

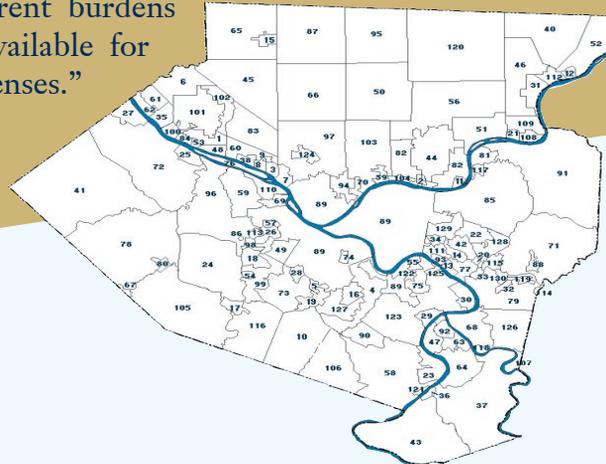
## A STUDY OF AFFORDABLE HOUSING: Supply and Demand in Allegheny County

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“Unable to locate affordable housing units, households under 50% of median household income are driven to higher-priced housing units. These households experience moderate or severe rent burdens and have less financial resources available for food, healthcare, and child-related expenses.”



# GSPiA

UNIVERSITY OF PITTSBURGH  
GRADUATE SCHOOL OF PUBLIC AND INTERNATIONAL AFFAIRS

Prepared for:  
The Pittsburgh Foundation  
Allegheny County Housing Authority  
Allegheny County Department of Economic Development

*AFFORDABLE HOUSING SUPPLY AND DEMAND IN ALLEGHENY COUNTY*

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## A STUDY OF AFFORDABLE HOUSING: Supply and Demand Allegheny County

### **EXECUTIVE SUMMARY**

#### **Project Overview**

The Graduate School of Public and International Affairs at the University of Pittsburgh conducted a study of the relative supply and demand of affordable housing in public and private housing markets throughout Allegheny County. This study implements one of the key recommendations of the Roddey Transition Committee on Housing, which advised that “Allegheny County should take steps to address an adequate supply of affordable housing by, initially conducting a housing supply and demand analysis.”

The purpose of this study was to assess the housing market for low-income residents of Allegheny County, excluding the City of Pittsburgh. This objective was met through the following: (1) estimating the demand for housing of residents at or below 80% of the median household income for Allegheny County; (2) estimating the existing supply of affordable housing in Allegheny County; and (3) assessing the interaction between supply and demand and the resulting surplus or lack of affordable housing in Allegheny County.

Affordable housing includes units with rents at or below 30% of household income, excluding units that are moderately or severely inadequate. The threshold of 30% is used in local, regional, and national studies of housing affordability. The U.S. Department of Housing and Urban Development (HUD) has adopted this definition of affordable housing for its housing studies. Reports by HUD indicate households paying more than 30% of household income on rent have less income available for food, medical care, and education-related costs. Housing unit adequacy is an additional component of housing affordability used in prior affordable housing studies. Moderately or severely inadequate units are those with major plumbing, heating, or upkeep deficiencies, including peeling paint, leaks, or rats.

Analyses were performed for the City of Pittsburgh and Allegheny County, excluding the City of Pittsburgh. The study estimates the rental housing demand by low-income households (incomes at or below 80% of Allegheny County’s median household income) and very low-income households (incomes at or below 50% of Allegheny County’s median household income). Methodological details are not included in the Executive Summary and can be found in the Technical Report.

#### **Supply and Demand Reconciliation**

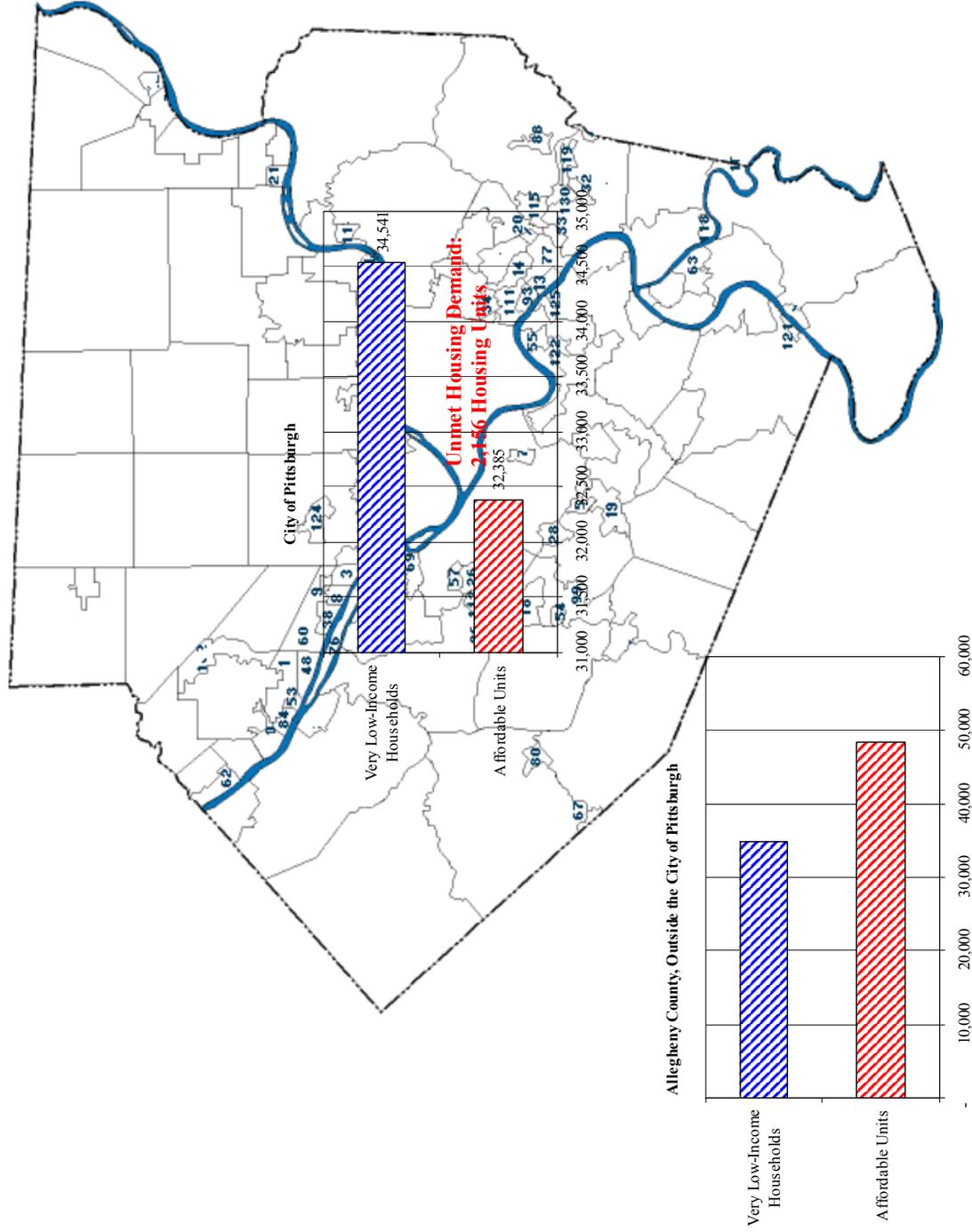
Generally, given an abundant supply of housing in a moderately priced housing market, the potential for a large percentage of County residents to be unable to afford housing in Allegheny County seems unlikely. However, for approximately 15,000 households in Allegheny County an affordable housing crisis is real. We find that although Allegheny County has a relatively

affordable housing market, extremely low-income households face a significant shortage of affordable housing units. This analysis finds that due to increases in low-income housing demand, the continued presence of inadequate or substandard housing, and higher income households renting lower cost units, the City of Pittsburgh and Allegheny County are facing an affordable housing crisis.

- 1. The provision of affordable housing for low-income households is primarily accomplished through the private sector. For all housing units affordable to households under 80% of median household income, only 27% of those units are assisted with public funds.**
- 2. A lack of collaboration among public and private housing initiatives within Allegheny County has resulted in a disproportionate distribution of assisted households across the county. Assisted households are disproportionately represented in lower-income regions of the county. There are 37,556 assisted housing units in Allegheny County and 47% are located in the City of Pittsburgh. An additional 34% of assisted units are located in the East and Southeast Regions of Allegheny County.**
- 3. Affordable housing supply differs significantly within the various low-income categories (see table and map below)**
- 4. For all households at or below 80% of median household income, there is a surplus of 38,523 affordable housing units and 30,632 (80%) of these units are located outside the City of Pittsburgh.**
- 5. For all households between 50%-80% of median household income there is a surplus of 27,180 affordable housing units.**
- 6. For all households under 50% of median family income there is a surplus of 11,344 affordable housing units.**
- 7. For households between 30%-50% of median household income there is a surplus of 26,424 units.**
- 8. For households under 30% of median household income, in both the City of Pittsburgh and Allegheny County, there is an affordable housing crisis.**
- 9. Comparing the affordable housing supply and demand for various income groups suggests that the overall crisis for extremely low-income households can be met by existing housing in the county at the 30%-50% or 50%-80% affordability level.**
- 10. The serious shortage of affordable housing units for households under 30% of median household income and a potentially difficult time in finding affordable housing for households between 30% and 50% of median household income is exacerbated because a significant portion of higher-income households (households above 50% of median household income) occupies those units.**



Reconciliation of Affordable Housing Supply and Demand in Allegheny County



- 11. Affordable housing availability is further limited by the interaction between monthly rent and unit size. Large families face a greater affordable housing crisis than families with one or two persons.**
- 12. Nearly 90% of elderly households in the City of Pittsburgh are low-income households. Elderly households are more likely than non-elderly households to reside outside the City of Pittsburgh.**
- 13. Finding affordable housing is difficult for special needs populations. Households with special housing needs are often temporarily housed in emergency shelters or transitional housing and have tremendous difficulties finding adequate affordable permanent housing. Linking these households with available affordable units continues to pose a serious problem.**

### **Implications and Recommendations**

Extremely low-income residents of Allegheny County and the City of Pittsburgh face a shortage of adequate affordable housing. In addition, very low-income households in the City of Pittsburgh face an affordable housing shortage. The crisis identified in this report is not observed through tremendous increases in the number of homeless families. Rather, we find that one major implication of the affordable housing shortage is that many households locate housing no longer considered affordable by the definition employed in this report.

#### *Potential Implications of the Affordable Housing Shortage*

- 1. The provision of affordable housing can no longer be viewed as separate problems and issues for the City of Pittsburgh and Allegheny County.**
- 2. Unable to locate affordable housing units, households under 50% of median household income are driven to higher-priced housing units. These households experience moderate or severe rent burdens and have less financial resources available for food, healthcare, and child-related expenses. This situation also perpetuates poverty by limiting very low-income households' abilities to save or accumulate wealth.**
- 3. Very low-income households are driven into moderately or severely inadequate housing units. Many households under 50% of median household income occupy substandard housing units that pose physical risks to their family well-being. In addition, children in these households are at risk for health-related illnesses arising from inadequate plumbing, the presence of rats, and potential poisoning from lead-based paint.**

*Recommendations*

The spatial distribution of low-income households and affordable housing units combined with regional disparities in publicly assisted housing suggests the development of a county-wide housing plan and strategy. The affordable housing supply analysis estimates an abundant supply of moderately priced housing available in the County that can serve the needs of all citizens of Allegheny County. Policies should be developed that form collaborations among governmental, social, and private agencies that serve to link very low-income households to the existing affordable housing stock throughout the county.

- 1. The Allegheny County government should implement the recommendation of the Roddey Transition Committee to create and fund a senior level housing manager responsible for developing and implementing a county-wide housing plan that, among other objectives, addresses the adequacy and availability of affordable housing in the County.**
- 2. Improve coordination among the three local housing authorities, including a unified application intake and monitoring system.**
- 3. Increase access to the existing supply of affordable housing in Allegheny County.**
- 4. Increase the number of locations in which Section 8 vouchers are accepted.**
- 5. Establish a local depository of housing-related data and research accessible through the Internet.**
- 6. Provide a mechanism for periodically and systematically updating the status of affordable housing in the County.**

## CHAPTER 1

### Introduction

Over the past twenty years, one of the major housing problems in most U.S. metropolitan areas has been a lack of affordable housing. This policy problem is characterized by a shortage of affordable rental housing units, as well as, substantial numbers of very low-income households facing excessive housing cost burdens. Given the current market rate for rental housing, costs of new homes, and the cost of home maintenance, large segments of the population may lack access to decent and affordable housing. While the extent of the problem varies across regions in the U.S., we are particularly interested in the supply of and demand for affordable housing in Allegheny County.

#### *The State of Affordable Housing in the United States*

The U.S. Department of Housing and Urban Development's (HUD) Office of Policy Development and Research recently released a preliminary report on the status of housing needs for very low-income households (households with incomes below 50% of area median household income)<sup>1</sup> and extremely low-income households (households with incomes below 30% of area median household income) for the U.S. in 1999 (HUD 2001). The report indicates that the number of households with worst-case housing needs – those with severe rent burdens or substandard housing – has dropped significantly.<sup>2</sup> Using data from the 1999 American Housing Survey (AHS), the study finds that very-low income households benefited the most, compared to other low-income groups from economic growth and housing policies. The economic growth of the last several years has decreased the number of extremely low-income households (HUD 2001, Daskal 1998).

Despite increases in the economic standing of extremely low and very low-income households, affordable housing continues to be a problem. Approximately 5 million households, who do not receive rental assistance, pay in excess of 50% of their income towards rent or reside in substandard housing (HUD 2001). These data suggest the affordable housing shortage has implications for the housing choices of poor households. Unable to locate affordable housing, households incur severe rent burdens, reside in moderately or severely housing units, or “double up” with family members or friends. These housing choices are particularly salient for extremely low-income households.

Several trends exacerbate the provision of affordable housing in the United States. First, private market rents continued to rise faster than inflation, resulting in “above average rental increases at the bottom of the rental stock” (HUD 2001). Second, annual availability of rental housing subsidies has increased only marginally over the past

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<sup>1</sup> Area median household income (AMI) is the HUD-specified median household income for the Pittsburgh metropolitan statistical area (MSA), which was \$44,600 in 2000.

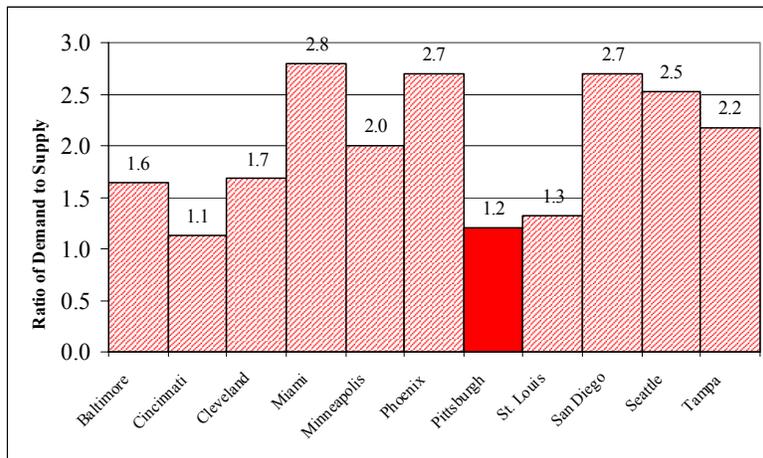
<sup>2</sup> Worst-case housing needs are only defined for households not receiving government-funded rental assistance. The HUD report does not include estimates for homeless persons or persons in temporary shelters.

decade. Third, despite economic growth and the reduction in the number of extremely income-households (households with incomes below 30% of area median household income), households in higher income categories occupy housing affordable to very low and extremely low-income households. Each of these considerations is explored in the 2000 Allegheny County housing affordability study.

*Regional and Metropolitan Level Housing Affordability*

Though focused on the state of affordable housing in the nation as a whole, national studies also explore metropolitan-level housing affordability. In 1995, there was an estimated shortage of 17,000 affordable housing units for low-income renters in the Pittsburgh metropolitan statistical area (Daskal, 1998). The resulting ratio of low-income renters to low-cost units suggests there were 120 renters for every 100 affordable rental units (see Figure 1). Figure 1 also displays ratios for other metropolitan areas with population sizes similar to Pittsburgh’s population. While Pittsburgh’s ratio is low relative to these other metropolitan areas, the affordable housing supply and demand mismatch represents a substantial number of households.

**Figure 1. Ratio of Low-Income Renters to Low-Cost units for 11 Metropolitan Statistical Areas, 1995<sup>3</sup>**



*Source: In Search of Shelter: The Growing Shortage of Affordable Rental Housing. Jennifer Daskal. Center on Budget and Policy Priorities, 1998.*

The shortage of affordable housing affects housing outcomes for low-income renters. In 1995, an estimated 72% of poor renters in the Pittsburgh MSA had moderate-to-severe rent burdens (i.e. paid more than 30% of their income on housing). 30,000 households (or 52% of poor renters) experienced severe rent burdens – paid more than 50% of their

<sup>3</sup> Data comes from the metropolitan-level American Housing Surveys. Pittsburgh data is from the 1995 Pittsburgh metropolitan area survey. Since metropolitan area surveys are not conducted annually the ratios in Figure 1 are estimated from the most recent available from the AHS and are not necessarily from 1995. The survey or data coverage years are as follows: Baltimore (1991), Cincinnati (1990), Cleveland (1996), Miami (1995), Minneapolis (1993), Phoenix (1994), St. Louis (1996), San Diego (1994), Seattle (1996), and Tampa (1993).

income on rent (Daskal 1998). The study also finds that several thousand poor renters live in abysmal housing conditions. Approximately 4,000 of the Pittsburgh MSA's poor renter-households lived in physically deficient housing in 1995. In addition, approximately 3,000 households lived in overcrowded or doubled-up housing.

The interaction between rental prices and bedroom size further complicates the mismatch between income and affordable housing availability. The income necessary to afford a rental unit monotonically increases as the number of bedrooms in a unit increases. Depending on household size, many low-income households are unable to afford rental costs for housing that is otherwise characterized as affordable (NLIHC 2000). For the Pittsburgh MSA, only 58% of renters can afford a one-bedroom unit at HUD's fair market rent (FMR).<sup>4</sup> This percentage decreases substantially to only 38% for households able to afford a three-bedroom FMR unit.

According to the National Low Income Housing Coalition, affordable rental housing is "out of reach" for several reasons. One reason is that hourly wages are set well below housing affordability levels. Households in Allegheny County must earn an estimated \$9.15 per hour to afford a one-bedroom FMR unit and \$11.04 for a two-bedroom FMR unit, over twice the minimum wage (NLIHC 2000).

