CITY OF PITTSBURGH

PENNSYLVANIA

Department of City Planning
200 Ross Street
Pittsburgh, PA 15219

Luke Ravenstahl,
Honorable Mayor

ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

For Submission to HUD

February 22, 2013

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URBAN DESIGN VENTURES

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Mr. John E. Tolbert
CPD Field Office Director
Pittsburgh Field Office
William Moorhead Federal Building
1000 Liberty Avenue, Suite 1000
Pittsburgh, PA 15222

RE: FY 2012 Update to the Analysis of Impediments to Fair Housing Choice for the City of Pittsburgh, Pa

Dear Mr. Tolbert,

Enclosed please find two (2) copies of the City of Pittsburgh's FY 2012 Update to the Analysis of Impediments to Fair Housing Choice. One copy is for your office and one copy is for the Fair Housing and Equal Opportunity Office.

Please let us know if you have any questions.

Sincerely,

Karl M. Haglund
Vice President

Enclosures

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Executive Summary

The City of Pittsburgh, Pennsylvania is an entitlement community under the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant Program (CDBG), the HOME Investment Partnerships Program (HOME), the Emergency Solutions Grant Program (ESG), and the Housing Opportunities for Persons with AIDS Program (HOPWA). In accordance with the Housing and Community Development Act of 1974, as amended, each entitlement community must "affirmatively further fair housing." In order to demonstrate that the entitlement community is "affirmatively furthering fair housing," each community must conduct a Fair Housing Analysis which identifies any impediments to fair housing choice and what steps it will take to affirmatively further fair housing. HUD advises communities that the Analysis of Impediments to Fair Housing should also address "Visitability," the Section 504 Rehabilitation Act, the Americans with Disabilities Act, as well as the Fair Housing Act.

The HUD Fair Housing and Equal Opportunity (FHEO) Office is now advising Federal entitlement communities to update their Analysis of Impediments (AI) to Fair Housing Choice to coincide with their Five Year Consolidated Plan, and then every five (5) years thereafter. In addition, each year the City, as part of its Annual Action Plan, must sign certifications that the City will affirmatively further fair housing. This means that the City will conduct an Analysis of Impediments to Fair Housing Choice (AI), take appropriate actions to overcome the effects of any impediments identified through the AI, and maintain records reflecting what analysis and corrective actions were taken.

The City of Pittsburgh previously prepared an Analysis of Impediments to Fair Housing Choice in 2007. The HUD Fair Housing and Equal Opportunity Office has requested the City to prepare an update to its AI. The City has prepared this 2012 Update to the Analysis of Impediments to Fair Housing Choice to bring the City closer into sequence with its FY 2010-2014 Five Year Consolidated Plan. This analysis focuses on the status and interaction of six (6) fundamental conditions within the City of Pittsburgh:

- The sale or rental of dwellings (public or private);
- The provision of housing brokerage services;
- The provision of financial assistance for dwellings;
- Public policies and actions affecting the approval of sites and other building requirements used in the approval process for the construction of publicly assisted housing;
- The administrative policies concerning community development and housing activities, which affect opportunities of minority households to select housing inside or outside areas of minority concentration; and
- Where there is a determination of unlawful segregation or other housing discrimination by a court or a finding of noncompliance by HUD regarding assisted housing in a recipient's jurisdiction, an analysis of the actions

which could be taken by the recipient to remedy the discriminatory condition, including actions involving the expenditure of funds made available under 24 CFR Part 570.

The Fair Housing Act was originally passed in 1968 to protect buyers and renters from discrimination from sellers and landlords by making it unlawful to refuse the sale or rental of a property to persons included under the category of a protected class. The Fair Housing Act prohibits discrimination against persons based on their ***race***, ***color***, ***religion***, ***sex***, ***national origin***, ***disability***, or ***familial status*** in the sale, rental, and financing of housing. Additionally, the City of Pittsburgh has passed an ordinance protecting persons against discrimination based on ***sexual orientation***.

