

# HILLTOP HOUSING MARKET Restoration Strategy

November 2013

Analysis Conducted by:



# Acknowledgements

This report was prepared for the Hilltop Alliance with funding from the Design Center. Representatives from the Allentown CDC, Beltzhoover Civic Association, Mount Washington CDC and the City of Pittsburgh Department of City Planning provided advice and guidance to the project team.

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## **Project Team:**

Fourth Economy Consulting  
Maynes Associates Architects, LLC



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# Introduction

The Hilltop Alliance, with funding from the Design Center of Pittsburgh, contracted with Fourth Economy Consulting (FEC) and Maynes Associates Architects, LLC (MAA) to analyze the housing market and develop a market-based housing strategy for the neighborhoods of Allentown and Beltzhoover. These communities have been analyzed and studied through Pittsburgh's SNAP profiles, the South Hills TRID Study, and the University of Pittsburgh Center for Social and Urban Research. The Hilltop Alliance also recently completed the 2012 Green Toolbox and Assessment Report as part of an overall Quality of Life Plan. These planning efforts identified the need to address vacant property and stabilize residential areas.

The housing market in these neighborhoods is suffering from neglect, disinvestment, and vacancy. The goal is to stop the decline and restore the housing market in these neighborhoods by helping existing homeowners improve their properties and promoting increased homeownership and family occupancy in restored properties. Because investors and developers have largely ignored these neighborhoods, the residents have the opportunity to determine the future of the community, rather than having that future driven by outside developers.

This plan seeks to leverage the efforts of these individual homeowners and add the power of collective action by coordinating activity street-by-street and block-by-block and adding community and public sources to the efforts of individual homeowners. The project team developed a Housing Repair Toolkit and a Housing Finance Toolkit that can be used by homeowners, in partnership with the Hilltop Alliance and community groups, to prioritize the repairs to their home and discover how to pay for those repairs. This partnership between homeowners and community associations reduces the risk of financial loss by investing in a sinking asset, provides more favorable pricing on the renovation by taking advantage of group discounts, and helps the community be strategic in leveraging and sustaining investment to restore the market.

The strategy targets the lowest value properties for renovation to restore them to a level that is at or near the market average. The Housing Toolkit enables the development of budgets and plans for individual properties, as the success will ultimately happen one house and one block at a time. An implementation plan, included in this strategy, identifies potential starting points and the estimated effort required to begin to restore the market in five Emerging Market Demonstration Areas (two in Allentown, two in Beltzhoover and one on the border of both). These Emerging Market Demonstration Areas provide an example of how the strategy rolls up to the community level, but also provides strategic starting points to begin to restore the market.







# Community Overview

Both of these neighborhoods are currently undergoing a revitalization spearheaded by dedicated community members and local organizations. It is hopeful that these neighborhoods will again be vibrant parts of the city and places where neighbors, new and old, will come to live, work, and play. The neighborhoods offer amenities to residents such as beautiful parks, a pop-up library through the Carnegie Library of Pittsburgh, and easy access to a rapid transit system that delivers them safely into downtown Pittsburgh in minutes. Pittsburgh's rapid transit system, the "T", has the infrastructure in place to run through the Warrington Avenue business district and currently connects to the South Hills Junction Station and Boggs Station. From Beltzhoover Avenue, where Allentown and Beltzhoover meet, it is less than ten minutes by car or less than 20 minutes by transit to Market Square in Downtown Pittsburgh. In addition, the neighborhoods are close to the University of Pittsburgh, South Side Hospital, Station Square, a branch of the Carnegie Library, Heinz Field, PNC Park, Mellon Arena, and Point State Park. Though the physical infrastructure is in need of repair, many steadfast community residents still find a safe haven here and hopefully, in the near future, many new residents will as well.

## **Allentown**

South of Downtown Pittsburgh, just above the slopes of the South Side, is Allentown. Arlington Avenue, which connects to the Liberty Tunnels and Carson Street, is one of the primary gateways, running right through this neighborhood's East Warrington Avenue business district. The residential areas are primarily mid-sized, modestly priced single-family frame and brick homes throughout Allentown. The homes in Allentown provide spectacular views of the Downtown Pittsburgh skyline. At the northern end of the neighborhood is the appropriately named Grandview Park, one of the city's gems.

## **Beltzhoover**

Beltzhoover is bordered by Mount Washington on its northern end and Allentown and Knoxville on the east. The Port Authority's "T" serves South Hills Junction (across the street from Warrington Recreation Center), the site of the 2011 TRID Study, and Boggs Station in the heart of Beltzhoover. McKinley Park borders the southern edge of the community, providing nature trails, playgrounds, tennis courts, a baseball field, and a senior citizens' center. Many houses in Beltzhoover are pre-1900 construction when homes were built individually and not in development plans. As a result, the homes vary more in style than in many neighborhoods, but they were also made with quality materials that make renovation an attractive option.

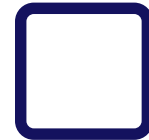
During the initial phase of the project, FEC and MAA conducted an initial windshield survey of the neighborhoods. In addition, members of the advisory group and other community representatives toured the neighborhood with MAA to gather direct input on community conditions. An initial community meeting was conducted on July 11, 2013, to introduce the project to the community and gather resident perspectives on neighborhood issues and assets. A final community meeting was held on September 19, 2013, to discuss the draft recommendations and housing strategy.

#### Community Concerns / Objectives

- New housing should fit the character of the neighborhood
- Homeownership should be encouraged and stabilized
- Residents have a strong commitment to stay in the neighborhood
- Unmaintained vacant lots are decreasing surrounding property values
- Community safety must be improved and promoted

#### Overall Goal Statement

The Hilltop is an affordable place for working families.

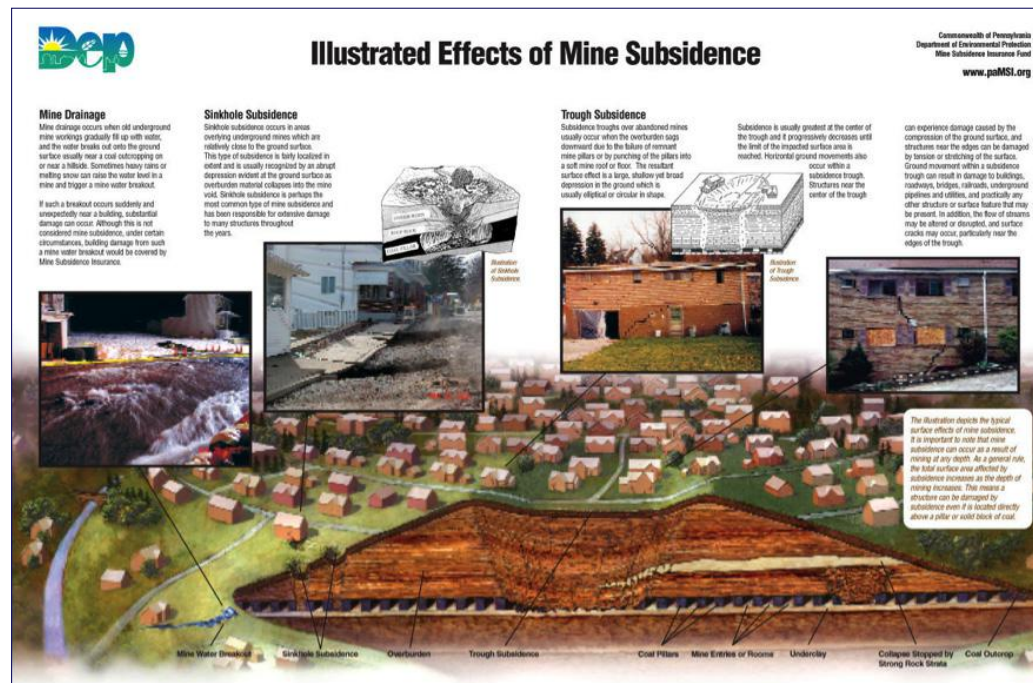


# Community Snapshots

At nearly three-tenths of a square mile, Allentown has 39 acres of park space and 87 trees along its streets. Beltzhoover, at more than four-tenths of a square mile, has 55 acres of park space and 200 street trees. In addition, both communities have designated more than 20 percent of their land as park space, compared to an average of eight percent for the overall city of Pittsburgh. These park spaces provide significant amenities that increase the value of the local housing stock and afford residents a higher quality of life.

However, a large percentage of the communities' land has been undermined, which increases the risk of landslides and, thus, significant and expensive damage to home and building foundations. In fact, 27 percent of the land area in Allentown is landslide prone compared to 21 percent overall for the city of Pittsburgh and only 18 percent in Beltzhoover. More than one quarter of Pittsburgh's land is undermined, but in Beltzhoover more than three-quarters is undermined and in Allentown 90 percent of the land is undermined. Any redevelopment or renovation in these areas would require a site and building inspection by a qualified professional.

Fig. 1: Effects of Mine Subsidence



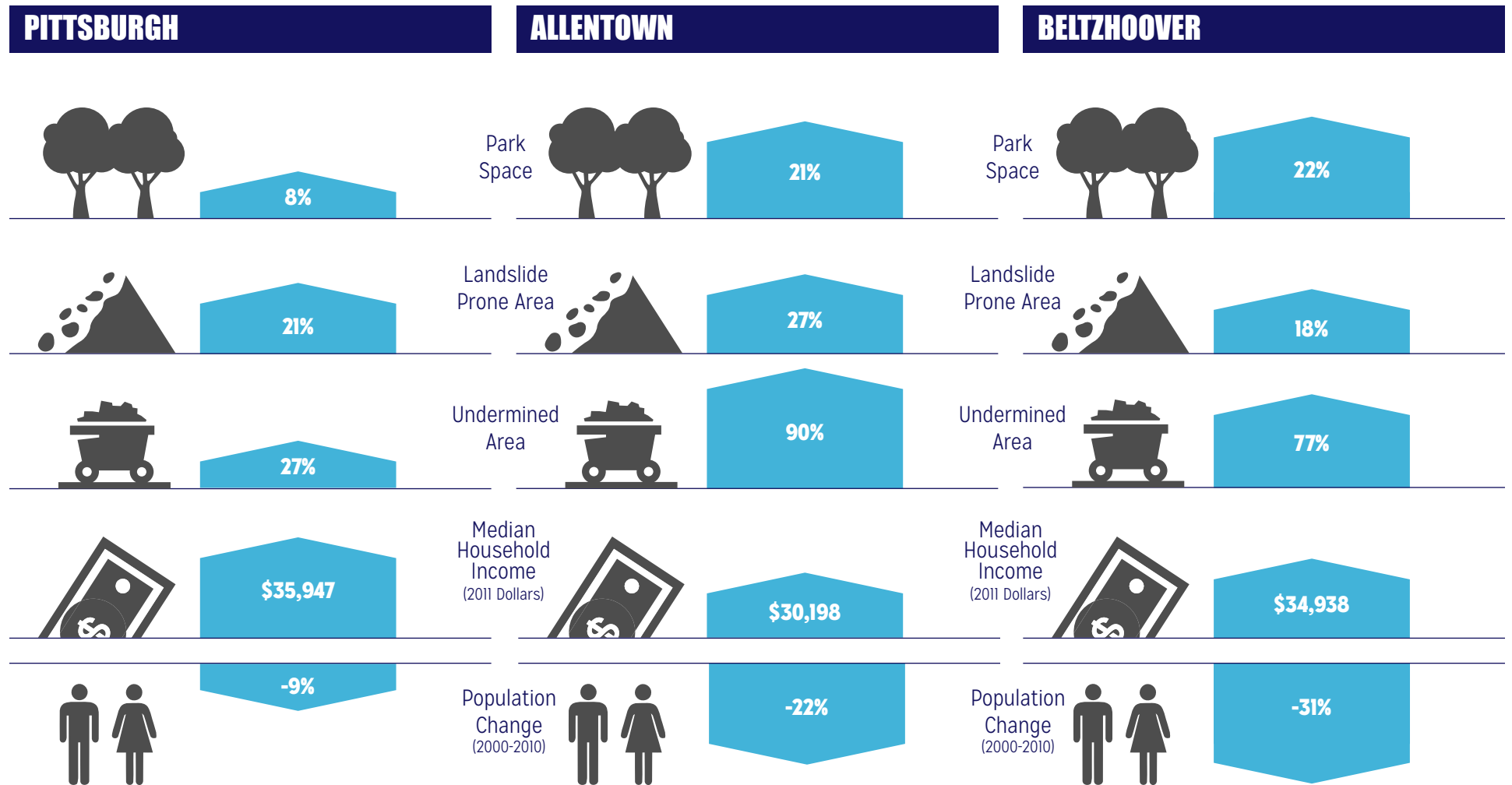
Source: Pennsylvania Department of Environmental Protection

The population of Pittsburgh has grown since the 2010 Census, but it has not rebounded to the population level of the 2000 Census. Population losses in Allentown and Beltzhoover have been particularly severe, declining 22 percent and 31 percent, respectively, since 2000. If the city of Pittsburgh continues to grow in population and attract new residents, Allentown and Beltzhoover may stabilize their population loss, but will probably not grow enough to absorb the vacant and surplus housing units currently in the community.

Aside from population stability, another factor to consider is household income. Median household incomes in Allentown and Beltzhoover are below the median for the city of Pittsburgh. Though, Beltzhoover's median income is only \$1,000 below the City's median household income of \$35,947, Allentown's median household income of \$30,198 is nearly \$6,000 below the City's median. The median household income in a community directly reflects that community's capacity to support new housing starts and improve the existing housing market.



Fig. 2: Community Comparisons



# Market Conditions

The majority of homes in Allentown and Beltzhoover are owner-occupied, with 59 percent of home owner-occupied in Allentown and 74 percent in Beltzhoover. Even though there has been some increase in the number of rental houses on the market in recent years, both communities have more owner-occupied housing than the overall city. Owner-occupied housing is not a specific goal of either community but studies do show that it tends to promote stability within the community and fosters higher value housing.