The above discussion applies to the entire Pittsburgh MSA, which includes several counties surrounding Allegheny County. The analyses presented in the remaining chapters of this report focus only on regions within Allegheny County. Therefore, the results are not directly comparable and should not be used to measure changes between 1995 and 2000. The preceding discussion does, however, confirm the findings of the 2000 study.

### **Prior Studies of Affordable Housing in Allegheny County**

#### *Analysis of Impediments to Fair Housing in Allegheny County*

In 1999, Allegheny County conducted a study of Analysis of Impediments (AI) within the County. While the AI primarily addressed impediments to housing in relation to the Fair Housing Act, many of the key findings are relevant to a study of housing affordability. The study concluded that race, familial status, and disability are the most common protected classes for which violations of fair housing laws occur.

The 1999 AI did not specifically address affordable housing supply in the county, but did confirm that publicly assisted housing is concentrated in high minority areas. The Sanders Consent decree, covering 8 municipalities in Allegheny County (Braddock, Clairton, Duquesne, Homestead, McKees Rocks, Rankin, and Wilkinsburg) serves to desegregate public housing residents. Despite efforts by the Allegheny County Housing Authority and the Fair Housing Services Center (an organization originally funded to oversee the desegregation process) public housing residents have experienced difficulties

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<sup>4</sup> National Low Income Housing Coalition (NLIHC) estimates use HUD's 2001 Fair Market Rent and HUD 2000 income limits trended forward to 2001.

moving into non-targeted communities (those with minority populations below the threshold of the Sanders Consent decree).

Martin et. al. (2000) performed an Analysis of Impediments to fair housing choice for the City of Pittsburgh. The analysis revealed there are some impediments to fair housing associated with zoning regulations and low-income housing location. Although the Analysis of Impediments assesses impediments based on potential violations of fair housing laws or policies that result in adverse impact for protected classes, the results have implications for the current study on affordable housing. The assessment of zoning codes for the City of Pittsburgh (Martin et. al. 2000) suggests changes in the classification of group homes, more specifically regulations on assisted living lot spacing, “may have differential impact across neighborhoods.”

The results of the Analysis of Impediments motivate the current affordable housing study’s exploration of housing location for persons with disabilities, both mental and physical. The analysis contained in this study of housing affordability thus explores the distribution of assisted living spaces across neighborhoods in not only the City of Pittsburgh, but also the remainder of Allegheny County. The Analysis of Impediments for Allegheny County, excluding the City of Pittsburgh, the City of McKeesport, and Penn Hills, showed that zoning ordinances might pose restrictions on assisted living arrangements (Martin and Johnson 1999). Unlike the City of Pittsburgh, Allegheny County has over 100 zoning ordinances in the municipal codes. The variation across municipalities within Allegheny County in land-use restrictions can result in differential patterns of assisted living spaces across municipalities. The affordable housing study explores this housing distribution, particularly as it relates to transportation access and proximity to service providers for persons with disabilities.

An additional result from both the Analysis of Impediments for Allegheny County and the City of Pittsburgh is a better understanding of the location of subsidized housing. The report finds that public housing is concentrated in low-income, high-minority neighborhoods. Public housing is also concentrated among only a few neighborhoods. 38% of HACP’s public housing units are located in only 3 of the city’s neighborhoods.

#### *SWPAPC Housing Needs Assessment for Allegheny County*

Although focused on the housing needs of person living with HIV, the Southwestern Pennsylvania Aids Planning Coalition (SWPAPC) conducted an extensive study of housing affordability in Allegheny County. The study reports several key findings, many of which are supported by the 2000 affordable housing study:

- 1) homeless shelters are generally unable to accommodate families and have limited facilities for persons with disabilities;
- 2) housing available at HUD Fair Market rents is limited;
- 3) affordable housing units are often moderately or severely inadequate;
- 4) affordable housing units are often located in low-income communities;

- 5) histories of substance use, mental health concerns, or criminal conduct present barriers to households securing affordable housing; and
- 6) affordable housing units are often located in areas with few supportive services for persons with HIV/AIDS.

The SWPAPC study uses 1990 Census data and HUD median income and fair market rents for 1999 and 2000, to assess housing affordability in Allegheny County. Based on these data, the study concludes that extremely low-income and very low-income households face substantial barriers to attaining affordable housing. Consistent with national and regional trends, these families secure temporary shelter with friends or relatives, pay in excess of 30% of their income toward rent, or become homeless.<sup>5</sup>

### *1997 Pittsburgh Affordable Housing Study*

Many recent decisions by the Allegheny County Housing Authority have affected policies concerning affordable housing in Allegheny County. A 1997 study by Price Waterhouse Coopers (PWC) suggested a shortage of 18,118 affordable housing units in Allegheny County for low-income households. This study focused on the City of Pittsburgh housing market, and hence, analyses did not include assisted housing in the City of McKeesport. The study also did not estimate private unsubsidized affordable housing units outside the City of Pittsburgh. However, the study did suggest that a county-wide affordable housing deficit may exist.

## **Project Overview**

The purpose of the 2000 Affordable Housing Study is to assess the housing market for low-income residents of Allegheny County, excluding the City of Pittsburgh. This objective will be met through the following: (1) estimating the demand for housing of residents at or below 80% of the median income for Allegheny County; (2) estimating the existing supply of affordable housing in Allegheny County; and (3) assessing the interaction between supply and demand and the resulting surplus or lack of affordable housing in Allegheny County.

The current study addresses housing needs for low-income households (at or below 80% of the County's median household income, or \$32,691), and very-low income households (at or below 50% of the County's median household income, or \$20,432). Analyses were performed for the all of Allegheny County including the City of Pittsburgh. Also, where possible, separate estimates were obtained for the City of McKeesport. The study estimated the rental housing demand by low-income households (incomes at or below 80% of Allegheny County's median household income) and very low-income households (incomes at or below 50% of Allegheny County's median household income). The estimates provided here use methodological techniques employed in local and national studies of housing supply and demand (see Chapter 2).

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<sup>5</sup> Families that "double up" with friends are relatives, though not having their own residences, are considered separately from homeless families in shelters or other homeless persons.

## CHAPTER 2

### **Methodology**

This research utilizes the methodology employed in similar studies of affordable housing. The analysis is performed in four stages. First, we use census data at the municipality and census tract level to assess the current stock of affordable housing and numbers of low-income residents for two primary study areas: City of Pittsburgh and the Allegheny County outside the City of Pittsburgh. Second, we explore the current stock of publicly assisted housing available through the three housing authorities operating in Allegheny County: Housing Authority City of Pittsburgh (HACP), Housing Authority City of McKeesport (MHA), and Allegheny County Housing Authority (ACHA). Data from the Pennsylvania Housing Finance Agency provides estimates of privately subsidized housing units in Allegheny County. Using estimates of current affordable housing supply and demand, we compute the difference between housing supply and demand. Lastly, we address housing affordability for persons with special needs: the elderly, persons with disabilities, and persons in need of short-term housing.<sup>6</sup>

We estimate housing supply and demand for the City of Pittsburgh and subareas of Allegheny County. The initial objective was to provide separate estimates for the City of Pittsburgh and the City of McKeesport. In the absence of 2000 census data at the census tract level, and due to data constraints, we were unable to obtain separate estimates for the City of McKeesport.

#### *Estimating Housing Demand*

Due to the unavailability of 2000 Census data at the onset of the demand analysis, Census population projections for 2000 using 1990 data provide estimates of affordable housing demand in 2000. These projections, obtained from Claritas, perform well at the County and PUMA levels, but are not reliable at lower-geographic levels. Since estimates are not reliable at the census-tract level, this analysis provides estimates for Allegheny County, outside the City of Pittsburgh and the City of Pittsburgh. Using 1990 population counts, Claritas estimates the number of elderly and nonelderly renter and owner households within income bands (30% of AMI, 50% of AMI, and 80% of AMI).<sup>7</sup>

Claritas and Real Estate Strategies, Inc. caution that demand estimates are based on census data that are over ten years old and may not adequately reflect current conditions in Allegheny County or the City of Pittsburgh. Claritas estimates apply 1990 Census data to HUD published 2000 income limits, discussed in the next section.

We verified Claritas estimates using the available income distributions for the 2000 Census. This process showed that the Claritas estimated income distribution for all

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<sup>6</sup> See Appendix B for a description of two supplemental data sources used in this analysis: the decennial Census Summary Tape Files and the 1995 American Housing Survey.

<sup>7</sup> Real Estate Strategies, Inc provided demand summaries.

households within the City of Pittsburgh and Allegheny County is similar to actual Census counts. The income distribution of households by elderly/non-elderly status and tenure status (owners or renters) is still not available from the 2000 Census data.

### **Special Tabulations – Households by HUD Income Limits**

To ascertain the eligibility of elderly and non-elderly households for housing subsidies, most affordable housing programs use the HUD income limits that are established by household size. Unfortunately, however, generally available demographic data, including current year estimates and five-year projections, do not provide tabulations of households by household size and household income. To address this limitation, special tabulations of 2000 estimates by Claritas, Inc. were prepared using the HUD income limits for 2000 for the Pittsburgh MSA. The procedure was identical to the methods used to prepare special tabulations of data during fiscal year 1996 for the Housing Authority of the City of Pittsburgh. In fact, at that time the tabulations that were prepared were for Allegheny County overall, the City of Pittsburgh, Allegheny County excluding the City of Pittsburgh, all PUMAs in the City of Pittsburgh, and most PUMAs in Allegheny County that had public housing units that were operated by the Allegheny County Housing Authority.

#### *HUD Income Limits*

The analyses contained within this report employ HUD Income limits to estimate the number of households with incomes at or below 80% of median household income. Local housing authorities use these limits to determine eligibility for public housing programs. These limits for the Pittsburgh Metropolitan Statistical Area covering the year 2000 are presented in Table 2.1<sup>8</sup>. One advantage of defining low-income households based on these limits is comparability to assisted-housing guidelines. Another advantage is that, unlike the area median income, these limits adjust for family size.

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<sup>8</sup> HUD income limits from 1996 to 2000 are available at <http://www.huduser.org/datasets/il/fmr00/>.

**Table 2.1. HUD Income Limits for 1999 and 2000, by Income Level<sup>9</sup>**

<i>Family Size</i>	<i>30% Income Limit</i>		<i>50% Income Limit</i>		<i>80% Income Limit</i>	
	<i>1999</i>	<i>2000</i>	<i>1999</i>	<i>2000</i>	<i>1999</i>	<i>2000</i>
1 Person	\$ 8,950	\$ 9,350	\$ 14,950	\$ 15,600	\$ 23,900	\$ 25,000
2 Persons	\$ 10,250	\$ 10,700	\$ 17,100	\$ 17,850	\$ 27,350	\$ 28,550
3 Persons	\$ 11,550	\$ 12,050	\$ 19,200	\$ 20,050	\$ 30,750	\$ 32,100
4 Persons	\$ 12,800	\$ 13,400	\$ 21,350	\$ 22,300	\$ 34,150	\$ 35,700
5 Persons	\$ 13,850	\$ 14,450	\$ 23,050	\$ 24,100	\$ 36,900	\$ 38,550
6 Persons	\$ 14,850	\$ 15,500	\$ 24,750	\$ 25,850	\$ 39,600	\$ 41,400
7 Persons	\$ 15,900	\$ 16,600	\$ 26,450	\$ 27,650	\$ 42,350	\$ 44,250
8 Persons	\$ 16,900	\$ 17,650	\$ 28,200	\$ 29,450	\$ 45,100	\$ 47,100

Source: <http://www.huduser.org/datasets/il/fmr00/index.html>

Local housing authority assistance also assures that households do not experience excessive rent burdens. The analyses on affordable housing supply define low-cost housing units as those for which households will pay no more than 30% of their income on rent. Since 30% of income is a payment standard used by the Department of Housing and Urban Development and acceptable rent burden in other studies of affordable housing, this analysis employs this standard.

### **Subsidized Housing Supply**

We obtain estimates of public housing from each of the housing authorities. The Allegheny County Housing Authority (ACHA) has jurisdiction over public housing units in Allegheny County, excluding the City of McKeesport and the City of Pittsburgh. The Housing Authority City of Pittsburgh (HACP) covers public housing units within the City of Pittsburgh. Though a smaller jurisdiction than ACHA, HACP maintains a comparable number of public housing units. Both ACHA and HACP have diversified their public housing stock to include market competitive public housing units. The two authorities have moved from mostly high-rise or densely situated public housing units for smaller, generally two-story buildings. These communities could compete with market rate unsubsidized housing units. The City of McKeesport Housing Authority (MHA) maintains units in the City of McKeesport, which is located in the southeastern portion of the county.

An additional source of subsidized housing is through Section 8 vouchers or certificates. Unlike public housing, Section 8 subsidies are attached to the household rather than the housing unit. Section 8 housing is financially supported through federal funds, but administered through the local housing authorities. It is important to note that private landlords elect to participate in the Section 8 program. In order for a household to use the subsidy on a particular rental unit, the unit must pass a housing quality inspection. With Section 8 vouchers or certificates, when the household moves, the subsidy will move

<sup>9</sup> The median household income in 1999 was \$42,700 and \$44,600 in 2000.

with them (provided that the new landlord elects to participate in the program and the selected unit will pass inspection).

The final source of subsidized housing is through Project-based Section 8 units. These units differ from Section 8 vouchers, with the project-based subsidy tied to the unit rather than the household. We obtain estimates of project-based Section 8 housing through the Pennsylvania Housing Finance Agency.

**Unsubsidized Housing Supply**

*Renter-occupied housing units*

We obtain estimates of affordable housing through the private market from the 2000 Census. The data gives the total number of housing units within specified rental categories by study area (Allegheny County, outside the City of Pittsburgh and the City of Pittsburgh). Specified rental categories in the 2000 Census do not correspond directly to housing affordability ranges (i.e. monthly rent not exceeding 30% of household income). We perform adjustments on the number of households within a rental category to account for the gap between the affordability range and the lower bound of the rental category.

Table 2.2 gives rental categories and the affordability level for households with incomes at or below 80% of median household income (based on 2001 HUD income limits). We compute the affordable rent by multiplying the annual household income for the stated income range by 30% (the affordable rent level) and dividing by 12 to obtain the monthly affordable rent.

**Table 2.2. Rental Categories and Affordable Rent Levels by Household Income (as percentage of Area Median Income), 2000**

<i>Income Range</i>	<i>Maximum Affordable Rent</i>	<i>Census Rental Categories</i>
		Less than \$200
		\$200 to \$299
≤ 30%	\$335	\$300 to \$499
30% to 50%	\$558	\$500 to \$749
50% to 80%	\$892	\$750 to \$999
		\$1,000 or more

We adjust the total number of affordable housing units using the adjustment factor, which equals the difference between the affordability level and the lower bound of the rental category as a percent of the total difference between the lower and upper bound of the rental category. The results are summarized in Table 2.3. For example, the affordable monthly gross rent for Allegheny County households with incomes at or below 30% of median household income is \$335 and falls within the \$300 to \$499 rental category. The affordable rent is \$35 higher than the lower bound of the rental category, with the difference representing 17% of the income range (the adjustment factor). We then multiply the adjustment factor by the number of housing units with rents between \$300

and \$499 in 2000. The resulting adjusted number of units with rents between \$300 and \$335 is  $(53,378 \times 17\%(\text{adjustment factor})=9,254 \text{ units})$ . The final estimated number of housing units affordable to this income group is  $13,638 (\leq \$200) + 12,051 (\$200 \text{ to } \$299) + 9,254 (\text{adjusted count for } \$300 \text{ to } \$335) = 34,943$ .

The last two columns of Table 2.3 give the adjusted number of housing units for Allegheny County and the City of Pittsburgh. The estimates presented in these columns do not adjust for housing quality. Using the 1995 Pittsburgh Metropolitan Area American Housing survey, we obtain estimates for the number of renter-occupied housing units that were moderately or severely inadequate in 2000. The definition of affordable housing excludes units that are moderately or severely inadequate and therefore deemed uninhabitable.

***Table 2.4. Estimated Proportion of Moderately or Severely Inadequate Units by Rental Category***

<i>Census Rental Categories</i>	<i>Estimated % Inadequate</i>
Less than \$200	50%
\$200 to \$299	14%
\$300 to \$499	8%
\$500 to \$749	0%
\$750 to \$999	0%
\$1,000 or more	0%

The 1997 Price Waterhouse Cooper study assumes that 100% of units below \$199 are moderately or severely inadequate. While this assumption is not unreasonable, we modify the estimated inadequacy proportion to reflect the percentage of inadequate units in the American Housing Survey. According to the AHS, the proportion of inadequate rental units below \$199 is much lower than 100%. The percentage given in the first row of Table 2.4 accounts for the differing estimates. The final estimates of the supply of unsubsidized affordable rental housing are presented in Chapter 4.

**Table 2.3. Total and Adjusted Housing Units within Census Rent Categories and Affordable Rent Ranges by Household Income**  
*(as percentage of Area Median Income), 2000*

Income Range	Census Rental Categories	Adjustment Factor	Total Housing Units		Adjusted Housing Units	
			Allegheny County	City of Pittsburgh	Allegheny County	City of Pittsburgh
	Less than \$200	NA	13,638	7,265		
	\$200 to \$299	NA	12,051	4,886		
≤ 30%	\$300 to \$499	17%	53,378	20,920	34,943	15,778
50% to	\$500 to \$749	23%	62,405	22,770	58,535	22,551
80%	\$750 to \$999	57%	18,929	7,063	58,789	21,540
> 80%	\$1,000 or more	NA	8,393	3,141	16,527	6,176
			<b>Total</b>	<b>168,794</b>	<b>168,794</b>	<b>66,045</b>

*Owner-occupied housing affordability*

We estimate the supply of affordable owner-occupied housing using two data sources: RealSTATS and the most recent American Housing Survey for the Pittsburgh Metropolitan Statistical Area. RealSTATS provides median sales prices and the median annual sales of single-family and duplex units from January 1, 2000 to December 31, 2000. The American Housing Survey provides estimates for the percentage of units with severe and moderate problems, the percentage of units purchased by households already residing in the county, and the percent of owner-occupied units occupied by low-income households.

Housing experts estimate that a household could afford to purchase a house priced at 2.5 times their income. These estimates do not, however, account for available savings or the likelihood a household could secure a mortgage. The threshold values for affordable owner-occupied opportunities by percent of median family income are in Table 2.5. Housing units valued at \$33,450 are affordable to extremely low-income households (households with incomes at or below 30% of median household income for the county). The table also suggests that low-income households can afford housing units valued at or below \$55,750, \$550 below the median house value for the county overall in 1990. Given the overall affordability of housing in the county, we estimate that over 70% of owner-occupied housing units are affordable to low-income households, with incomes at or below \$35,680.

