-sufficiency, and independence.



This page: Residents find employment through the Section 3 Employment Program, often working on development initiatives.

Page 7 bottom left: Job fairs give residents the opportunity to look for employment and explore career options.

Page 7 bottom right: The Mobile Lab expands internet access to residents in our senior citizen communities.

Section 3/Resident Employment Program

Employment can be an important step in the path to self-sufficiency, but many people face barriers that can prevent them from achieving their full potential. HACP is dedicated to addressing these barriers and helping residents overcome them. The Section 3/Resident Employment Program encourages self-sufficiency by giving residents the skills they need and helping them find employment. Through the Section 3/Resident Employment Program, HACP residents prepare for the modern workforce. A wide range of services gives them the tools they need to succeed. Some of these services include, but are not limited to:

- Job search assistance
- Resume building
- Interview assistance
- Soft Skills training programs
- Driver's education programs
- Digital literacy education

Over the past five years, HACP has employed more than 400 residents with the Section 3/Resident Employment Program. We are excited to continue offering the services our residents need to succeed and attain self-sufficiency.

Homeownership

HACP's Homeownership Program has been a top priority since its inception. The program gives HACP a valuable tool to help people own their own homes and achieve the American dream. Homeownership is not only a way to achieve self-sufficiency, but a way to build intergenerational wealth and break the cycle of poverty. However, many obstacles, from obtaining credit to finding the funds for a down payment, prevent low-to-moderate-income families from enjoying the advantages that homeownership has to offer.

To address these barriers and challenges, HACP partners with the Urban League of Greater Pittsburgh to provide home buyer education workshops and pre-purchase counseling. Participants are also eligible for closing cost assistance, soft-second mortgages, and assistance from various local organizations.

Since the beginning of HACP's Homeownership Program, more than 150 families have been able to purchase homes. 2018 was a banner year for the program, with 22 families attaining homeownership. HACP is committed to helping families achieve self-sufficiency and will continue to do everything it can to help families realize their dream of homeownership.

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HOUSING AUTHORITY OF THE CITY OF PITTSBURGH

STATEMENTS OF NET POSITION DECEMBER 31, 2018 AND 2017

	2018	2017
ASSETS		
Current assets:		
Cash and cash equivalents:		
Cash:		
Cash - unrestricted	\$ 84,690,666	\$ 98,598,791
Cash - restricted	53,070,914	34,553,425
Total cash	137,761,580	133,152,216
Investments (cash equivalents):		
Investments - unrestricted	4,496,612	1,758,712
Investments - restricted	4,820,806	5,791,134
Total investments (cash equivalents)	9,317,418	7,549,846
Total cash and cash equivalents	147,078,998	140,702,062
Accounts receivable, net of allowances for doubtful accounts:		
Accounts receivable - PHA projects	193,744	9,738
Accounts receivable - HUD other projects	14,417,305	8,253,859
Accounts receivable - miscellaneous	790,060	786,294
Accounts receivable - tenants - dwelling rents, net of allowance	257,150	226,546
Mixed finance notes receivable - current	1,840,924	2,490,937
Accrued interest receivable	27,032	7,611
Total accounts receivable, net of allowances for doubtful accounts	17,526,215	11,774,985
Prepaid expenses and other assets - current	207,316	39,528
Inventories, net of allowance	151,742	139,602
Assets held for sale	—	243,433
Total current assets	164,964,271	152,899,610
Noncurrent assets:		
Capital assets:		
Land	29,666,132	24,967,569
Buildings	268,692,155	285,928,386
Furniture, equipment, and machinery - administration	9,628,229	10,427,571
Accumulated depreciation	(229,660,619)	(249,784,033)
Construction in progress	9,489,713	4,348,150
Total capital assets, net of accumulated depreciation	87,815,610	75,887,643
Prepaid expenses and other assets - noncurrent	150,000	249,575
Mixed finance notes receivable - noncurrent	4,183,684	20,413,937
Other notes receivable - noncurrent	47,951	108,797
Investment in mixed finance development activities, net of accumulated amortization	194,822,715	148,121,019
Total noncurrent assets	297,019,960	244,780,971
Total Assets	\$461,984,231	\$397,680,581