**Tab. 1: Home Value**

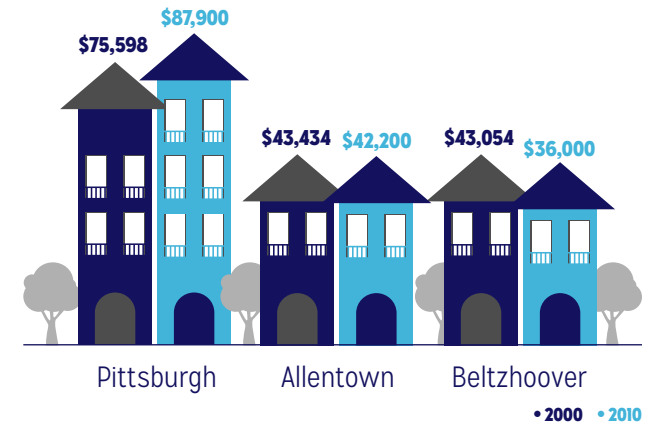
	Median Sales Price	Price/SF
Pittsburgh – All Homes	\$125,000	\$92
Pittsburgh – 2/3 BR Home	\$107,500	\$88
Hilltop – All Homes	\$58,250	\$43

The value of homes has grown in Pittsburgh since 2000, but home values eroded by nearly three percent in Allentown and more than 16 percent in Beltzhoover in the same time period. Despite the higher owner-occupancy, the median value of homes in both communities is below the median value for the City as a whole. The

**Fig. 3: Percent Vacant Properties**



**Fig. 4: Median Home Value**

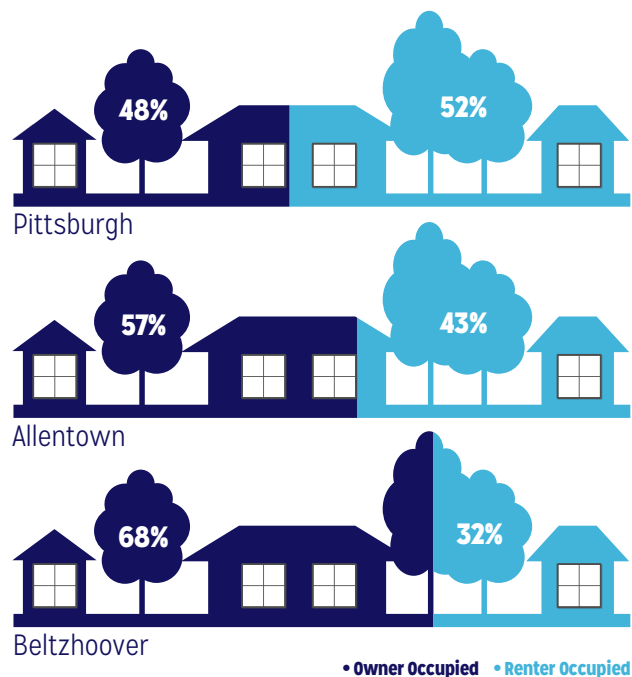


median value is the price at which half of the homes are higher priced and half of the homes are lower priced. A contributing factor to the reduced home values in the community is the high number of vacant properties. The city of Pittsburgh as a whole has a 13 percent property vacancy, while Allentown and Beltzhoover have a 20 and 27 percent vacancy, respectively. Vacant properties inhibit efforts to attract new residents and to attract the economic growth that is happening elsewhere in the City. In turn, as long as vacant or unmaintained properties are present and degrading the value of the surrounding properties, construction of new units will not go forward. Therefore, given the craftsmanship and quality of the existing housing stock, it is a top priority to renovate the properties that can be saved, and housing that is in undermined or landslide prone areas with signs of failing foundations should be considered for demolition and land banking (see page 27 for more about land banking).

Over the last five years the median sales price was \$58,250 for homes in the 15210 ZIP code, which is less than \$38/SF. Houses in the 15210 ZIP code are now selling for an average of \$43/SF, or \$64,500 for a 1,500 SF house. In Allentown and Beltzhoover, homes are currently selling significantly below these prices and below the asking price.

After decades of population losses, Pittsburgh has begun to experience some modest growth in population of approximately one quarter of one (0.25) percent, which equals nearly 3,000 individuals per year from 2010 to 2012. While this growth is exciting and welcome news, it is not sufficient to eliminate the surplus housing in the city or the high rates of vacancy that plague neighborhoods

**Fig. 5: Owner Occupied vs. Renter Occupied**



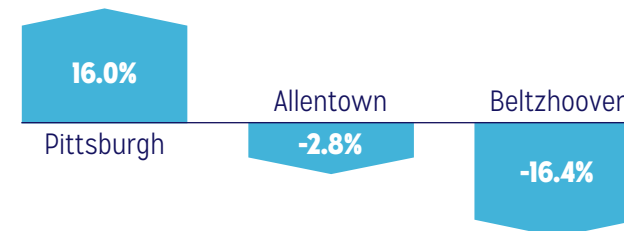
like Allentown and Beltzhoover. If this growth continues through 2020, then conditions may be conducive to new residential construction. But, until then, any new housing that is built will only displace existing units. Furthermore, these communities are burdened by a large stock of below-market housing that makes new construction financially risky. New construction can cost upwards of \$150,000 and in some instances as high as \$250,000 for a two to three bedroom home that would fit well into these communities. However, with the majority of homes valued below \$50,000, any new construction would quickly lose its value.

**Tab. 2: Asking Price vs. Sold Price**

	Allentown	Beltzhoover
Asking	\$58,000 (\$39/SF)	\$38,000 (\$25/SF)
Sold	\$34,000 (\$23/SF)	\$28,000 (\$19/SF)

Even if population growth in the city overall will not restore these neighborhoods, the changes in demographics in the community and the in-migration of new residents will provide an opportunity to renovate and rebuild existing housing to serve the market of today and tomorrow. Currently, Allentown has a net loss of households with approximately 18 leaving and only 15 new households moving in and Beltzhoover is doing slightly better with 25 new households to replace the 20 households that are leaving. In both communities, the death rate is greater than the birth rate, so again the net change is negative. However, for the housing market, these 15 new households in Allentown and 25 new households in Beltzhoover provide an opportunity to renovate and improve the units families are moving into. In turn, each of these new residents represents an opportunity for new housing investment.

**Fig. 6: Change in Real Value 2000-2010**



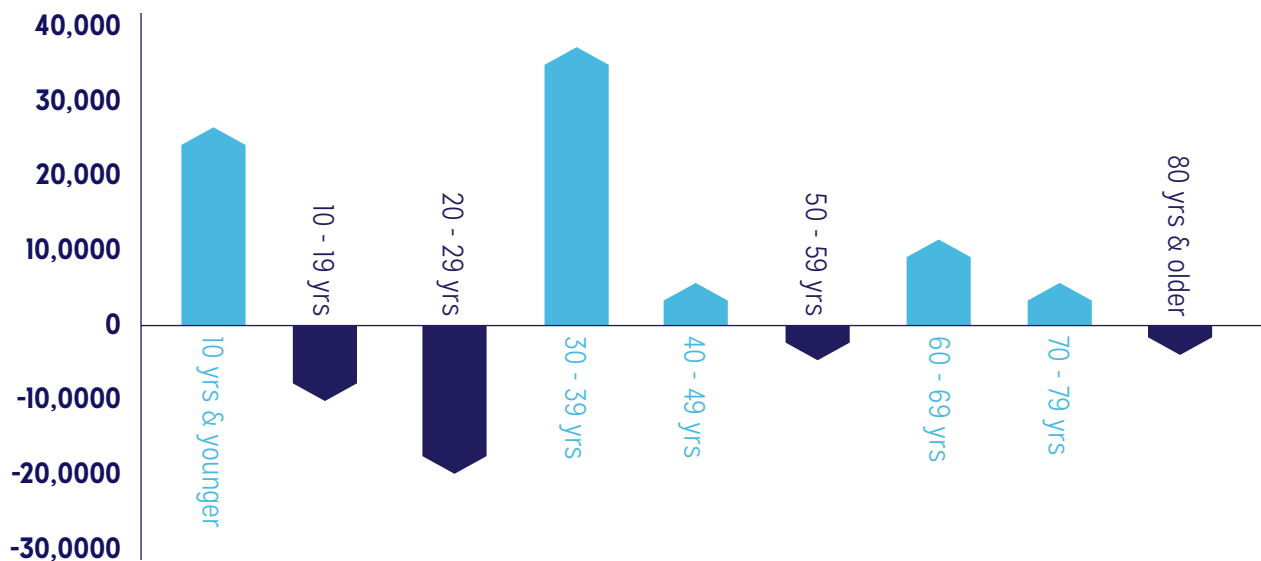
**Fig. 7: Housing Unit Value Comparison**



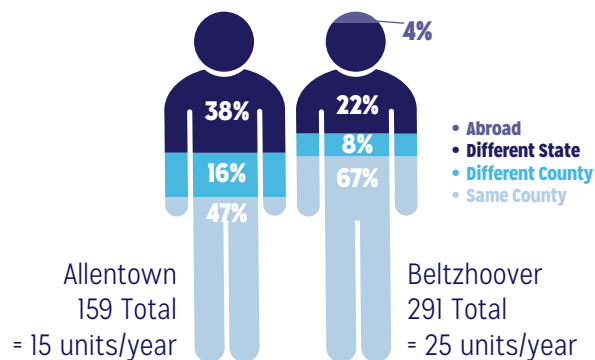


Regardless of whether the City continues its recent growth trends, the age structure will look very different by 2020 than it has in the past. It appears that after decades of getting older Pittsburgh's population will be younger in 2020 due to natural population changes amplified by migration. Projecting the changes in the age structure for the City indicates that there will be approximately 35,000 more individuals aged 30 to 39 years in 2020. These individuals represent a critical demographic for both the workforce and the formation of new households. These young families and new households represent the core market desired by both Allentown and Beltzhoover.

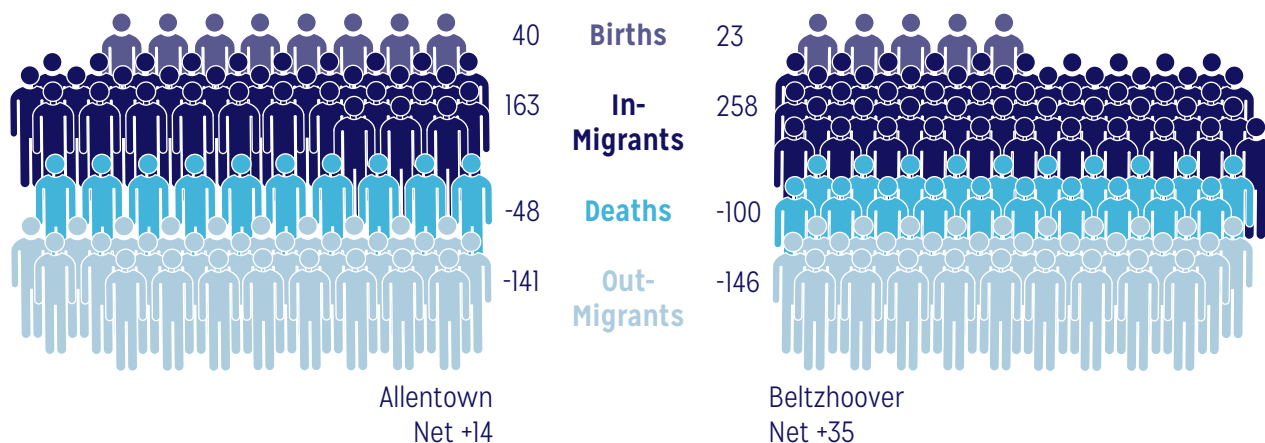
**Fig. 9: Change in Population Age in Pittsburgh (2010 - 2020)**



**Fig. 8: New Resident Origin (2007 - 2012)**



**Fig. 10: Birth vs. Death vs. Migrant Rates**



Allentown and Beltzhoover are currently comprised of older, mid-sized homes. Two-thirds of the homes in Beltzhoover and more than three-quarters of the homes in Allentown were built before 1949. The good news is that these homes were built at a time when the quality of materials, construction, and architectural amenities was high. Therefore, these homes are worth renovating more so than investing in newer construction. The majority of the homes in these neighborhoods are mid-sized two to three bedroom homes that are a good fit for working families desiring to live Allentown and Beltzhoover.

Household incomes in Allentown and Beltzhoover are lower than the City as a whole. More than half of the households in these communities make less than \$35,000, but these communities also have nearly one-third of their households in the middle-income category of \$35,000

Fig. 11: Comparison of Age of Housing Stock

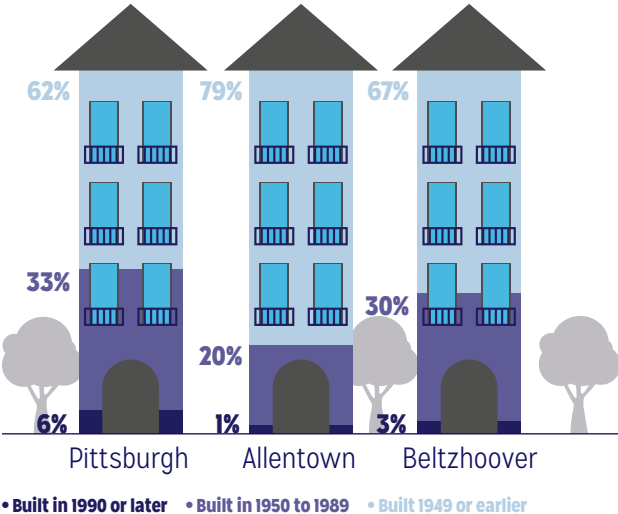


Fig. 12: Comparison of Bedroom Size



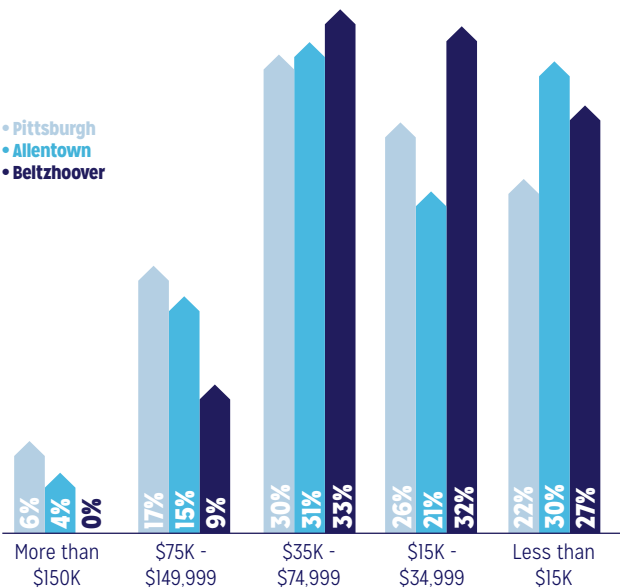
• 0-1 Bedrooms • 2-3 Bedrooms • 4+ Bedrooms

to \$75,000, which is slightly higher than the City. While household incomes are lower, neighborhood incomes are not negatively affecting home prices. With median household incomes of at least \$31,000, both Allentown and Beltzhoover have the population to support home values that are higher than the current market value. A mortgage of \$65,000 to \$80,000 is potentially affordable for half of the households (median household income of \$31,000). This estimate is more conservative than most mortgage affordability calculators.