***Table 2.5. Owner-occupied Affordable House Prices by Median Family Income Range***

<i>Percent of Median Family Income</i>	<i>30%</i>	<i>50%</i>	<i>80%</i>
<i>Income</i>	\$ 13,380	\$ 22,300	\$ 35,680
<i>Affordable House Price Threshold</i>	\$ 33,450	\$ 55,750	\$ 89,200

Limitations exist in using Census data to estimate the supply of affordable owner-occupied housing. First, the distribution of housing values is not available for 2000. Housing value changes occur at a neighborhood level and may increase at rates differing from the inflation rate. Simply adjusting 1990 values for inflation will not adequately estimate the supply of affordable housing in 2000. Second, Census data summary files use designated value categories (e.g. \$30,000 to \$34,999), rather than individual house values available in individual-level datasets, like the American Housing Survey (AHS). We use the AHS combined with RealSTATs data to estimate the supply of affordable owner-occupied housing in the County, using the following steps:

- 1) Using RealSTATs data, we estimate the turnover of single-family or duplex owner-occupied units. The median of number of annual sales transactions in 2000 was approximately 15,400 units. 22% of these units were in the City of Pittsburgh.
- 2) The second step estimates the proportion of units with moderate or severe housing problems. Based on the 1995 American Housing Survey, the proportion of

inadequate owner-occupied units in the City of Pittsburgh is over twice the rate of the county (2.4% for the City compared to 5.4% for the county). This proportion multiplied by the estimates in step 1 yields an estimate of the annual sales of single-family or duplex units without moderate or severe housing unit problems.

- 3) Not all recently purchased households are occupied by households from the City of Pittsburgh or Allegheny County. We calibrate the total number of occupied housing units to account for affordable owner-occupied housing units that are unavailable to meet the demand within the county, because households previously located outside of the County now occupy those units. Using the American Housing Survey, we estimate that approximately 65% of owner-occupied housing units were purchased by households previously residing in the area.
- 4) The median house price for houses sold in 2000 was \$53,000 for the City of Pittsburgh and \$77, 635 for Allegheny County, excluding the City of Pittsburgh (source RealSTATS). According to the previous discussion, the home ownership affordability range of very low-income households in the Pittsburgh Metropolitan Statistical Area (according to HUD Income Limits) is \$ \$55,750. Given the closeness in the estimates of median house sales price and the very low-income affordability threshold, we estimate that 50% of owner-occupied housing units in the City of Pittsburgh would be affordable to a very low-income household. We expect that the proportion for the County, outside the City of Pittsburgh, would be lower given higher housing prices in the area.

***Table 2.6 Final estimates of available affordable owner-occupied housing units:***

City of Pittsburgh:	1,050
Allegheny County, excluding the City of Pittsburgh:	3,800

Table 2.6 suggests that approximately 4,900 owner-occupied housing units are affordable to households with incomes at our below 50% of household income. Nearly 80% of these units are located in Allegheny County, outside the City of Pittsburgh. These results suggest that affordable owner-occupied home ownership opportunities follow a similar geographic distribution as overall home ownership opportunities. In 2000, there were a total of 360,036 owner-occupied housing units in Allegheny County. Approximately 285,000 (or nearly 80%) of these units were outside the City of Pittsburgh.

## **CHAPTER 3**

### **Analysis of Housing Demand**

Demand for housing units in a defined area is generated by the number of households who live in the area and those additional households who are expected to reside in the area as a result of new household formation or in-migration to the area. Demand also is generated by the need to replace housing units that are obsolete and those that are removed from the stock through demolitions. In addition, demand for housing is a function of income and the ability of households to afford the units that are available in the marketplace.

An assessment of housing demand typically involves estimating the number of households by household income in a particular area. The income limits that are used to determine eligibility for housing subsidies usually are those established annually by The U.S. Department of Housing and Urban Development (HUD). Pursuant to HUD definitions, low-income households are those with incomes at, and below 80 percent of the HUD median by household size, very low-income households are those with income at or below 50 percent of the established median by household size, and extremely low-income households are those with income at or 30 percent of the established median by household size.

#### *Special Tabulations of Households*

Appendix A presents a summary of the special data tabulations for Allegheny County, outside the City of Pittsburgh, the City of Pittsburgh, and Allegheny County, overall. These tabulations were prepared to estimate the number of households at, and below the HUD income limits for the Pittsburgh MSA. Detailed estimates of the number of households by tenure, non-elderly and elderly (62 years old and older), and income band are also presented. The tables provide estimates of households within the income band from 80 percent to 120 percent of the area median income, although these households usually are considered to be middle-income households. The special tabulations also provided estimates for smaller geographic areas within Allegheny County that are known as Public Use Microsample Areas (PUMAs). These PUMA areas, each of which had a 1990 population of about 100,000, were the basis for release of 1990 Census data on tape. Appendix A provides 1996 estimates for all PUMAs for which the data were compiled during 1996 based on the applicable HUD income limits.

Preparation of the special tabulations involved a procedure that applied 2000 household and household income estimates that were developed by Claritas, Inc. to the 1990 counts of households by tenure, age, and income. Basically, estimates from Claritas, Inc. were used to update 1990 Census data. As such, the resultant estimates may not be completely reliable. Analyses of the 2000 U.S. Census data on households by household type, indicate that the estimates may be useful in predicting the nature of housing demand within areas Allegheny County.

Table 3.1 presents estimates for 2000 of the number of low-income, very low-income, and extremely low-income households for Allegheny County and the City of Pittsburgh. The special tabulations were broken down to show households with incomes below 30 percent of the HUD-established income limits, by number of persons per household during 2000, as well as households with incomes from 30 to 50 percent and 50 to 80 percent of the median income, also by household size. The table displays the Claritas, Inc. 2000 estimates of the number of households and the percentage of all renter households within each income band.

***Table 3.1. Affordable Housing Demand of Renter Households in Allegheny County by Household Income as a Percent of Area Median Family Income, 2000***

<i>Household Income as Percent of Median Family Income</i>	<i>City of Pittsburgh</i>	<i>% of Total</i>	<i>Allegheny County, Outside Pittsburgh</i>	<i>% of Total</i>	<i>Allegheny County Total</i>	<i>% of Total</i>
< 30%	21,900	38%	19,000	25%	40,900	31%
30% - 50%	12,641	22%	15,942	21%	28,583	22%
≤ 50%	34,541	61%	34,942	46%	69,483	52%
50% - 80%	11,446	20%	20,038	26%	31,484	24%
≤ 80%	45,987	81%	54,980	73%	100,967	76%

*Source: Claritas; Real Estate Strategies, Inc.; Census, 2000 Decennial Census, Demographic Profile; GSPIA*

Several key findings emerge from the estimates presented in Table 3.1. First, the estimates show, clearly, that there are concentrations of households with incomes at or below 50% of median household income within the City of Pittsburgh. Overall, 61% percent of households in Pittsburgh are estimated to have incomes at or below 50 percent of the area median income, adjusted for household size, during 2000, compared to only 46% of households in Allegheny County, excluding the City of Pittsburgh. Because of the presence of educational institutions in the City, it is likely that some of these households are one-person student households.

Second, in the City of Pittsburgh, nearly 50% (21,900 out of 45, 987) of households with incomes at or below 80% of median household income are extremely low-income households – have incomes at or below 30% of median household income.

Third, only 25% (11,446 out of 45,987) of households in the City of Pittsburgh with incomes at or below 80% of median household income have incomes between 50 percent and 80 percent of median household income. Thus, low-income households in the City of Pittsburgh – those with household incomes at or below 80% of median household income – are predominately very low-income households, based on HUD income definitions.

Fourth, the distribution of income levels for low-income households in Allegheny County differs from the City of Pittsburgh. Incomes in the County are generally higher as evidenced in the corresponding distribution of very low-income and extremely low-income households across the total households in the County and within the at or below 80% of median household income group. In the County outside the City of Pittsburgh, 64% (34, 942 out of 54, 980) of low-income households have incomes at or below 50% of median household income (compared to 75% for the City of Pittsburgh).

Table 3.1 suggests a sizeable affordable housing demand for renter households in Allegheny County. Overall, 100, 967 households are seeking housing that is affordable to those with incomes at or below 80% of median household income. The fact that these households are fairly evenly distributed between the City of Pittsburgh and Allegheny County, excluding the City of Pittsburgh is not surprising, given lower-priced housing within the City, but it does demonstrate a concentration of lower-income households in the central city. Tenure distributions (owner or renter-occupied housing) across the City of Pittsburgh and Allegheny County combine to result in this concentration of low-income renter-households in the City. The City of Pittsburgh houses 33% of the County's households, but 46% of the County's low-income renter households.

## **CHAPTER 4**

### **Analysis of Housing Supply**

Affordable renter-occupied housing units are defined as units with rents at or below 30% of household income, provided the housing unit is not moderately or severely inadequate. The U.S. Department of Housing and Urban Development (HUD) has adopted this definition of affordable housing for its housing studies. The threshold of 30%, used in local, regional, and national studies of housing affordability, assure households have adequate income available for food, medical care, and education-related costs. An additional component of the affordable housing definition, housing unit adequacy, also follows from prior affordable housing studies. Moderately or severely inadequate units are those with major plumbing, heating, or upkeep deficiencies, including peeling paint, leaks, or rats.

This study characterizes affordable housing supply in Allegheny County for the population of housing units in the county that are:

1. Rental units available through the local housing authorities through subsidized rental supply or rental subsidies for private market housing,
2. Rental units available through private landlords receiving rental subsidies,
3. Rental units available through the private rental market, and
4. Owner-occupied.

The remaining sections of this chapter give estimates of the supply of affordable housing through the public and private rental market.

#### *Sources of public sector housing supply in Allegheny County*

Within Allegheny County, three housing authorities provide affordable housing available through the public sector: Allegheny County Housing Authority (ACHA), Housing Authority City of Pittsburgh (HACP), and McKeesport Housing Authority (MHA). The three housing authorities supply approximately 18,250 affordable housing units (see Table 4.1) in the form of public housing units and Section 8 vouchers. Interestingly, these units are fairly evenly distributed between the City of Pittsburgh and Allegheny County. In addition to housing units supplied through the housing authorities, there are approximately 19,300 private rental units not provided by the local housing authorities but subsidized with public funds, with approximately 45% of these units within the city boundaries.

**Table 4.1. Distribution of Publicly Subsidized Housing across Regions in Allegheny County**

Region	Publicly Subsidized Rental Housing			Total
	Public	Project Based Section 8	Section 8 Vouchers	
Pittsburgh	6,131	8,738	2,899	17,768
Allegheny County , Outside Pittsburgh	4,908	10,570	4,310	19,788
<i>Allegheny County Overall</i>	11,039	19,308	7,209	37,556

Publicly subsidized housing is primarily provided through subsidies associated with the housing unit rather than with the household. Of the over 37,550 units of publicly subsidized rental units, only 7,200, or 19% are Section-8 vouchers. The distribution of assisted-housing types (public, project based, or Section 8 voucher) also differs slightly across regions of Allegheny County. 35% of publicly-assisted housing units in the City of Pittsburgh are public housing, compared to only 25% for Allegheny County, outside the City of Pittsburgh. While Pittsburgh has a higher proportional share of public housing units compared to the County, it has a lower-proportional share of Section 8 units. 16% of the publicly-assisted housing units in the city are households with Section 8 vouchers, compared to 22% for the County.

Although the City of Pittsburgh houses less than half of Allegheny County’s low-income households, it supplies over 55% of the public housing units. The distribution of publicly-assisted housing types suggests that the housing authorities in Allegheny County differ slightly in their approaches to delivering affordable housing. The next section summarizes publicly-assisted housing for each housing authority separately.

*Housing Authority City of Pittsburgh*

The Housing Authority City of Pittsburgh (HACP) is the only housing authority operating within the City of Pittsburgh. HACP provides affordable housing to low and moderate-income households through public housing communities and scattered site housing for both family and elderly households. HACP’s portfolio includes several Hope VI developments that update the authorities housing stock. HACP’s mixed-finance sites compete with private fair market rental housing units.

Table 4.2 presents HACP’s portfolio of public housing units. According to the data presented in the table, a substantial proportion of HACP’s public housing is distressed housing. These units, though within the rental limit of very low and extremely low-income households, are not considered affordable by the definition used in this report. In addition to cost, housing units must be free of moderate or severe housing problems. The approximately 3,200 distressed units in Table 4.2 are not excluded from this analysis.

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Conversations with officials at HACP reveal that most of these units will be renovated or replaced and in some cases demolished.

Excluding distressed housing units, HACP delivers proportionate shares of elderly and family site housing. The unit structure by site type does differ, however. Elderly housing units are provided through 11 communities, compared to only 5 for family site housing. We estimate that HACP supplies a total of 6,130 housing units, over half of which are distressed communities. Additional subsidized housing in the City of Pittsburgh is through Project Based housing (discussed later) and Section 8 certificates and vouchers. In 2000, we estimated approximately 3,000 low-income households are assisted through Section 8 vouchers.

***Table 4.2. Public Housing Communities, Housing Authority City of Pittsburgh***

			<i>Total Housing Units</i>			
<i>PUMA</i>	<i>Site Type</i>	<i>Public Housing Community</i>	<i>Public</i>	<i>Privatized</i>	<i>HACP Portfolio</i>	
1312		Arlington Heights	150	0	150	
1312		St. Clair Village	414	0	414	
1310		Northview Heights Estates Family	579	0	579	
1310		Northview Heights Estates Elderly	90	0	90	
1310	Distressed Sites	Addison Terrace Family	691	0	691	
1310		Addison Terrace Elderly	0	150	150	
1310		Bedford Dwellings	420	0	420	
1311		Garfield Heights Family	0	326	326	
1311		Garfield Heights Elderly	0	300	300	
1311		Auburn (Hamilton-Larimer) Elderly	0	150	150	
1310		Allequippa Terrace HOPE VI	0	447	447	
1310		Bedford Additions HOPE VI	0	266	266	
1310		Manchester HOPE VI	0	65	65	
1311	Mixed Finance Sites	East Hills Elderly	0	57	57	
1312		Broadhead Manor	0	64	64	
1311		Pennley Park	0	38	38	
1311		Disabled Housing	0	20	20	
1310		Allegheny Dwellings	282	0	282	
1311		Glen Hazel	182	0	182	
1311	Family Sites	Homewood North	135	0	135	
1311		Hamilton-Larimer (Auburn) Family	30	0	30	
		Scattered Sites	225	0	225	
1311		Kelly Street	165	0	165	
1310		PA-Bidwell	130	0	130	
1310		Pressley Street	212	0	212	
1311		Murray Towers	70	0	70	
1311		Glen Hazel (Bernice Crawley)	111	0	111	
1312	Elderly Sites	Brookline Terrace	30	0	30	
1312		Allentown	104	0	104	
1310		South Oakland	60	0	60	
1312		Morse Gardens	70	0	70	
1312		Carrick Regency	66	0	66	
1312		Gaultieri Manor	31	0	31	
			<i>Total</i>	<i>4247</i>	<i>1883</i>	<i>6130</i>

*Allegheny County Housing Authority*

Allegheny County Housing Authority (ACHA) is the primary housing authority administering public housing units and Section 8 vouchers in Allegheny County, outside the City of Pittsburgh. ACHA provides affordable housing to low and moderate income households in Allegheny County excluding the City of Pittsburgh and the City of McKeesport. Households residing in one of ACHA public housing units pay no more than 30% of their income on rent (the same affordability standard used in this analysis) and the monthly rent includes the cost of utilities. ACHA has 14 family and 18 elderly public housing sites throughout the county. Of the approximately 8,200 units of subsidized housing ACHA provides<sup>10</sup>, 3,900 are public housing units and 4,300 are household subsidies.

**Table 4.3. Distribution of Publicly Subsidized Rental Housing within Subregions<sup>11</sup> of Allegheny County, Outside the City of Pittsburgh**

<i>Subregion</i>	<i>Publicly Subsidized Rental Housing</i>					
	<i>Public</i>	<i>8%</i>	<i>Section 8 Vouchers</i>	<i>5%</i>	<i>Total</i>	<i>7%</i>
North	322	8%	227	5%	549	7%
East	1067	27%	2204	51%	3271	40%
Southeast	1181	30%	1182	27%	2363	29%
South	347	9%	380	9%	727	9%
West	985	25%	317	7%	1302	16%
<i>Total</i>	3901	100%	4310	100%	8211	100%

Table 4.3 gives the distribution of assisted housing units offered through ACHA by subregion. The percentages in the table represent the proportion of ACHA’s units in the region that are public housing units or section-8 units. The distribution of public housing and Section-8 units varies greatly across subregions. Although 48% of subsidized units in the County are public housing units, in one subregion (the East) only one third of subsidized rental units are public housing. The south and southeastern regions have fairly even distributions of public housing and Section 8 units. For the remaining county subregions, the majority of subsidized rental units are public housing. The highest share of public housing is in the west, where 76% of ACHA subsidized rental units are public housing. The largest absolute number of public housing units is in the southeast (approximately 1200 units) and the largest absolute number of Section 8 assisted households is in the eastern region of Allegheny County (approximately 2200 units).

<sup>10</sup> This discussion only addresses public housing units and units that house Section-8 voucher households. Project-based subsidies are discussed separately.

<sup>11</sup> See Appendix C for a map of Allegheny County subregions.

**Table 4.4. Distribution of Publicly Subsidized Rental Housing Types across Subregions of Allegheny County, Outside the City of Pittsburgh**

<i>Subregion</i>	<i>Publicly Subsidized Rental Housing</i>					
	<i>Public</i>		<i>Section 8</i>		<i>Total</i>	
North (1307,1308)	322	8%	227	5%	549	7%
East (1301,1302)	1067	27%	2204	51%	3271	40%
Southeast (1303,1309)	1181	30%	1182	27%	2363	29%
South (1304,1305)	347	9%	380	9%	727	9%
West (1306)	985	25%	317	7%	1302	16%
<i>Total</i>	3901	100%	4310	100%	8211	100%

Table 4.4 gives the distribution of subsidized housing unit types across regions in Allegheny County. Section 8 housing units are concentrated in the Eastern region of the county, where over half of voucher-assisted households reside. Nearly 80% of Section 8 units are in the eastern and southeastern regions. Public housing and Section 8 units are underrepresented in the North and South. While Section 8 units are underrepresented in the West (less than 10% of Section 8 housing is located in this region), approximately 25% of public housing units are located in this area. Tables 4.3 and 4.4 confirm that the delivery of subsidized housing types differs across regions of Allegheny County, outside the City of Pittsburgh.

The total number of units within ACHA’s public housing communities by family size is in Tables 4.5 and 4.6.<sup>12</sup> ACHA offers over 1,500 public housing units for families in 14 communities and over 1,600 public housing units for elderly residents in 18 communities.<sup>13</sup> While housing structures for families are primarily two and three-story buildings, elderly units are primarily “hi-rise” buildings. The summaries in the following tables suggest approximately one half of public housing units are family units. The housing authority has relatively few units for large households, units with four or more bedrooms. Nearly 50% of non-efficiency public housing units administered by ACHA are one-bedroom units. Consistent with differences in housing needs for families and elderly households, the distribution of bedroom sizes also differs for these types of public housing communities. As expected, efficiency and one-bedroom units predominate in elderly communities (approximately 90%) and are negligible among unit types in family public housing communities. In contrast, 80% of family public housing units have two or three bedrooms.

