The Supply and Demand of Affordable Housing in Allegheny County

■ *By Sabina Deitrick*

As the housing and foreclosure crisis continues to affect both housing markets and regional conditions, it is important to understand the post-crisis impacts on lower income households in Allegheny County. Though housing conditions have improved for many lower income households over the decades, the current crisis, coupled with the rising cost of housing, has put additional pressures on these households.

This report is part of a project by the Housing Alliance of Pennsylvania, "Lessons from the Foreclosure Crisis: An Agenda for Rebuilding Pennsylvania's Housing Market." The information and report will help to understand post-crisis impacts on lower income households in Pennsylvania and Allegheny County.

This paper summarizes important findings from the Allegheny County study. The report was developed from information from multiple sources, including the American Community Survey Public Use Microdata sample; the American Housing Survey for Pittsburgh, 2004; and the Pittsburgh Neighborhood and Community Information System (PNCIS), developed at UCSUR.

Affordable housing remains a challenge for many in Allegheny County. Many lower income families and households are burdened by high housing costs, requiring more than 30 percent of their household income. In extreme cases, some households may pay up to 50 percent of their income in housing costs.

The main features of this report center on low income households as defined by measures set by the U.S. Department of Housing and Urban Development, with emphasis on *extremely low income* households, whose

City of Pittsburgh Neighborhood Profiles

■ *By Christopher Briem*

UCSUR has compiled a series of profiles for all city of Pittsburgh neighborhoods based on data from the U.S. Census Bureau's American Community Survey (ACS). These profiles reflect ACS responses collected over a five year period between 2005 and 2009. They are the first data released by the ACS program at the census tract and block group level of geography necessary for neighborhood-level analysis.

The ACS is a relatively new program that replaces what was known as the "long form" of the decennial census (see summary of ACS data sets in PEQ, December 2010). The majority of data collected by the decennial census in recent decades came from a longer set of questions asked of one in six households in the nation. This "long form" questionnaire was eliminated the 2010 decennial census. The ACS asks many of the same questions but is based on a continuously operating monthly survey.

The city of Pittsburgh Neighborhood Profiles covers neighborhoods in the city of Pittsburgh for the 2005–2009 period. For small geographic areas, including census tracts, the ACS reports data aggregated from five years of survey responses.

City of Pittsburgh neighborhoods are currently defined by either a single census tract or a collection of census tracts.

The five-year ACS data is the only data set available from the program that can be used to compile information at neighborhood geographies. The ACS program will release new data annually, but for the smallest geographies, the data will reflect a new five-year time frame for each release. The new neighborhood report is compiled from the first release of census tract level data reported by the ACS.

Individual profiles are provided for each of 90 city of Pittsburgh neighborhoods, the city of Pittsburgh, Allegheny County, and the seven-county Pittsburgh Metropolitan Statistical Area (MSA). Additional summaries are provided for combinations of neighborhoods in close proximity. For instance, the city neighborhoods of Upper Lawrenceville, Lower Lawrenceville and Central Lawrenceville are combined into a single profile for "Lawrenceville." The report provides these combinations for the Hill District, Homewood, Lawrenceville, Oakland and Squirrel Hill.

income is less than 30 percent of Area Median Income (AMI) and *very low income* households, whose income lies between 30 percent and 50 percent of AMI. These two groups are the most vulnerable to housing costs, conditions, and changes.

The report found that nearly 137,000 households in Allegheny County in 2009 were at the levels of extremely low income and very low income. The majority—60 percent—were one person households.

The private market supplies the vast majority of residential units for low income households, but the poorest households continue to face barriers in securing decent affordable housing in the private market. For one-person households under HUD income guidelines less than or equal to 50 percent of AMI, Allegheny County has 39,225 housing units to meet this demand, including subsidized units. It appears from these estimations that the demand for affordable housing units for one-person households who earn less than 50 percent of AMI exceeds the supply available in Allegheny County. The data suggest that housing for extremely low income households is met primarily through government subsidies. The gap between demand and supply for affordable units, however, decreases as the household size increases.