Tab. 3: Purchase Prices vs. Income

Purchase Price of Home		\$65,000	\$80,000
Mortgage	7.0%	\$5,238	\$6,447
Taxes	3.0%	\$1,950	\$2,400
Insurance	0.5%	\$325	\$400
Annual PITI		\$7,513	\$9,247
Family Income		\$31,000	\$31,000
Income Spent on Housing		24%	30%

Fig. 13: Households by Income



Allentown and Beltzhoover have a greater number of lower value housing units than they have low-income households. The tables to the right show the number of housing units and owner households that could afford a particular house pricing value. The majority of housing units in both areas are valued below \$50,000. These lower-value units are negatively affecting property values in the community, which will, in turn, reduce the wealth and savings of the homeowners over time. There are enough middle-income residents that can afford houses valued between \$50,000 and \$150,000. Renovating the lower value properties and vacant homes can be accomplished without gentrifying the neighborhood and without displacing existing residents.

**Tab. 4: Allentown 2010**

Home Value	Housing Units	Owner Households	Housing Need (too few units)	Housing Surplus (too many units)
Less than \$50,000	359	91	-	268
\$50 - 99,999	172	59	-	113
\$100 - \$149,999	34	152	118	-
More than \$150,000	0	263	263	-

For example, Allentown has a surplus of 268 units valued less than \$50,000, and a gap, or need, for 118 units valued between \$100,000 to \$149,999. Over the next five to ten years, it would be possible to renovate enough of these lowest value homes to fill that gap of 118 units, and there would still be a surplus of housing for the lowest income residents.

**Tab. 5: Beltzhoover 2010**

Home Value	Housing Units	Owner Households	Housing Need (too few units)	Housing Surplus (too many units)
Less than \$50,000	371	170	-	201
\$50 - 99,999	361	142	-	219
\$100 - \$149,999	24	158	134	-
More than \$150,000	32	318	286	-

In Beltzhoover, there is a surplus of 201 units valued less than \$50,000, and a need for 134 units valued between \$100,000 to \$149,999. Over the next five to ten years, it would be possible to renovate enough of these lowest value homes to fill that gap of 134 units, and there would still be a surplus of housing for the lowest income residents.



# Housing Strategy

## Strategic Goals

- Promote homeownership
- Build from strength
- Connect individual to group action
- Preserve and restore
  - Clean up trash and weeds
  - Restore exteriors
  - Prevent further damage
  - Highest impact on surrounding values
  - Demolish the worst properties
  - Stabilize (land bank) for re-building
  - Renovate interiors
  - Rebuild

The ultimate goal of this housing strategy is to stop the decline and restore the housing market in these neighborhoods. The focus is to help existing homeowners and to promote increased homeownership and family occupancy. Investors and developers have largely ignored these neighborhoods, providing a unique opportunity for existing residents to actively plan the future of the community, rather than have that future driven by outside developers.

Residents have expressed a strong commitment to these neighborhoods and many are actively investing and improving their properties. Unfortunately, too many homes are vacant or un-maintained which decreases the value of all of the homes in the community. The plan being put forward seeks to leverage the positive efforts of these individual homeowners and add the power of collective action by coordinating activity street-by-street, block-by-block, and adding community and public sources to their efforts.

Renovating existing homes that are currently below market values will help to stabilize the housing market and attract new residents to fill the vacant and surplus housing. As the stock of unoccupied and unmaintained property is reduced, it will create a foundation and a market for building new homes.

## Market Restoration Approach

The Market Restoration Approach involves working from the outside-in, and starting with the issues and problems that contribute to the reduction in residential property values. The issues and problems to be addressed are the visible, exterior signs of disinvestment and decay. The first step in restoring the housing market in Allentown and Beltzhoover is to clean up trash and weeds in front yards and on the streets to showcase a basic level of maintenance. It is crucial to give a good first impression to visitors and neighbors alike.

The next stage in the market restoration approach is to address the physical exterior of homes, specifically, their roofs, gutters, windows, doors, and siding. This is important not only because of the positive curb appeal, but also because a solid exterior preserves the interior. When a roof or windows are not maintained, then water or other elements can enter a home causing major damage to the interior and decreasing the value of the home. Unfortunately, with the high level of undermining and landslides, some of the homes with foundation or structural damage may not be able to be saved. It will be necessary to assess individual properties to determine how much the exterior repairs will cost and whether it is financially feasible to do so. So, the process begins with an assessment of the lowest value homes in order to determine which units can be saved and which, unfortunately, need to be demolished.

The Housing Repair Toolkit, available through the Hilltop Alliance, provides guidance on this assessment as well as resources for homeowners to help with the renovation planning and construction. A brief overview of the toolkit is provided in the following section.

# Housing Repair Toolkit

The Housing Repair Toolkit gives property owners, community leaders, and potential residents a tool to weigh various options when improving their property. This can be a complex process, as costs can be high and an improvement's relative effect on property value unknown. Thus, each issue is described in terms of the work required to make repairs, any available options, and the relative cost of improvements. The Toolkit should be used to identify the condition of the house and the potential repairs that will protect or increase the home's value. It will also help to identify homes with significant problems

that cannot be restored and should be considered for demolition. The Toolkit is designed to be used by individual homeowners in collaboration with the Hilltop Alliance. Samples of potential problems are described and illustrated along with estimated repair costs and life expectancy.

## Using the Housing Repair Toolkit

- Identify houses with significant problems that cannot be restored and should be considered for demolition
- Assess the condition of a house and the potential repairs that will maintain or increase its value
- Prioritize repairs and renovations for specific properties
- Provide some general guidelines on per square foot renovation costs
- Understand that the choice of materials, finish, and contractor can raise or lower the price



Once the renovation assessment has been completed, an estimate will be provided regarding how expensive the required renovation will be. If an individual invests too much money too soon, there is greater risk of not recouping that value and a greater risk of displacement. The overall goal is to decrease vacancy and blight and raise the value of the housing to a level that is affordable for the current median income for the neighborhoods. A home in this category would be worth \$67,500 (or \$45/SF).

Fig. 14: Sample Page from the Housing Repair Toolkit

## Foundation

A building's foundation should provide a stable base to support the rest of the structure. Repairs to a foundation will not drastically increase property values, but will provide the opportunity for successful future improvement.

**Signs of Foundation Failure:**

	<p><b>Significant Foundation Failure</b></p> <p>Foundation failure will have a significant effect on the building's structure, and will likely need to be entirely replaced. Repair cost will likely outweigh potential increase in property value.</p>	<p><b>Repair Cost</b></p> <p>Varies; consult a design/construction professional</p>	<p><b>Life Expectancy</b></p>
	<p><b>Concrete Block Wall Cracking</b></p> <ul style="list-style-type: none"> <li>• Excavation of soil</li> <li>• Demolition</li> <li>• Temporary structure</li> <li>• Concrete masonry construction</li> </ul>	<p><b>Repair Cost</b></p> <p>\$25 / sq. ft.</p>	<p><b>Life Expectancy</b></p> <p>Exposed Area Repoint: 40 years</p>



**Tab. 6: Market Restoration Goals**

	Current Sales	Goal in 5 Years	Goal in 10 Years*	Goal in 15 Years
SF	\$15/SF	\$30/SF	\$45/SF	\$60+/SF
Value at 1,500 SF	\$22,500	\$45,000	\$67,500	\$90,000

*\* Affordable at current Median Household Income*

This house value is used as a pricing limit to gauge how much can be spent on renovations so that the renovation costs do not exceed the overall property value. Hopefully, in five to ten years, as the low end housing is renovated or demolished, and strategic, consistent upgrades within the community take place, homes should sell for more. Currently, homes above \$45,000 or \$30/SF in relatively good condition are very hard to sell in part because no one will buy a house next to another house that is worth less than \$20,000.

**Tab. 7: Sample Renovation Budget**

	SF Price	Current House Value	Renovation Budget
Start	\$10	\$15,000	-
Post-Renovation Value	\$25	\$37,500	\$22,500
Value in Five Years	\$30	\$45,000	\$30,000

By starting with the lower value properties and renovating them to the market average, or slightly better, there is a greater likelihood that the cost will be recouped. For example, if you start with a house valued at \$10/SF, roughly \$15,000, and invest upwards of \$30,000 there is a reasonable chance that the value will be recouped within five years. If the required house renovations, as determined by the Housing Repair Toolkit, cost more than \$30,000, then it would not be advisable to renovate the house.

It is also important to ensure that restoration happens at scale. Fixing one house on each block is not enough to counter the level of disinvestment in the community. In order to stabilize the area one out of every five homes on a given block would need to be impacted within the first two years and half of the homes on that block would need to be impacted within the first five years. It is easier and less expensive to do this by starting with areas of strength and targeting the low value property on those blocks. For Allentown and Beltzhoover, five Emerging Market Demonstration Areas are described in the next section in order to provide a better sense of how this process works and what level of effort it would take to restore the market.



# Emerging Market Demonstration Areas

Since there are not enough resources to repair or restore every home at once, it is important to prioritize and focus the effort. In order for the restoration of value to last, it is necessary to restore groups of neighboring homes, rather than restoring homes scattered throughout the community. If you are building a wall, you stack the bricks next to and on top of each other. If you are rebuilding the market, the same analogy applies, but the bricks are the homes and properties within the neighborhood.

The following five areas represent potential starting points for intervention. The idea is to focus and scale the re-investment to change the market in a few defined areas. Other areas (see map [Neighborhood Assets](#)) have been identified for landbanking in the future



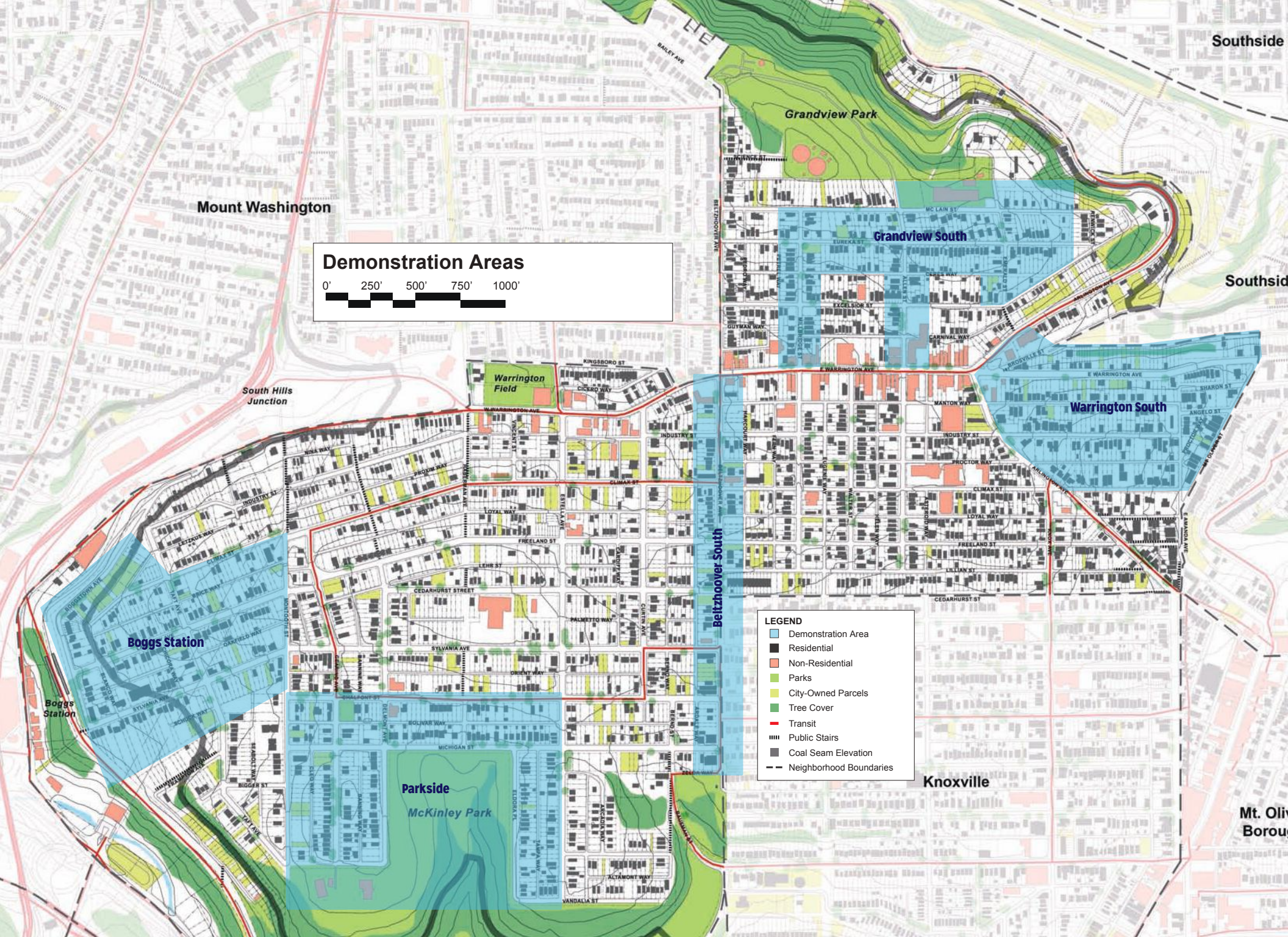
## How were the Emerging Market Demonstration Areas chosen?