<sup>12</sup> The table entries in Tables 4.5 and 4.6 do not sum to the total number of public housing units administered by ACHA.

<sup>13</sup> Approximately 5% of ACHA’s public housing units are accessible for persons with disabilities.

**Table 4.5. Public Housing Communities by Bedroom Size, Allegheny County Housing Authority Family Units**

Municipality	Region	Site Name	Number of Public Housing Units by Bedroom Size						
			Total Units	Efficiency	1	2	3	4	5
Clairton	Southeast	Millvue Acres PA 6-12	74	0	20	24	26	4	0
Natrona Heights	Southeast	Park Apartments PA 6-26	122	0	4	92	26	0	0
Natrona Heights	Southeast	Sheldon Apartments PA 6-37	70	0	20	36	14	0	0
Tarentum	Southeast	Feix Negley PA 6-34	36	0	0	12	24	0	0
Tarentum	Southeast	Philip Brutner PA 6-34	24	0	0	24	0	0	0
Rankin	East	Hawkins Village PA 6-03	166	0	26	72	48	20	0
Rankin	East	Hawkins Village PA 6-07	36	0	12	12	12	0	0
Braddock	East	Mapleview Terrace PA 6-10	30	0	22	8	0	0	0
Carnegie	West	Andrew Carnegie PA 6-31	15	6	6	1	2	0	0
Coraopolis	West	Groveton Village PA 6-18	100	0	8	66	26	0	0
Duquesne	West	Burns Heights PA 6-04	174	0	34	70	54	16	0
East Pittsburgh	Southeast	Prospect Terrace PA 6-23	94	0	24	24	34	12	0
McKees Rocks	East	Myers Ridge PA 6-02	42	0	0	16	17	8	1
McKees Rocks	West	Uansa Village PA 6-08	50	0	10	30	6	4	0
McKees Rocks	West	Uansa Village PA 6-22	20	0	11	9	0	0	0
McKees Rocks	West	Hays Manor PA 6-09	78	0	15	45	18	0	0
McKees Rocks	West	Hays Manor PA 6-22	54	0	9	27	18	0	0
McKees Rocks	West	Ohioview Acres PA 6-20	250	0	12	174	64	0	0
Sharpsburg	North	Sharps Terrace PA 6-06	66	0	12	42	12	0	0
<i>Total</i>			<i>1501</i>	<i>6</i>	<i>223</i>	<i>798</i>	<i>409</i>	<i>64</i>	<i>1</i>

**Table 4.6. Public Housing Communities by Bedroom Size, Allegheny County Housing Authority Elderly Units**

Municipality	Region	Site Name	Number of Public Housing Units by Bedroom Size						
			Total Units	Efficiency	1	2	3	4	5
Brackenridge	Southwest	Brackenridge Hall PA 6-32	63	0	38	25	0	0	0
Clairton	Southwest	G. W. Carver Apts. PA 6-36	78	16	62	0	0	0	0
Natrona Heights	Southwest	Harrison High Rise	103	0	102	1	0	0	0
Tarentum	Southwest	Golden Tower PA 6-24	60	16	44	0	0	0	0
Tarentum	Southwest	Rachel Carson Hall PA 6-30	60	38	22	0	0	0	0
North Braddock	East	General Braddock Tower PA 6-29	6	154	0	0	0	0	0
Duquesne	Southwest	Harry S. Truman Apts. PA 6-40	63	38	25	0	0	0	0
Homestead	Southwest	Homestead Apts. PA 6-21	144	0	48	96	0	0	0
Homestead	Southwest	Homestead Apt. Extension PA 6-25	106	0	40	66	0	0	0
Homestead	Southwest	F. D. Roosevelt Apts. PA 6-35	100	60	40	0	0	0	0
West Mifflin	Southwest	West Mifflin Manor PA 6-50	107	0	107	0	0	0	0
McKees Rocks	West	Ohioview Tower PA 6-41	60	40	20	0	0	0	0
Springdale	Southwest	Springdale Manor PA 6-50	90	0	90	0	0	0	0
Turtle Creek	East	John Fraser Hall PA 6-28	98	59	39	0	0	0	0
Wilmerding	East	Wilmerding Apts. PA 6-27	100	38	62	0	0	0	0
Wilkinsburg	East	Dumplin Hall PA 6-33	60	36	24	0	0	0	0
West View	North	Westview Manor PA 6-46	100	0	100	0	0	0	0
Jefferson Drive	East	Jefferson Manor PA 6-42	95	0	95	0	0	0	0
McKnight	Southwest	Robert J. Corbett Apts. PA 6-39	105	60	44	1	0	0	0
Blawnox	Southwest	Blawnox Manor PA 6-43	90	0	89	1	0	0	0
<i>Total</i>			1688	555	1091	190	0	0	0

*Project-Based Subsidized Housing*

An additional source of affordable housing is through privately owned subsidized rental housing. The Pennsylvania Housing Finance Agency publishes an inventory of assisted rental housing for counties within the state of Pennsylvania. These units are privately owned subsidized housing that participate in HUD’s project-based Section 8 housing program. Unlike the Section 8 voucher or certificate program, these subsidies are linked to the unit rather than the household. We estimate that Allegheny County overall has approximately 20,000 Project-Based Section 8 housing units (see Table 4.7).

***Table 4.7. Private Subsidized Housing Units across Regions in Allegheny County***

<i>Region</i>	<i>Project Based Section-8 Units</i>
Pittsburgh	8,738
Allegheny County , Outside Pittsburgh	10,570
Allegheny County Overall	19,308

*Source: Pennsylvania Housing Finance Agency, GSPIA*

Approximately 55%, 10,570 of these units are in Allegheny County, outside the City of Pittsburgh. The remaining 45%, or 8,738 units are in the City of Pittsburgh.

*Housing Authority City of McKeesport*

Though not analyzed separately in this report, additional affordable rental housing is available through the McKeesport Housing Authority (MHA). Table 4.8 gives availability and occupancy information for public housing communities administered by MHA. MHA supplies 1,007 or 21% of the 4,900 public housing units in Allegheny County, outside the City of Pittsburgh and approximately 10% of the public housing units in the county overall. Vacancy rates are also relatively low in public housing units administered by MHA. Only 5% of McKeesport’s public housing units are vacant.

**Table 4.8. Number of Rental Housing Units across Public Housing Communities Administered by McKeesport Housing Authority**

<i>Public Housing Community</i>	<i>Public Housing Units</i>			
	<i>Total</i>	<i>Available</i>	<i>Unavailable</i>	<i>Occupied</i>
Crawford Village PA 5-1	204	199	5	175
Crawford Village PA 5-3	150	150	0	141
Crawford Village PA 5-4	198	198	0	182
Harrison Village PA 5-2	50	49	1	49
Harrison Village PA 5-5	100	94	6	90
Harrison Village PA 5-6 (64)	88	81	7	81
Harrison Village Building 17 (Elderly)	73	68	5	68
McKeesport Towers	200	168	32	168
<i>Total</i>	<i>1063</i>	<i>1007</i>	<i>56</i>	<i>954</i>

Units are unavailable due to renovations or modernization.

*Affordable housing supply through the private rental market*

Annually, HUD publishes Fair Market Rents (FMR) for the housing choice voucher program (household rent subsidies). FMRs are adjusted for bedroom size and represent HUD’s determination of reasonable rents within a Metropolitan Statistical Area (MSA). These estimates have implications for the affordable housing market, particularly housing searches for Section-8 voucher recipients. First, the maximum monthly housing subsidy a publicly-assisted household receives uses published FMRs as a threshold. Units eligible for HUD subsidies must meet FMR guidelines and housing occupancy standards. Secondly, the housing subsidy enables very low-income and extremely low-income households to afford units that would otherwise be unaffordable. Appropriately set FMRs make it possible for many households below 50% of median household income to reside in units free of severe housing problems. HUD sets FMRS to give assisted households greater access to a sufficient supply of adequate affordable housing. Thirdly, since FMRs are published for a metropolitan statistical area, low-income households can pursue affordable housing opportunities outside of their neighborhood or municipality.

HUD FMRs serve as a guideline, but do not guarantee that there are sufficient rental housing units available for certain rental categories. For areas in which HUD FMRs are higher on average, HUD publishes exception rents. Exception rents recognize the distribution of rental prices varies across municipalities and may render some markets closed to Section 8 recipients. These exception rents give assisted households access to more rental housing units in high-priced rental markets. Consistent with other metropolitan areas, HUD FMRs for the Pittsburgh metropolitan area extend beyond the center city and Allegheny county to include Beaver, Butler, Fayette, and Westmoreland counties.

Table 4.9 presents Fair Market Rents for Allegheny County from 1996 through 2002. Across all bedroom sizes, HUD FMRs have remained consistent with the rate of inflation. The notable exception is between 1999 and 2000 where rates increased by 13%, approximately 10 percentage points higher than inflation. The higher than inflation increase has tremendous implications for housing affordability. For example, fair market rent for a two-bedroom unit in the Pittsburgh area in 1997 was \$479. In the year 2000, accounting for only inflation that same unit would rent for \$514. However, since rents increased at higher than inflation rates that same unit would rent for \$558. While only a \$54 difference, the effect on monthly housing expenditures of very low-income households can be substantial.

**Table 4.9. U.S. Department of Housing and Urban Development Fair Market Rents, 1996-2000**

<i>Number of Bedrooms</i>	<i>Fair Market Rents</i>						
	<i>1996</i>	<i>1997</i>	<i>1998</i>	<i>1999</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>
0	\$ 315	\$ 323	\$ 329	\$ 335	\$ 378	\$ 389	\$ 398
1	\$ 387	\$ 397	\$ 404	\$ 411	\$ 463	\$ 476	\$ 487
2	\$ 467	\$ 479	\$ 487	\$ 495	\$ 558	\$ 574	\$ 588
3	\$ 585	\$ 600	\$ 610	\$ 620	\$ 699	\$ 719	\$ 736
4	\$ 653	\$ 669	\$ 681	\$ 693	\$ 781	\$ 803	\$ 822

*The relationship between HUD Fair Market Rents and HUD Income Limits*

The previous discussion in fair market rents shows that between 1999 and 2000, rental prices rose at higher than inflation rates. Incomes, however, did not rise at the same rate during that period. The result is fewer affordable units in the private unsubsidized market. In addition Section 8 voucher recipients experienced increased difficulty in securing a rental unit. Table 4.10 presents the rent affordability level and fair market rent for a two-bedroom unit by income level as a percentage of median income.

**Table 4.10. Affordability Level for a Fair Market Rent Two-Bedroom Unit in the Pittsburgh Metropolitan Statistical Area**

<i>Income Band</i>	<i>30%</i>	<i>50%</i>	<i>80%</i>
Annual Income	\$13,380	\$22,300	\$35,680
Monthly Income	\$1,115	\$1,858	\$2,973
Rent Affordability Level	\$335	\$558	\$892
Fair Market Rent 2 Bedroom Unit	\$558	\$558	\$558
Difference	(\$224)	(\$1)	\$334

According to HUD 2000 Income Limits and HUD 2000 Fair Market Rents, no fair market rent units, regardless of unit size, are affordable to unsubsidized extremely low-income households.<sup>14</sup> A fair market rent efficiency unit exceeds the affordability level by \$43. Larger households also face constraints in the private rental market. A two-bedroom fair market rent unit exceeds the affordability level by over \$200. An FMR 2-

<sup>14</sup> For comparison, we use HUD income limits based on a four person household.

bedroom unit is affordable to households earning at least \$22,300 per year. Assuming 2 persons per bedroom,<sup>15</sup> this unit is only affordable to households above 50% of AMI.<sup>16</sup> For very low-income households, housing units with three or more bedrooms are out of reach. The above discussion confirms that despite HUD’s goal and objective of “ensuring that a sufficient supply of rental housing is available to program participants” housing affordability remains a problem (HUD 2001).

*Affordable Unsubsidized Rental Housing*

Chapter 2 gives the methodology employed to estimate the number of affordable housing units for households with incomes at or below 80% of median household income. There were several changes in the overall housing stock for Allegheny County and the City of Pittsburgh between 1990 and 2000 (see Table 4.11).

- 1) Allegheny County experienced an overall increase of nearly 3,000 housing units, or 0.5% over the decade;
- 2) The pattern of housing stock changes differed between Allegheny County and Pittsburgh, with Pittsburgh losing 4% of its housing units over the decade;
- 3) While the County increased in the number of housing units overall, there was a decrease in the number of renter-occupied units. Of the 6,000 renter-occupied units lost between 1990 and 2000, 74% or approximately 4,500, were in Pittsburgh;
- 4) The loss of renter-occupied units for Pittsburgh was nearly twice the rate of the County (a 6.1% decrease in Pittsburgh compared to a 3.3% decrease in the County).

**Table 4.11. Housing Stock in Allegheny County, 1990 and 2000**

	<i>City of Pittsburgh</i>			<i>Allegheny County, excluding Pittsburgh</i>			<i>Allegheny County Overall</i>		
	<i>1990</i>	<i>2000</i>	<i>Change</i>	<i>1990</i>	<i>2000</i>	<i>Change</i>	<i>1990</i>	<i>2000</i>	<i>Change</i>
Total Housing Units	170,159	163,366	(6793)	410,579	420,280	9701	580,738	583,646	2908
Owner-Occupied	80,168	74,927	(5241)	277,858	285,109	7251	358,026	360,036	2010
Renter-Occupied	73,315	68,812	(4503)	109,920	108,302	(1618)	183,235	177,114	(6121)

*Source: U.S. Census Bureau, GSPIA*

Final estimates of affordable rental housing by income band are summarized in Table 4.12, below. According to the definition of affordable housing, rental costs for the below

<sup>15</sup> Using the reasonable occupancy standard (see Appendix C: Glossary), we assume a 2-bedroom unit holds no more than 4 persons.

<sup>16</sup> The 2000 HUD 50% income limit for the Pittsburgh MSA is \$22,300.

units do not exceed 30% of household income and have been adjusted for units with moderate or severe problems.

**Table 4.12. Affordable Housing Supply by Household Income as a Percent of Median Household Income, Allegheny County and the City of Pittsburgh, 2000**

Household Income as Percent of Median Family Income	City of Pittsburgh			Allegheny County, Outside Pittsburgh			Allegheny County Total		
	Supply	Estimated Inadequate	Adjusted Supply	Supply	Estimated Inadequate	Adjusted Supply	Supply	Estimated Inadequate	Adjusted Supply
< 30%	15,830	4,610	11,220	19,247	4,646	14,601	35,077	9,256	25,821
30% - 50%	22,544	1,379	21,165	35,982	2,139	33,843	58,526	3,518	55,008
<50%	38,375	5,989	32,386	55,228	6,785	48,443	93,603	12,774	80,829
50% - 80%	21,494	0	21,494	37,170	0	37,170	58,664	0	58,664
<80%	59,869	5,989	53,880	92,398	6,785	85,613	152,267	12,774	139,493

Source: U.S. Census Bureau, American Housing Survey, GSPIA

## **CHAPTER 5**

### **Special Needs Populations**

‘Special Needs Housing’ refers to affordable, subsidized housing that is specifically for residents with physical or mental disabilities, drug and alcohol addictions, a previous domestic violence situation, HIV, or homelessness. In addition, the homeless population in Allegheny County often has multiple needs that must be met to satisfy their lack of resources and to help them become self-sufficient. The supply of housing for people with special needs includes: 1) emergency shelters for ‘crisis’ situations, 2) transitional housing providing case management, and 3) supportive services to help individuals move towards more permanent housing conditions,

#### *Affordable Housing Demand for Special Needs Populations*

Determining the demand for special needs housing and the potential supportive needs of the homeless is difficult. Waiting lists maintained by social service and housing organizations are one method of attempting to measure this demand. Unfortunately, waiting lists only count those individuals and families who have applied for subsidized housing. The individuals in need of decent, affordable housing who do not know the process of obtaining housing or have not applied are not included. In addition, some households are on multiple waiting lists as they have applied for residency in various housing facilities.

The Allegheny County Department of Human Services Bureau of Housing and Hunger Services of Allegheny County Department of Human Services performs a semi-annual ‘point-in-time’ survey of providers of emergency shelters, transitional housing, and permanent housing facilities to estimate their current capacity to shelter the homeless and their unmet demand. The Urban League of Pittsburgh and HelpLine of the United Way of Allegheny County, two referral services which guide callers with housing needs to appropriate services and facilities, provide up-to-date data on the number of callers with significant housing needs and, if available, the cause of their need.

The Bureau of Housing and Hunger’s twice annual point-in-time survey entails the Department contacting housing and service providers who provide services to the homeless to measure their programs’ current capacity and number of residents residing in their facilities. The survey on December 6, 2000 reveals that there were approximately 1,519 adults and 400 children either homeless, living in temporary emergency shelter or bridge housing, or served by supportive services. Of these 1,500 adults, 329 were experiencing a housing ‘crisis’ situation in which they were living on the streets or staying in an emergency shelter. The survey estimates that:

- 56.4% (856) were single men.
- 25.5% (387) were single women.
- 16.8% (255) were women with families.

- .9% (13) were men with families.
- 24.3% (369) were experiencing a ‘crisis’ situation along with 44 children.
- 38.5% (585) were in transitional housing or permanent housing (provided by funds for homeless).
- 23.8% (361) were in Single Room Occupancies (SRO).

The needs of the homeless or those in temporary housing represented a broad range of problems including substance abuse and serious mental illness. Problems noted include:

- 33% of the homeless counted in the survey have a substance abuse problem.
- 21% have a serious mental illness.
- 17% have a dual diagnosis.

*Affordable Housing Supply for Special Needs Populations*

The HUD Continuum of Care is designed to provide housing and supportive services to homeless individuals and families as they move from homelessness to emergency shelter, to transitional housing, and finally to permanent housing on their way to self-sufficiency. This continuum provides a wide range of special needs housing in Allegheny County and is the primary source of housing for homeless individuals and families. Table 5.1 gives the number of beds available through agencies providing housing for special needs populations.

***Table 5.1. Supply of Emergency, Transitional, and Supported Housing for Persons with Special Needs Populations***

<i>Type of Housing</i>	<i>Number of Beds</i>
Emergency Shelter	352
Single Room Occupancy	551
Transitional Housing for Homeless Individuals	678
24-Hour Supervised Residential Beds (MR)	338
Supported Living (MR)	64
Supported Housing (MH)	550
Community Residential Rehabilitation (MH)	490
Enhanced Personal Care Home (MH)	40
Long Term Structured Residence (MH)	72
Accessible Subsidized Units	1080*

\*Number of Housing Units rather than number of beds available for adults.