HOUSING AUTHORITY OF THE CITY OF PITTSBURGH

STATEMENTS OF NET POSITION DECEMBER 31, 2018 AND 2017

	2018	2017
LIABILITIES AND NET POSITION		
Liabilities:		
Current liabilities:		
Accounts payable and other accrued liabilities	\$ 4,996,027	\$ 9,019,342
Accrued wage/payroll taxes payable	631,085	679,497
Accrued compensated absences - current	86,000	79,446
Accrued contingency liability	1,613,931	390,636
Accrued interest payable	12,859	17,007
Accounts payable - other government	28,649	242,707
Tenant security deposits	225,366	198,010
Unearned revenue	536,442	191,924
Current portion of capital lease liability	3,004,659	2,649,277
Other current liabilities	569,189	564,911
Total current liabilities	11,704,207	14,032,757
Noncurrent liabilities:		
Capital lease liability and notes payable - noncurrent	20,430,463	8,284,786
Accrued compensated absences - noncurrent	2,888,347	2,964,148
Other noncurrent liabilities	4,789,136	4,931,594
Total noncurrent liabilities	28,107,946	16,180,528
Total Liabilities	39,812,153	30,213,285
Net Position:		
Net investment in capital assets	57,454,952	57,698,706
Restricted for:		
Mixed financing activities	280,895,270	201,947,422
Guarantee corporation	5,000,000	5,000,000
Workers' compensation	743,739	733,496
Oak Hill site	300,000	400,000
Housing assistance payments	70,342	70,119
Total restricted net position	287,009,351	208,151,037
Unrestricted net position	77,707,775	101,617,553
Total Net Position	422,172,078	367,467,296
Total Liabilities and Net Position	\$461,984,231	\$397,680,581

Community Outreach and Youth Programming

HACP understands the importance of community. We're committed to strengthening our communities, which means building relationships with and between residents. To promote educational advancement, improve quality of life, and enrich our communities, we provide a wide range of programs and services.

ConnectHomePGH: *Bridging the Digital Divide*

ConnectHomeUSA is a national initiative aiming to increase at-home internet access for low-income families, giving them equal access to the opportunities that the internet provides. HACP joined the City of Pittsburgh and the Allegheny County Housing Authority to form ConnectHomePGH, the Pittsburgh coalition of ConnectHomeUSA.

The ConnectHomePGH coalition partnered with a local nonprofit organization to start a pilot digital literacy program. Launched in Northview Heights in 2018, the program taught

more than 30 residents basic digital literacy skills, such as how to create an email account or how to use the internet to search for jobs. Participants who completed the four-class program earned a home desktop computer, as well as a Digital Literacy Certificate that can be used as a tool for job and college applications.

HACP is committed to bridging the digital divide and connecting people with internet access, essential computer skills, and the opportunities that follow. Through the ConnectHomePGH programming, HACP will continue to give our residents the skills they need to be successful in the modern world.

Clean Slate E3: *Expanding Educational Opportunities*

Since 2009, Clean Slate E3 has issued more than \$190,000 in scholarship funds, expanding opportunities for HACP residents and supplying the tools they need to succeed.



This page:
Residents celebrate after receiving their Clean Slate E3 scholarships.

Page 11 top:
The ConnectHome initiative is bringing residents together and bridging the digital divide.

Page 11 bottom: Big smiles at the opening of the ABK Learning and Development Center!



This year alone, Clean Slate E3 provided 10 students with \$4,000 scholarships that can be renewed annually. Thanks to a generous 20% match from the local non-profit NEED, each student will receive \$5,000 a year.

Clean Slate E3 also continued its 20-year tradition of Educating, Encouraging, and Entertaining young minds with the 2018 Clean Slate Event. HACP residents were bused to the Mall at Robinson, where they enjoyed a wide range of activities introducing them to Science, Technology, Engineering, Arts, and Math programming commonly referred to as “STEAM.” More than 150 youth, parents, and volunteers participated in the annual event.

