



Pittsburgh Community Reinvestment Group

November 5, 2021

Mayor-Elect Edward C. Gainey
P.O. Box 5208
Pittsburgh, PA 15206

Dear Mayor-Elect Gainey:

Pittsburgh Community Reinvestment Group (PCRG) and its members would like to congratulate you on becoming the 61st Mayor of the City of Pittsburgh. Your historic victory as the first Black Mayor of Pittsburgh is a momentous occasion worthy of celebration for years to come. It is in no small part a referendum on Pittsburgh's ongoing issue with racial equity and how it continues to lag in key areas of diversity, equity and inclusion. The demolition of business districts and salvageable vacant property, along with inadequate maintenance of publicly owned land, has left these communities requiring significant investments and community building. As a long-time public servant serving such communities, you understand firsthand the challenges low- and moderate-income (LMI) residents face. After a series of comprehensive membership meetings and individual conversations with our members, **PCRG would like to highlight our priorities, and more importantly, how we can work together to make them a reality.**

PCRG is a non-profit organization comprised of a regional coalition of 60 community-based organizations (CBOs) and community development corporations (CDCs) located throughout the City of Pittsburgh and Allegheny County. Our mission is to advocate for economic justice, equitable investment practices, and financial resources to revitalize communities throughout the region. PCRG utilizes strengths of engagement, advocacy, and policy formulation to focus efforts on ensuring equitable access to land, capital, and mobility to improve the health and wealth of communities and their residents.

Building homeownership opportunities through a reimagined housing policy

No topic in the last election received more attention than the need for more affordable housing in the City of Pittsburgh. In the previous decade alone, the City of Pittsburgh lost approximately 10,500 African American residents – a 13.4% decrease in the city's African American population.¹ Many attributed this demographic shift to the loss of affordable housing units, as Black homeownership has reached an all-time low – the worst since Civil Rights Era redlining² – and historic disinvestment in Pittsburgh's Black communities. According to recent remarks by U.S. Attorney General Merrick Garland, a white family is thirty percent more likely to own a

¹ U.S. Census Bureau. "Decennial Census P.L. 94-171 Redistricting Data." 2021.

² Ray, Rayshawn, et al. *Homeownership, racial segregation, and policy solutions to racial wealth equity*. September 1, 2021.



home than a Black family due to practices like modern-day redlining.³ Additionally, rising rents have made certain neighborhoods inaccessible for Black residents.

As the new Mayor, it is imperative the City of Pittsburgh reimagine its housing policy to become a more affordable and equitable place for Black residents. Unfortunately, this is not a new issue, and it is not your burden to solve alone – as PCRG and our many community members stand with you in this endeavor.

As the city works to address the growing gap of 17,000 affordable housing units,⁴ **PCRG urges your administration to increase funding for economic development tools to help foster investment in these projects.** PCRG recommends your administration increase its annual funding commitment to the Housing Opportunity Fund (HOF) from the city’s operating budget to ensure we can make meaningful advancements in housing for low- and moderate-income residents. PCRG advocates for the increase of HOF funding to levels that would double the Affordable Housing Task Force’s initial recommendation of \$10 million.⁵ While rental assistance programming is vital for housing stability in Pittsburgh’s neighborhoods, PCRG recommends additional resources for homeownership assistance, including the Down Payment and Closing Cost Assistance Program, Housing Stabilization Program, and the For Sale Development Program. **Additionally, PCRG is calling for the creation of additional, dedicated funding streams for the HOF, as outlined in the Affordable Housing Task Force report.** Creating robust funding mechanisms for the HOF will further ensure Black and working-class residents can remain in Pittsburgh and begin to build wealth.

Adopting responsible land use, land recycling, and blight remediation policies

At your disposal are numerous land use tools available to help alleviate the affordable housing crisis many in Pittsburgh face. Although affordable housing needs vary by neighborhood market conditions, having effective land use policies in place is paramount in the effort to stem gentrification and displacement. These policies must prioritize community-centered developments, not speculative projects that perpetuate blighted and vacant properties. PCRG calls on your administration to work with Registered Community Organization (RCOs) to vet development while finding the balance between a community’s current development vision and potential private investment within that community.

