



IMMEDIATE RELEASE

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**THE HELP INITIATIVE ANNOUNCES AN EAST LIBERTY
INCLUSIVE AND AFFORDABLE CLASS “A” HOUSING PROJECT**

PITTSBURGH, PA – May 29, 2018: A strong public-private partnership is redefining affordable housing in Pittsburgh, bringing a new way forward with a new inclusive and affordable project in the city and treating existing tenants with the respect and support they deserve.

The HELP Initiative (HELP) is proud to announce the redevelopment of the Mellon’s Orchard Apartments in East Liberty. HELP and East Liberty Development (ELDI) are collaborating with local developer Mellon’s Orchard Investment Partners (MOIP) to create a high-quality, mixed-income, Class “A” residential building. This project is part of a broader effort, based on the successful ELDI community plan, to bring a significant number of additional affordable units to the East Liberty area with several more announcements expected soon.

HELP’s team was approached by the developer, MOIP, for guidance in creating a “blue chip” model for respecting and supporting existing tenants during the redevelopment phase. The developer adopted HELP’s recommendations for existing residents and the neighborhood. The current tenants who will be temporarily relocated will (1) receive relocation benefits including financial assistance; (2) be eligible for community assistance, including access to apartments in East Liberty; (3) be provided with a professionally managed, tenant-centric approach to relocation and supportive services; and, (4) be welcomed back to the new building once development has been completed.

The developer will host multiple community meetings to discuss designs and plans

with neighbors in our community.

The developer has retained Urban Strategies to provide relocation services. Urban Strategies, a nationally recognized relocation services firm, successfully managed supportive services for Larimer Choice Neighborhoods projects. Urban Strategies will coordinate financial assistance packages, which will help with moving expenses and security deposits for the current Mellon's Orchard tenants. They will also provide counseling, help to find and securing new homes, and referrals to supportive services agencies.

A key benefit for existing tenants is the 'Right to Return'. The new building is planned to include enough affordable apartments to allow the residents to return once the building is complete. Rents will be affordable to tenants making 50% of the Area Median Income, which is in line with current rents at Mellon's Orchard Apartments, and the developer will accept Section 8 vouchers from those tenants who pay rent through that program.

Lastly, HELP and ELDI have secured apartment units in East Liberty as temporary housing for interested families currently residing at Mellon's Orchard Apartments. The residents are welcome to stay in these apartment units throughout the duration of the redevelopment of the Mellon's Orchard site, and tenants living there will be among the first to return to the new development upon its completion.

HELP sees this as a new model for tenant-focused redevelopment in the East End. Redevelopment in Pittsburgh typically means old Pittsburgh making way for new Pittsburgh, without much thought given to what's lost in the process. The East Liberty community thought about what could be lost and came together to preserve our neighborhood. ELDI and HELP sought and received guarantees from a civically minded local developer; ELDI provided housing to keep people in the neighborhood; and HELP, the developer, and the city found a way to make future units affordable for existing tenants.

The tenants in Mellon's Orchard have been there for years. They are East Liberty and will continue to be part of East Liberty for years to come.

BACKGROUND:

ELDI has owned and managed the Mellon's Orchard Apartments since 2009. The property, which consists of 6 buildings and a vacant lot on the 300 block of North Negley Avenue between Rippey and Rural Streets, was in poor condition when it was acquired due to its age. While it is always a difficult decision to disrupt the lives of tenants, the existing buildings are too old to feasibly be kept in a safe, habitable condition and need to be replaced. In order to preserve and expand the affordable housing on the site, ELDI and HELP worked with the developer to create a plan to guarantee strong affordable housing at the site. The planned project will include a mix of affordable and market rate units, potentially expanding the amount of available affordable housing at this location with a brand new, class A residential facility.

The project brings several innovations to the city of Pittsburgh. It provides a novel solution to an approach endorsed by the Mayor's Affordable Housing Task Force: Employing the 4% low-income housing tax credit to provide affordable housing, but coupling it with luxury apartment units to ensure funding for the overall building. This approach has been immensely successful in major cities around the country, is supported by a strong Federal government program, and it tends to be more sustainable and helps to avoid many of the risks of purely affordable projects seen recently across the city. It's time to bring this approach to Pittsburgh.

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