*Source: Department of Human Services, Allegheny County, Pennsylvania Housing Finance Agency (PHFA)*

There are currently 352 adult beds available in emergency shelters in Allegheny County. Emergency shelters offer short-term services to the homeless with a limit of 60 days to one year. Shelter services include a place to sleep, eat, shower, launder clothing, and

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referral services to housing types of longer duration. Of this emergency shelter capacity, 183 (52%) are for single adult men or women and 151 (42.9%) are for men or women with children/families. Table 5.2 contains a listing of emergency shelters in Allegheny County. Of the emergency shelters funded through the Allegheny County Department of Human Services:

- 69.9% (246) are located in the City of Pittsburgh.
- 14.8% (52) are located in the Municipality of McKeesport.
- 15.3% (54) are located in the Remainder of Allegheny or no address was reported.

**Table 5.2. Location of Emergency Housing Shelters in Allegheny County**

Housing Provider	Housing Location		Number of Beds by Population Type				
	Municipality	Zip Code	Men	Women	Men and Women	Children	Youth (ages 18-21)
Allegheny House					17	*	
Allegheny Valley Association of Churches	Natrona Heights	15065			14	*	
Alle-Kiski HOPE Center	Tarentum	15084		23		*	
Bethlehem Haven	Pittsburgh City	15222		27			
East End Cooperative Ministries	Pittsburgh City	15206	24				
Eastside Community Collaborative	Pittsburgh City	15208		10		*	
FamilyLinks (Whales' Tale)	Pittsburgh City					*	18
Light of Life Ministries	Pittsburgh City	15212	38				
Lisa's House				4		*	
Northside Common Ministries	Pittsburgh City	15212	25				
Orr Compansionate Center	Pittsburgh City	15206			14		
Salvation Army Family Crises	Pittsburgh City	15219			35	*	
Three Rivers Youth	Pittsburgh City	15212					4
Womanspace East	Pittsburgh City	15230		10		17	
Womansplace	McKeesport City			27			
Womens Center & Shelter	Pittsburgh City			11		15	
Wood Street Commons	Pittsburgh City	15222			30		
YMCA of McKeesport	McKeesport City	15132			25		
Total			87	112	135	32	22

\*There are various arrangements for children. The capacity for children is not reported.

Source: Office of Community Services, Department of Human Services, Allegheny County

In addition to the shelters, there are 678 adult beds in Bridge or Transitional Housing and 551 adult beds in Single Room Occupancy (SRO) locations offering single bedrooms with shared facilities located in the County. Transitional housing facilities provide housing and supportive services to homeless individuals and their families. A listing of SRO beds in Allegheny County is in Table 5.3.

**Table 5.3. Location of Single Room Occupancy Housing Units in Allegheny County**

<i>Population Type</i>	<i>Project Name</i>	<i>Project Location</i>		<i>Number of Beds</i>
		<i>Municipality</i>	<i>Zip Code</i>	
<i>Families</i>	Family Focus	Braddock	15104	4
	Families United			18
	Bill's House			10
<i>Men</i>	First Step to Recovery	McKeesport City	15132	14
	Veterans Place	Pittsburgh City	15206	15
	Dual Diagnosed Project	Pittsburgh City	15212	5
	Permanent Housing Project	Pittsburgh City	15212	7
	Safe Haven Project	Pittsburgh City	15212	14
	Permanent Housing Program	Pittsburgh City	15212	11
	HAV Program	Pittsburgh City		25
	Supportive Housing Program	Pittsburgh City	15219	14
	YMCA - Center Avenue	Pittsburgh City	15219	57
	YMCA Northside	Pittsburgh City		104
<i>Men (age 50+)</i>	St. Joseph's House of Hospitality	Pittsburgh City	15219	60
<i>Men and Children</i>	Permanent Housing Program			15
<i>Men and Women</i>	YMCA McKeesport	McKeesport City	15132	40
	Village Phase II	Pittsburgh City		30
	Wood Street Commons	Pittsburgh City	15222	250
	Western Avenue			21
<i>Singles</i>	Project Pathways	Pittsburgh City	15208	8
	Project Choice	Pittsburgh City	15221	15
	Regis Center II	Pittsburgh City	15219	20
	Regis Center I	Pittsburgh City	15219	30
	Permanent Housing Project	Pittsburgh City	15219	5
<i>Singles or Families</i>	Residential Project	Pittsburgh City	15219	5
	Operation Safety Net	Pittsburgh City	15219	20
	Family Crisis Program	Pittsburgh City		30
	Supportive Housing Project	Pittsburgh City	15213	6
	Neighborhood Living Project	Pittsburgh City	15213	68

*Source: Office of Community Services, Department of Human Services, Allegheny County*

**Table 5.3. Location of Single Room Occupancy Housing Units in Allegheny County**

(Continued)

Population Type	Project Name	Project Location		Number of Beds
		Municipality	Zip Code	
Women	Step Up Program	Pittsburgh City	15219	10
	Transitional Housing	Pittsburgh City	15219	10
	Project Safe Haven / Project Believe!	Pittsburgh City	15219	4
Women (age 50+)	Maryhouse			30
Women and Children	Homeless Plus Program II	Braddock		12
	Debra House	Braddock	15104	9
	Families First	Braddock	15104	4
	Children Climbing Higher	Clairton	15025	15
	Sisters Place Transitional	Clairton	15025	8
	Permanent Housing Program	Clairton	15025	16
	Step by Step	Duquesne	15110	3
	Spring / Locust Project	McKeesport City	15132	10
	Transitional Housing	McKeesport City	15132	2
	Ujima House	North Braddock		3
	Family House	Penn Hills	15235	6
	Transitional Housing Project	Pittsburgh City		32
	Benedictine Place	Pittsburgh City	15229	15
	Village Phase I	Pittsburgh City		10
	Delores Howze Project	Pittsburgh City	15219	6
	Sankofa House	Pittsburgh City	15208	14
	Open Arms	Pittsburgh City	15208	10
	Expansion Project	Pittsburgh City	15219	10
	House of Hope Project	Tarentum	15084	4
	Permanent Housing Program	Wilkesburg City	15021	30
	W.I.S.H			15

Source: Office of Community Services, Department of Human Services, Allegheny County

The duration of services and housing is usually limited to one to three years. During that time, case management and other supportive services are available to assist the individual (and family, if applicable) gain permanent housing and self-sufficiency. Table 5.4 (at the end of this chapter) gives the number of HUD funded transitional and permanent housing units in Allegheny County. The 678 transitional housing units are broken down as follows according to the population they are designed to serve:

- 129 (19.0%) for single adults and their families
- 107 (15.8%) for men or women with mental illness
- 103 (15.2%) for women with children
- 78 (11.5%) are for single men
- 62 (9.1%) for women with children and D & A problems
- 51 (7.5%) for Men or Women with children and D & A problems
- 50 (7.4%) are for single women
- 39 (5.8%) for Veterans with Children
- 16 (2.4%) for single men or women

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- 16 (2.4%) for 18 to 21 year olds
- 14 (2.1%) for Veterans with D & A problems
- 11 (1.6%) for single men or women with D & A problems

Of the transitional and permanent housing provided to the homeless through the Allegheny County of Human Services utilizing funding from the US Department of Housing and Urban Development (HUD), approximately:

- 69.8% are located in the City of Pittsburgh
- 4.3% are located in McKeesport
- 25.9% are located in Allegheny County, outside the City of Pittsburgh and the City of McKeesport.

An additional source of housing for people with mental illness comes from the Office of Behavioral Health of Allegheny County Department of Human Services (OBH). These residential programs are available to help individual adults with a mental health diagnosis to live as independently as possible. There exists a range of levels of care depending upon the individual's needs. OBH provides funding for approximately 1,152 beds, of which:

- 42.5% (490 beds) are Community Residential Rehabilitation (CRR) beds in transitional residential programs located in the community designed for persons with a psychiatric diagnosis. The level of supportive services can range from full-time, highly structured care to partial care. The services include training and assistance in the skills of community living to help the individual live as independently as possible.
- 47.7% (550 beds) are Supported Housing beds that provide less intensive services than CRRs with flexible and personalized supports to assist individuals to live independently in a community setting.
- 3.5% (40 beds) are in Enhanced Personal Care Homes for individuals in need of 24-hour supervision, but do not require the services of a licensed, long-term care facility. These beds are provided or funded by Base Service Units in a local Personal Care Home. Services provided are for personal care such as grooming, dressing, bathing, laundry, etc.
- 6.25% (72 beds) are Long Term Structural Residences that provide highly structured, residential mental health treatment.

The Department of Human Service's Office of Mental Retardation also provides funds for 338 beds located in group homes with 24-hour supervision.

Throughout Allegheny County, there are approximately 1,080 subsidized accessible housing units for the persons with physical disabilities. This number is derived from the housing for which the Pennsylvania Housing Finance Agency has provided funds for development. These units also receive funding through the HUD 811, Low-Income Tax Credits, other state monies, and/or the Federal Home Loan Bank. Of these units, approximately,

- 46.3% (500) are located in the City of Pittsburgh.
- 3.6% (39) are located in the City of McKeesport.
- 50.1% (541) are located in Allegheny County, outside the City of Pittsburgh and the City of McKeesport.

*Affordable Housing Supply and Demand Reconciliation*

Despite difficulties in estimating housing demand for special needs populations, qualitative evidence suggests that the lack of affordable, permanent housing is keeping families in the ‘continuum of care’ system. Without sufficient permanent housing, families have a difficult time moving out of transitional housing into independent living situations. An increase of affordable, permanent housing for all groups of special needs is necessary. Housing provider respondents to the December 6, 2000 point in time survey report a lack of 78 beds in transitional housing facilities. To alleviate the problem of a lack of affordable housing, the Allegheny County Department of Human Services has set its current priorities of funding for the HUD ‘Continuum of Care’ to include (in order of priority):

- Develop and increase transitional and permanent housing for men with children.
- Develop permanent housing with supportive services for single adults, single parent families, and two parent families with children.
- Develop transitional and permanent housing for large families with three or more children.
- Develop transitional housing and supportive services for single adults, one-parent families, and two parent families with children.

The United Way of Allegheny County’s HelpLine (HelpLine) tracks the needs of callers to their referral service. From October 1, 1999 to March 15, 2001, HelpLine received approximately 407 calls, representing 841 homeless individuals, for help in locating emergency shelter or bridge housing.<sup>17</sup>

- 61.9% (252) of these calls were initiated from zip codes within the City of Pittsburgh.
- 6.6% (27) from McKeesport.
- 31.5% (128) from Allegheny County not including the City of Pittsburgh and McKeesport.
- 3.2% (13) from the municipality of Duquesne.
- 1.5% (6) from the municipality of Penn Hills.

These calls do not represent all calls made to the HelpLine regarding housing needs. During the same time period, an additional 221 calls were received concerning

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<sup>17</sup> Taken from the total number of Homeless needing shelter calls plus Homeless needing Bridge Housing calls.

individuals or families residing in temporary housing who need shelter, bridge, or subsidized housing. These 221 calls represented 530 individuals living in temporary conditions. Of these calls, 49.3% (109) were requests for information on shelter, 22.6% (50) were requests for bridge housing, 21.3% (47) involved subsidized housing, and 6.8% (15) were other requests. Geographically,

- 63.3% (140) originated from within the City of Pittsburgh.
- 5.9% (13) from McKeesport.
- 30.1% (68) from Allegheny County, not including the City of Pittsburgh and McKeesport.

The Housing Counseling Services of the Urban League of Pittsburgh provides counseling referral services and emergency rental assistance to clients who are at risk of becoming homeless through eviction, or already homeless. Their clients for this program must reside within the City of Pittsburgh. Through the first three quarters of 2000 to September 30, 2000, Housing Counseling Services received 821 new in-takes into their housing counseling system. The following are some characteristics of these intakes:<sup>18</sup>

- 54.8% (450) of these new intakes were households whose housing costs were too high and were in need of rental assistance.
- 23.1% (190) were facing eviction or foreclosure.
- 17.5% (144) reported at least one individual in the household had a disability.
- 55.18% (453) were paying monthly housing expenses in excess of 30% of their total household income.

The Allegheny County Department of Human Services, with data from social service providers, housing counseling services, and other agencies, attempts to determine the unmet need of special needs housing. The County, based upon its waiting lists, estimates that there is an unmet demand for 119 beds in group homes with 24-hour supervision for adults with mental retardation, 129 supportive housing units for adults with Behavioral Health issues, 105 Community Rehabilitation Units (CRR), 25 Enhanced Personal Care Home beds for adults with Behavioral Health issues, and 47 Long Term Structural Residence beds.

There are additional factors that may affect the demand for affordable housing in certain geographical areas based upon the particular needs of residents with physical and/or mental disabilities. Important issues were described by a select number of service providers, this study's advisory committee, and housing providers.

#### *Access to Transportation and Social Services*

Residents with disabilities may rely more heavily on public transportation than others to get to medical, social, and general services. In addition to public transportation, some medical centers and social service agencies offer transportation to their facilities for their

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<sup>18</sup> Self-reported by client to Housing Counseling Services.

consumers. A high priority for people with mental illness is that they have relative ease in getting to the services they need. Transportation is important in this regard.

With regard to special needs housing, some housing providers felt that the location of social services were important to the residents. While an alternate point of view is that the location of services is not as important as easy access to public transportation that would take consumers to those services. Bus service to medical and counseling services such as those found at Western Psychiatric Institute and Clinic can be just as important as having an agency nearby.

People with mental health disabilities have similar problems as other low-income households attempting to find affordable housing. Some housing providers and counselors feel that an increase in the general affordable housing stock would benefit people with mental health disabilities. Potential residents with mental health issues do not necessarily need or want congregate housing or housing that is specifically for people with disabilities. The most important priorities are those mentioned previously—transportation, affordable housing, and easy access to the services residents require.

**Table 5.4. U.S. Department of Housing and Urban Development Funded Transitional and Permanent Housing in Allegheny County**

<i>Program Type</i>	<i>Housing Provider</i>		<i>Housing Units</i>		
	<i>Agency Name</i>	<i>Municipality</i>	<i>Number</i>	<i>Population Served</i>	<i>Sub Population</i>
<i>Permanent Housing / Housing for Persons with Disabilities</i>	ACTION-Housing / TC MHRM	Braddock	12	Women & Children	All
	Sisters Place Inc.	Clairton	15	Women & Children	Addicted
	Sisters Place Inc.	Clairton	16	Women & Children	Addicted
	Residential Resources Inc. / YWCA	North Braddock	3	Women & Children	All
	House of the Crossroads	Pittsburgh City	10	Women & Children	Addicted
	Light of Life	Pittsburgh City	7	Men	Dual Diagnosed
	Northside Common Ministries	Pittsburgh City	11	Men	Dual Diagnosed
	Pittsburgh AIDS Task Force	Pittsburgh City	15	Singles	HIV / AIDS
	St. Joseph's House of Hospitality	Pittsburgh City	30	Singles	Elderly
	Vietnam Veteran's Leadership Program	Pittsburgh City	5	Singles	Disabled
	YMCA Centre Avenue	Pittsburgh City	14	Men	Disabled
	Hosanna House	Wilkesburg City	30	Women & Children	All
	Vietnam Veteran's Leadership Program		15	Men & Children	Veterans
	Whale's Tale		18	Families	All
	YWCA of Greater Pittsburgh		15	Women & Children	All
	<i>S+C</i>	Whale's Tale	Penn Hills	6	Women & Children
<i>Safe Haven</i>	Northside Common Ministries	Pittsburgh City	14	Men	Mentally Ill
<i>Single Room Occupancy</i>	Jewish War Veterans East Boro Post 718	Pittsburgh City	15	Men	Veterans
<i>Transitional Housing</i>	Bridge to Independence	Braddock	9	Women & Children	All
	Bridge to Independence	Braddock	4	Women & Children	All
	Bridge to Independence	Braddock	4	Couples & Children	All
	Sisters Place Inc.	Clairton	8	Women & Children	All
	Family Health Council	Duquesne	3	Women & Children	Young mothers
	ACTION-Housing / McKeesport Collaborative	McKeesport City	10	Women & Children	Addicted
	PCHS / First Step Recovery Homes	McKeesport City	14	Men	Addicted
	YWCA of McKeesport	McKeesport City	2	Women & Children	All
	Bethlehem Haven	Pittsburgh City	10	Women	Dual Diagnosed
	Community Human Services Corp	Pittsburgh City	32	Women & Children	All
	HEARTH	Pittsburgh City	15	Women & Children	All
	House of the Crossroads	Pittsburgh City	30	Men & Women	Addicted
	House of the Crossroads	Pittsburgh City	6	Women & Children	Addicted
	House of the Crossroads	Pittsburgh City	5	Singles/Families	Addicted
	Light of Life	Pittsburgh City	5	Men	Dual Diagnosed
	Mercy Hospital / Operation Safety Net	Pittsburgh City	20	Singles/Families	All
	Miryam's	Pittsburgh City	10	Women	Mentally Ill
	Miryam's	Pittsburgh City	4	Women	Mentally Ill
	PCHS / East Side Community Collaborative	Pittsburgh City	14	Women & Children	All
	PCHS / East Side Community Collaborative	Pittsburgh City	10	Women & Children	All
	Pittsburgh AIDS Task Force	Pittsburgh City	8	Singles	HIV / AIDS
	Salvation Army	Pittsburgh City	30	Singles/Families	All
	St. Joseph's House of Hospitality	Pittsburgh City	20	Singles	Elderly
	UPMC/WPIC	Pittsburgh City	6	Singles/Families	Mentally Ill
	UPMC/WPIC	Pittsburgh City	68	Singles/Families	Mentally Ill
	Vietnam Veteran's Leadership Program	Pittsburgh City	25	Men	Veterans
Womanspace East Inc.	Pittsburgh City	10	Women & Children	Domestic Violence	
Alle - Kiski Hope Center	Tarentum	4	Women & Children	Domestic Violence	

*Source: Office of Community Services, Department of Human Services, Allegheny County*

## CHAPTER 6

### Supply and Demand Reconciliation

Generally, given an abundant supply of housing in a moderately priced housing market, the potential for a large percentage of County residents to be unable to afford housing in Allegheny County seems unlikely. However, for approximately 15,000 households in Allegheny County an affordable housing crisis is real. We find that although Allegheny County has a relatively affordable housing market, extremely low-income households face a significant shortage of affordable housing units. This analysis finds that due to increases in low-income housing demand, the continued presence of inadequate or substandard housing, and higher income households renting lower cost units, the City of Pittsburgh and Allegheny County are facing an affordable housing crisis.