PCRG is a leader in bringing communities together with city departments regarding vacant property through our Vacant Property Working Group. Our members are encouraged by the recent \$10 million infusion to the Pittsburgh Land Bank (PLB), made possible by the American Rescue Plan. PCRG, and other community development stakeholders, need a well-funded PLB partner to streamline the title process, move blighted properties to a productive state, and expand affordable options first with public assets. **PCRG looks forward to working with your**

³ U.S. Attorney General Merrick B. Garland. “Attorney General Merrick B. Garland Delivers Remarks Announcing a New Initiative to Combat Redlining.” *U.S. Department of Justice*. Washington DC, 22 October 2021.

⁴ Affordable Housing Task Force. *Affordable Housing Task Force Findings and Recommendations to Mayor William Peduto and the Pittsburgh City Council*. Pittsburgh, PA, 2016.

⁵ Ibid.

administration to align the PLB with Pittsburgh Property Reserve to improve this recycling tool which is a proven community development tool to eliminate the blight that is plaguing many neighborhoods and stripping the wealth of those residents. This is a key point as communities have been the main driver to redevelop these properties.

While the investment from the American Rescue Plan is encouraging, PCRG, and our members, will continue to hold PLB accountable when it comes to performing to its fullest potential, and fiscally prudent. Much like the Housing Opportunity Fund, the Pittsburgh Land Bank cannot remain solely dependent on intermittent funding streams like the American Rescue Plan. Best practices of existing land banks indicate that creating a dedicated municipal funding source, augmented by non-profit and federal support, enhances the viability of a functioning land bank. Therefore, the City of Pittsburgh must create a reliable, dedicated funding source for the PLB to ensure its long-term stability, so that others may assist in the future.

Furthermore, PCRG advises your administration to consider careful uses of demolition as a tool to address neighborhood blight. While the city does invest in vacant property maintenance, PCRG believes the city cannot meet the growing maintenance demands of its properties. Your administration should utilize demolition only as a tool of last resort for blight mitigation - as overreliance on demolition can lead to further disinvestment by neighboring property owners. Additionally, a demolition-driven policy is not sustainable if the city wants to reach its affordable housing goals, maintain the fabric of our neighborhoods, and keep the cost of housing within reach for LMI residents.

PCRG calls on your administration to develop a stabilization and mothball program to preserve redeemable housing assets. PCRG, in partnership with its community development financial institution, the Community Growth Fund, has developed the Community Acquisition and Rehabilitation Loan (CARL). This loan program has been successful for prospective homebuyers looking to purchase and make repairs on homes in LMI census tracts of the city. However, this program can only be productive if the city can preserve redeemable structures throughout the title clearing process

Reexamining commitments to subsidized housing opportunities

Under a Gainey Administration housing plan, PCRG encourages an expansion of subsidized housing opportunities, creating a consistent level of permanently affordable units and a modernization plan for units owned and operated by the Housing Authority of the City of Pittsburgh (HACP). PCRG recognizes that this will take significant federal investment, oversight, and transparency from the Department of Housing and Urban Development (HUD). Through partnerships with non-profit developers, HACP can increase the number of clean, safe, and affordable housing units. A new model to rebuild and replace HACP's oldest units should include a more equitable distribution of subsidized housing opportunities throughout the city. This model would help promote more inclusive mixed-income communities across the city.

Increasing economic opportunities for entrepreneurs in LMI and minority communities

community brick and mortar projects. **Consequentially, PCRG members have called for an increase in resources and staff at the Department of City Planning to assist more communities to develop and adopt development plans, make NED more transparent, and create educational programming for RCOs by providing critical capacity necessary to make the community planning process successful.**

Additionally, PCRG calls on your administration to create a collaborative forum for the URA, RCOs, and other relevant stakeholders to routinely meet and discuss community needs and eliminate any unnecessary competition for resources that sometimes exist between RCOs and the URA. Routine communication between the city and community groups can enhance existing relationships and help build new connections under a new administration.