Figure 1. Average Year of Construction of Residential Properties, City of Pittsburgh Neighborhood

Average Year of Construction of Residential Properties, by City of Pittsburgh Neighborhood
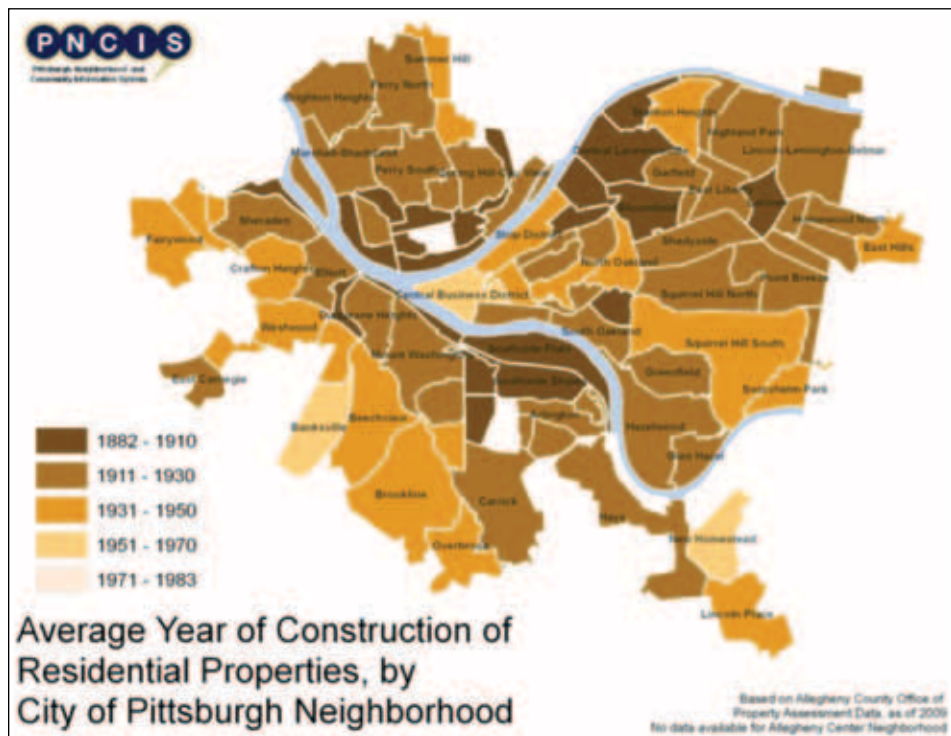
Housing quality remains a crucial factor in affordable housing availability. In the city of Pittsburgh and many communities in Allegheny County, the age of an average house is nearly a century old, so many units, though affordable, exhibit signs of neglect and deterioration, conditions not uncommon with older housing. Deterioration, age, and neglect of housing can result in some households living in affordable, yet substandard housing.

In total, 43,500 housing units across the region were reported in 2004 to have a physical

Table 1. American Housing Survey for Pittsburgh, 2004

HUD Income Level	Size of Household								All Households
	1	2	3	4	5	6	7	8 or Greater	
Extremely low income (< 30% AMI)	44,309	13,939	7,272	3,967	1,410	814	360	102	72,173
Very low income (30%–50% AMI)	37,725	15,025	4,991	4,194	1,652	607	314	86	64,594
Low income (50%–80% AMI)	39,162	30,895	10,486	7,618	2,827	1,089	650	165	92,892
Subtotal Below	121,196	59,859	22,749	15,779	5,889	2,510	1,324	353	229,659
Above	61,378	115,777	51,508	45,179	16,012	3,831	780	449	294,914
Total Households	182,574	175,636	74,257	60,958	21,901	6,341	2,104	802	524,573

Derived from the American Community Survey (ACS) 2009 Public Use Microdata sample. Data reflects survey responses collected between January and December 31, 2009 and matched to the 2009 HUD income limits for the Pittsburgh Metropolitan Statistical Area.

problem. Not surprisingly, on average, rental housing units were more likely to experience negative internal and external conditions than were owner-occupied housing units.