- Potential high impact on perception of the community
- Access to a major commuter route
- Access and links to public transportation
- Street-facing housing
- Strong homeownership
- Access to parks
- Good views
- Quality housing potential

For each demonstration area we classified the housing by the value per square foot. The data is from the county assessment, but we have sampled the property values from the assessment system and have found that they match the recent sales and closely match other value estimates from Zillow and Trulia.









## Emerging Market Demonstration Area Beltzhoover Avenue South

This is the area of Beltzhoover Avenue that is south of Warrington. It connects Allentown and Beltzhoover and has the potential to impact both neighborhoods. It is also along a major commuter route, so it will have a high impact on outside perceptions as people travel through the community. There is also a base of higher value homes with nine percent of the residential properties valued above \$30/SF. This area also has commercial properties that can help to stabilize property values if the business district revitalization efforts on Warrington Avenue are successful.

The budget target for renovating 20 percent of the lowest value properties to get them near the average market value would be \$164,535. This should provide sufficient stabilization of the market in the near term. The total effort to upgrade all of the properties below \$15/SF would be \$822,675.

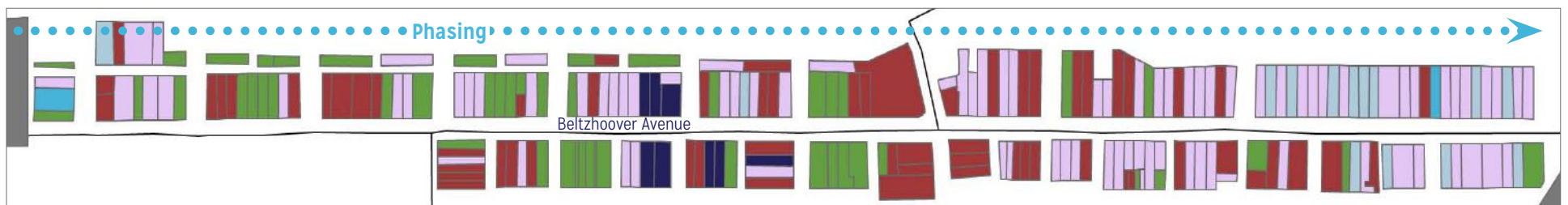
The phasing strategy for this area would start with the properties at the southern end of Beltzhoover where it meets McKinley Park on the 700 block and then move north towards the 100 block at Warrington Avenue. The park is an overall asset and redeveloping beginning at this neighborhood gateway would provide a transition into the core of the community. See the Implementation Phasing on page 25 for more detail.

### Overview of Demonstration Area Properties

Priority Area	Quantity	Share of Parcels	Owner-Occupied
> \$60	6	6%	50%
\$45 - \$59	1	1%	100%
\$30 - \$44	2	2%	50%
\$15 - \$29	31	32%	55%
< \$15	21	22%	43%
Vacant	35	36%	3%
Parcels	96	Effort to Renovate Properties < \$15/SF	
20% Effort	\$164,535		
Total Effort	\$822,675		

### Effort by Phase & Street

Phase	Street	Effort
1	500-700 Block	\$412,500
2	300-400 Block	\$300,000
3	200 Block	\$300,000
4	100 Block	\$262,500





## Emerging Market Demonstration Area Boggs Station

Boggs Station was selected for its access to transportation, which includes both the Boggs Station "T" Stop, but it is also close to the future development at South Hills Junction. One-third of the properties in this area are owner-occupied and 36 percent are vacant. Eight percent of the properties are valued above \$30/SF.

The budget target for renovating 20 percent of the lowest value properties to get them near the average market value would be \$185,990. This should provide sufficient stabilization of the market in the near term. The total effort to upgrade all of the properties below \$15/SF would be \$929,950.

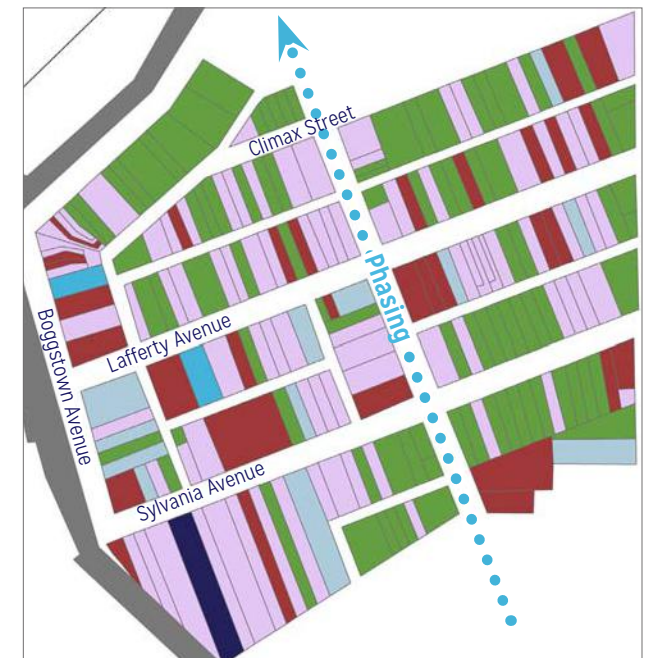
The phasing strategy would begin with Sylvania Avenue on the southern end of the area. There are 29 properties below \$30/SF, but also four that are valued above \$30/SF. The next phase would address Lafferty, then fill in along Boggstown, leading to a final phase on Climax Street. See the Implementation Phasing on page 25 for more detail.

### Effort by Phase & Street

Phase	Street	Effort
1	Sylvania Avenue	\$112,500
2	Lafferty Avenue	\$525,000
3	Boggstown Avenue	\$187,500
4	Climax Street	\$75,000

### Overview of Demonstration Area Properties

Priority Area	Quantity	Share of Parcels	Owner-Occupied
> \$60	1	1%	0%
\$45 - \$59	2	1%	100%
\$30 - \$44	12	6%	67%
\$15 - \$29	86	44%	52%
< \$15	25	13%	32%
Vacant	70	36%	1%
Parcels	196		
20% Effort	\$185,990	Effort to Renovate Properties < \$15/SF	
Total Effort	\$929,950		



## Emerging Market Demonstration Area Grandview South

The Grandview South area is next to Grandview Park and boasts some of the highest property values in Allentown, due to the proximity of the park and the views afforded by the location. More than one-third of the homes in this demonstration area are owner-occupied and eight percent of the properties are valued above \$30/SF. Only thirteen percent of the residential properties are vacant.

The budget target for renovating 20 percent of the lowest value properties to get them near the average market value would be \$736,715. This should provide sufficient stabilization of the market in the near term. The total effort to upgrade all of the properties below \$15/SF would be \$3,683,575.

The phasing strategy in this area begins along the edge of the park along Mclain Street where there are 37 properties below the market average. The next phases would move down the slope from Grandview Park with Eureka Street next, followed by Ceres Way and then Excelsior Street. See the Implementation Phasing on page 25 for more detail.

### Effort by Phase & Street

Phase	Street	Effort
1	Mclain Street	\$300,000
2	Eureka Street	\$1,012,500
3	Ceres Way	\$37,500
4	Excelsior Street	\$300,000

### Overview of Demonstration Area Properties

Priority Area	Quantity	Share of Parcels	Owner-Occupied
> \$60	9	2%	33%
\$45 - \$59	2	1%	50%
\$30 - \$44	19	5%	53%
\$15 - \$29	211	54%	44%
< \$15	97	25%	30%
Vacant	51	13%	0%
Parcels	389		
20% Effort	\$736,715	Effort to Renovate Properties < \$15/SF	
Total Effort	\$3,683,575		



## Emerging Market Demonstration Area Parkside

Along the edge of McKinley Park is another demonstration area designated as Parkside. Besides access to the park, there is a strong base of quality housing with 40 properties or nearly one-quarter, at or above the market average of \$30/SF. Overall, 40 percent are owner-occupied and only 22 percent of properties are vacant.

The budget target for renovating 20 percent of the lowest value properties to get them near the average market value would be \$118,615. This should provide sufficient stabilization of the market in the near term. The total effort to upgrade all of the properties below \$15/SF would be \$593,075.

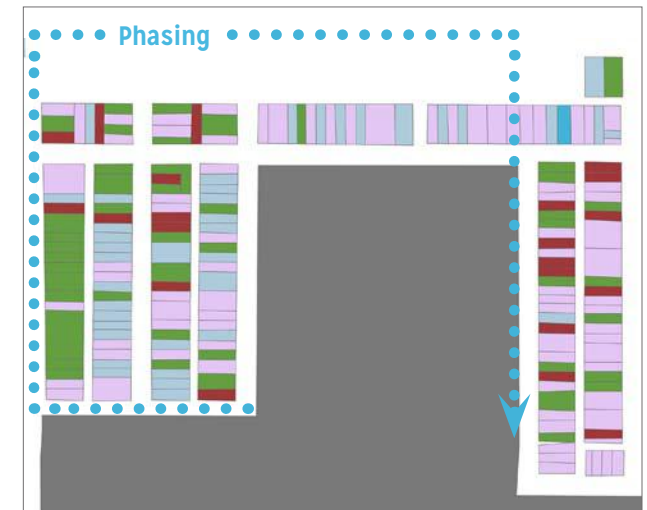
The phasing strategy in this area start with the park edge along Delmont Avenue, moving away from the Park to Gearing Avenue, then move east along the northern park edge at Michigan Street and then complete the turn down Eldora Place. See the Implementation Phasing on page 25 for more detail.

### Effort by Phase & Street

Phase	Street	Effort
1	Delmont Avenue	\$37,500
2	Gearing Avenue	\$187,500
3	Michigan Street	\$75,000
4	Eldora Place	\$225,000
5	Estella Avenue	\$187,500

### Overview of Demonstration Area Properties

Priority Area	Quantity	Share of Parcels	Owner-Occupied
> \$60	0	0	0%
\$45 - \$59	1	1%	0%
\$30 - \$44	39	22%	56%
\$15 - \$29	80	44%	55%
< \$15	21	12%	24%
Vacant	40	22%	3%
Parcels	181	Effort to Renovate Properties < \$15/SF	
20% Effort	\$118,615		
Total Effort	\$593,075		



## Emerging Market Demonstration Area Warrington Slopes

Above the South Side Slopes is the demonstration area identified as Warrington Slopes. This area was selected for its proximity to the South Side and the good views afforded by the hills. It is also an area that is adjacent to the primary commuter routes along Arlington Avenue, which also serves as the dominant gateway for Allentown. Eighteen percent of the properties are valued above \$30/SF. 30 percent of the properties are vacant and 26 percent are owner-occupied.

The budget target for renovating 20 percent of the lowest value properties to get them near the average market value would be \$206,735. This should provide sufficient stabilization of the market in the near term. The total effort to upgrade all of the properties below \$15/SF would be \$1,033,675.

The phasing strategy in this area would begin around the high value properties above the South Side Slopes along Mount Oliver Street and Warrington Avenues and then continue renovation and redevelopment on Industry Street and Manton Way. See the Implementation Phasing on page 25 for more detail.

### Effort by Phase & Street

Phase	Street	Effort
1	Mount Oliver Street	\$37,500
2	E. Warrington Avenue	\$262,500
3	Manton Way	\$262,500
4	Industry Street	\$150,000

### Overview of Demonstration Area Properties

Priority Area	Quantity	Share of Parcels	Owner-Occupied
> \$60	6	2%	17%
\$45 - \$59	14	6%	36%
\$30 - \$44	24	10%	38%
\$15 - \$29	99	41%	42%
< \$15	28	11%	21%
Vacant	73	30%	0%
Parcels	244		
20% Effort	\$206,735	Effort to Renovate Properties < \$15/SF	
Total Effort	\$1,033,675		





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2  
3

25  
STOP  
AHEAD

WELCOME

WELCOME

2  
STOP  
AHEAD



# Implementation Plan

The following outlines a general plan of activity for the Hilltop Alliance and CDC partners to initiate and coordinate the assessment and renovation process in a strategic manner for priority streets in the Emerging Market Demonstration Areas.

- 1 Inventory property conditions and owner contact information in all demonstration areas;
    - Identify organizers to assist with property inventories and introduce the housing repair toolkit to community members on the initial streets in the demonstration area.
    - Assist homeowners with self-assessments with the Housing Repair Toolkit or schedule Design Consults with the Design Center when professional assistance is needed to advise on renovations.
  - 2 Initiate financing strategy. The strategy calls for a combination of homeowner funds, public funds, private funds and nonprofit funds.
    - Identify owners and repairs that qualify for the URA's Pittsburgh Home Rehabilitation Program (PHRP) or the Home Improvement Loan Program (HILP) or other programs in the Housing Finance Toolkit.
    - Secure commitments for gap funds from foundations and banks for improvements identified in the demonstration areas.
    - Use the gap funds supplement PHRP and HILP funds or for projects that may not qualify for those programs.
  - 3 Initiate housing stabilization and repair
    - Aggregate the housing repair needs from the housing repair toolkit assessments to identify common issues or problems that can be addressed collectively such as bundling all of the roof work or bulk purchasing windows.
      - Identify and group common needs to help secure grant funds to address systemic or widespread problems.
    - Have contractors bid on multiple projects rather than individual homes to bring the cost down and also to encourage more responsive service.
  - 4 Monitor progress and evaluate performance of demonstration projects.
    - Assess preliminary outcomes of demonstration renovation projects.
      - Compare pre- and post-assessment values.
      - Survey owner / occupation satisfaction.
    - Evaluate performance of demonstration projects and identify gaps in services, service delivery or program requirements.
    - Revise program elements as needed and develop recommendations for improving program performance.
- For owner properties: Work directly with property owners to access grants and contractors to repair, stabilize and reinvest in their property.
    - Pilot the toolkit on two to three demonstration properties to provide case studies to share with other residents.
  - For developer / renter properties:
    - Identify responsible development partners and work with them to access grants and contractors to repair, stabilize and reinvest in their property.
    - Work with responsible development partners to acquire blighted or nuisance properties. The recommended phasing for the Demonstration Areas identifies below market properties that are not owner-occupied, which should be verified for blight or nuisance issues in the community inventory.
  - Develop a renter referral program.
    - Working with responsible landlords and with responsible owner-occupants, establish a referral list for responsible renters. The referrals would help to identify responsible renters for the rental properties that could become candidates for a rent-to-own program.