Race	Color	Religion	Sex	National Origin	Disability	Familial Status	Sexual Orientation

The methodology employed to undertake this Analysis of Impediments included:

- **Research**
  - A review of the City's 2007 Analysis of Impediments to Fair Housing Choice, the City's Zoning Ordinance, the City's Comprehensive Plan, as well as a review of the FY 2010-2014 Five Year Consolidated Plan, FY 2011 Annual Action Plan, FY 2012 Annual Action Plan, and the Consolidated Annual Performance Evaluation Reports for FY 2010 and FY 2011.
  - A review of the Housing Authority of the City of Pittsburgh's Annual Plans, Moving to Work Plan, the Public Housing Agency's Admission and Continued Occupancy Policy, the Housing Choice Voucher Administrative Plan, Family Self-Sufficiency Program Action Plan, and Section 504 Needs Assessment.
  - The most recent demographic data for the City was analyzed from the U.S. Census, which included general, demographic, housing, economic, social, and disability characteristics.
  - A review of the residential segregation data from CensusScope was undertaken.
  - A review of the U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy (HUD-CHAS) data was undertaken.
  - A review of financial lending institutions through the Home Mortgage Disclosure Act (HMDA) database was completed.
  - A review of the real estate and mortgage practices was undertaken.

- Home mortgage foreclosure data was reviewed.

- **Interviews & Meetings**
  - Meetings and/or interviews were conducted with the City of Pittsburgh Housing Authority; the Urban Redevelopment Authority of Pittsburgh; the Department of City Planning; community, social service, and advocacy agencies for the disabled; housing providers; the Human Rights Commission; etc.
  - Surveys were sent to each housing, social service, and community development agency that was invited to the roundtable discussions. Follow up phone calls were made when an organization neither returned a survey nor attended a meeting.

- **Analysis of Data**
  - Low- and moderate-income areas were identified and mapped.
  - Concentrations of minority populations were identified and mapped.
  - Concentrations of owner-occupied and renter-occupied housing units were identified and mapped.
  - Fair housing awareness in the community was evaluated.
  - Distribution by location of public and assisted housing units was analyzed and mapped.
  - The location of CDBG expenditures throughout the City was analyzed.
  - The location of HOME expenditures throughout the City was analyzed.
  - The City's Five Year Goals and Objectives were reviewed.

- **Potential Impediments**
  - Public sector policies that may be viewed as impediments were analyzed.
  - Private sector policies that may be viewed as impediments were analyzed.
  - The status of previously identified impediments were analyzed.

- **Citizen Participation**
  - Electronic copies of a fair housing survey were made available on the City's website, public meetings were held, and copies were placed on public display to encourage citizen input.

- The "draft" 2012 Update to the Analysis of Impediments to Fair Housing Choice was made available on the City's website and hardcopies were placed at the following locations beginning on January 14, 2013:

  Department of City Planning
  200 Ross Street
  Second Floor
  Pittsburgh, PA 15219

  Urban Redevelopment Authority
  200 Ross Street
  Tenth Floor
  Pittsburgh, PA 15219

- The City of Pittsburgh held a Public Hearing on the "draft" 2012 Update to the Analysis of Impediments on January 29, 2013.

The City of Pittsburgh's 2012 Update to the Analysis of Impediments to Fair Housing Choice has identified the following impediments, as well as defined specific goals and strategies to address each impediment.

- **Impediment 1: Fair Housing Education and Outreach.**

  There is a continuing need to educate persons about their rights under the Fair Housing Act and to raise community awareness to affirmatively further fair housing choice, especially for low-income residents, minorities and the disabled population.

  Goal: Improve the public's and local official's knowledge and awareness of the Fair Housing Act, related laws, regulations, and requirements to affirmatively further fair housing in the community.

  Strategies: In order to meet this goal, the following activities and strategies should be undertaken:

  - **1-A:** Continue to promote Fair Housing awareness through the media, seminars, and training to provide educational opportunities for all persons to learn more about their rights under the Fair Housing Act, Americans With Disabilities Act, and the City-County Visitability Program.
  - **1-B:** Continue to make available and distribute literature and informational material, in English and Spanish, concerning fair housing issues, an individual's housing rights, and landlord's responsibilities to affirmatively further fair housing.

- **1-C:** Continue to contract with independent fair housing organizations to provide testing services, referrals, and assistance in resolving Fair Housing complaints that may arise in the City.
- **1-D:** Educate and promote that all residents have a right to live outside impacted areas.
- **1-E:** Continue to support and provide funding for the City of Pittsburgh's Human Relations Commission to affirmatively further fair housing in the Pittsburgh Region.
- **1-F:** Strive for better intergovernmental cooperation between Federal and State partners, as well as community groups, to effectively identify and remedy barriers to affordable housing choice.

- **Impediment 2: Continuing Need for Affordable Rental Housing.**

The City of Pittsburgh has the greatest supply of affordable rental housing in the region. However, the monthly cost of rent for apartments has steadily increased to the point that over 53.0% of all renter households in Pittsburgh with incomes less than 50% of the median income are considered cost overburdened.

