MORE LIVABLE FOR ALL

Similar to many parts of the country, the Pittsburgh region is struggling to provide affordable housing for the growing number of people who need it. Local nonprofits are joining government officials and agencies in trying to devise creative and sustainable solutions. By Donovan Harrell
TyAsia Pitts first entered Pittsburgh’s child welfare system after her mother died when she was 13 years old. When she turned 18, she aged out of the system and struggled to find housing programs in the city that would accept her because of her childhood behavioral issues.

She became homeless for six months, and she didn’t have a place to live until she was accepted into Action Housing’s My Place program, which helps young adults find affordable housing arrangements. The experience changed her life, she said. Now she wants to change the lives of others through her nonprofit, A Dream House, which aims to open a group foster home for youth ages 12–16.

“It felt so good to know that [My Place staff was] accepting me and giving me a home, and I’d have a roof over my head,” said Ms. Pitts, 25, who now contracts with nonprofit Action Housing as a life coach. “It helped me to where I am today.”

Ms. Pitts is one of the thousands of Pittsburgh residents who have relied on affordable housing initiatives to meet their basic housing needs as the city continues to grapple with the long-term affordable housing crisis that is plaguing communities across the country. The issue, complicated even more by the COVID-19 pandemic, has been a focus for a number of advocacy groups, foundations and other nonprofits as well as government officials who are searching for solutions amid lingering health concerns and an inflationary economy.

The country has “lost its way” when it comes to affordable housing, said Rob Stephany, The Heinz Endowments’ senior program director of Community & Economic Development, which has a portfolio that includes working with groups like Action Housing to increase affordable housing options.

Instead of investing in better publicly funded affordable housing, people have been encouraged to divest from it in the last 40 years, Mr. Stephany said. “[In Pittsburgh], I think that’s exacerbated, or in part, created, some of the structural displacement issues that we’re seeing across the city predominantly, but in some of the nearby suburbs too.”

**A COMPLEX, MULTILAYERED ISSUE**

Affordable housing advocacy groups and service providers describe Pittsburgh as a city undergoing several rapid transitions, including in its demographics and housing market. They attribute the decrease in affordable housing in the region to a combination of stubborn landlords, ineffective affordable housing policies, and rent and construction cost increases.
Pittsburgh's lack of affordable housing has been a long-documented issue. Local housing advocates frequently referenced a 2016 report from the Affordable Housing Task Force under former Pittsburgh Mayor Bill Peduto, which found that the city needed roughly 21,000 homes to meet its affordable housing demands. They also referred to The Pittsburgh Foundation's 2016–2017 annual report to the community, "Deconstructing the Housing Dilemma," which found that a resident would need to make a minimum wage of $15.90 per hour to be able to afford a "moderately priced, two-bedroom apartment."

Furthermore, there were at that time only 34 units of affordable housing available per 100 extremely low-income households, the report said. And about 44 percent of Pittsburgh residents paid 30 percent of their income on housing. By 2021, a Pittsburgh resident needed to make a minimum hourly wage of $18.08 to afford two-bedroom housing, according to the National Low Income Housing Coalition.

Across the country, the housing crisis has meant rent and home prices have skyrocketed while housing availability has dropped because of the COVID-19 pandemic, according to the Pew Research Center, a Washington, D.C. -based think tank. Roughly half of Americans surveyed in a January 2022 study said the availability of affordable housing in their local communities was a major problem, an increase of more than 10 percentage points from an early 2018 study by the center.

Since the reports by city and Pittsburgh Foundation officials were published, Pittsburgh's housing market has undergone "some serious boom cycles," said Abby Rae LaCombe, program director for RentHelpPGH, a nonprofit that helps Allegheny County residents obtain legal and financial assistance to try to avoid eviction. As a result, rent prices have skyrocketed, increasing tenants' housing cost burdens.

"The costs are through the roof. It's one of those circumstances in the city like the 'First they came for ...' poem," Ms. LaCombe said, referencing post–World War II prose by German theologian Martin Niemöller. "And I didn't say anything, because it wasn't my neighborhood. It's only a matter of time before each neighborhood goes through it."

According to the U.S. Department of Housing and Urban Development, the fair market rent in Pittsburgh for a two-bedroom apartment was $896 a month in 2019 and jumped to $981 by April of this year. A review of average rental rates in the city for the same years showed actual monthly costs of $100 higher in 2019 and at least $400 higher currently, with some real estate websites reporting average rents almost double the HUD fair market rate. At the same time, realtor.com reports that the median home selling price in Pittsburgh was $175,763 by the end of 2019 and $246,500 in April.

Pittsburgh had a reputation for years as a city full of mostly moderate- and low-cost housing, noted Lena Andrews, director of real estate development for Action Housing. The collapse of the steel industry in the '70s and '80s and the resulting migration away from the city led to rent and sales prices dropping even lower due to the lack of demand, she added.