### Implementation Phasing

For each demonstration area potential starting points have been identified. For each area, an estimate is provided for the budget – the maximum amount that should be spent to restore the lowest value housing. The matrix also estimates the gross return – the potential value of the restored properties and the net return, which is the gross return minus the estimated cost effort for that street.

Phase / Demo Area	# Below \$15/SF	Total	% Above \$30/SF	% Below \$15/SF	% Vacant	% Owner-Occupied	Cost	Gross Return	Net Return
<b>Boggs Station</b>	<b>25</b>	<b>196</b>	<b>8%</b>	<b>13%</b>	<b>36%</b>	<b>33%</b>	<b>\$937,500</b>	<b>\$1,687,500</b>	<b>\$750,000</b>
1 Sylvania Avenue	3	56	7%	5%	41%	36%	\$112,500	\$202,500	\$90,000
2 Lafferty Avenue	14	67	6%	21%	27%	39%	\$525,000	\$945,000	\$420,000
3 Boggstown Avenue	5	20	20%	25%	10%	35%	\$187,500	\$337,500	\$150,000
4 Climax Street	2	36	3%	6%	56%	14%	\$75,000	\$135,000	\$60,000
<b>Grandview South</b>	<b>97</b>	<b>389</b>	<b>8%</b>	<b>25%</b>	<b>13%</b>	<b>35%</b>	<b>\$3,637,500</b>	<b>\$6,547,500</b>	<b>\$2,910,000</b>
1 Mclain Street	8	35	26%	23%	20%	37%	\$300,000	\$540,000	\$240,000
2 Eureka Street	27	114	0%	24%	11%	32%	\$1,012,500	\$1,822,500	\$810,000
3 Ceres Way	1	9	0%	11%	33%	22%	\$37,500	\$67,500	\$30,000
4 Excelsior Street	8	32	3%	25%	22%	19%	\$300,000	\$540,000	\$240,000
<b>Parkside</b>	<b>21</b>	<b>181</b>	<b>22%</b>	<b>12%</b>	<b>22%</b>	<b>40%</b>	<b>\$787,500</b>	<b>\$1,417,500</b>	<b>\$630,000</b>
1 Delmont Avenue	1	23	35%	4%	22%	57%	\$37,500	\$67,500	\$30,000
2 Gearing Avenue	5	50	34%	10%	26%	38%	\$187,500	\$337,500	\$150,000
3 Michigan Street	2	33	33	6%	6%	42%	\$75,000	\$135,000	\$60,000
4 Eldora Place	6	29	3%	21%	24%	38%	\$225,000	\$405,000	\$180,000
5 Estella Avenue	5	26	4%	19%	19%	38%	\$187,500	\$337,500	\$150,000
<b>Warrington Slopes</b>	<b>28</b>	<b>244</b>	<b>18%</b>	<b>11%</b>	<b>30%</b>	<b>26%</b>	<b>\$1,050,000</b>	<b>\$1,890,000</b>	<b>\$840,000</b>
1 500 - 700 Block	11	37	27%	30%	41%	20%	\$412,500	\$742,500	\$330,000
2 300 - 400 Block	8	42	48%	19%	33%	20%	\$300,000	\$540,000	\$240,000
3 200 Block	8	20	45%	40%	10%	20%	\$300,000	\$540,000	\$240,000
4 100 Block	7	16	6%	44%	50%	20%	\$262,500	\$472,500	\$210,000

# Related Projects and Assets for the Housing Market Strategy

There are several related projects, activities, assets, and programs that have to be considered in terms of the overall housing market and the strategy for market restoration. All of the elements highlighted below have the potential to strongly influence the neighborhoods and their housing markets.

## Related Development Projects

### South Hills Junction TRID Plan

The South Hills Junction TRID Study included Beltzhoover in its study area. The South Hills Junction Station is located in a bowl between Mount Washington and Beltzhoover, but neither neighborhood identifies the station as part of their community.

The TRID study area identified a total of 99 businesses and 29 vacant storefronts. More than one quarter of the existing commercial properties are services such as insurance, medical, and professional offices. A mix of retail and personal services make up the balance of the commercial space. Overall the commercial area is under-served in a number of retail categories. The TRID study identified three development scenarios that would integrate development of South Hills Junction with neighborhood improvements. The funding and public preferences for these scenarios is still undecided, therefore it may be some time before a clear alternative emerges.

For the purposes of this housing market strategy, the land along Boggstown Avenue and Warrington Avenue that overlook South Hills Junction have been identified for land banking. Part of the reason is to provide sufficient time to assess what plans and development emerges from the South Hills Junction TRID. The other reason is that this area includes a significant amount of undermined and landslide prone land that is not economically feasible for redevelopment in current market conditions. As the market improves, driven either by the development of South Hills Junction or the improvements in the Boggs Station Emerging Market Demonstration Area, these properties will be positioned for improvement and redevelopment.

### Haberman Trail

The Beltzhoover Neighborhood Council developed the New Life for Beltzhoover plan. Part of this plan leverages Beltzhoover's natural assets and would create a trail out of the frustrating combination of streets and steps along the Haberman corridor that connects Grandview Park to McKinley Park. The trail redevelopment has attracted the support of Representative Mike Doyle and Mark Brentley, Sr. of the Pittsburgh School Board.

### Business District Revitalization

Efforts are underway to revitalize the business district along Warrington Avenue. The total assessed value of the commercial properties in this district is \$6 million. With the re-opening of Warrington Avenue, the improvements along the business district are likely to increase.

### Public Safety Initiative on Warrington Avenue

The Safety Initiative targeting the Warrington Avenue business district encourages Allentown business-owners to improve the safety of their properties by installing or upgrading common safety implements such as lighting, fencing, and security cameras. The initiative operates on a matching system, whereby the business-owner

pays a percentage of renovation costs not to exceed \$2,000, which is matched by available funds. In 2012, 17 businesses participated in the initiative, but the volume of participants will decrease going forward as available funds decrease. This initiative, along with the new police station at Arlington and Warrington Avenues, will address the targeted area of crime in the community.

## Long-Term Community Issues and Opportunities

### Beltzhoover School

The Beltzhoover School is a major potential asset for the neighborhood. Given the surplus of housing in the community there does not appear to be any demand for converting the school into housing. As the focus of this study was limited to housing, no alternative uses have been explored, however a number of residents have expressed the desire for the school to serve a role in the community.

### Alleys and Street Hierarchy

Maynes Associates Architects, LLC analyzed the street hierarchy of the community in order to identify primary and secondary streets as well as primary and secondary alleyways (see page 29). Homes that face each other across a street help to define primary pedestrian and vehicle routes. Street-facing homes improve neighborhood security by placing eyes on primary streets while clearly identifying non-public, limited access service streets. When homes face alleys, garages, vacant parcels or yards, it becomes difficult to identify a person or persons that don't belong in a location and neighborhood continuity tends to become confused.

Allentown has a profusion of alleyways in the area between Warrington Avenue, Cedarhurst Street, Allen Street and Beltzhoover Avenue. Over time, vacating these alleyways by converting them to public or private green

space would benefit the community by reinforcing the overall structure of the neighborhood, improving public safety, and increasing the values of adjacent homes. The first step in addressing the alleys and street hierarchy would be a study of the traffic and street flow for central Allentown.

### Owner Occupancy and Home Succession

Identifying owner-occupied properties is not straightforward. The owner occupancy rates may be changing rapidly, but they also vary significantly within neighborhoods. The 2010 Census and the more recent American Community Survey report different but significantly higher owner-occupancy rates for Allentown (57 percent) and Beltzhoover (68 percent) than Allegheny County assessment data. According to the property assessment records, the owner-occupancy in the demonstration areas is as low as 33 percent. It is not clear if there is an actual and rapid transition out of owner-occupied homes, or if the Census data is including occupants who do not have legal title as owners. This may happen when children occupy the house of an elderly parent or other family members. They may or may not be aware that they do not have legal title. This can cause difficulties in securing funds for renovation. Title issues can also result in delinquent taxes if tax notices are not being sent to the proper address. It will be important that the Hilltop Alliance work with responsible occupants to ensure they have proper title to the property.

### Significant Policy Changes

#### Land Bank

Legislation is moving through Pittsburgh City Council to establish a land bank. Land banks serve to maintain properties that may not be suitable for short-term development so that they are preserved for future

development opportunities. Though Pennsylvania law establishes some general guidelines that will help to define the powers and funding of the City land bank, the specific powers and duties of the land bank, and whether it will be a new agency or new tools and authority for an existing agency, are not known.

#### Land Bank Powers

- Acquire properties by tax foreclosure, purchase, lease-purchase agreement, donation, or transfer from a municipality or redevelopment authority
- Develop, construct, rehabilitate, or demolish properties
- Sell, transfer, lease, or mortgage properties
- Discharge and extinguish tax liens and claims of participating jurisdictions and file court actions to obtain a clear title for single or multiple properties
- Purchase foreclosed properties at judicial sales, giving the land bank a free and clear title to the properties
- Create partnerships, joint ventures, and other collaborative relationships with municipalities and other public and private entities

#### Land Bank Funding

Pennsylvania Land Bank Law does not provide any state appropriations to establish or operate a land bank. However, it states that a land bank may:

- Charge rents and fees and contract for management of the properties it owns
- Receive grants and loans from the federal government, the Commonwealth of Pennsylvania, municipalities, and private sources
- Borrow money and issue revenue bonds that are exempt from state and local taxes

- Enter into agreements with local jurisdictions and school districts to collect up to 50 percent of aggregate tax revenues for up to five years on properties conveyed by the land bank

#### Residential Improvement Grants

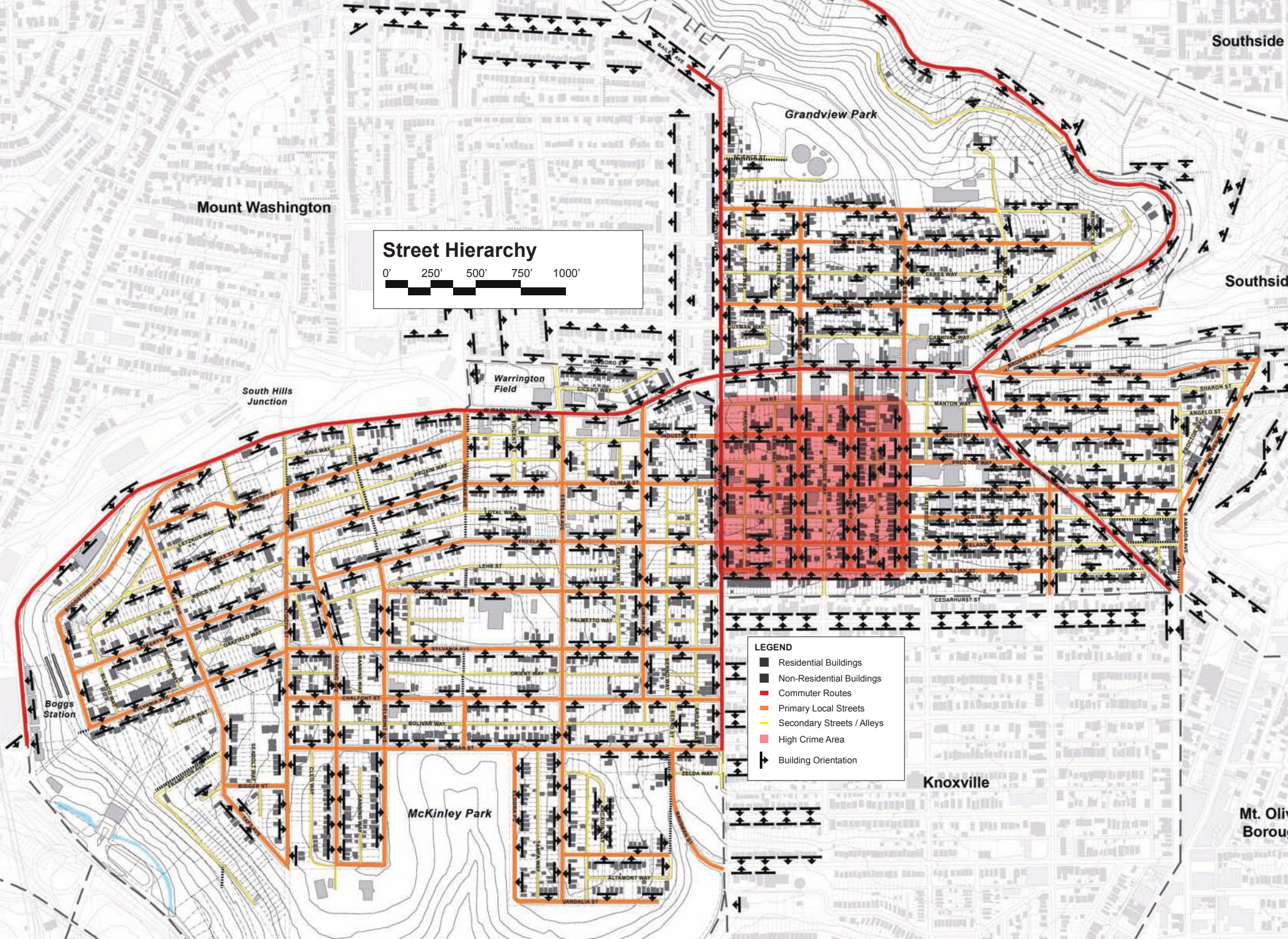
At least three loan programs are available that can assist with the renovation and repair needs of the community. The Pittsburgh Home Rehabilitation Program (PHRP), offered through a partnership with the URA and Dollar Bank provides up to \$25,000 at 0% interest for an assortment of needs: repair or replace the public sidewalk, improve the exterior of the home, remove lead hazard, and provide easier accessibility for homeowners with disabilities. An additional \$2,500 is available for energy efficiency improvements. The loan is based on income eligibility and not the pre or post renovation value of the home. The Home Improvement Loan Program (HILP) provides up to \$15,000 for a single unit home, although the home can have up to four units. The interest rate is 5.99% with terms of 10, 15 and 20 years with no equity requirements, so HILP is perfect for new homeowners who want to upgrade. You can purchase your home and take a HILP loan the next day. Homeowners are permitted to do their own work, but you can only finance the cost of materials, not your labor. Almost any permanent improvements can be made. Homeowners must own and occupy a City of Pittsburgh home and meet income limits and demonstrate acceptable credit. The loan amount depends on the work needed, income, and borrower's other financial obligations.