- 1. The provision of affordable housing for low-income households is primarily accomplished through the private sector. For all housing units affordable to households under 80% of median household income, only 27% of those units are assisted with public funds.**

The providing of affordable housing is primarily accomplished through the private market. There are an estimated 139,490 units affordable to Allegheny County's low-income households.<sup>19</sup> Of these units, only an estimated 37,556 are assisted through public funds (public housing, Section 8 vouchers, and private subsidized units).<sup>20</sup> Thus, 73% of the County's affordable housing is provided through the private market. There is some variation between the City of Pittsburgh and the County in the proportion of affordable housing units that are provided through the private market. In the City, 67% of affordable housing is privately provided, compared to 77% of units outside the City of Pittsburgh.

- 2. A lack of collaboration among public and private housing initiatives within Allegheny County has resulted in a disproportionate distribution of assisted households across the county. Assisted households are disproportionately represented in lower-income regions of the county. There are 37,556 assisted housing units in Allegheny County and 47% are located in the City of Pittsburgh. An additional 34% of assisted units are located in the East and Southeast Regions of Allegheny County.**

In the absence of a county-wide housing plan, parts of Allegheny County have adopted very different housing strategies. The results are an inappropriate concentration of assisted housing, an overall lack of collaboration, and less-than-effective programs to address housing needs. The City of Pittsburgh has 27% of the county's households but 47% of the county's publicly assisted housing units. Also, nearly two-thirds of the assisted units in Allegheny County outside the City of Pittsburgh are located in the East

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<sup>19</sup> See Table 4.12.

<sup>20</sup> See Table 4.1.

and Southeast regions (see Table 6.1). Conversely, large parts of the county (North, South and West) have relatively small programs to address diverse housing needs.

The distribution of assisted housing types also varies across regions in the County. The City of Pittsburgh has 56% of the County’s public housing units, but only 40% of the Section 8 vouchers in the County. Nearly 47% of Section 8 assisted units are in the East and Southeast, but these regions contain only 30% of the public housing units in the County. The Southeast region, which has the highest affordable housing demand in Allegheny County, excluding the City of Pittsburgh, has a higher proportional share of public housing than other types of assisted housing. Regions with relatively low shares of affordable housing demand (the North, South, and the West) have much higher proportional shares of project-based assisted housing units relative to other assisted housing types. The latter two regions combine to account for nearly 15% of public housing and Section 8 assisted housing in the County, but nearly 25% of project-based rental housing units.

***Table 6.1. Distribution of Assisted Households by Type and Region, Allegheny County***

<i>Region</i>	<i>Assisted Households</i>			<i>Total</i>
	<i>Public Housing</i>	<i>Project Based</i>	<i>Section 8</i>	
Pittsburgh	56%	45%	40%	47%
North (1307,1308)	3%	6%	3%	5%
East (1301,1302)	10%	16%	31%	17%
Southeast(1303,1309)	20%	16%	16%	17%
South (1304,1305)	3%	8%	5%	6%
West (1306)	9%	10%	4%	8%
Percent	100%	100%	100%	100%
Total	11,039	19,308	7,209	37,556

- Affordable housing supply differs significantly within the various low-income categories (see table 6.2 below)**

**Table 6.2. Analysis of Affordable Housing Supply and Demand in Allegheny County by Household Income as a Percent of Area Median Household Income, 2000 Estimates**

Household Income as Percent of Median Family Income	City of Pittsburgh		Allegheny County, Outside Pittsburgh		Allegheny County Total	
	Supply	Demand	Supply	Demand	Supply	Demand
< 30%	11,220	21,900	14,600	19,000	25,820	40,900
30% - 50%	21,165	12,641	33,842	15,942	55,007	28,583
≤ 50%	32,385	34,541	48,442	34,942	80,827	69,483
		(10,680)		(4,400)		(15,080)
		8,524		17,900		26,424
		(2,156)		13,500		11,344
50% - 80%	21,494	11,446	37,170	20,038	58,664	31,484
≤ 80%	53,879	45,987	85,612	54,980	139,490	100,967
		7,892		30,632		38,523

- 4. For all households at or below 80% of median household income, there is a surplus of 38,523 affordable housing units and 30,632 (80%) of these units are located outside the City of Pittsburgh.**

For Allegheny County, there are an estimated 100,967 low-income households and 139,490 units affordable to these households (see Table 6.2).

- 5. For all households between 50%-80% of median household income there is a surplus of 27,180 affordable housing units.**

We estimate 31,484 households with incomes between 50% and 80% of the area's median household income and 58,664 housing units affordable to this group (see Table 6.2). This surplus represents 70% of the 38,523-unit surplus for all low-income households in the county. The majority of these units are outside the City of Pittsburgh (63%).

- 6. For all households under 50% of median family income there is a surplus of 11,344 affordable housing units.**

For Allegheny County, outside the City of Pittsburgh, the affordable housing supply of 48,442 units exceeds the affordable housing demand of 34,942 units by 13,500 units. However, the City of Pittsburgh has a supply of 32,385 units and a demand of 34,541 households resulting in a deficit of 2,156 housing units affordable to this income group. These numbers suggest that the very low-income supply in the City of Pittsburgh can be addressed through providing very low-income households in the city access to affordable housing opportunities outside the city.

- 7. For households between 30%-50% of median household income there is a surplus of 26,424 units.**

There are 55,007 units available to meet a demand of 28,583 households. Both the City of Pittsburgh and Allegheny County have a surplus of affordable housing units (8,524 and 17,900, respectively). Over 68% of the surplus is located outside the City of Pittsburgh.

- 8. For households under 30% of median household income, in both the City of Pittsburgh and Allegheny County, there is an affordable housing crisis.**

The overall county supply of affordable housing units to households with incomes at or below 30% of median household income is 25,820 while the demand is 40,900 households leaving a deficit of 15,080 units affordable to this income group. This deficit is most acute in the City of Pittsburgh, which has a deficit of 10,680 units, representing 72% of the overall county deficit. The problem for the City of Pittsburgh is partially due to the relative distribution of extremely low-income households and the supply of affordable housing. While 54% of extremely low-income households reside in the City of Pittsburgh, only 43% of housing units affordable to this income group are available in the City.

**9. Comparing the affordable housing supply and demand for various income groups suggests that the overall crisis for extremely low-income households can be met by existing housing in the county at the 30%-50% or 50%-80% affordability level.**

The surplus of housing units for these income groups can be redistributed to lower-income households either by subsidizing the units to make them affordable for households with incomes at or below 30% of median household income (extremely low-income households) or by subsidizing the incomes of extremely low-income households enabling them to afford these housing units.

**10. The serious shortage of affordable housing units for households under 30% of median household income and a potentially difficult time in finding affordable housing for households between 30% and 50% of median household income is exacerbated because a significant portion of higher-income households (households above 50% of median household income) occupies those units.**

The inventory of units affordable for households under 50% of median household income is 80,827. For the County, we estimate that higher income households (over 50% of median household income) occupy approximately 16,000 of those units leaving an estimated supply of 64,827 units for 69,483 households – a deficit of 4,656 units.

**11. Affordable housing availability is further limited by the interaction between monthly rent and unit size. Large families face a greater affordable housing crisis than families with one or two persons.**

*Table 6.3. Distribution of Unit Size by Rental Price, 1990*

<i>Number of Bedrooms</i>	<i>Area Median Household Income Level</i>			
	<i>Less Than 30%</i>	<i>30% to 50%</i>	<i>50% to 80%</i>	<i>Above 80%</i>
0 or 1	56%	41%	18%	16%
2	32%	43%	49%	36%
3 or more	12%	16%	33%	48%

The entries in Table 6.3 give the distribution of unit size – number of bedrooms in the unit – by rental affordability level. Households in Pittsburgh and Allegheny County face difficulties finding affordable housing units with the desired number of bedrooms. We estimate that 56% of private unsubsidized housing units that are affordable to households under 30% of median household income are one-bedroom or efficiency units (see Table 6.3). However, given HUD “reasonable occupancy standards” and average household size, many households require units with at least two bedrooms. Large families face considerable constraints, with less than 15% of affordable units for extremely low income

households having three bedrooms or more. Thus, given household size and unit size needs, the deficit of affordable housing units is widened.

**12. Nearly 90% of elderly households in the City of Pittsburgh are low-income households. Elderly households are more likely than non-elderly households to reside outside the City of Pittsburgh.**

Low-income housing demand is greater for elderly renter households, with nearly 90% of elderly households in the City having incomes at or below 80% of median household income. The percentage of low-income renter households among the elderly in the County outside the City is also considerable at 84%. Only two-thirds of the County's non-elderly households are low-income. While elderly-households are much more likely than non-elderly households to be low-income, these two age groups have similar distributions of extremely low-income households (at or below 30% of household median income), 32% and 30%, respectively.

Of the approximately 100,000 low-income households in the County, including Pittsburgh, one-third, or 32,000 are elderly households. This percentage is higher for the County outside the City of Pittsburgh, where approximately 37% of low-income households are elderly, compared to 27% for the City.

**13. Finding affordable housing is difficult for special needs populations. Households with special housing needs are often temporarily housed in emergency shelters or transitional housing and have tremendous difficulties finding adequate affordable permanent housing. Linking these households with available affordable units continues to pose a serious problem.**

## CHAPTER 7

### Implications and Recommendations

The previous chapters demonstrate that extremely low-income residents of Allegheny County and the City of Pittsburgh face a shortage of adequate affordable housing. In addition, very low-income households in the City of Pittsburgh face an affordable housing shortage. The crisis identified in this report is not observed through tremendous increases in the number of homeless families. Rather, we find that one major implication of the affordable housing shortage is that many households locate housing no longer considered affordable by the definition employed in this report.

#### *Potential Implications of the Affordable Housing Shortage*

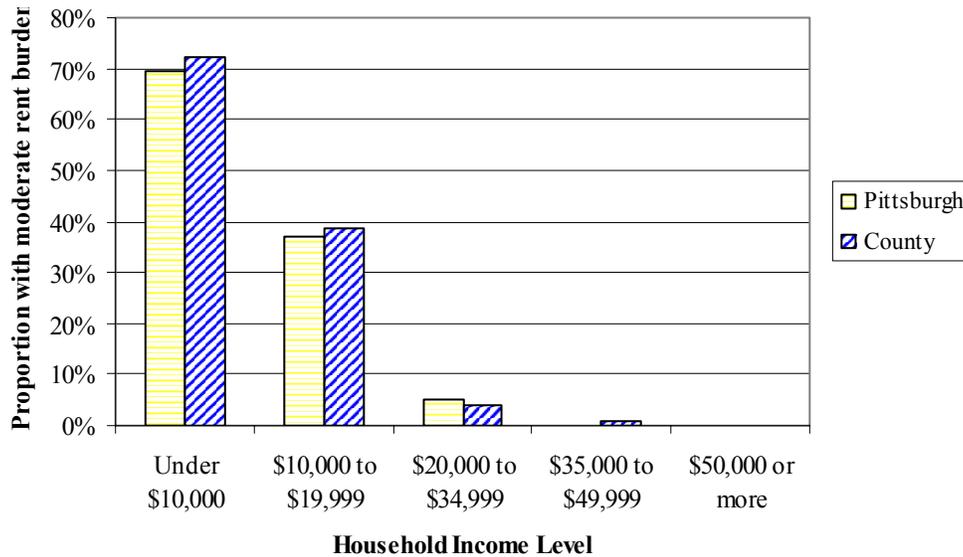
**1. The provision of affordable housing can no longer be viewed as separate problems and issues for the City of Pittsburgh and Allegheny County.**

Our analysis estimates an abundant supply of moderately priced housing available in the County. Estimated affordable housing supply, combined with estimated affordable housing demand suggests that the County, outside the City of Pittsburgh can serve as a source for meeting affordable housing needs in Allegheny County overall. The City of Pittsburgh's policy of eliminating distressed housing units is an appropriate one. However, asking the City of Pittsburgh to be responsible for the affordable housing needs of the whole county is inappropriate. Policies should be developed that form collaborations among governmental, social, and private agencies that serve to link very low-income households to the existing affordable housing stock throughout the county.

**2. Unable to locate affordable housing units, households under 50% of median household income are driven to higher-priced housing units. These households experience moderate or severe rent burdens and have less financial resources available for food, healthcare, and child-related expenses. This situation also perpetuates poverty by limiting very low-income households' abilities to save or accumulate wealth.**

The affordable housing crisis identified in this report is not observed through tremendous increases in the number of homeless families. Rather, we find that one major implication of constraints on the affordable housing supply is that many households locate housing no longer considered affordable by the definition employed in this report. The proportion of households with moderate or severe rent burdens – paying in excess of 30% or 50% of household income on rent, respectively, - illustrates this finding. Figure 7.1 displays the proportion of households with moderate rent burdens by income and study area. The figure confirms that extremely low and very low-income households are more likely to have rent burdens. Approximately 70% of households under 30% of median household income paid over 30% of their income on rent, compared to less than 5% of households over 50% of median household income. This implication further suggests higher-income households occupy many affordable housing units.

Figure 7.1. Moderate Rent Burdens by Income and Study Area, Census 1990



**3. Very low-income households are driven into moderately or severely inadequate housing units. Many households under 50% of median household income occupy substandard housing units that pose physical risks to their family well-being. In addition, children in these households are at risk for health-related illnesses arising from inadequate plumbing, the presence of rats, and potential poisoning from lead-based paint.**

In Allegheny County, approximately 7% of very low-income renter households live in moderately or severely inadequate housing (an estimated 4,400 households). Typically, housing units in the City of Pittsburgh are older and have a greater potential for containing lead-based paint. Numerous research studies have shown that peeling lead based-paint poses serious health hazards for small children. Additionally inadequate household plumbing, leaks, holes or cracks in the ceilings or walls, as well as exposure to rats contribute to unsanitary conditions and illnesses.

*Recommendations*

The 2000 Affordable housing study for Allegheny County finds that extremely low-income households face a severe affordable housing shortage. Given the surplus of units affordable for households between 50% and 80% of the County’s median household income, we propose a broad strategy for addressing the affordable housing crisis for households at or below 30% of median household income. The spatial distribution of low-income households and affordable housing units combined with regional disparities in publicly assisted housing suggests the development of a county-wide housing plan and strategy. The affordable housing supply analysis estimates an abundant supply of moderately priced housing available in the County that can serve the needs of all citizens of Allegheny County. Policies should be developed that form collaborations among

governmental, social, and private agencies that serve to link very low-income households to the existing affordable housing stock throughout the county.

This broad strategy recognizes that the key to addressing the affordable housing shortage is connecting housing providers with very low-income consumers and finding better ways of utilizing the existing affordable housing units. The analysis confirms that building more affordable units is important but not a paramount concern. The county has experienced a decline in population and a subsequent increase in vacant housing units. An aggressive strategy to the effective provision of affordable housing is to recognize changes in population and housing stock. In addition, judiciously eliminating existing dilapidated or poorly located housing units can and should continue provided very low-income and extremely low income households are linked with the remaining housing units. The implications of implementing this county-wide strategy are: 1) increased partnerships among the various entities addressing housing-related issues; and 2) the removal of dilapidated, substandard, or potentially hazardous housing units.

First, extremely low-income households (households under 30% of median household income) need access to existing housing units. Providing these households with the financial capability to occupy units within the 50%-80% affordability range can ease the affordable housing shortage. These initiatives include financial subsidies, as well as removing other barriers to acquiring higher-rent units (e.g. the refusal of some landlords to rent to Section 8 certificate holders).

In addition, the analysis has shown that those above the 80% of median household income occupy a significant portion of the very low-income affordable housing supply (approximately 16,000 housing units). These households may possess greater resources than very low- and extremely low-income households, allowing them a greater chance of securing lower-rent units. Strategies should address the housing market climate from the renter and landlord's perspective (e.g. the importance of credit histories and the ability to maintain good credit).

Finally, increasing overall homeownership in the region, combined with implementing the first two strategies could open up additional affordable housing opportunities from the current supply, as well as increase ownership among very low-income households.

- 7. The Allegheny County government should implement the recommendation of the Roddey Transition Committee to create and fund a senior level housing manager responsible for developing and implementing a county-wide housing plan that, among other objectives, addresses the adequacy and availability of affordable housing in the County.**

The housing manager should be responsible for monitoring and reporting on the state of affordable housing in Allegheny County. Several of the recommendations in this report require the coordination of governments and housing authorities within the City of Pittsburgh, City of McKeesport, and Allegheny County. The housing manager position

can facilitate this interaction; propose programs or policies to alleviate the affordable housing supply crisis for households under 30% of median household income; and coordinate the implementation and dissemination of housing-related research.

**8. Improve coordination among the three local housing authorities, including a unified application intake and monitoring system.**

A centralized system for receiving, processing, and monitoring applications for housing at the three housing authorities within the County is essential to the broad strategy of a county-wide affordable housing plan. This coordinated system could foster linkages between very low-income residents and housing available throughout the County, as well as increase housing choices of very low-income households. In addition, a coordinated system could serve to alleviate concentrated public and assisted housing and low-income residents within certain regions of the County.

**9. Increase access to the existing supply of affordable housing in Allegheny County.**

As recommended by the Roddey Transition Team: “determine what changes, if any, need to occur in state law to promote inclusionary zoning ... to be enacted in Allegheny County.”

Increasing subsidies targeted at very low-income households (households under 50% of median household income) enables these households to occupy units affordable within the 50% to 80% of median household income range. We recognize that the federal government, rather than local governments, control the number of Section 8 vouchers. Cooperation among the three existing housing authorities in the county could help elevate the visibility of the county’s affordable housing crisis for households under 30% of median household income, as well as identify ways to increase the number of housing subsidies within the county.

The three local housing authorities, Allegheny County government, and municipalities should collaborate to increase geographic housing choice for the region’s low-income households by alleviating the disproportionate distribution of assisted households across the various regions of the county.

**10. Increase the number of locations in which Section 8 vouchers are accepted.**

This analysis supports findings from the 1999 Analysis of Impediments. For both the City and County, assisted households are segregated, due to household choice or differential treatment in the housing market. Local housing authorities should actively track landlord acceptance of Section 8 vouchers across housing markets within the County, City of Pittsburgh, and City of McKeesport. Local housing authorities along with local governments should work to increase the dispersion of Section-8 households.

**11. Establish a local depository of housing-related data and research accessible through the Internet.**

We recommend a local research institution house and catalog all housing-related data. This data should be made available to all interested agencies, along with technical support for using the data and generating reports. In addition, this institution should monitor the use of housing-related data and research to provide efficiency in assessing affordable housing needs in the County and eliminate duplication of relevant research.

**12. Provide a mechanism for periodically and systematically updating the status of affordable housing in the County.**

The current analysis uses Claritas projections of 1990 Census data to achieve 2000 housing-demand estimates. Supply estimates were generated using the available 2000 Census data. Additional household-level data will be available in the Metropolitan-level American Housing Survey (expected around 2003). The estimates presented here should be updated as more accurate data becomes available.