Goal: Additional affordable rental housing will be developed outside impacted areas throughout the City of Pittsburgh and the surrounding region, especially for households whose income is less than 50% of the median income, through new construction and in-fill housing, the rehabilitation of vacant buildings, and the development of mixed-income buildings, to reduce the number of lower income households who are cost overburdened.

Strategies: In order to meet this goal, the following activities and strategies should be undertaken:

- **2-A:** Support and encourage both private developers and non-profit housing providers to develop plans for the construction of new affordable mixed income rental housing that would be located outside of areas with lower income concentrations throughout the Pittsburgh Area.
- **2-B:** Continue to support and encourage the rehabilitation of existing housing units in the City to become decent, safe, and sound rental housing that is affordable to lower income households.

- **2-C:** Continue to encourage the development of community living arrangements for the disabled, outside impacted areas in the City of Pittsburgh, and deconcentrate housing for the disabled by working with the County to provide satellite services and transportation for the disabled so they can reside anywhere in the Pittsburgh Area.
- **2-D:** Provide financial assistance to low-income households that are cost overburdened, particularly those households whose incomes are at or below 50% of the area's median family income to reduce the cost for their housing.
- **2-E:** The City of Pittsburgh Housing Authority should partner with private and non-profit housing developers to construct additional Low Income Housing Tax Credit (LIHTC) multi-family rental housing.

- **Impediment 3: Continuing Need for Affordable Housing for Sale.**

The median value and cost to purchase and maintain a single family home in Pittsburgh that is decent, safe, and sound, has increased significantly to over $109,000, and it is even higher in Allegheny County, which limits the choice of housing for lower income households to impacted areas in Pittsburgh.

Goal: Promote the development of for-sale single family homes for lower income households through new construction, in-fill housing, and rehabilitation of vacant houses, outside areas of low-income concentration throughout the Pittsburgh Area.

Strategies: In order to meet this goal, the following activities and strategies should be undertaken:

- **3-A:** Continue to support and encourage plans from both private developers and non-profit housing providers to develop and construct new affordable housing that is for-sale and which is located outside areas with lower income concentrations throughout the Pittsburgh Area.
- **3-B:** Continue to support and encourage the acquisition, rehabilitation and resale of existing housing units to become decent, safe, and sound for-sale housing that is affordable to lower income households.
- **3-C:** Partner with the Urban Redevelopment Authority of Pittsburgh and local banks to provide financial assistance in the form of down payment assistance and low interest loans to

lower-income households to become homebuyers anywhere in the Pittsburgh Area, especially outside impacted areas.

- **3-D:** Continue to support homebuyer education and training programs to improve homebuyer awareness and increase the opportunities for lower-income households to become homebuyers and move outside areas of low-income concentrations.
- **3-E:** Improve access to information on-line and in the print media regarding home repairs and improvements, and home purchasing assistance offered through the City, The URA of Pittsburgh, and local financial institutions.

- **Impediment 4: Continuing Need for Accessible Housing Units That Are For-Sale or Rent.**

As an older built-up urban environment, there is a lack of accessible housing units and developable sites in the City of Pittsburgh, since 76.1% of the City's housing units were built over 50 years ago and do not have accessibility features, and 13.6% of the City's population is classified as disabled.

Goal: Increase the number of accessible housing units through new construction and rehabilitation of existing housing units for the physically disabled and developmentally delayed.

Strategies: In order to meet this goal, the following activities and strategies should be undertaken:

- **4-A:** Continue the on-going programs to increase the amount of accessible housing through the rehabilitation of the existing housing stock by providing low-interest loans or grants to homeowners and landlords who will make handicap improvements, and will keep their rents affordable.
- **4-B:** Increase the amount of accessible housing through new construction of handicap units that are accessible and visitable through financial or development incentives on available vacant and developable land in the City.
- **4-C:** Continue to enforce the ADA and Fair Housing requirements for landlords to make "reasonable accommodations" to their rental properties so they become accessible to tenants who are disabled.
- **4-D:** Continue to provide financial assistance to elderly homeowners in the City to make accessibility improvements to

their properties in order for these residents to remain in their own homes.

- **4-E:** Continue to support the City of Pittsburgh's and Allegheny County's joint Task Force on Disabilities and the tax credits for making residential units "visitable" and "accessible."
- **4-F:** Work in conjunction with the URA of Pittsburgh to establish a Land Bank Entity for the reuse of blighted, vacant, and abandoned properties to affirmatively further fair housing by increasing the stock of affordable accessible housing.

- **Impediment 5: Need to Improve Private Lending and Insurance Practices.**

The HMDA data suggests that there is a disparity between the approval rates of home mortgage loans originated from whites and those originated from minority applicants.