If additional funding is needed for façade improvements and renovations, it will be important to ensure that these funds are not tied to the post-renovation value of the homes. As the market is recovering in these communities, the goal is to raise the individual homes above their current values and bring them in line with the market value targets expressed in this strategy.











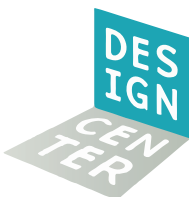
# Housing Repair Toolkit

September 2013

prepared for:



with funding provided by:



by consultant team:



# Introduction

## A toolkit to explore the impact of rehabilitation on property value

Pittsburgh's Hilltop neighborhoods are poised to experience significant investment as they become more attractive to residents that want to live close to urban amenities. Over the last twenty years, formerly undesirable areas of the city have seen a resurgence in interest as industry has moved away. This redevelopment has happened in the South Side Flats and is continuing up the Slopes towards the Hilltop, putting these areas in a prime location for significant future development. However, interest in the Hilltop neighborhoods has been limited by perceptions that they are unsafe or do not have quality housing stock. By rehabilitating existing homes in Allentown and Beltzhoover, perceptions will change and investment will expand.

The Housing Repair Toolkit gives property owners, community leaders, and potential residents a tool to weigh various options when improving their property. This can be a complex process, as costs can be high and an improvement's relative effect on property value unknown. Thus, each issue is described in terms of the work required to make repairs, any available options, and the relative cost of improvements.

Some issues will have little effect on property value, as they are considered essential aspects of any home. These include a stable foundation and structure, as well as working heating, cooling, electrical, and plumbing systems. In these cases, consultation with an experienced design professional such as a contractor or architect is recommended. *The Design Center*, a local non-profit organization, offers a Design Consults program that connects clients with professionals at affordable rates. More information on this program can be found in the "Resources" section at the end of this document and online. Other issues will have a greater cosmetic effect on the house and will significantly alter property values. Cost estimates are given in terms of a unit (square foot, linear foot, cubic yard) due to the significant variation in the magnitude of different repairs. Homeowners should contact construction professionals to provide detailed cost estimates and to complete the work, as well as follow all municipal regulations (such as acquiring building permits and complying with building codes).

The average sale price of homes in the Hilltop neighborhoods today is around \$40,000 (as opposed to approximately \$110,000 in the city of Pittsburgh). This price reflects decades of neglect as well as a current lack of interest in real estate in these neighborhoods. With basic improvements, we assumed a potential value of \$60,000 for an average home, although some improvements and amenities (views, parking, exterior space) have the potential to push property value even higher. This potential value must be kept in mind while weighing the cost of repairs:

$$\text{Potential Property Value (\$60,000)} - \text{Current Property Value} = \text{Repair Budget}$$

Following this equation will ensure that homeowners do not price themselves out of future sales in the neighborhood. However, there are numerous reasons to make improvements beyond this amount, such as quality of life (for those planning on staying in the neighborhood) or long-term value potential.

## Sample Entry:








Issue	Repair Cost	Life Expectancy
• Work included in repairing issue.		
Repair option 1	\$X,XXX - \$X,XXX	Note: Blank =
Repair option 2	\$X,XXX - \$X,XXX	Life of Building

# Foundation

A building's foundation should provide a stable base to support the rest of the structure. Repairs to a foundation will not drastically increase property values, but will provide the opportunity for successful future improvement.

## Signs of Foundation Failure:

	<b>Significant Foundation Failure</b>	<b>Repair Cost</b>	<b>Life Expectancy</b>
	Foundation failure will have a significant effect on the building's structure, and will likely need to be entirely replaced. Repair cost will likely outweigh potential increase in property value.	Varies; consult a design/construction professional	
	<b>Concrete Block Wall Cracking</b>		
	<ul style="list-style-type: none"> <li>• Excavation of soil</li> <li>• Demolition</li> <li>• Temporary structure</li> <li>• Concrete masonry construction</li> </ul>	\$25 / sq. ft.	Exposed Area Repoint: 40 years
	<b>Stone Wall Cracking / Movement</b>		
	<ul style="list-style-type: none"> <li>• Excavation of soil</li> <li>• Demolition</li> <li>• Temporary structure</li> <li>• Stone masonry construction</li> </ul>	\$135 / sq. ft.	Exposed Area Repoint: 30 years
	<b>Concrete Wall Cracking</b>		
	<ul style="list-style-type: none"> <li>• Excavation of soil</li> <li>• Crack repair and cleaning</li> </ul>	\$40 / sq. ft.	
	<b>Masonry Repointing or Parging</b>		
	Masonry Repointing	\$7.00 / sq. ft.	35 to 50 years
	Foundation Parging	\$4.00 / sq. ft.	

Note: See "Resources" page for information on the Design Center's *Design Consults* program

# Structure

The structure of a home is made up of walls, floors, and a roof and carries the buildings occupants, furnishings, and various systems. Like the foundation, a solid structure is assumed as a baseline condition and provides an opportunity for future improvements.

## Signs of Structural Failure:



### Significant Masonry Collapse

Significant masonry failure will greatly affect the building's overall stability. Repair cost will likely outweigh potential increase in property value.

### Repair Cost

Varies; consult a design/construction professional

### Life Expectancy



### Significant Framing Degradation

Significant framing failure will greatly affect the building's overall stability. Repair cost will likely outweigh potential increase in property value.

Varies; consult a design/construction professional



### Significant Roof Failure

Roof failure will greatly affect the building's overall stability. Significant water damage is also likely. Repair cost will likely outweigh potential increase in property value.

Varies; consult a design/construction professional



### Minor Masonry Repair

- Demolition
- Structural Brick Construction

\$20 / sq. ft.

Repoint: 40-50 years  
Clean: 25 years



### Masonry Maintenance

- Repointing
- Cleaning

\$8.00 / sq. ft.

Repoint: 40-50 years  
Clean: 25 years

Note: See "Resources" page for information on the Design Center's *Design Consults* program



# Enclosure

A home's enclosure protects the interior from the elements outside, primarily water, weather, and temperature. A sound waterproofing barrier and substantial insulation will provide for a comfortable and economical living environment.

## Signs of Enclosure Failure:



### Siding

Vinyl  
Aluminum  
Fiber Cement  
Wood Shingles

### Repair Cost

\$3.00 / sq. ft.  
\$4.00 / sq. ft.  
\$4.00 / sq. ft.  
\$7.00 / sq. ft.

### Life Expectancy

30 years  
25-50 years  
100+ years  
100+ years



### Roofing Replacement

- Demolition
- Asphalt Shingles

\$2.00 / sq. ft.

20-30 years

*Note: Cost only for replacement of waterproofing. Structural patching/ replacement will incur additional cost.*



### Gutters and Downspouts

- Demolition
- Installation (options below)

Vinyl Gutters  
Vinyl Downspouts  
Aluminum Gutters  
Aluminum Downspouts

\$4.25 / lin. ft.  
\$6.00 / lin. ft.  
\$4.25 / lin. ft.  
\$8.00 / lin. ft.

15 years  
25 years



### Soffit and Fascia

- Aluminum / Vinyl Soffit
- Aluminum Fascia

\$4.00 / sq. ft.  
\$10 / sq. ft.

30 years

Note: See "Resources" page for information on the Design Center's *Design Consults* program

# Enclosure

## Signs of Enclosure Failure:



### Insulation

2" Extruded Polystyrene, R10  
3.5" Fiberglass Insulation, R15

### Repair Cost

\$2.25 / sq. ft.  
\$1.00 / sq. ft.

### Life Expectancy



### Weather Stripping

Caulk  
Neoprene

\$2.50 / sq. ft.  
\$2.50 / sq. ft.

10 years  
20 years



### Windows and Doors

Vinyl Windows  
Aluminum Windows  
Wood Windows  
Wood Exterior Doors

\$250 each  
\$350 each  
\$425 each  
\$440 each

20 years  
20-30 years  
30-50 years  
50-60 years



### Paint

- Surface Prep
- Paint - Siding
- Paint - Trim

\$3.00 / sq. ft.

5-10 years

# Access & Site

The property around a building can add significant value or cause further issues with a building's foundation, structure, or envelope integrity. These issues are especially important in sloped areas such as those found throughout the Hilltop neighborhoods.

## Access & Site Issues:



### Failed Retaining Walls

- Excavation
- Cast-in-Place Concrete Retaining Wall

### Repair Cost

\$275 / lin. ft.

### Life Expectancy

50-100 years



### Sinkholes and Subsidence

- Compressed Backfill

\$35 / cu. yd.



### Heaved Sidewalks

- Excavation
- 6" Aggregate Base Course
- Concrete Paving

\$10 / sq. ft.

35-50 years



### Heaved and Failed Outdoor Steps

- Excavation
- 6" Aggregate Base Course
- Cast-in-Place Concrete Steps

\$125 / lin. ft.

50 years



# Systems

The systems in a building provide for the comfort of the occupants through heating, cooling, ventilation, and by providing electricity and plumbing. Building technology has improved significantly in recent years, but the replacement of entire systems can be costly.

## Signs of Systems Failure:



### Heating / Cooling System

- Furnace / Boiler
- Control System

**Replacement Cost**

\$3,500 - \$7,000

**Life Expectancy**

15-25 years

*Note: Cost estimate assumes existing piping/ductwork is sound and does not require replacement*

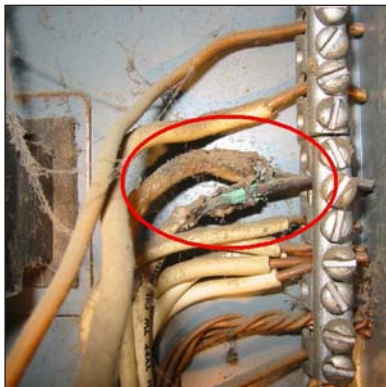


### Ventilation System

- Fan / Blower
- Minor Ductwork

\$300 - \$1,000

25 years



### Electrical System

- New Wiring

\$2,500 - \$6,000

25-40 years

*Note: Faulty wiring poses a significant risk of starting an electrical fire*



### Plumbing / Sewage System

- Hot Water Tank
- New Pipes (entire house)

\$2,000 - \$8,000

7-12 years  
Pipes: 35-70 years

*Note: If a home has been vacant, it is likely the existing copper pipes have been taken for scrap.*

Note: See "Resources" page for information on the Design Center's *Design Consults* program



# Other Considerations

Besides proximity to neighborhood amenities, other characteristics of a property may add significant value. Many properties in the Hilltop have one or more of these features, providing significant potential for outside interest in neighborhood investment.

## Other Considerations:



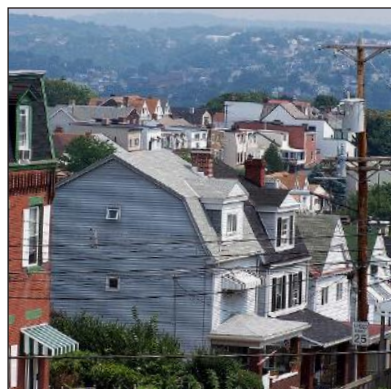
### Usable Yard

- Clearing Brush
- Grading
- Planting/Landscaping

### Repair Cost

\$5.00 / sq. yd.

### Life Expectancy



### Views

Note: Views toward Downtown are potentially extremely valuable, but views over the neighborhood are also attractive. Few houses have windows that capitalize on these views, but this should be kept in mind during renovation.

\$0

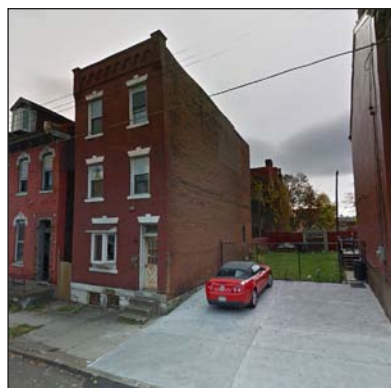


### Historic Architectural Character

- Painting (see *Enclosure*)
- Detail Preservation

\$3.00 / sq. ft.  
varies

10-15 years



### Parking

Parking Pad

\$15 / sq. ft.

Garage

\$45 / sq. ft.

35-50 years

# Resources

## Housing Rehabilitation Resources:

- **Hilltop Alliance - Property Stabilization Program**

The Hilltop Alliance's Property Stabilization Program exists to correct code violations and/or facilitate property renovation. Our community-driven efforts are coordinated with the City, URA, and other community partners. Every month, the Property Stabilization Committee meets (open to the public) to establish a priority list of nuisance and blighted properties. From there, Staff establishes communication with property owners and provides technical assistance and information referral services. In addition, Staff maintains and updates a database of problematic properties with all relevant information, notes and photos, and walks through the neighborhoods to see problematic properties first-hand, taking updated photos, and tracking progress being made.

512 Brownsville Road, Pittsburgh, PA 15210 / 412-586-5807 / <http://www.pgghilltopalliance.com/>

- **The Design Center**

Provides access to design professionals for consultation and assessment.

<http://designcenterpgh.org/>

**Design Consults Program** - The Design Consults program provides educational materials, renovation resources, and affordable consultations to homeowners and small business owners planning property improvements. For a modest fee, a professional designer will help a property owner explore renovation options, understand the impact of their investments, and realize the value of preservation and design. By expanding property owners' understanding of design options, the Design Consults program encourages people to make well-informed investments that add value to their homes and neighborhoods.

<http://designcenterpgh.org/design-consults/>

- **Pittsburgh Department of City Planning**

Information on zoning and building codes and ordinances.

<http://pittsburghpa.gov/dcp/>

- **Rebuilding Together Pittsburgh**

A non-profit organization whose volunteers help repair existing occupied homes.

<http://www.rtpittsburgh.org/>

- **ACTION-Housing Inc.**

Provides a variety of affordable housing services in Western Pennsylvania.

<http://actionhousing.org/>

## Potential Funding Sources:

- **The Urban Redevelopment Authority of Pittsburgh**

Provides low-interest loans and other grant programs.