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Data regarding calls to HelpLine were received from Dodie Saxer of HelpLine of United Way of Allegheny County. Calculations were based upon the reported calls from October 1, 1999, the initial date of their computer database on incoming requests.

Data regarding housing supply and housing needs was received from the Office of Community Services, Department of Human Services, Allegheny County and PIPER, Department of Human Services, Allegheny County.

## **APPENDIX A: DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS**

Allegheny County is one of five counties in Southwestern Pennsylvania that comprise the Pittsburgh Metropolitan Statistical Area (MSA). In addition to Allegheny, the MSA includes Beaver, Butler, Fayette, Washington, and Westmoreland Counties. Combined, the 2000 U.S. Census reported that the MSA had a total population of 2,358,695 in 966,500 households. Allegheny County is the most populous county in the MSA with a population of 1,280,666 in 537,150 households. In 2000, therefore, the County had 54.3 percent of the MSA's population and 55.6 percent of its households.

The City of Pittsburgh is located in the center of Allegheny County where the Allegheny and Monongahela Rivers join to form the Ohio River. Although Pittsburgh is the largest city in Allegheny County and is the central city of the MSA, it is one of 130 separate political jurisdictions in the County. Allegheny County outside of Pittsburgh referred to herein as "Allegheny County," is comprised of 129 incorporated units of government, including McKeesport, Clairton, Mt. Lebanon, Carnegie, Wilkinsburg, and McKees Rocks.

As in other major metropolitan areas in the United States, households and jobs in the Pittsburgh MSA have migrated from the central city to the surrounding suburban communities in Allegheny and other counties in the MSA, creating new business parks and employment centers in locations that are beyond the traditional business district. For example, the Pittsburgh International Airport is located in Allegheny County about 20 miles from the heart of the City's central business district, and it has become a major suburban employment center. The MSA's transportation systems, including roads and public transit, have not kept pace with the changes in employment patterns. In some areas, this situation has resulted in the isolation of low-income people from employment centers and difficult commutes to jobs. Lower-income workers who were able to walk from their homes to good jobs in industrial plants and mills increasingly have been faced with plant shut-downs and more limited opportunities nearby.

Household income estimates that are detailed in this section indicate that the income disparity between Pittsburgh and Allegheny County has widened during the ten-year time frame, most likely reflecting ongoing patterns of suburban migration by middle- and upper-income households along with their employers.

### **SOURCES AND CONSISTENCY OF DATA**

It is important to note that population and household estimates for 2000 by Claritas, Inc. were used to prepare special tabulations of households by income band, tenure, and elderly/non-elderly status because data from the 2000 U.S. Census were not available. In fact, the U.S. Census Bureau release schedule estimated that household income data would become available only during 2002, and population and household counts were not available when this study commenced during 2000.

As data have become available from the 2000 U.S. Census, the analysts have compared them with the estimates Claritas, Inc., developed that and that were used in preparing the special tabulations. The estimates were very close to actual household counts for the City of Pittsburgh that became available during May 2001. For Allegheny County and Allegheny County overall, however, the estimates were less consistent with actual counts from the 2000 U.S. Census.

Table A1 compares 2000 population and household estimates with actual 2000 Census Counts. Although the differences are less than three percent for households, which is statistically low, it seems likely that there also will be variations in the number of lower-income households. During July 2001, Claritas, Inc. released estimates for 2001 and projections for 2006 that were based on population and household counts from the 2000 U.S. Census. These more recent estimates and projections have been incorporated in the analyses that follow.

***Table A1. Comparison of Claritas Estimates and Census Counts for 2000***

	<i>Allegheny County, Outside Pittsburgh</i>	<i>City of Pittsburgh</i>	<i>Allegheny County, Overall</i>
<i>Population</i>			
2000 Claritas Estimate	914,123	333,490	1,247,613
2000 U.S. Census	<u>947,103</u>	<u>334,563</u>	<u>1,281,666</u>
Difference			
Number	32,980	1,073	34,053
Percent	3.48%	0.32%	2.66%
<i>Households</i>			
2000 Claritas Estimate	381,903	144,163	526,066
2000 U.S. Census	<u>393,411</u>	<u>143,739</u>	<u>537,150</u>
Difference			
Number	11,508	(424)	11,084
Percent	2.93%	-0.29%	2.06%

*Source: U.S. Census Bureau, Census 2000, Tables DP-1 for Pittsburgh and Allegheny County;  
Claritas, Inc.; Real Estate Strategies, Inc.*

### **Summary of Demographic Characteristics**

Table A2 presents demographic data for Allegheny County, the City of Pittsburgh, and all of Allegheny County during 1980, 1990, and 2000. During May 2001, limited data on household and housing characteristics became available from the 2000 U.S. Census; as indicated previously, however, no data on household income had been released through August 2001. The data that were available are included in this demographic analysis.

The following paragraphs discuss major results of analyses of the data, including observations regarding any significant differences between projections and actual data. Data from the 2000 U.S. Census have been included to the extent that they were available.

**Table A2. Selected Demographic Data Allegheny County, City of Pittsburgh, and Allegheny County Overall**

	<i>Allegheny County, Outside Pittsburgh</i>	<i>City of Pittsburgh</i>	<i>Allegheny County, Overall</i>
<i>Population</i>			
1980 Census	1,026,326	423,763	1,450,089
1990 Census	966,570	369,879	1,336,449
2000 Census	947,103	334,563	1,281,666
2001 Claritas Estimate	945,712	332,546	1,278,258
2006 Claritas Projection	932,982	318,500	1,251,482
Percent Change 1980 - 1990	-5.8%	-12.7%	-7.8%
Percent Change 1990 - 2000	-2.0%	-9.5%	-4.1%
Percent Change 2000 - 2006	-1.5%	-4.8%	-2.4%
Avg. Annual Percent Change 1980-1990	-0.6%	-1.4%	-0.8%
Avg. Annual Percent Change 1990-2000	-0.2%	-1.0%	-0.4%
Avg. Annual Percent Change 2000-2006	-0.3%	-0.8%	-0.4%
<i>Population by Race - 2000 U.S. Census</i>			
One Race	99.1%	98.4%	98.9%
Two or more Races	0.9%	1.6%	1.1%
Hispanic or Latino (of any race)*	0.007%	1.3%	0.9%
For Population Reporting One Race:			
White	91.0%	67.6%	84.2%
African American	7.3%	27.1%	13.0%
Asian	1.3%	2.7%	1.5%
Other	0.4%	1.0%	0.2%
<i>Households</i>			
1980 Census	374,518	166,032	540,550
1990 Census	387,778	153,483	541,261
2000 Census	393,411	143,739	537,150
2001 Claritas Estimate	396,196	145,323	541,519
2006 Claritas Projection	396,078	141,360	537,438
Percent Change 1980-1990	3.5%	-7.6%	0.1%
Percent Change 1990-2000	1.5%	-6.3%	-0.8%
Percent Change 2000-2006	0.7%	-1.7%	0.1%
Avg. Annual Percent Change 1980-1990	0.3%	-0.8%	0.0%
Avg. Annual Percent Change 1990-2000	0.1%	-0.7%	-0.1%
Avg. Annual Percent Change 2000-2006	0.1%	-0.3%	0.0%
<i>Average Household Size</i>			
1990 Census	2.46	2.27	2.41
2000 Census	n/a	2.17	2.31
2001 Claritas Estimate	2.35	2.15	2.30
2006 Claritas Projection	2.32	2.11	2.27
<i>Median Age - 2000 (in years)</i>			
	n/a	35.5	39.6

\*Population included in Hispanic or Latino also is in percentages for One Race and Two or more Races.

Source: US Census Bureau, Census 2000, Tables DP-1 for Pittsburgh and Allegheny County; Claritas Inc.; Real Estate Strategies, Inc.

## **Population**

Allegheny County's population, including the population of Allegheny County and the City of Pittsburgh, has declined steadily since 1980. During the 1990's, however, the rate of decline, slowed to one-half of the compound annual rate during the 1980's, and Claritas has projected that this slower rate will continue through 2006. As might be expected, the loss of population during all time frames has been higher in the City of Pittsburgh and lower in Allegheny County.

### *Population by Race*

Table A2 presents 2000 U.S. Census data on the population by race. In a major change from the 1990 U.S. Census, respondents were given an opportunity to indicate when they were one race, or two or more races. Based on the responses, most of the population in Allegheny County is of one race.

For the population reporting one race, the vast majority in Allegheny County – 91.0 percent – were White according to the 2000 Census. For the City of Pittsburgh, 67.6 percent, or slightly more than two-thirds of the population of one race, were White. As in the 1990 U.S. Census, most of the non-White population in all areas is African-American. Pittsburgh has very low percentages of other minority groups and very low percentages of Hispanic or Latino population.

### *Households*

Despite the declining population, the number of households actually increased in Allegheny County during the 1980's and 1990's, to a total of 393,411 households at the time of the 2000 U.S. Census. Although Claritas, Inc. has estimated additional growth in the County since 2000, the estimates were based on 1990 household counts because they were prepared before the 2000 Census data on households became available. The decline in population and increase in the number of households is consistent with national trends to smaller average household sizes. In Allegheny County, the average household has declined from 2.46 persons per household in 1990 to 2.38 persons during 2000.

As shown in Table A2, Claritas, Inc. also estimated higher numbers of households in 2001 in the City of Pittsburgh and all of Allegheny County than were reported in the 2000 U.S. Census. Importantly, the decline in households in both Pittsburgh and Allegheny County has been at compound annual rates that are far slower than the population decline. The implication from this slower decline is that the number of housing units that are needed for these households also is declining more slowly than might be anticipated based on population, alone.

### *Population by Age*

During the 1990's, Allegheny County often was included on lists of the oldest U.S. counties because of the very high median age of the population. As Table A2 shows, the

2000 U.S. Census again evidences this, with a median age in Allegheny County of 39.6 years. For the United States overall, the median age in the 2000 U.S. Census was 35.3 years, or far younger than the median in Allegheny County. The median age for Allegheny County is not yet available.

The median age for the City of Pittsburgh, 35.5 years, is more consistent with that of the United States. Because of the City's concentration of universities and the tendency of students to live within the city boundaries, there is a major concentration in Pittsburgh of people in the age cohort from 20 to 24 that reduces the median age. In Pittsburgh, 10.3 percent of the population was in this age cohort, while only 6.7 percent of the population nationally, and 5.9 percent of the Allegheny County population was in this cohort. Conversely, the high median age in Allegheny County results from the large concentration reported in the 2000 U.S. Census of people 65 years old and older. In the County, 17.8 percent of the population is 65 and older, in contrast with 16.4 percent of the Pittsburgh population and 12.4 percent of the U.S. population.

*Households by Household Type*

In addition to the counts of households, data from the 2000 U.S. Census on the number of households by household type were released during May 2001. Table A3 compares the data from the 1990 Census and 2000 Census for Allegheny County, the City of Pittsburgh, and all of Allegheny County.

**Table A3. Households by Household Type in 1990 and 2000 in Allegheny County, outside Pittsburgh, the City of Pittsburgh, and Allegheny County Overall**

	Allegheny County, Outside Pittsburgh				City of Pittsburgh				Allegheny County, Overall			
	1990 Census		2000 Census		1990 Census		2000 Census		1990 Census		2000 C	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<i>Number of Households</i>	387,167	100.0%	393,411	100.0%	153,607	100.0%	143,739	100.0%	540,774	100.0%	537,150	
<i>Family Households</i>	271,565	70.1%	258,133	65.6%	88,044	57.3%	74,104	51.6%	359,609	66.5%	332,237	
With Own Children under 18	110,346	28.5%	110,176	28.0%	35,524	23.1%	31,458	21.9%	145,870	27.0%	141,634	
Female Householder, no Husband Present	39,044	10.1%	42,858	10.9%	26,057	17.0%	23,683	16.5%	65,101	12.0%	66,541	
With Own Children under 18	16,933	4.4%	21,607	5.5%	12,903	8.4%	12,927	9.0%	29,836	5.5%	34,534	
Married Couple Family	222,498	57.5%	202,773	51.5%	56,943	37.1%	44,776	31.2%	279,441	51.7%	247,549	
With Own Children under 18	90,638	23.4%	83,374	21.2%	21,277	13.9%	16,396	11.4%	111,915	20.7%	99,770	
Other Family\1	10,023	2.6%	12,502	3.2%	5,044	3.3%	5,645	3.9%	15,067	2.8%	18,147	
<i>Non-Family Households</i>	115,602	29.9%	135,278	34.4%	65,563	42.7%	69,635	48.4%	181,165	33.5%	204,913	
Householder Living Alone\2	104,431	27.0%	119,176	30.3%	55,544	36.2%	56,562	39.4%	159,975	29.6%	175,738	
Householder 65+ Living Alone	49,171	12.7%	51,113	13.0%	23,776	35.9%	19,716	13.7%	72,947	13.5%	70,829	

\1 For the 1990 Census, male householder, no wife present as reported in Table P019. For 2000, the number is the remainder of family households.

\2 For 1990 Census, non-family male and female householders living alone reported in Table P017. Excludes group quarters.

Source: 1990 Census of the Population and Housing, Summary Tape File 3, Tables P004, P005, and P017-19; U.S. Census Bureau, Census 2000, Tables DP-1 for Allegheny County and the City of Pittsburgh.

Materials released in connection with the 2000 U.S. Census included the U.S. Census Bureau's definition of a Family Household (Family), which is important in understanding the data on households by household type:

“A family includes a householder and one or more people living in the same household who are related to the householder by birth, marriage, or adoption. All people in a household who are related to the householder are regarded as members of his or her family. A family household may contain people not related to the householder, but those people are not included as part of the householder's family in census tabulations. Thus, the number of family households is equal to the number of families, but family households may include more members than do families. A household can contain only one family for purposes of census tabulations. Not all households contain families since a household may comprise a group of unrelated people or one person living alone.”

Pursuant to this definition, the data show that the number of family households in Allegheny County, Pittsburgh, and all of Allegheny County declined in absolute number and also as a percentage of total households. The number of family households with their own children under 18 declined from 1990 to 2000 by 170 households in Allegheny County, and by 4,236 in all of Allegheny County. Virtually all of the decrease, therefore, occurred in the City of Pittsburgh, which lost 4,066 family households with their own children.

From 1990 to 2000, the percentage of family households headed by a female householder with no husband present increased only in Allegheny County. The increase was 3,814 households. A more dramatic increase occurred in the number of female-headed households with no husband and with related children under 18 years old increased substantially, from 16,933 households in 1990 to 21,607 households during 2000. This increase of 4,674 households raised the percentage of this type of households to 5.5 percent of all County households.

In the City of Pittsburgh, the number of households headed by a female householder with no husband present decreased from 17.0 to 16.5 percent of all households between 1990 and 2000, and represented a decline of 2,374 households. Although the percentage of female-headed households with no husband present and with related children less than 18 years old increased in the City, the change in the actual number of households was insignificant.

Not all family households headed by a female householder without a husband present and related children under 18 are low-income households. Studies have confirmed, however, that this type of household is more likely to be a low-income household than those with two adults present.

The implication from these data on family households is that there may be a need to provide additional affordable housing units in Allegheny County that are for family

households with children present. Although the data show no change in the number of households in this category in the City of Pittsburgh, the condition of housing is an ongoing concern because of the age of the housing stock. It is possible that some female-headed households with children are living in housing units that are physically or functionally obsolete, including public housing units that are slated for replacement.

The number and percentage of non-family households increased in all areas from 1990 to 2000. In Allegheny County, the increase was 23,748 households; in the City of Pittsburgh, non-family households comprised 48.4 percent of all households in 2000. The number of non-family households with householders living alone also increased in all areas, but the largest increase was in Allegheny County, where there were 14,745 additional householders living alone during 2000.

In Allegheny County, the number and percentage of householders 65+ who were living alone increased by 1,942 households from 1990 to 2000. In the City of Pittsburgh, the number of householders 65+ who were living alone actually declined by 4,060. These household counts imply an increased need for senior housing in areas of Allegheny County that are outside of the City of Pittsburgh. Alternatively, housing units for seniors that are located in the City could be marketed to seniors who are living alone in other parts of Allegheny County.

While the number of non-traditional family and non-family households increased, there also have been very sizable reductions in the number of traditional married couple families in all areas. The data in Table 3 shows that there also have been very significant declines in the number of married couple families having children under 18 years old.

#### *Household Income*

Income data from the 2000 U.S. Census will be released only during 2002; hence, income-related estimates are based on 1989 data as reported in the 1990 Census. The analysts caution that other, more reliable data are not available, and it is not possible to verify the reliability of the estimates that are available.

#### **Demand Generated by Additional Households**

The total number of households in the City of Pittsburgh declined from 1980 through 2000, and Claritas, Inc. projects additional declines at an annual rate of about 0.3 percent through 2006. (See Table A2 above.) For Allegheny County, however, the number of households increased from 1990 to 2000, based on data from the U.S. Census Bureau. The amount of the increase was relatively small, at an annual rate of 0.1 percent. Additional household growth is projected at a similar rate through 2006.

Because of the household increase, it is reasonable to expect that there will be a small additional increment of housing demand that will be generated by the growth in households in Allegheny County. The number of households is projected to increase to 396,078 households by 2006, or an increase of 2,667 households above the level recorded

during the 2000 U.S. Census. If the tenure of additional households is assumed to be the same as in Allegheny County during 2000 (72 percent owner, 28 percent renter), then additional demand would be for about 1,900 sales housing units and about 700 additional rental housing units by 2006. The additional households would be in all income ranges. Since incomes are higher in Allegheny County, it seems likely that the majority of these additional households would not be very low-income households.

**Demand Generated by the Need to Replace Housing Units**

Demand also results from the general need to replace units in the market area due to physical or functional obsolescence. Based on national averages, approximately one percent of the total housing stock should be replaced annually due to obsolescence. This factor implies that the normal useful life of a residential structure is 100 years. The 2000 Census showed a total of 393,411 occupied housing units in Allegheny County. Using the one percent standard indicates an annual replacement housing demand of 3,934 housing units to serve all households in Allegheny County, regardless of income. The City of Pittsburgh’s 143,739 housing units imply another 1,437 units of annual replacement demand. Therefore, the annual replacement demand for all of Allegheny County would be about 5,400 housing units, or about 27,000 units during the five-year time frame from 2001 to 2006.

In estimating replacement demand, the issue of housing tenure also is relevant. Table A4 presents the analysis of demand by tenure in Allegheny County, the City of Pittsburgh, and all of Allegheny County based on the tenure patterns reported by the 2000 Census.