With its successful scholarship program and exciting annual STEAM event, Clean Slate E3 brings the power of education to HACP communities to expand opportunities and enrich the lives of young HACP residents. Clean Slate E3 will continue working to expose HACP residents to as many opportunities as possible, giving them the tools they need to thrive.

ABK Early Learning and Development Center: *Building a Bright Future*

HACP is excited to report that the ABK Early Learning and Development Center opened in the summer of 2018. It is now up and running at Bedford Dwellings, at full capacity with a growing wait list. This groundbreaking new childcare center is the product of a collaborative effort between HACP, the Duquesne University School of Education, and ABK. Its goal is to bring cutting-edge, research-based, early childhood education to a community that is dramatically underserved.

Licensed to provide childcare services around the clock, the ABK Early Learning and Development Center is equipped to address the unique needs of our residents. Lack of childcare is one of the biggest barriers to employment and self-sufficiency, and in a city where the healthcare industry is prevalent, flexible hours can make all the difference. Beyond allowing parents to pursue employment opportunities, the ABK Early Learning and Development Center builds a strong foundation for a lifetime of success for young HACP residents.

HACP, Duquesne University, and ABK plan to continue our partnership to provide the best possible early childhood education for our residents.

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COMMUNITY OUTREACH AND YOUTH PROGRAMMING *continued*

The Creative Arts Corner Program (CAC)

Launched in 2006, the Creative Arts Corner has two primary goals: to provide a sanctuary for positive activities, where both after-school students and adult residents can have an outlet to express themselves creatively; and, to have audio and visual professionals on site to train and mentor residents interested in the audio-visual arts, either as a hobby or as a career. With two locations, at Northview Heights and the Bedford Hope Center, the CAC is a great opportunity for residents to express themselves creatively, as well as gain valuable skills in audio-visual production.

Community Days

HACP Tenant Councils across the city hosted community days this summer. Residents were invited to join their neighbors for a day of fun in the sun, with music, food, and activities for children. The events included a Health and Wellness Fair, face-painting, and cook-out food. Community Days are part of our ongoing efforts to encourage active and vibrant communities across the City of Pittsburgh by bringing neighbors together and fostering a sense of togetherness.



Top left: Community Days bring a wide variety of resources to our communities, including fresh produce.

Top right: Young residents use the Creative Arts Corner to express themselves and experiment with music-making.



Bottom: The Annual African American Heritage Day Parade celebrates the history and culture of the African American community.

Repositioning of Housing Stock

Development Spotlight: *Larimer School*

HACP and its development instrumentality, Allies & Ross Management and Development Corporation (ARMDC), have partnered with developer McCormack Baron Salazar and the Urban Redevelopment Authority to rehabilitate the historic Larimer School and nearby properties.

The Larimer School has been listed on the National Register of Historic Places since 1986. Despite its historic status and various redevelopment attempts, the red brick building has sat empty for decades. However, the Larimer School is now set for the next chapter in its long life. Inspired by other school-to-apartment adaptive reuse development, such as Schenley High School, the Larimer School will be transformed into 35 units of mixed-income housing.



This exciting redevelopment is only part of the larger Larimer/East Liberty Choice Neighborhood Initiative, a cooperative effort to revitalize the Larimer community and capitalize on the growth in nearby East Liberty. The Larimer School redevelopment is being paired with another phase of the Choice Neighborhood Initiative, scheduled to be completed by the end of 2021. By the end of the community-wide revitalization, more than 300 new units and various community resources will have been added to the neighborhood.

Development Update: *Allegheny Dwellings*

This year, HACP announced its plans to redevelop Allegheny Dwellings in collaboration with ARMCD and the Trek Development Group, aiming to transform the community and produce 65 new mixed-income units on the North Side during the first phase of redevelopment activity. The announcement was made at a groundbreaking ceremony attended by the mayor and key stakeholders.

Construction advanced rapidly, with significant progress made over the course of the year. As the development moved forward, residents prepared for the change in the community's identity, deciding to name the Phase I development Sandstone Quarry in reference to the site's history as an active quarry. Sandstone Quarry is expected to be completed in the spring of 2019.