<http://www.ura.org/>

- **U.S. Department of Housing and Urban Development 203(k)**

A Federally-administered mortgage program for building repairs

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/203k/203kabou](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/203k/203kabou)

- **Pennsylvania Housing Finance Agency**

Administers the Renovate & Repair Loan Program to support rehabilitation efforts

[http://www.phfa.org/consumers/homeowners/renovate\\_repair/](http://www.phfa.org/consumers/homeowners/renovate_repair/)

- **U.S. Department of Energy Weatherization Assistance Program**

Grant program for improving the weatherization of homes (specifically for low-income recipients)

<http://www1.eere.energy.gov/wip/wap.html>

- **Keystone Communities Program (KCP)**

Provides funding for various community development projects, as well as a program to improve home accessibility for people with physical disabilities

<http://www.newpa.com/find-and-apply-for-funding/funding-and-program-finder/keystone-communities-program-kcp>

# Property Data Sheet

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Date: \_\_\_\_\_

Category/Issue	Issue	Unit Cost	Magnitude	Total Cost	Notes
Foundation	(yes/no)	(\$/unit)	(units)	(\$)	
Significant Foundation Failure		---			Consult professional
Concrete Block Wall Cracking		\$25 / sq. ft.			
Stone Wall Cracking		\$135 / sq. ft.			
Concrete Wall Cracking		\$40 / sq. ft.			
Repointing / Parging					
<b>Structure</b>					
Significant Masonry Collapse		---			Consult professional
Significant Framing Degradation		---			Consult professional
Significant Roof Failure		---			Consult professional
Minor Masonry Repair		\$20 / sq. ft.			
Masonry Maintenance		\$8 / sq. ft.			
<b>Enclosure</b>					
Siding					
Roofing Replacement		\$2 / sq. ft.			
Gutters & Downspouts					
Soffit & Fascia					
Insulation					
Weather Stripping					
Windows & Doors					
Paint		\$3 / sq. ft.			
<b>Access &amp; Site</b>					
Failed Retaining Walls		\$275 / lin. ft.			
Sinkholes & Subsidence		\$35 / cu. yd.			
Heaved Sidewalks		\$10 / sq. ft.			
Heaved & Failed Outdoor Steps		\$125 / lin. ft.			
<b>Systems</b>					
Heating & Cooling System					
Ventilation System					
Electrical System					
Plumbing & Sewage System					
<b>Other</b>					
Usable Yard		\$5 / sq. ft.			
Views		\$0			
Historic Architectural Character					
Parking					

<b>Total Cost</b>		
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# Housing Finance Toolkit

## Funding Programs for Home Repair & Purchase September 2013

prepared for



funding provided by:



prepared by the team of:





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## Getting Started: Design Consults

**Use the Design Consults and Housing Repair Toolkit to develop a clear plan of what to do – then find the best program to help pay for it here.**

### Design Center Pittsburgh

The Design Consults program provides educational materials, renovation resources, and affordable consultations to homeowners and small business owners planning property improvements. A professional designer will help a property owner explore renovation options, understand the impact of their investments, and realize the value of preservation and design. By expanding property owners' understanding of design options, the Design Consults program encourages people to make well-informed investments that add value to their homes and neighborhoods.

Design Consultants can help with:

- Clarifying project goals and priorities
- Identifying renovation options and providing a recommended approach
- Understanding terminology that may be useful in communicating with a contractor
- Identifying significant design elements and how to maintain those when making improvements

Because the consultant is not under a professional service contract, he or she cannot:

- Provide more than a general range of probable cost
- Advise on which contractor to use
- Advise whether or not to sign a contract with a contractor
- Arbitrate between the property owner and the contractor
- Provide a written scope of work or drawings

#### How to Apply

The Design Consults program matches property owners with professional designers who provide on-site consultations to discuss property improvement ideas and renovation options. Design Consults are provided for homes and small businesses within a 20-mile radius of the City of Pittsburgh. Any property owner or individual with a signed sales agreement within this geographic area qualifies for a consultation.

Call the Design Center at (412) 391-4144 to discuss your project. The Design Consults program relies on a sliding fee scale, with participants paying between \$25 and \$250 for a consultation with a professional designer. This scale encourages property owners, at their own discretion, to pay whatever amount they feel they can afford to support the work of this program.

## Homeowner: Weatherization

### Action Housing Weatherization:

- Name of funding Agency: ACTION-Housing, INC
  - Submission Deadline: none listed
  - Contact:
    - **City of Pittsburgh residents:**  
City Application Desk  
(412) 227-5700 x2101  
[mdepp@wea.actionhousing.org](mailto:mdepp@wea.actionhousing.org)
    - **Allegheny County residents NOT in the City of Pittsburgh:**  
Karen O'Hare:  
(412) 281-2102 x2053  
[kohare@wea.actionhousing.org](mailto:kohare@wea.actionhousing.org)
    - **Washington and Greene County residents:**  
Joy Satcho  
(724) 483-2399 x10  
[jsatcho@wea.actionhousing.org](mailto:jsatcho@wea.actionhousing.org)
- Type of funding: Free-of-charge weatherization services
- Max/Min Award: None specified
- Description: The Action Housing Weatherization program enables low-income homeowners and renters to weatherize their homes for no-charge in order to lower utility bills and improve comfort in the home
- Eligibility:
  - Live in City of Pittsburgh Ward, Allegheny County, Washington or Greene Counties
  - Have lived in home for 3 months and have 3 months of utility bills
  - Get approval of homeowner, if a renter
  - Complete weatherization application in its entirety
  - Income (by household size):
    - 1 person: \$22,980
    - 2 people: \$30,020
    - 3 people: \$39,060
    - 4 people: \$47,100
    - 5 people: \$55,140
    - Additional: Add \$7,920

### Duquesne Light Home Weatherization Program:

- Name of Funding Agency: Duquesne Light
  - Submission Deadline: none listed
  - Contact:
    - **City of Pittsburgh residents:**  
Action Housing, Inc.



425 Sixth Ave., Suite 950  
Pittsburgh, PA 15219-1819  
412-227-5700

- **McKeesport and Mon Valley residents:**

Steel Valley OIC  
515 Walnut St.  
McKeesport, PA 15132  
412-678-8622

- **Other Allegheny County residents:**

Action Housing, Inc.  
425 Sixth Ave., Suite 950  
Pittsburgh, PA 15219-1819  
412-227-3700

- **Beaver County residents:**

Housing Authority of Beaver  
County Weatherization Program  
300 State St.  
Beaver, PA 15009  
724-775-1220, ext. 40

- Type of funding: free-of-charge weatherization services
- Min/max award: none specified
- Description: The Duquesne Light Home Weatherization Program offers free help from weatherization experts with all aspects of the process
- Eligibility:
  - Have landlord's permission, if a renter
  - Income: 200% of Federal Guidelines
    - 1 person: \$22,980
    - 2 people: \$30,020
    - 3 people: \$39,060
    - 4 people: \$47,100
    - 5 people: \$55,140
    - 6 people: \$63,180
    - 7 people: \$71,220
    - 8 people: \$79,260
- Additional Comments:
  - Appears this is in coordination with Action Housing Program

## Homeowner: Home Renovation & Repair

### Pittsburgh Home Rehabilitation Program and PHRP Plus

- Name of Funding Agency: Urban Redevelopment Authority of Pittsburgh
  - Submission Deadline: none listed
  - Contact:
    - Jarnele E. Fairclough: 412-255-6673
    - [http://apps.pittsburghpa.gov/ura-files/PHRP\\_PLUS\\_Color\\_5-13.pdf](http://apps.pittsburghpa.gov/ura-files/PHRP_PLUS_Color_5-13.pdf)
- Type of funding:
  - Loan
  - Grants available
- Max/Min Award:
  - Loan: up to \$25,000 (single unit home) or \$35,000 (two unit home)
  - Grants: \$800-\$2,500
- Description: PHRP allows homeowners to take 0% loans to make improvements to their home, as well as offering a variety of grants to assist with certain improvements. The PHRP Plus program allows for higher loan and grant amounts for home owners making improvements to increase the energy efficiency of their home
- Eligibility:
  - Income (by household size):
    - 1 person: \$36,500
    - 2 person: \$41,700
    - 3 person: \$46,900
    - 4 person: \$52,100
    - 5 person: \$56,300
    - 6 person: \$60,450

### Home Improvement Loan Program

- Name of Funding Agency: Urban Redevelopment Authority of Pittsburgh
  - Submission Deadline: none listed
  - Contact:
    - Sharon Taylor at (412) 255-6677
    - [http://apps.pittsburghpa.gov/ura-files/HILP\\_Color\\_5-13.pdf](http://apps.pittsburghpa.gov/ura-files/HILP_Color_5-13.pdf)
- Type of Funding:
  - Loan
- Max/Min Award
  - Up to \$15,000
- Description: The Home Improvement Loan program allows homeowners to receive a low-interest loan to improve and upgrade their home. There is no equity requirement for the loan.
- Eligibility:
  - Income:
    - 1-2 household: \$65,100

- 3+ household: \$74,900
- Additional Comments:
  - There is no income limit in target areas (see website for detail on target areas).

### **Keystone Renovation and Repair Program**

- Name of Funding Agency: Urban Redevelopment Authority of Pittsburgh
  - Submission Deadline: none listed
  - Contact:
    - Sharon Taylor at (412) 255-6677
    - [http://apps.pittsburghpa.gov/ura-files/Renovation & Repair 5-13.pdf](http://apps.pittsburghpa.gov/ura-files/Renovation_%20Repair_5-13.pdf)
- Type of Funding:
  - Loan
- Max/Min award:
  - \$2,500-\$35,000
- Description: The Keystone Renovation and Repair program allows families who earn up to \$99,900 take a lower-interest loan to make home improvements. The loan requires little to no equity, which makes it accessible to new homeowners.
- Eligibility:
  - Household income under \$99,900
  - Credit Score of 620 or greater
- Additional Comments:
  - Interest rates are between 6.375% and 8.875%, depending on term length and Combined Loan to Value ratio.

### **Home Emergency Loan Program**

- Name of Funding Agency: Urban Redevelopment Authority of Pittsburgh
  - Submission Deadline: 5 days after emergency condition occurs in home
  - Contact:
    - Jarnele E. Fairclough at (412) 255-6573
    - [http://apps.pittsburghpa.gov/ura-files/HELP\\_5-13.pdf](http://apps.pittsburghpa.gov/ura-files/HELP_5-13.pdf)
- Type of Funding
  - Loan
- Max/Min Award:
  - \$500-\$5,000 (single unit property) or \$7,500 (two unit property)
- Description: HELP allows low-income homeowners to take a 0% loan to fix unforeseen emergency conditions that arise in their home that threaten their health and/or safety
- Eligibility:
  - Submit application within 5 days of emergency condition developing
  - Income (by household size):



- 1 person: \$36,500
- 2 person: \$41,700
- 3 person: \$46,900
- 4 person: \$52,100
- 5 person: \$56,300
- 6 person: \$60,450

### **Home Accessibility Program for Independence:**

- Name of Funding Agency: Urban Redevelopment Authority of Pittsburgh
  - Submission Deadline: none listed
  - Contact:
    - [http://www.ura.org/pittsburgh\\_residents/home\\_improvement\\_loans.php](http://www.ura.org/pittsburgh_residents/home_improvement_loans.php)
- Type of Funding:
  - Not specified
- Max/Min Award
  - Not specified
- Description: The Home Accessibility Program for Independence provides funding for low-income homeowners or landlords with low-income tenants to make homes accessible to individuals with disabilities
- Eligibility
  - Low-income; not specified
- Additional Comments
  - Mentions limited funding is available
  - Very minimal details provided; no clear way to get more information

### **Pittsburgh Party Wall Program**

- Name of Funding Agency: Urban Redevelopment Agency of Pittsburgh
  - Submission Deadline: none listed
  - Contact:
    - Sharon Taylor at (412) 255-6677.
    - [http://apps.pittsburghpa.gov/ura-files/PPW\\_Color.\\_5-13.pdf](http://apps.pittsburghpa.gov/ura-files/PPW_Color._5-13.pdf)
- Type of Funding:
  - Grant
- Max/Min Award:
  - Up to \$10,000
- Description: The Pittsburgh Party Wall Program provides grant funds to repair a home if a neighboring home was demolished and leaves the existing home with an exposed party wall.
- Eligibility:
  - Household incomes of residents (not landlord) must not exceed 80% of the area median income limits

## **Operation Urgent Care**

- Name of Funding Agency: Rebuilding Together Pittsburgh
  - Submission Deadline: none listed
  - Contact:
    - 412-922-0953
    - <http://www.rtpittsburgh.org/programs-initiatives/operation-urgent-care-2/>
- Type of Funding:
  - Free repair services
- Max/min award:
  - Not specified
- Description: Operation Urgent Care provides free repair services, including emergency maintenance issues, to qualified homeowners
- Eligibility:
  - Homeowner is 60 years old or older, or has a documented disability
  - Owns a property in Allegheny County
  - Earns less than 150% of the Federal Poverty Guidelines
  - Current on all real estate taxes

## **Veterans Housing**

- Name of Funding Agency: Rebuilding Together Pittsburgh
  - Submission Deadline: none listed
  - Contact:
    - 412-922-0953
    - <http://www.rtpittsburgh.org/programs-initiatives/operation-urgent-care/>
- Type of Funding:
  - Free modification and repair services
- Max/min award:
  - Not specified
- Description: The Veterans Housing Program provides free modification and repair services to low-income veterans.
- Eligibility:
  - Veteran of the U.S. Armed forces
  - Owns a property in Allegheny County
  - Earns less than 150% of the Federal Poverty Guidelines
  - Current on all real estate taxes

## **Rehab Mortgage Insurance**

- Name of Funding Agency: U.S. Department of Housing and Urban Development
  - Submission Deadline: none listed
  - Contact:
    - [answers@hud.gov](mailto:answers@hud.gov)

- (800) CALL-FHA (225-5342)
  - [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/203k/203k--df](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/203k/203k--df)
- Type of Funding:
  - Loan
- Max/Min Award:
  - Not specified
- Description: Rehab Mortgage Insurance provides homeowners with a loan that can cover both the acquisition and the rehabilitation of a property.
- Eligibility:
  - Cost of rehabilitation must be greater than \$5,000

### **Allegheny Home Improvement Loan Program**

- Name of Funding Agency: Redevelopment Authority of Allegheny County/Allegheny County Economic Development
  - Submission Deadline: none listed
  - Contact:
    - <http://www.alleghenycounty.us/economic/residents/homeimproveloan.aspx>
    - (412) 350-1043 or (412) 350-6337
- Type of funding:
  - Loan; limited grants available
- Max/Min Award:
  - Emergency loans: \$1,000 - \$10,000
  - General Improvement Loan: \$3,000 - \$23,000
  - Grants: limited funding, not specified
- Description: The Allegheny Home Improvement Loan Program allows eligible homeowners to rehabilitate and improve their homes by providing low-interest loans and select grants for certain home improvement projects. The program has two types of loans: emergency loans, which are available to finance code violations or issues that arise that threaten the health/safety of the occupants, and general improvement loans, which may be used to support the rehabilitation and overall improvement of dwellings.
- Eligibility:
  - Must own a single-family home located in Allegheny County (excluding the City of Pittsburgh; the City of McKeesport, and the boroughs of Trafford, Penn Hills, Edgeworth, Ben Avon Heights and McDonald) that is your primary residence throughout the year
  - Property taxes must be paid/current/up to date.
  - Borrowers must have an acceptable credit history.
  - Building code violations and lead hazards must be repaired, whenever applicable.