Though rental housing in the region tended to be slightly older than owner-occupied housing units, both were older than 50 years, on average, across the Pittsburgh region, and in the city of Pittsburgh the median house was built in 1936 (see Figure 1). Many problems related to the conditions of older housing were more likely to occur in the city of Pittsburgh than the rest of the county.

In areas where housing conditions are weak and property deterioration is in evidence, older properties become more difficult and expensive to keep in adequate condition. This is evident in some African American communities, where continued racial residential segregation coupled with geographic concentration of affordable housing meant that black households were more likely to confront housing units with physical problems, on average, than white households across the Pittsburgh metropolitan region in the housing survey. In 2004, 11.3 percent of housing units occupied by black households had either severe or moderate physical problems compared to 4.1 percent of housing units occupied by white households.

In Allegheny County in 2004, there were approximately 521,000 housing units, with 70 percent owner-occupied and 30 percent renter-occupied. In the city of Pittsburgh, 43.4 percent of housing units were renter occupied. African American households were also more likely to be renters (56.6 percent) than homeowners (43.4 percent), where just about one quarter of white households were renters in the 2004 survey.

Seventeen communities in Allegheny County had foreclosure rates greater than 150 percent of the Allegheny County average over the 2006-2010 period. These municipalities also tended to have the greatest number of Real Estate Owned (REO) properties, properties bought out of foreclosure and held by financial institutions, usually in a vacant condition.

Real Estate Owned (REO) properties accounted for 7.6 percent of residential house sales in Allegheny County in 2009. Outside of the city of Pittsburgh, the county's most concentrated REO activity could be found in McKees Rocks, Penn Hills, Swissvale, and Wilkinsburg, where REO sales topped 15 percent of all sales. Some neighborhoods in Pittsburgh are even more affected by REO activity, including Sheraden and neighborhoods in the northern, southern and western parts of the city.

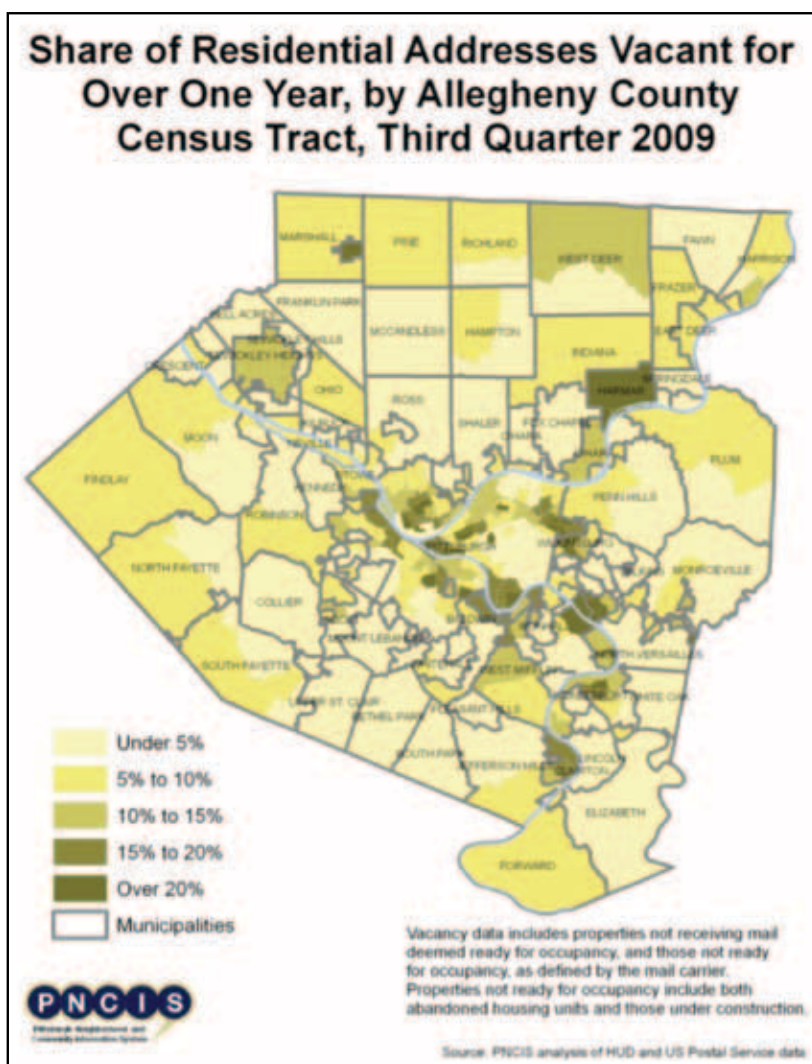The report recommends, among other findings:

• Affordable housing for many lower income households is found in our county's oldest communities and neighborhoods, where indicators of market deterioration and disinvestment are most evident. Programs to improve the conditions of the existing housing stock and maintain a sound supply of affordable housing need to be expanded and marketed to property owners.

• Where REO sales activity makes up a substantial portion of total housing sales, community advocates and community-based organizations should pay attention to these REO units, their condition over time, and who's engaged in their real estate transactions. These properties typically sell well below average sales prices, often in bulk sales, and add to neighborhood distress and negative market implications.

The report, Estimating the Supply and Demand of Affordable Housing in Allegheny County, for the Housing Alliance of Pennsylvania Project: "Lessons From the Foreclosure Crisis: An Agenda for Rebuilding Pennsylvania's Housing Market" will be available on UCSUR's Web site.

Figure 2.

Share of Residential Addresses Vacant for Over One Year, by Allegheny County Census Tract, Third Quarter 2009

Table 2: Summary of Economic Characteristics: Pittsburgh MSA, Allegheny County, City of Pittsburgh, and City of Pittsburgh Neighborhoods—American Community Survey 2005–2009 Estimates

	Pittsburgh MSA	Allegheny County	City of Pittsburgh	Highest Neighborhoods		Lowest Neighborhoods	
Percent of people below poverty level in the past 12 months	11.8	12.6	21.7	Homewood South Lincoln-L.-B. Hays Golden Triangle Knoxville	31.9 30.4 29.5 28.8 28.6	West End North Shore South Shore Regent Square Strip District	0.0 0.0 0.0 1.1 2.1
Percentage of occupied housing units renter-occupied	28.5	32.9	47.9	Northview Heights North Shore South Shore Chateau Terrace Village	100 100 100 100 96.9	Windgap New Homestead Chartiers City Lincoln Place Overbrook	8.9 9.6 9.8 11.7 11.8
Percentage of population age 25 and over with a bachelor's degree or higher	27.7	33.5	33.2	Squirrel Hill North Shadyside Regent Square Point Breeze Squirrel Hill South	81.9 76.3 71.2 69.9 69.1	Northview Heights Saint Clair Village East Carnegie Mount Oliver Esplen	0.0 4.6 5.4 5.9 6.3
Percentage of population age 25 and over with less than a high school degree	10.0	8.8	12.1	Hays Glen Hazel Esplen Crawford-Roberts Homewood West	56.7 41.0 34.5 27.6 26.8	South Shore Squirrel Hill North Summer Hill Regent Square Shadyside	0.0 1.8 3.8 4.0 4.2
Percentage of workers age 16 and over commuting to work by public transit	5.8	10.1	19.7	Arlington Heights Northview Heights Saint Clair Village Middle Hill Terrace Village	88.9 77.4 55.0 48.3 45.2	Ridgemont East Carnegie Hays North Shore New Homestead	0.0 0.0 0.0 0.0 1.9
Percentage of population age 1 and over who resided in a different state 1 year ago	1.6	1.9	3.7	North Shore Squirrel Hill North North Oakland Regent Square Shadyside	31.0 13.6 13.6 12.3 10.7	32 neighborhoods	0.0