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Top: City leaders break ground on the new Allegheny Dwellings redevelopment initiative.

Bottom: HACP is making progress on Sandstone Quarry, and plans to open it in 2019.



REPOSITIONING OF HOUSING STOCK *continued*

The Allegheny Dwellings redevelopment will strengthen the state of affordable housing in the North Side area and improve the quality of life for residents already living there. Once the redevelopment is finished, 65 mixed-income units will have been completed, as well as fitness and community spaces.

Future Plans

Elmer Williams Square – HACP is rehabilitating 36 units as part of its Project Based Voucher initiative. Moving forward, HACP will continue construction, with a planned completion of November 2019.

Manchester – HACP plans to continue the resyndication initiative in Manchester that has been active since 2017. In the next year, HACP plans to submit a tax credit application and complete the pre-development phase.

Northview Heights Midrise – HACP is working on the construction of an 87-unit replacement building on a vacant lot in Northview Heights. Upcoming activities include the submission of tax credit applications and new construction.

Scattered Sites – HACP selected two community and faith-based organizations in 2016 to assist in the development of scattered site units across the city. With 20 units nearing completion, HACP and its partners plan to design and develop 22 more.

Modernization of Public Housing Stock

HACP maintains a number of quality public housing sites including the family communities of Allegheny Dwellings, Arlington Heights, Bedford Dwellings, Homewood North, and Northview Heights; as well as the senior citizen/disabled buildings of Caliguiri Plaza, Carrick Regency, Finello Pavilion, Gualtieri Manor, Mazza Pavilion, Morse Gardens, Murray Towers, Northview Heights High Rise, Pennsylvania Bidwell, and Pressley Street High Rise.

In addition to these communities, we oversee 190 scattered sites across the city. We are committed to the preservation of affordable housing units. This commitment includes numerous ongoing modernization efforts at each of our properties to ensure we are providing residents with high-quality living environments.



Left: The Manchester resyndication will continue in 2019.

Page 15: HACP is committed to developing and redeveloping communities to guarantee high-quality housing for its residents.

Strategic Planning

As the demand for affordable housing grows and more funding challenges present themselves, HACP adapts its financing strategies to pursue the most strategic options. HACP is committed to the pursuit of creative, effective, and efficient strategies that help us fulfill our mission of providing high-quality affordable housing. Some of these approaches include, but are not limited to:

- Low Income Housing Tax Credit
- Federal, state, and local housing trust fund dollars, as available
- Other federal, state, and local funds such as CDBG, HOME, PA Department of Community and Economic Development Programs, and others as can be secured
- Converting Housing Choice Vouchers to Project-Based Voucher
- Any and all other opportunities and mechanisms that are available or can be identified that will assist HACP in furthering its goals under MTW and under the Low Income Public Housing and Housing Choice Voucher program

Pursuit of Rental Assistance Demonstration (RAD)

To ensure the long-term quality and viability of our housing stock, HACP continues to evaluate and pursue the conversion of some housing units to HUD contracts for multi-family housing assistance through the Rental Assistance Demonstration (RAD) program. In 2018, HACP converted the Glen Hazel community as part of the RAD program, guaranteeing high-quality affordable housing for years to come.

Veterans Affairs Supportive Housing (VASH)

HACP continued to participate in the nationwide effort to end veteran homelessness by issuing HUD-VASH vouchers. The HUD-VASH program provides rental assistance and supportive services to formerly homeless veterans. Since 2014, HACP has supported more than 60 veterans, helping them move into safe and affordable housing. This is a community effort: without the help and support of local landlords and the real estate community, the success of this program would not be possible. HACP plans to continue these efforts in 2019.



HACP COMMUNITIES



FAMILIES

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



SENIOR CITIZENS

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



MIXED-INCOME

Bedford Hill
Commons at North Aiken
Cornerstone Village
(Larimer/ East Liberty CNIG)
Fairmont Apartments
Garfield Commons
The Legacy
Manchester Apartments
Oak Hill
Silver Lake Commons
Skyline Terrace



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