Allegheny County Economic Development

Blight Busters Meeting
March 25, 2013
PRESENTATION TOPICS

- Allegheny Vacant Property Recovery Program
- Allegheny Home Improvement Loan Program
- Allegheny Housing Development Fund Program
- Allegheny First Time Homebuyers/Closing Cost Down payment Assistance Program
- Funding support to organizations that help people stay in their homes
The purpose of the Allegheny County Vacant Property Recovery Program (VPRP) is to take blighted and/or tax delinquent properties and resell them to an applicant to reuse as determined by his or her application and as approved by the municipality.
AVPRP: 33 PARTICIPATING MUNICIPALITIES

- Braddock
- Carnegie
- Collier
- Dravosburg
- East Pittsburgh
- Etna
- Forward
- Glassport
- Green Tree
- Harrison
- Heidelberg
- Homestead
- Liberty
- McCandless
- McKees Rocks
- Millvale
- Mount Oliver
- Munhall
- North Braddock
- Oakdale
- O'Hara
- Penn Hills
- Pitcairn
- Rankin
- Sharpsburg
- Swissvale
- Tarentum
- Turtle Creek
- Versailles
- West Mifflin
- Whitaker
- Wilkins
- Wilkinsburg

January 2012
### AVPRP: PRODUCTS

<table>
<thead>
<tr>
<th>Product</th>
<th>Description</th>
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<tbody>
<tr>
<td>Residential Side-Yard</td>
<td>Allows applicants the opportunity to acquire vacant residential lots adjacent to their primary residence to utilize as side-yards.</td>
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<tr>
<td>Community Parcel</td>
<td>Allows applicants the opportunity to acquire vacant, tax delinquent lots or structures. The reuse of these parcels varies based on each applicant’s development plan.</td>
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<tr>
<td>Affordable Housing Development</td>
<td>Allows an experienced development organization the opportunity to acquire residential or commercial parcels that are being assembled for the purpose of developing affordable housing.</td>
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Applicants can acquire vacant residential lots adjacent to their primary residence to use as side-yards.

McKees Rocks

Swissvale
VERONA AVE. BUS STOP, BRADDOCK – BEFORE
VERONA AVE. BUS STOP, BRADDOCK – AFTER
WASHINGTON ST. PARKLET, HEIDELBERG – BEFORE
WASHINGTON ST. PARKLET, HEIDELBERG – AFTER
Experienced development organizations can acquire residential or commercial parcels that are being assembled for the purpose of developing affordable housing.

PHLF Development in Wilkinsburg
MVI HOMESTEAD REVITALIZATION – BEFORE
MVI HOMESTEAD REVITALIZATION – AFTER
MVI BRADDOCK’S FIELD DEVELOPMENT – BEFORE
MVI BRADDOCK’S FIELD DEVELOPMENT – AFTER
AVPRP: ELIGIBILITY

• Property Eligibility
  – Located in participating municipality
  – Vacant land or vacant structure
  – At least 3 years tax delinquent

• Applicant Eligibility
  – Current on taxes, water, sewage, and refuse bills on all properties owned in Allegheny County
  – No outstanding code violations in the municipality that the property is located.
• Appraised Value of Property
  – Determined by an appraisal once application is accepted
• Acquisition Costs
  – Typically $3,000 per property
• Good Faith Deposit
  – Greater of $100 or 10% of appraised value
• Closing Costs
  – Typically $200-$300 per property
AVPRP: APPLICATION REQUIREMENTS

- Fully completed application with signature
- Detailed reuse plan and demonstrated capacity to carry it out
- Proof of financial capacity to acquire and develop the property
- Two photographs of the property
- Proof of 501(c)(3) status (if applicable)
- Completed Conflict of Interest form
• Pass resolution designating the Allegheny Vacant Property Review Committee to act and serve as the blighted property review committee for the Municipality
• Sign a Cooperation Agreement with RAAC
• No cost to municipality
• Designate a point of contact to work with RAAC staff
• Forward any applications received directly from an applicant to RAAC staff for prescreening
• Review prescreened applications and execute a per parcel resolution if the reuse of the property is in accordance with the Comprehensive Plan and provide information of code violations as applicable
AVPRP: ROLE OF RAAC

- Provide information to prospective applicants
- Pre-screen applications for eligibility
- Hold VPRC meeting to review applications and present applications to the RAAC Board
- Send conditional agreements and collect funds
- Coordinate the legal process with RAAC solicitors
- Coordinate the transfer and closing of properties with RAAC solicitors
- Respond to applicant inquiries throughout the process
AVPRP: PROGRAM BENEFITS

- Eliminate blight and improve the safety and appearance of properties
- Provide opportunities for affordable housing development
- Encourage community reinvestment
- Return properties to tax rolls, generating income for municipalities
- Eliminate maintenance costs to municipality
Provides Home Improvement Loans to low-moderate income Allegheny County (excluding City of Pittsburgh, City of McKeesport, Municipality of Penn Hills, Trafford, McDonald, Edgeworth and Ben Avon Heights) homeowners to make emergency or non-emergency improvements to their homes
AHILP: PRODUCTS

**Emergency Priority Loan:**
- Interest Rate: 0%
- Max/Min: $10,000/$1,000
- Processing Fees: $0
- 1 item that is emergency in nature

**General Improvement Loan:**
- Interest rate: 1%
- Max/Min: $23,000/$3,000
- Processing Fees: $375
- Can be used on items the homeowners wishes after lead and code are addressed.
1. Homeowner applies
2. Application is reviewed for eligibility
3. Inspection occurs – determined if lead testing is needed, and code items are identified
4. Homeowners interviews contractors
5. Contractors bids are reviewed by RAAC for completeness and cost-reasonableness
6. Homeowner hires contractor
7. Homeowner closes on loan
8. RAAC pays contractor, and inspects work prior to payment
AHDF: OVERVIEW

• The Housing Development group supports developments which incorporate a variety of housing choices to promote diversity within a community, including but not limited to diversity of race, ethnicity, income level and disability status. It also advances initiatives which are integral parts of an overall community development strategy that addresses and directs resources to documented community needs.
In assisting the development of affordable, safe, decent and sanitary housing and promoting all aspects of quality housing, ACED is guided by the following goals:

- Quality construction, including shared financing partnerships and active participation of Minority/Women Business Enterprises
- Quality project management, including fair housing procedures, to ensure equal housing choices for all participants
- Demonstrated community need for proposed projects
- Complementary development as part of a larger socioeconomic plan in communities where developments are propose
AHDF: PRODUCTS

• Financing can be for rental or single family and for rehabilitation or new construction.
• Financing can be in the form of permanent or forgivable loans.
• All housing developed will have a period of affordability for the owner which ranges from 10 to 30 years depending on the project.
• Allegheny First Time Homebuyers/Closing Cost Down payment Assistance Program

• Funding support to organizations that help people stay in their homes
  – ACCESS
  – Dollar Energy
  – Others
QUESTIONS?

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