For each area, demographic profiles and economic profiles are provided, and include information on poverty, housing, educational attainment, commuting, migration, and school enrollment. The reports allow the user to understand conditions in specific neighborhoods and compare across neighborhoods in the city of Pittsburgh. For instance, the neighborhoods of North Shore, Squirrel Hill North, North Oakland, Regent Square, and Shadyside contain sizeable numbers of recent movers from out-of-state, compared to 32 neighborhoods in the city of Pittsburgh where, according to ACS survey data, no new residents came from out-of-state from the previous year over the 2005-2009 period (see Table 2).

It is recommended that the data released by the ACS program should be used to understand the characteristics of specific geographic areas, and the data generally should not be used as a reference for the specific counts of individuals, households or housing units. There are multiple reasons for this. Because the population controls used in the ACS methodology for the five-year 2009 release uses data dating back to the 2000 decennial census, the usefulness of the ACS for measuring absolute changes in population levels between reporting periods is limited. Other census programs are recommended for capturing total population counts, including the decennial census and the Census Bureau's Population Estimates Program (PEP), which provides annual population data for all counties, and county equivalents, and most incorporated places in the United States.

This report will be one in a series UCSUR

is producing to cover both ACS data releases and the 2010 decennial census and follows similar reports of neighborhood conditions compiled by UCSUR. Past neighborhood data compendiums are available on the center's web page (www.ucsur.pitt.edu) and include sets of neighborhood reports from 1974, 1977, and 2000. UCSUR produced "The Social Geography of Allegheny County" for 1990 Census data which is available in print form upon request. Past projects focused on neighborhood level data for the city of Pittsburgh include the Pittsburgh Atlas Project from the 1970s, the Pittsburgh Neighborhood Information System (NIS) generated in the 1980s, which compiled data for all city neighborhoods back to 1930. Today, the center's focus for neighborhood level data is also encompassed in the Pittsburgh Neighborhood and Community Information (PNCIS), which includes an interactive GIS system of address-level data for the city of Pittsburgh and other communities in Allegheny County.

CITY OF PITTSBURGH NEIGHBORHOOD PROFILES
AMERICAN COMMUNITY SURVEY FIVE-YEAR ESTIMATES
2005–2009 DATA

PROGRAM IN URBAN AND REGIONAL ANALYSIS
UNIVERSITY CENTER FOR SOCIAL AND URBAN RESEARCH
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Students Work on Urban and Regional Projects

This summer, the Urban and Regional Analysis program at UCSUR is pleased to have the following students working with us on our projects.

Chris Bangs, son of Ralph Bangs, is helping on various URA projects. Chris is a student at McGill University, majoring in economics.

Kathryn Collins returns to the URA program this year conducting GIS analysis for Keep Pennsylvania Beautiful, mapping illegal dumping sites across the commonwealth. The newly merged organization continues UCSUR's long standing relationship with the project, formerly through PA Cleanways. Katy is completing her PhD in public and international affairs at GSPIA, with her dissertation "Using Foreign Aid in Local Systems: Collaboration, Coordination and Adaptation in the Public Health Sector in Thailand." She also received a Master of International Development from GSPIA.

Caesar DeChicchis completed his first year at GSPIA in the policy research and analysis program for the MPA degree. Caesar is a 2007 graduate of Temple University and is working on the Pittsburgh Neighborhood and Community Information System (PNCIS) project with the Pittsburgh Public Schools.

Dhanya Elizabeth Elias completed her first year in the master of regional planning in the city and regional planning program in the Department of City and Regional Planning at Cornell University. Dhanya has a bachelor's and master's degree in architecture. She is working on a project with the PNCIS examining movers into and from Lawrenceville, a study of neighborhood change for the Urban Redevelopment Authority of Pittsburgh.