The low prices lasted through the '90s until the city's economy began to rebound throughout the 2000s and 2010s, coinciding with the growth of Carnegie Mellon University and the University of Pittsburgh's computer science and entrepreneurship programs, and tech companies such as Google and Facebook opening offices in the city. Several tech startups, such as Duolingo, maker of a language-learning app, and Argo AI, an autonomous vehicle technology company, have headquarters in Pittsburgh. At the same time, there was a growing nationwide interest in city living, and Pittsburgh wasn't prepared, Ms. Andrews said.

"I think people who were there during that period kind of took for granted that Pittsburgh was always going to be this really affordable place to live," she observed.

Even though advocacy groups had been working to improve affordable housing conditions before the COVID-19 pandemic, it brought more attention to the affordable housing crisis in the country. The pandemic also slowed housing construction and development as construction costs soared and supply chain issues lingered, Ms. Andrews added.

Local and national news reports have chronicled how renters have struggled with the economic fallout of the pandemic as they were laid off or their wages stagnated while landlords still sought their rent payments. Throughout the affordable housing crisis, housing developers and home flippers in the Pittsburgh region and elsewhere typically stuck to one particular business model with profound consequences: Buy a housing unit near the end of its useful life, evict the tenants, renovate the units and increase the rent.

"This business model creates displacement that can have impacts for generations," Mr. Stephany said. "Some families might move to similar or higher-opportunity places. But many, in a search to find an affordable rent, find themselves in places that are disconnected from jobs and family, and with diminished transportation and educational options.

"Place matters when it comes to escaping the grips of poverty. The very families that can benefit the most from their neighborhood's revitalization are often the ones that get pushed out first. That's a condition that needs to change."

Carl Redwood, a member of the steering committee for the Hill District Consensus Group, a community advocacy organization, said these housing trends along with rents increasing to unaffordable levels have been disproportionately forcing Pittsburgh's Black residents out of their longtime neighborhoods. In fact, when the U.S. Census Bureau looked at housing changes in five-year increments based on its American
Community Survey, bureau officials found that between the 2009–2013 and 2014–2018 periods, the city's Black population had declined by nearly 7,000 people compared to a white population decline of 137 people during the same time frame.

"That tendency of pushing folks [out], the tendency of people leaving Pittsburgh, has taken place for both Black and white Pittsburghers," Mr. Redwood said. "However, the tendency has been when white people leave Pittsburgh, they leave Allegheny County. But when Black people leave Pittsburgh, they don't leave Allegheny County. They just go to the surrounding municipalities."

U.S. Department of Housing and Urban Development data shows that in 1980 Pittsburgh had a Black population of roughly 100,000, with roughly 80,000 Black people living in nearby towns outside of Pittsburgh. Now, Pittsburgh's surrounding towns have a population of about 115,000 Black people while about 67,000 Black people are in the city.

WHAT IS AFFORDABLE HOUSING?

The U.S. Department of Housing and Urban Development generally uses the term “affordable housing” to describe housing in which occupants pay no more than 30 percent of their gross income on housing costs, including utilities. People qualify for affordable housing if their incomes fall below the area median income, or AMI, of their regions at different levels depending on the government program. The income limits range from 80 percent to 30 percent of AMI. According to data from HUD and the Urban Redevelopment Authority of Pittsburgh, the AMI for a single person in the Pittsburgh region was $59,400 in 2021, which meant that 80 percent of AMI for a single person was $47,520, 50 percent was $29,700 and 30 percent was $17,820. The primary federal resources available to assist renters include public housing, the Housing Choice Voucher Program — also known as Section 8 — and the Low-Income Housing Tax Credit program.

Low-income tenants primarily rely on Section 8 vouchers, public housing and housing tax credits, said Diamonte Walker, who stepped down this spring as deputy executive director of the Urban Redevelopment Authority of Pittsburgh. However, these methods, especially vouchers, are too often not enough to cover rent and other living expenses and come with a host of issues, including long waiting lists and a lack of funding, she said.

Ms. Walker left the URA to become the inaugural CEO of Pittsburgh Scholar House, the local affiliate of the Louisville-based Family Scholar House, which provides a range of services to support families experiencing poverty that include addressing issues such as unstable housing and helping the families achieve educational, career and family goals. Bringing the Scholar House program to Pittsburgh was an effort of the Endowments’ Learning Strategic Area, as part of its family and child well-being focus, in partnership with the Henry L. Hillman and PNC foundations.

THE PULSE OF A NATION

AN INCREASING PERCENTAGE OF AMERICANS SAY AFFORDABLE HOUSING IS A MAJOR PROBLEM.

In October 2021, the Pew Research Center conducted a national, random survey of American adults to obtain their views on the impact of the COVID-19 pandemic on their living conditions and local communities. As part of the survey, for which results were released in January, 9,676 people were given the chance to describe their concerns about the availability of affordable housing, with about half indicating that the availability was a major problem in their communities. (Percentages for those surveyed who did not offer answers are not shown.)