Goal: Approval rates for all originated home mortgage loans will be fair, unbiased and equal, regardless of race, familial status, and location.

Strategies: In order to meet this goal, the following activities and strategies should be undertaken:

- **5-A:** The City should undertake or contract with outside independent agencies, private firms, foundations, college and universities to conduct an in depth review of the mortgage lending practices of the local banks and financial institutions.
- **5-B:** Testing should be performed by outside independent agencies, firms, and non-profit organizations to determine if any patterns of discrimination are present in home mortgage lending practices for minorities and for properties located in lower-income areas of the City.
- **5-C:** Federal and State funding should be used to provide a higher rate of public financial assistance to potential homebuyers in lower income neighborhoods to improve the loan to value ratio, so that private lenders will increase the number of loans made in these areas.
- **5-D:** The City of Pittsburgh has limited CDBG funds, but it should continue to fund its community improvement programs in targeted low-income neighborhoods to improve public safety protection in these areas which will reduce the insurance risk factors for homeowner insurance underwriting.

- **Impediment 6: There is a Lack of Financial Resources.**

The Federal Government continues to reduce the amount of CDBG, HOME, and funds for other housing programs in HUD's annual budget, which reduces the allocations to entitlement communities, thus putting a strain on limited financial resources due to the housing crisis and increased unemployment.

Goal: Increase Federal funding for the CDBG and HOME Programs, and other housing programs, to pre- FY 2010 budget levels which will allow entitlement communities to better achieve their housing and community development goals.

Strategies: In order to meet this goal, the following activities and strategies should be undertaken:

- **6-A:** Work with the national housing and community development organizations to increase the appropriations for the CDBG and HOME programs, as well as other HUD housing programs.
- **6-B:** Encourage and support non-profit housing agencies to apply for funding for housing from federal, state, and private foundation resources to promote and develop affordable housing throughout the City of Pittsburgh, especially outside impacted areas.
- **6-C:** The Housing Authority of the City of Pittsburgh should promote, sponsor, and partner with private developers to build affordable housing using the Low Income Housing Tax Credit (LIHTC) Program in the City.
- **6-D:** Cooperate with Allegheny County and the other two Federal CDBG Entitlement Communities in Allegheny County to pool resources and leverage private funds to develop affordable housing outside impacted areas throughout the Pittsburgh Metropolitan Area.

- **Impediment 7: There is a Need for a Countywide Approach to Affirmatively Furthering Fair Housing.**

The housing, racial and socio-economic data from the U.S. Census of 2010, as well as the amount of subsidized housing in the City of Pittsburgh illustrates that there is a concentration of low- and moderate-income persons, minorities, and disabled living in the City as compared to Allegheny County as a whole.

Goal: Provide housing and economic opportunities for low- and moderate-income persons and the protected classes to live and work outside impacted areas.

Strategies: In order to meet this goal, the following activities and strategies should be undertaken:

- **7-A:** The City's and County's Human Relations Commissions should establish an Affirmatively Furthering Fair Housing (AFFH) Task Force for the Pittsburgh Region with representatives from the City of Pittsburgh, Allegheny County, U.S. Department of Housing and Urban Development (HUD), the City Housing Authority (HACP), the Allegheny County Housing Authority (ACHA), the other two federal CDBG Entitlement Communities in Allegheny County (McKeesport and Penn Hills), and other groups and organizations which promote fair housing.
- **7-B:** The four (4) Federal Entitlement jurisdictions should promote and encourage the development of affordable housing throughout the Pittsburgh Region in areas that are not economically or racially impacted.
- **7-C:** Improve intergovernmental and interagency cooperation in sharing all information pertaining to discrimination cases filed within the jurisdiction of the City of Pittsburgh.

- **Impediment 8: Economic Issues Affect Housing Choice.**

There is a lack of economic opportunities in the City which prevents low-income households from improving their income and ability to live outside areas with concentrations of low-income households, which makes this a fair housing concern.

Goal: The local economy will provide new job opportunities, which will increase household income, and will promote fair housing choice.

Strategies: In order to meet this goal, the following activities and strategies should be undertaken:

- **8-A:** Strengthen partnerships and program delivery that enhances the City's business base, expands its tax base, and creates a more sustainable economy for residents and businesses.

- **8-B:** Support and enhance workforce development and skills training that result in a "livable" wage and increases job opportunities.

- **8-C:** Support programming that enhances entrepreneurship and small business development, expansion, and retention within low- and moderate-income areas and minority neighborhoods.

- **8-D:** Support new bus routes and increased public transportation for lower income persons to access job opportunities outside their neighborhood.