Doug Friedman comes to UCSUR from our National Neighborhood Information System partner in Providence, R.I., The Providence Plan. Doug is programming neighborhood profile data from the PNCIS. A graduate of Brown University, Doug will be in the master's in statistical practice program at Carnegie Mellon University in the fall. Having grown up in Queens and Long Island, Doug is also a New York Mets fan.

Anne Marie Toccket graduated with a master of international development degree from GSPIA in April, focusing on NGO building in Latin America. Her interests include civil society organizing in the rural development context. Anne Marie holds three bachelor's degrees from Penn State in Spanish, journalism, and international studies and received a U.S. Department of Education Foreign Language and Area Studies Fellowship for 2010–2011. She is working on the PNCIS Users Conference and users' stories. In August, Anne Marie will travel in Asia for six months then return to Pittsburgh to work for an international NGO.

Pittsburgh Neighborhood and Community Information System Users Conference

■ *By Sabina Deitrick*

The Pittsburgh Neighborhood and Information System (PNCIS) project of the Urban and Regional Analysis program at UCSUR held its second PNCIS Users Conference Friday, June 3 at the University Club on the University of Pittsburgh campus. Following on the success of last year's conference, the second annual event brought together PNCIS users to highlight innovative applications, neighborhood investments, and other ways PNCIS information can be used to enhance community development in the Pittsburgh region.

Frank Ford, senior vice president for research and development at Neighborhood Progress, Inc. (NPI) in Cleveland was the afternoon's featured speaker. NPI is a leader in funding and resources for Cleveland's community development corporations, and Mr. Ford directs NPI's Land Assembly, Vacant Property Reform, and Foreclosure Prevention Initiatives. He presented a number of innovative strategies for redevelopment in post-foreclosure Cleveland housing markets. In the city of Cleveland, where foreclosure filings have dropped after the foreclosure crisis, abandoned property and problematic ownership are causing further problems of deterioration and declining values. Conversely, the increase in foreclosures now is in the Cleveland suburbs.

Neighborhood data in Cleveland from NEO CANDO, the Cleveland neighborhood information system, has been used to identify and target out-of-state property flippers and dubious Real Estate Owned (REO) bank property transactions. Tracking data and housing

sales trends uncovered a mortgage fraud ring in one neighborhood. Mr. Ford also demonstrated Cleveland's Neighborhood Stabilization Team approach, the Opportunity Homes Pilot Program under its Neighborhood Stabilization Program 2, and current outcomes from Cleveland's Land Banking program.

Approximately 110 people attended the conference, representing community-based organizations, neighborhood alliances, government agencies, elected officials, educational institutions, and private firms and banks.

The conference served as an important event for PNCIS users to share information, applications, success stories, and learn from one another, with exciting applications demonstrated by:

• Tom Mueller, PhD, professor in the Department of Earth Sciences at the California University of Pennsylvania. Dr. Mueller demonstrated the diverse applications available through PNCIS with a class project using crime data in Pittsburgh. The students were excited by the possibilities of real world applications and identified crime hot spots over the 4th of July, tested possible relations between night professional football games and crime by neighborhoods, and examined areas of reported thefts on the South Side. Professor Mueller emphasized that PNCIS helps students

learn "to adapt and improvise" skills needed as they move into their careers.

• Alan Sisco, program director for Rebuilding Together Pittsburgh. In working with senior populations, PNCIS helped Rebuilding Together with its *Community Block Build Model* to identify areas of high concentrations of senior citizens who could be potential clients of Rebuilding Together's services. He showed how PNCIS helped Rebuilding Together develop targeted outreach strategies.

• Patricia Murphy, MSW, MPA, executive director of the Hilltop Alliance. Pat showed how PNCIS was used as a primary source of information and data for understanding the incidence of foreclosure activity in the Hilltop neighborhoods and developing an

Chris Briem, UCSUR, and Frank Ford, Neighborhood Progress, Inc.

Dr. Tom Mueller, Alan Sisco, and Pat Murphy, conference speakers.

early contact and assistance strategy for at-risk residents and households across these communities.