- Work must be completed by a professional contractor who meets AHILP minimum contractor requirements, including insurance requirements.
- Income (by household size):
  - 1 person: \$52,400
  - 2 person: \$59,900
  - 3 person: \$67,350
  - 4 person: \$74,850
  - 5 person: \$80, 850
  - 6 person: \$86,850
  - 7 person: \$92,800
  - 8 person: \$98,800

## Homeowners: Home Purchase

### Pittsburgh Home Ownership Program

- Name of Funding Agency: Urban Redevelopment Authority of Pittsburgh
  - Submission Deadline: none listed
  - Contact:
    - Sharon Taylor: (412) 255-6677
    - [http://apps.pittsburghpa.gov/ura-files/PHOP\\_5-13.pdf](http://apps.pittsburghpa.gov/ura-files/PHOP_5-13.pdf)
- Type of funding:
  - Low interest, fixed rate mortgages
  - Down Payment/Closing Cost Assistance Grant
- Max/Min Award:
  - Maximum Loan Amount: \$248,900 - \$393,000 depending on number of units
  - Maximum Assistance Grant: \$3,000
- Description: The Pittsburgh Home Ownership Program provides fixed, low-interest mortgages for new home purchases made by moderate- and low-income buyers. Also offers a grant to assist with down payments and closing costs, and has a low down payment requirement of 3.5%
- Eligibility:
  - Must be a first time homebuyer or haven't owned a home in 3 years
  - Income:
    - 1-2 person household: \$65,100
    - 3+: \$74,900
  - Note: in certain target areas, there are no income requirements, and you don't have to be a first time homebuyer. See website for description of Target neighborhoods.

### Neighborhood Housing Program

- Name of Funding Agency: Urban Redevelopment Authority of Pittsburgh
  - Submission Deadline: None listed
  - Contact:
    - Alicia Majors: (412) 255-6698
    - [http://apps.pittsburghpa.gov/ura-files/NHP\\_Color5-13.pdf](http://apps.pittsburghpa.gov/ura-files/NHP_Color5-13.pdf)
- Type of funding:
  - 0% deferred second mortgage
  - Down Payment/Closing Cost Assistance Grant
- Max/Min Award:
  - Maximum Second Mortgage amount: \$45,000
  - Maximum Assistance Grant: \$3,000
- Description: The Neighborhood Housing Program provides 0% deferred second mortgages, which do not have to be repaid until the house is resold, to low-income purchasers of URA financed newly constructed

homes in targeted City of Pittsburgh neighborhoods. Also offers a grant to assist with down payments and closing costs.

- Eligibility:
  - Must be purchasing newly constructed homes financed by URA in targeted City of Pittsburgh neighborhoods
  - Income: less than \$115% of median HH income
  - Must make less than 80% of the area median income to be eligible for the Assistance Grant

### **Housing Recovery Program**

- Name of Funding Agency: Urban Redevelopment Authority of Pittsburgh
  - Submission Deadline: None listed
  - Contact:
    - Alicia Majors: (412) 255-6698
    - [http://apps.pittsburghpa.gov/ura-files/HRP-DEV\\_5-13.pdf](http://apps.pittsburghpa.gov/ura-files/HRP-DEV_5-13.pdf)
- Type of funding:
  - 0% deferred second mortgage
  - Down Payment/Closing Cost Assistance Grant
- Max/Min Award:
  - Maximum Second Mortgage amount: \$45,000
  - Maximum Assistance Grant: \$3,000
- Description: The Housing Recovery Program provides 0% deferred second mortgages, which do not have to be repaid until the house is resold, to low-income purchasers of URA financed newly rehabilitated homes in targeted City of Pittsburgh neighborhoods. Also offers a grant to assist with down payments and closing costs.
- Eligibility:
  - Must be purchasing newly rehabilitated homes financed by URA in targeted City of Pittsburgh neighborhoods
  - Income: less than \$115% of median HH income
  - Must make less than 80% of the area median income to be eligible for the Assistance Grant

### **Homeownership Program**

- Name of Funding Agency: Housing Authority of the City of Pittsburgh
  - Submission Deadline: none listed
  - Contact:
    - 412-456-5000, ext. 2301
    - <http://www.hacp.org/resident-services/hacp-programs/homeownership>
- Type of Funding:
  - Financial assistance (grant) for homeowner's insurance, home warranty, and closing costs
- Max/Min Award: \$7,000 for closing cost assistance



- Description: The Homeownership Program provides assistance for low-income homebuyers, including an educational course, credit counseling, realtor assistance, and reduced interest rates.
- Eligibility:
  - Must be a current HACP Public Housing or Housing Choice Voucher Program resident
  - Must be a first-time home buyer
  - Must be purchasing a single-family home located within the City of Pittsburgh
  - Have a minimum annual income of \$17,000
  - Must be working full-time

## HFA Programs

- Name of Funding Agency: Pennsylvania Housing Finance Agency
  - Submission Deadline: none listed
  - Contact:
    - <http://www.phfa.org/consumers/homebuyers/hfaprograms.aspx>
- Type of Funding:
  - Low rate, fixed home loans
- Max/Min Award:
  - Not specified
- Description: HFA Programs offer low, fixed-rate mortgages for low-income homebuyers. Also offers a refinance option for homeowners looking to lower their current mortgage
- Eligibility
  - Must not have an ownership interest in any other residential dwelling at the time of loan closing
  - Must complete homebuyer education course prior to closing
  - Acceptable credit history and sufficient income to make monthly mortgage payments
  - Sufficient funds for down payment
  - Income:
    - Household of 1-2: \$66,600 - \$97,800, depending on county
    - Household of 3+: \$76,400 - \$114,100, depending on county
- Additional Comments:
  - Must have \$1,000 of own funds to put toward down payment

## **Keystone Home Loan Program**

- Name of funding agency: Pennsylvania Housing Finance Agency
  - Submission Deadline: none listed
  - Contact:
    - <http://www.phfa.org/consumers/homebuyers/khlprograms.aspx>
- Type of Funding:
  - Low rate, fixed home loan
- Max/Min Award:
  - Not Specified
- Description: The Keystone Home Loan Program offers low-rate, fixed loans for low-income home buyers, as well as counseling and advice throughout the home buying process
- Eligibility:
  - Either:
    - Buying a home in a targeted county or area
    - Are a discharged veteran of the United States Armed Forces
    - Or all of the buyers are first time homebuyers
  - Have an acceptable credit history and the ability to make mortgage payments
  - Have sufficient funds for a down payment
  - Income:
    - Household of 1-2: \$66,600 - \$97,800, depending on county
    - Household of 3+: \$76,400 - \$114,100, depending on county
- Additional Comments:
  - Purchase price limits are spelled out in detail on program's website

## **Keystone Government Loan Program**

- Name of Funding Agency: Federal Housing Administration (FHA), Rural Development (RD), or the Department of Veterans' Affairs (VA)
  - Submission Deadline: none listed
  - Contact:
    - <http://www.phfa.org/consumers/homebuyers/kglp.aspx>
- Type of Funding:
  - Low rate, fixed home loan
- Max/Min Award:
  - Not specified
- Description: The Keystone Government Loan Program is similar to the Keystone Home Loan program, except that the loan is provided through a federal agency.
- Eligibility
  - Dependent on requirements of respective federal agency underwriting loan
  - Loans from FHA requires a 3.5% down payment by the borrower

## **Purchase Improvement Loan**

- Name of Funding Agency: Pennsylvania Housing Finance Agency
  - Submission Deadline: none listed
  - Contact:
    - <http://www.phfa.org/consumers/homebuyers/purchaseimprovementloan.aspx>
- Type of funding:
  - Additional loan amount
- Max/Min Award:
  - \$1,000 - \$15,000
- Description: The Purchase Improvement Loan program allows buyers who qualify for a Keystone Home Loan to receive additional loan funding to cover the cost of repairs/improvements needed in the house they are purchasing with the Keystone Home Loan
- Eligibility:
  - Qualified buyer in the Keystone Home Loan Program
  - Repair is not for recreation or entertainment items
  - Purchase price of house plus cost of repairs must not exceed price limits set forth in Keystone Home Loan Program

## **Keystone Advantage Assistance Loan Program**

- Name of Funding Agency: Pennsylvania Housing Finance Agency
  - Submission Deadline: none listed
  - Contact:
    - <http://www.phfa.org/consumers/homebuyers/advantage.aspx>
- Type of funding:
  - Second mortgage
- Min/Max Award:
  - \$500- \$4,000
- Description: The Keystone Advantage Assistance Loan program provides a second mortgage loan, worth up to 2% of the home loan amount, to help cover the closing costs or down payment on a house purchase via an HFA Preferred Loan, a Keystone Home Loan, or a Keystone Government Loan
- Eligibility:
  - Qualifies for a PHFA first mortgage
  - Borrowers' liquid assets must be less than \$50,000 after deducting funds that are used to close on the home loan

## **Mortgage Credit Certificate Program**

- Name of Funding Agency: Pennsylvania Housing Finance Agency
  - Submission Deadline: none listed
  - Contact:
    - <http://www.phfa.org/consumers/homebuyers/mcc.aspx>
- Type of funding:

- Tax Credit
- Max/Min Award:
  - Maximum \$2,000 annually
- Description: The Mortgage Credit Certificate Program allows qualified homebuyers purchasing a house in conjunction with an HFA Preferred Risk Sharing, an HFA Preferred, or a Keystone Government Loan to receive a tax credit amounting to 50% of the mortgage interest paid per year. The tax credit will be valid for as long as the house remains the borrowers' primary residence.
- Eligibility:
  - Purchasing a house using an HFA Preferred Risk Sharing loan, an HFA Preferred loan, or a Keystone Government Loan
  - The borrower and all other adults who will be living in the house must be first-time homebuyers
  - The income of all of the adults who will be living in the home does not exceed the Keystone Home Loan Program income limit.
- Additional Comments:
  - A Mortgage Credit Certificate can not be used in conjunction with the Keystone Home Loan Program

### **HOMestead Downpayment and Closing Cost Assistance Loan**

- Name of Funding Agency: Pennsylvania Housing Finance Agency
  - Submission Deadline: none listed
  - Contact:
    - <http://www.phfa.org/consumers/homebuyers/homestead.aspx>
- Type of funding:
  - Second mortgage
- Max/Min Award:
  - \$1,000- \$10,000
- Description: The HOMestead Downpayment and Closing Cost Assistance Loan program allows qualified borrowers to receive assistance for closing costs and down payments in the form of a no-interest, second mortgage loan
- Eligibility:
  - PHFA Keystone Home Loan borrower
  - Home must meet federal regulations for lead-based paint hazard reduction



## **Developer: Community Development**

### **Neighborhood Stabilization Program**

- Name of Funding Agency: U.S. Department of Housing and Urban Development
- Submission Deadline: none listed
- Contact:
  - Contact a Representative
  - [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/communitydevelopment/programs/neighborhoodspg](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/neighborhoodspg)
- Type of Funding:
  - Grant
- Min/Max Award:
  - Not specified
- Description: NSP funding allows grantees to work to stabilize communities that have suffered from foreclosures and abandonment. Grantees may use funding to purchase and rehabilitate homes that will then be sold to low-income individuals, or to develop demolished or vacant properties to benefit low-income families.
- Eligibility:
  - All funding must be used to benefits persons whose income does not exceed 120% of area median income
  - NSP funds cannot be used directly by homeowners to purchase a house, but can be used to assist individuals in the home buying process

### **Community Infrastructure and Tourism Fund**

- Name of Funding Agency: Allegheny County Economic Development
- Submission Deadline (2013 dates)
  - Round 1: September 28, 2012
  - Round 2: April 5, 2013
- Contact:
  - 412-350-1364
  - [bconroy@alleghenycounty.us](mailto:bconroy@alleghenycounty.us)
- Type of Funding:
  - Grants
  - Loans
- Mix/Max Award
  - Grants: up to \$250,000
  - Loans: up to \$250,000
- Description: The Community Infrastructure and Tourism Fund provides grants and loans to allow various public and private organizations perform improvement projects on key infrastructure or to acquire and develop key sites for future use

- Eligibility:
  - Projects receiving funding must be in Allegheny County
  - For-profit businesses may only receive loans
- Additional Comments
  - Program brochure states that requests for grants and loans will be evaluated and awarded on a bi-annual basis; next cycle would be 2014-2015

## **Developer: Historic Buildings**

### **Allegheny Together**

- Name of Funding Agency: Pittsburgh History and Landmarks Foundation
- Submission Deadline: none listed
- Contact:
  - 412-471-5808
  - <http://www.phlf.org/programs-and-services/main-and-elm-street-programs/allegheny-together-main-street-like-programs-in-allegheny-county/>
- Type of Funding:
  - 50% in the form of a grant, 50% in the form of a 0% interest loan
- Max/Min Award:
  - Up to \$50,000
- Description: Allegheny Together assists small business owners in making improvements in order to further develop traditional business districts and foster the formation of “main streets” across Allegheny County
- Eligibility:
  - Improvements must comply with local design ordinances
  - Applicants must be current on taxes
  - Must be located in a business district/community that is participating in Allegheny together (see website for details)

Analysis conducted by:



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