Creating an inclusive, accessible, and efficient city government

Under your new administration, **PCRG encourages the creation of a more transparent, inclusive, accessible, and customer-service friendly city government.** With Pittsburgh shifting many of its governmental platforms online in recent years, it is increasingly vital that those without access to internet services can still engage with the city government. Returning to front desk personnel that can be accountable to in-person and over-the-phone requests, at a time that is feasible for the health of city staff, will facilitate a better customer experience. For example, our members have expressed frustration with the long waits, inadequate, and ineffective communication at the Department of Permits, Licenses, and Inspections (PLI). **Delays in permitting and zoning lead to devastating consequences for our members, who operate on tight development timelines.** City staff defer to online systems and no longer seem to provide the help to promote effective use of current processes. These inadequate systems used by PLI cannot be solved through increased personnel alone. Reimagining a new, expedient PLI is vital, and our members request the opportunity to discuss potential changes with your transition team.

Additionally, PCRG urges the city to expand its advocacy and education on under-utilized government programs. Recent reporting shows how Pittsburgh Water and Sewage Authority's (PWSA) Cash Assistance and Bill Protection Programs have grown enrollment during the pandemic but have the capacity to assist even more low-income residents.⁶ Furthermore, increasing data availability from city agencies will allow greater transparency and public accountability and will enhance trust in government institutions.

Building an infrastructure system that increases neighborhood cohesion and regional connectivity

PCRG continues to be a critical regional voice in mobility and transportation issues. We believe that transportation access is often the lynchpin for equitable developments in the city. Our efforts have included working with our community members to create Transit-oriented Developments (TODs) and other transportation-centered plans that connect communities, enable workers to have access to transportation where they live, and consistent reliable access to service and

⁶ Morrison, Oliver. *How much help do low-income Pittsburghers get on their water bills? Depends on which utility does the helping.* July 20, 2021.

opportunities like education. **PCRG believes there are more opportunities to establish traditional TODs and other developments near transportation centers that will help transform affordable housing in Pittsburgh.** We encourage your administration, through departments like DOMI and City Planning to continue investments that dedicate funding to advance accessible and safe multi-model transportation and the plans that drive them.

On a larger scale, PCRG looks forward to working with the city and its intergovernmental partners, such as the Port Authority of Allegheny County and the Southwestern Pennsylvania Commission (SPC) on improving access to safe and reliable transportation, as well as city initiatives such as Bus Rapid Transit (BRT), complete streets, sidewalk ramps, and safe public walks.

As we have learned throughout the pandemic, vast inequities regarding broadband investment exist in Pittsburgh's neighborhoods; 25% of HACP residents lack broadband internet access, as well as many of families in Black and brown communities. We hope to work with your administration on promoting broadband implementation in community plans and development budgets. Far too many are left behind because of the lack of quality internet access.

In closing, we would like this letter to serve as a request on behalf of our members regarding issues of concern and for us to work as a team. Your campaign prioritized the historic need to collectively embrace community building across the city. But without an effective community development system, new public policy that coordinates public funds and government agencies alike, we will all fail to live up to the potential of your campaign platform. PCRG stands ready to work with your administration to build equity and empower communities across the City of Pittsburgh.

Accomplishing these goals will require a faithful effort between your Administration and PCRG to hold each other accountable. We feel the best way to continue ongoing discussions regarding the issues mentioned in this letter is to meet quarterly with the Administration to discuss the progress in achieving the goals we highlighted earlier. Through consistent communication, we can address these concerns and priorities for the benefit of the City of Pittsburgh.

Should you or any member of your staff have questions or concerns, please do not hesitate to contact PCRG Director of Policy, Chris Rosselot at (412)-354-0642 or by email at crosselot@pcrg.org.

Respectfully,



Ernie Hogan
Executive Director

Cc: PCRG Membership and Board of Directors