Chris Briem of UCSUR also discussed new Census 2010 data and applications for neighborhoods with American Community Survey data. The Users Conference featured a number of posters in the poster sessions to bring researchers and users together in extended discussions. Jane Clougherty and Jessie Carr, Department of Environmental and Occupational Health, Graduate School of Public Health, presented their work linking asthma exposure and environmental conditions through a neighborhood information system with work in New York City. Aaron Goldstein and Megan Good of the Office of Data Analysis, Research and Evaluation in the Allegheny County Department of Human Services displayed social services uses linked to suburban poverty.

The second annual PNCIS Users Conference was again supported by Pittsburgh Partnership for Neighborhood and Community Development (PPND) and the University Center for Social and Urban Research. UCSUR operates PNCIS in agreement with PPND, a leader in community development in the city of Pittsburgh.

The presentations are available on the UCSUR Web site at www.ucsur.pitt.edu. We hope you can visit!

UCSUR is moving in July:

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UCSUR Names Recipients of Eleventh Annual Steven D. Manners Awards

Each year, the University of Pittsburgh University Center for Social and Urban Research (UCSUR) awards the Steven D. Manners Faculty Development Awards to promising research and infrastructure projects on campus. These awards honor the memory of Steve Manners, a sociologist who began working at the center in 1974 and served as its assistant director from 1989 until his death in September 2000. His research and service to the Center and the University community were dedicated to improving social conditions in the urban environment.

UCSUR made the first Steve D. Manners awards in 2001 and makes awards in two categories:

Research Development Grants to support pilot research in the social, behavioral, and policy sciences; and

Infrastructure Development Awards aimed at enhancing faculty capabilities to carry out interdisciplinary research in the social, behavioral, and policy sciences.

The 2011 Steven D. Manners award winners are:

Jane E. Clougherty, MSc, ScD, assistant professor, Department of Environmental and Occupational Health, Graduate School of Public Health, "Adapting Geospatial Modeling Methods to Assess Individual-level Variability in Urban Chronic Stress."

Chronic stress has been linked to a range of illnesses, including respiratory infection, cardiovascular disease, diabetes, and the common cold. Chronic stress is also distinctly geographically patterned and influenced by neighborhood factors, such as crime rates, access to resources, and proximity to physical stressors associated with noise or air pollution. Dr. Clougherty and her co-investigators propose a novel adaptation of spatial modeling methods developed for air pollution epidemiology (known as "land-use regression" [LUR]), to predict individual-level stress as a function of community-level stressor exposures. The "Stress LUR" models will enable: (1) exploration of the proportion of individual-level chronic stress which may be attributable to community stressors; (2) identification of key community stressors most associated with individual stress experience; and—if the models reasonably predict individual stress—(3) the extrapolation of chronic stress exposure estimates across large urban cohorts for epidemiological analyses.

Fengyan Tang, PhD, assistant professor, School of Social Work, "Retirement Transition, Volunteer Engagement, and Physical Health."

Current cohorts of older adults are productively engaging in increasing amounts of paid work and volunteer activity which may have protective effects against health decline for older adults. This outcome reinforces the importance to society in harnessing the desire of many older adults to continue working and/or to provide volunteer services beyond retirement age. This study will use the Health and Retirement Study panel data (1998-2008) to investigate the dynamic process of retirement transitions, any associated change in volunteer engagement during such transitions, and related physical health change among middle-aged and older adults, with group differences based on gender, race, and social class. This study will test the following hypotheses: (1) transition to part-time work and/or fully-retired status is related to increased likelihood of volunteering; (2) productive engagement in paid work and/or volunteering is related to slower rates of physical health decline over time; (3) concurrent engagement in paid work and volunteering has an even stronger positive association with physical health change; and (4) productive engagement is related to slower rates of physical health decline among socio-economic groups.

For more information about the Steven D. Manners Faculty Development Awards contact UCSUR at 412-624-5442.

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