Details about the differences in opinions about affordable housing based on demographics can be found in the accompanying chart and at: www.pewresearch.org fact-tank/2022/01/18/a-growing-share-of-americans-say-affordable-housing-is-a-major-problem-where-they-live www.pewresearch.org/social-trends/2021/12/16/americans-are-less-likely-than-before-covid-19-to-want-to-live-in-cities-more-likely-to-prefer-suburbs
Another complication involving Section 8 vouchers is that landlords are not required to accept them, said Endowments Sustainability Vice President Andrew McElwainie. City officials have tried to compel acceptance, but the courts have found that to be outside their home rule jurisdiction.

Despite the challenges their tenants face, many landlords expect their rent on time — even if some of their properties have unsafe and unsanitary housing conditions, said Kristine Bergstrom, the executive director of Neighborhood Legal Services, a Pittsburgh-based nonprofit that provides legal aid to low-income residents of Allegheny, Beaver, Butler and Lawrence counties.

To make matters worse, renters don’t have many legal protections from this, Ms. Bergstrom said. “We don’t have a great mechanism for enforcing habitability issues in Pennsylvania,” she explained. “You can move, or you can withhold rent and hope the landlord doesn’t evict you. And if you’re in private housing especially, those are your only options.”

A VARIETY OF APPROACHES/METHODS

Affordable housing advocacy groups and developers have used a variety of methods and tools, each with varying success, to improve housing opportunities in Pittsburgh. Some of these include the use of land banks, landlord incentives, legal and rent assistance, eviction services, and low-income housing rehabilitation and construction.

The Heinz Endowments’ work in this arena includes two primary strategies: affordable housing policy development and funding advocacy groups and their initiatives, Mr. Stephany said. To help develop policies that advance the construction or preservation of affordable housing or that support efforts to help families and individuals to rent, buy or keep homes, the Endowments has collaborated with community leaders and elected officials from neighborhoods throughout the city, including Hazelwood, Homewood, the Hill District, Perry Hilltop and Fineview, as well as boroughs outside the city, such as McKees Rocks and Wilkinsburg.

Organizations funded by the Endowments provide a range of direct services to individuals struggling to find or retain housing, and advocate for policies that support expanding affordable housing in the region. These groups include Regional Housing Legal Services, Casa San José, Neighborhood Legal Services, Action Housing, RentHelpPGH, Economic Justice Circle, City of Bridges Community Land Trust and Rising Tide Partners.

An example of these efforts includes an arrangement that began last spring between Rising Tide Partners, a nonprofit that received a three-year, $1 million startup grant in 2019 from the Endowments, and the URA to enable Rising Tide to acquire, preserve and renovate 30 vacant properties in Pittsburgh’s East Hills community over five years. The URA approved loaning Rising Tide Partners up to $481,000 as part of the project, which includes reselling the properties to neighborhood residents and others who earn 50 percent to 60 percent of the region’s average area median income.

Pittsburgh Mayor Ed Gainey, who assumed office earlier this year, and members of his transition committee have been gathering community input to help them create action plans and strategies for implementing housing solutions. During his mayoral campaign, Mr. Gainey described his main approach to addressing the affordable housing crisis as a “people-first development strategy” to improve community benefits, renter protection and a more affordable housing market.

Mr. Gainey previously served as a Pennsylvania state representative and sat on the board of the Urban Redevelopment Authority, playing a key role in the development of the Housing Opportunity Fund. Since 2016, the fund has provided low-income tenants a variety of affordable housing services, including home stabilization, legal assistance, rent assistance and the construction of more affordable housing.

Affordable housing advocates said Mr. Gainey has assembled a strong transition team to address the issue and that they are cautiously optimistic about the new mayor’s proposed strategies for addressing affordable housing.

Ms. Walker, who has worked closely with the mayor and his administration, said she’s been impressed with the administration’s holistic approach to affordable housing and community outreach and engagement.

“If you look at his platform, he’s not only talking about affordable housing, he’s talking about safety,” she said. “He’s talking about education. He’s talking about arts. He’s talking about culture. He’s talking about workforce. Those are all of the influences that nurture a fair and balanced system, where affordable housing can take root.”

Mr. Redwood said the mayor’s proposed strategies sound good, but this doesn’t prevent Mr. Gainey’s administration from being influenced by politics, housing developers and an inequitable economic system.

“I have seen that happen many times where the politician agrees with what the right thing to do is, but they don’t really forcefully pursue it because there are other things that they have to [consider] that they wrestle with as politicians,” Mr. Redwood said.

But the development of long-lasting improvements in affordable housing cannot only come from governments and advocacy organizations, Ms. Walker said.

“It’s not enough to start fixing problems for people,” she asserted. “We’ve got to put people in the driver’s seat and help them to understand their own responsibility within changing Pittsburgh and making Pittsburgh a better, more livable city for everybody. There’s a shared responsibility, and, regardless of your income, everybody has a value, everybody has something to contribute.”