***Table A4. Estimated Annual Replacement Demand by Tenure***

	<i>Allegheny County</i>	<i>City of Pittsburgh</i>	<i>County Overall</i>
Owner-Occupied Units, 2000 Census	285,109	74,927	360,036
Percent of Occupied Units	72.5%	52.1%	67.0%
Renter-Occupied Units, 2000 Census	108,302	68,812	177,114
Percent of Occupied Units	27.5%	47.9%	33.0%
Annual Replacement Requirement			
Owner	2,851	749	3,600
Renter	1,083	688	1,771
<b>Total Replacement Requirement</b>	<b>3,934</b>	<b>1,437</b>	<b>5,371</b>

*Source: U.S. Census; Real Estate Strategies, Inc.*

As shown, the estimated replacement requirement generated by renters in Allegheny County and the City of Pittsburgh totals 1,771 rental units annually, or about 8,850 rental units over a five-year period.

As indicated previously, estimates of replacement demand for the City of Pittsburgh are conservative because of the age of the housing stock. More 55 percent of the City's housing was built before 1940, and the 1990 American Housing Survey reported that 8.7 percent of its units had moderate or severe physical problems. Similarly, the 1990 Census reported that 40 percent of the housing stock in Allegheny County had been constructed before 1940, indicating the likelihood that a higher percentage of housing units are obsolete and should be replaced.

The above tenure analysis excludes housing units that were vacant at the time of the 2000 U.S. Census because there is no information about the condition of these units. Further, data on vacant units offered for-sale and for-rent are not readily available for Allegheny County.

#### *Affordability Issues Affecting Housing Demand*

A major factor in assessing housing demand is the relationship of household income patterns to the rents and sale prices of the housing units in the area. Simply put, when households have inadequate household income to afford to make housing expenditures, demand is far lower. Raising the incomes of households so that expenditures can be made for the housing units that are available is one way to address housing affordability. Implicit in this approach is to provide more employment opportunities for unemployed or underemployed persons, or to offer jobs that have higher salaries. A related approach is to provide income assistance or housing assistance subsidies to low-income households to enable them to expend more for housing.

An alternative strategy to raising the income of households is to lower the sales prices and rents on housing units so that a larger number of households can live in decent housing without expending excessive amounts of their income for shelter. Housing programs with subsidies tied to the housing units that are offered for-rent or for-sale are designed to offer housing at prices that are more affordable. Historically, most of the affordable housing in urban areas has had direct or indirect subsidies from the HUD. The Pennsylvania Housing Finance Agency and local housing also have provided special financing and/or Low-Income Housing Tax Credits and redevelopment agencies also have provided special financing to lower housing costs.

An assessment of housing demand typically involves estimating the number of households by household income in a particular area with very low incomes or lower incomes. As indicated in the previous section, the income limits that are used to determine eligibility for housing subsidies usually are those established annually by HUD. Pursuant to HUD definitions, "very low-income" is defined as a household with income at or below 50 percent of the established median by household size. "Low-

income” households are those with incomes at, and below 80 percent of the HUD median by household size.

**HUD Income Limits**

The Department of Housing and Urban Development (HUD) publishes income limits for MSAs and non-urban counties that are used in connection with HUD’s own subsidized housing programs and for units that are receiving Low-Income Housing Tax Credits. The income limits are published at least annually for the six-county Pittsburgh MSA, which includes Allegheny County. Table A5 provides the income limits for fiscal year 2000, which were published during March 2000.

***Table A5. HUD Income Limits for the Pittsburgh MSA during Fiscal Year 2000***

<i>Number of Persons</i>	<i>Income Limits - Percent of Annual Median Income</i>				
	<i>30%</i>	<i>50%</i>	<i>60%</i>	<i>80%</i>	<i>100%</i>
1	\$9,350	\$15,600	\$18,720	\$25,000	\$31,200
2	10,700	17,850	21,420	28,550	35,700
3	12,050	20,050	24,060	32,100	40,100
4	13,400	22,300	26,760	35,700	44,600
5	14,450	24,100	28,920	38,550	48,200
6	15,500	25,850	31,020	41,400	51,700
7	16,600	27,650	33,180	44,250	55,300
8	17,650	29,450	35,340	47,100	58,900

*Source: www.huduser.org/datasets/il/fmr00. Published 3/9/2000.*

The HUD median income that is reported for each MSA is established on the basis of an estimate of the median for households with four persons. The procedure that was used to establish estimates for 2000 of the median family income was based on 1990 Census data that were updated using a combination of local Bureau of Labor Statistics data and Census Divisional level median family and household income estimates from surveys that were undertaken from March 1990-99. The estimates were then trended forward to 2000.

As shown, the median income for the Pittsburgh MSA was estimated to be \$44,600 for a four-person family. Then, adjustments were made for smaller and larger families. A similar process has been used during 2001.

Table A6 compares the HUD median income with income data from the 1990 U.S. Census and 2000 estimates that were developed by Claritas, Inc. for Allegheny County, the City of Pittsburgh, and all of Allegheny County. Since the HUD median is for all of the Pittsburgh MSA, the same number is presented in each column to facilitate comparisons.

**Table A6. Household Income Comparison and Income Change, 1990 Census (1989 Income) and 2000 Estimates by HUD and Claritas, Inc.**

	Allegheny County Remainder	City of Pittsburgh	All of Allegheny County
<b>HUD-Established Median for the Pittsburgh MSA in 2000</b>	\$44,600	\$44,600	\$44,600
<b>Income Comparisons by Claritas, Inc:</b>			
<u>Median Household Income:</u>			
2000 Claritas Estimate	\$45,548	\$29,797	\$40,864
1990 Census (1989 Income)	\$31,204	\$20,854	\$28,206
Est. Change, 1989-00	46.0%	42.9%	44.9%
<u>Average Household Income:</u>			
2000 Claritas Estimate	\$62,102	\$45,082	\$57,438
1990 Census (1989 Income)	\$39,928	\$29,727	\$37,035
Est. Change, 1989-00	55.5%	51.7%	55.1%
<u>Per Capita Income:</u>			
2000 Estimate	\$26,340	\$20,289	\$24,723
1990 Census (1989 Income)	\$16,101	\$12,599	\$15,131
Est. Change, 1989-00	63.6%	61.0%	63.4%

Source: [www.huduser.org/datasets/il/fmr00](http://www.huduser.org/datasets/il/fmr00); Claritas, Inc.; Real Estate Strategies, Inc.

The difference of more than \$3,700 between the HUD median income for the MSA and the median income for Allegheny County as estimated by Claritas, Inc. is likely to result from the presence of larger numbers of higher-income households in the other five counties of the MSA. The HUD-established median income for the MSA is closest to the median income in Allegheny County, which excludes lower-income households living in City of Pittsburgh. Including additional higher-income households in the other counties comprising the MSA would further compensate for the number of households in Pittsburgh with low incomes.

Estimates of the change in the median income that are shown in Table A6 are a measure of the overall growth in household income. For Allegheny County overall, Claritas, Inc. has estimated that median income increased 44.9 percent from 1989 (1990 Census) to 2000. Median income in Allegheny County increased by a larger percentage than for the county overall, while the increase in the City of Pittsburgh was well below. The result is that the income disparity between suburban areas of Allegheny County and the City of Pittsburgh has increased. Similar patterns are evident in the Claritas estimates of change in the average household income and the per capita income.

**Household Income and Income Band**

Table A7 provides data from the 1990 Census and estimates by Claritas, Inc. of the number of households by income band. The 2000 estimates indicate sizable reductions in the number of households in the income band below \$10,000 in Allegheny County, the City of Pittsburgh, and all of Allegheny County. The largest decline is estimated in the City of Pittsburgh, which is estimated to have lost 17,970 households in this lowest income band between 1990 and 2000. The 1990 U.S. Census reported 40,813 households with annual incomes below \$10,000; the estimate for 2000 was 22,843 households in this income band.

**Table A7. Household Income Comparison 1990 Census (1989 Income) and 2000 Estimates by Claritas, Inc.**

Income Bands	City of Pittsburgh			Allegheny County, Outside Pittsburgh			Allegheny County Total		
	1990 Census	2000 Estimate	Estimated Change	1990 Census	2000 Estimate	Estimated Change	1990 Census	2000 Estimate	Estimated Change
Under \$10,000	40,813	22,843	(17,970)	52,066	27,541	(24,525)	92,879	50,384	(42,495)
\$10,000 - \$19,999	33,330	28,795	(4,535)	67,553	48,940	(18,613)	100,883	77,735	(23,148)
\$20,000 - \$24,999	13,770	10,727	(3,043)	33,403	23,574	(9,829)	47,173	34,301	(12,872)
\$25,000 - \$29,999	12,319	10,045	(2,274)	32,289	23,130	(9,159)	44,608	33,175	(11,433)
\$30,000 - \$34,999	10,468	9,434	(1,034)	31,631	23,858	(7,773)	42,099	33,292	(8,807)
\$35,000 - \$49,999	20,482	21,940	1,458	73,122	61,856	(11,266)	93,604	83,796	(9,808)
\$50,000 - \$74,999	13,744	21,504	7,760	60,036	80,936	20,900	73,780	102,440	28,660
\$75,000 - \$99,999	3,997	8,712	4,715	20,106	41,527	21,421	24,103	50,239	26,136
\$100,000 - \$149,000	2,513	5,618	3,105	10,815	30,334	19,519	13,328	35,952	22,624
\$150,000 and Over	2,047	4,545	2,498	6,757	20,207	13,450	8,804	24,752	15,948
<b>Total Households</b>	<b>153,483</b>	<b>144,163</b>	<b>(9,320)</b>	<b>387,778</b>	<b>381,903</b>	<b>(5,875)</b>	<b>541,261</b>	<b>526,066</b>	<b>(15,195)</b>

Source: U.S. Census Bureau; Claritas, Inc.; Real Estate Strategies, Inc.

Declines in this income band also are estimated for Allegheny County and all of Allegheny County. As shown in Table A7, the number of households with incomes below \$10,000 declined by 24,525 and 42,495 in Allegheny County and Allegheny County, respectively. Despite these declines, it is important to note that 50,384 households in Allegheny County still were estimated to have incomes in this lowest band during 2000, or 9.6 percent of all households estimated to be living in Allegheny County during 2000. This lowest income band is important in considering affordable housing demand because all of these households have incomes below 50 percent of the HUD-established median income for the Pittsburgh MSA, regardless of household size. Some of the decline in the number of households is due to the inflation that has occurred during the 11-year time frame since annual incomes were reported in the 1990 Census. Inflation-related increases in assistance payments under programs such as Social Security and income support programs also account for some of the decline in households in this lowest income band.

As shown in Table A7, however, declines in the numbers of households were estimated during 2000 for households in income bands above \$10,000. For Allegheny County and all of Allegheny County, the declines were for all income bands up to an annual income of \$50,000; for the City of Pittsburgh, all income bands up to \$35,000 were estimated to have declined during the time frame. It seems likely, therefore, that not all of the declines in lower-income households resulted from income inflation. Some of the losses seem to be net losses of households from Allegheny County as a result of the out-migration of lower-income households.

### **Special Tabulations – Households By HUD Income Limits**

As indicated, most affordable housing programs use the HUD income limits that are established by household size to ascertain the eligibility of elderly and non-elderly households for housing subsidies. Unfortunately, however, generally available demographic data, including current year estimates and five-year projections, do not provide tabulations of households by household size and household income. To address this limitation, special tabulations of 2000 estimates by Claritas, Inc. were prepared using the HUD income limits for 2000 for the Pittsburgh MSA. The procedure that was used was identical to the methods used to prepare special tabulations of data during fiscal year 1996 for the Housing Authority of the City of Pittsburgh. In fact, at that time the tabulations that were prepared were for Allegheny County, the City of Pittsburgh, Allegheny County, all PUMAs in the City of Pittsburgh, and most PUMAs in Allegheny County that had public housing units that were operated by the Allegheny County Housing Authority.

Table A8 provides a comparison of estimates from the special tabulations for Allegheny County, the City of Pittsburgh, and all of Allegheny County during 1996 and 2000, using the HUD-established income limits that were in effect during each of these fiscal years. An Appendix to this report provides the HUD income limits that were applicable during fiscal year 1996. It shows a very large increase, 6,470, in the number of non-elderly

renter households with incomes below 30 percent of median income in the City of Pittsburgh during the four-year time frame. It seems likely that the increase results from higher HUD income limits, which raised the income limits from \$8,370 for a one-person household and \$9,540 for a two-person household \$9,350 and \$10,700, respectively. This same increase in income limits may have resulted in the large growth in the number of renter households headed by a person 62 and older, since the vast majority of these households are one and two person households. Based on the data presented in Table A6 and has been discussed previously, the incomes of households in the City of Pittsburgh have not kept pace with the general increase in the broader metropolitan area, which may be having the effect of increasing the absolute number of households who are in the very low-income classification.

The estimates in Table A8 also indicate sizable numbers of very low-income non-elderly households (those with incomes below 50 percent of median) in Allegheny County, although the growth of households was estimated to be at a slower pace from 1996 to 2000. Further, the number of renter households with incomes below 30 percent of median, and headed by a householder 62 and older is estimated to have declined from 1996 to 2000.

**Table A8. Households by Tenure, Elderly/Non-Elderly Status, and Income Band in 1996 and 2000 In Allegheny County, excluding the City of Pittsburgh, the City of Pittsburgh, and Allegheny County Overall**

	Allegheny County			City of Pittsburgh			County Overall		
	1996	2000	Change	1996	2000	Change	1996	2000	Change
<b>Renter Households with Head under 62</b>									
0 to <=30	11,657	12,550	893	9,632	16,102	6,470	21,289	28,652	7,363
>30 to <=50	6,855	8,284	1,429	6,476	8,211	1,735	13,331	16,495	3,164
>50 to <=80	13,663	13,935	272	6,452	9,342	2,890	20,115	23,277	3,162
>80 to <=120	16,254	17,103	849	8,442	9,447	1,005	24,696	26,550	1,854
<b>Renter Households with Head 62+</b>									
0 to <=30	7,553	6,450	(1,103)	2,290	5,798	3,508	9,843	12,248	2,405
>30 to <=50	7,493	7,658	165	5,194	4,430	(764)	12,687	12,088	(599)
>50 to <=80	6,234	6,103	(131)	3,550	2,104	(1,446)	9,784	8,207	(1,577)
>80 to <=120	3,661	3,728	67	2,050	1,546	(504)	5,711	5,274	(437)
<b>Owner Households with Head under 62</b>									
0 to <=30	4,245	5,292	1,047	1,508	2,413	905	5,753	7,705	1,952
>30 to <=50	3,754	5,420	1,666	993	3,005	2,012	4,747	8,425	3,678
>50 to <=80	9,647	17,573	7,926	1,889	6,736	4,847	11,536	24,309	12,773
>80 to <=120	20,712	33,520	12,808	3,996	10,346	6,350	24,708	43,866	19,158
<b>Owner Households with Head 62+</b>									
0 to <=30	9,659	7,952	(1,707)	1,573	3,540	1,967	11,232	11,492	260
>30 to <=50	12,904	11,919	(985)	3,917	5,352	1,435	16,821	17,271	450
>50 to <=80	21,195	19,222	(1,973)	5,376	5,808	432	26,571	25,030	(1,541)
>80 to <=120	21,113	17,069	(4,044)	5,569	4,605	(964)	26,682	21,674	(5,008)

The same upward movement of income limits may have increased the absolute number of low-income owner households headed by householders under 62 in all areas. The most notable is the of 19,158 non-elderly owner households in the income range from 80 to 120 percent of median.

**Housing Demand across Regions**

The special tabulations also provided estimates for smaller geographic areas within Allegheny County that are known as Public Use Microsample Areas (PUMAs). These PUMA areas, each of which had a 1990 population of about 100,000, were the basis for release of 1990 Census data on tape. Providing PUMA allows analysis for regions within Allegheny County. The City of Pittsburgh is comprised of three PUMAs. The remaining PUMAs, outside the City of Pittsburgh, are grouped into five separate regions as follows<sup>21</sup>:

<i>Region</i>	<i>PUMAs</i>
City of Pittsburgh	1310, 1311, 1312
Allegheny County, outside the City of Pittsburgh	
East	1301, 1302
North	1307, 1308
South	1304, 1306
Southeast	1303, 1309
West	1306

Table A9 presents estimates for 2000 of the number of very low-income and low-income households for each PUMA in Allegheny County, including nine PUMAs in Allegheny County and three PUMAs in the City of Pittsburgh. For reference purposes, data for the Allegheny County, outside Pittsburgh, the City of Pittsburgh, and Allegheny County overall also are provided. The special tabulations were broken down to show households with incomes below 30 percent of the HUD-established income limits, by number of persons per household during 2000, as well as households with incomes from 30 to 50 percent of the median income also by household size. Table A9 provides the Claritas, Inc. 2000 estimate of households by PUMA, and the percentage of all households within each income band. The estimated number and percent of low-income households in the income bracket from 50 to 80 percent of the area median income also is provided in Table A9.

The estimates show, clearly, that there are concentrations of very low-income households within the City of Pittsburgh. Overall, 33.7 percent of households in Pittsburgh are estimated to have incomes below 50 percent of the area median income, adjusted for household size, during 2000. Because of the presence of educational institutions in the City, it is likely that some of these households are one-person student households. Still, the percentages are very high. Interestingly, the highest percentage of very low-income

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<sup>21</sup> See Appendix C for a map of PUMAs and regions within Allegheny County.

households is in PUMA 1310, which is the City's North Side. Since the only sizable educational institution in this PUMA is Allegheny County Community College, the high percentage of poor households does not appear to be student-related.

Within Allegheny County, very low-income households are especially found in PUMA 1303, which encompasses the Mon Valley area south of the Monongahela River. Almost one-third of households in this PUMA have incomes at, and below 50 percent of the area median income. More than one-fourth of households in PUMA 1302, which is southeast of the City of Pittsburgh and north of the Monongahela River, have incomes estimated to be below 50 percent of the area median income.

In contrast with areas containing high percentages of very low-income households, PUMA 1308 contains a very low percentage of poor households. Only 7.2 percent of households within this large PUMA, which is located north of the City of Pittsburgh, have incomes below 50 percent of the area median income. PUMAs 1301 and 1305, which are located on the eastern and southern edges of Allegheny County also have relatively low percentages of very low-income households.

**Table A9. Very Low-Income and Low-income Households in Allegheny County Remainder, the City of Pittsburgh, and Allegheny County 2000 Estimates by PUMA based on HUD Income Limits**

	Households by Income Band Based on HUD 2000 Income Limits											
	Claritas				Very Low-Income Households				Low-Income Households			
	2000 Total		0 - 30%		30 - 50%		Total Under 50%		50 - 80%		Total 0-80%	
Households	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<i>Allegheny County, outside Pittsburgh</i>	381,422	32,244	8.5%	33,281	8.7%	65,525	17.2%	56,833	14.9%	122,358	32.1%	
North Region	82,201	3,372	4.1%	5,757	7.0%	9,129	11.1%	9,973	12.1%	19,102	23.2%	
PUMA 1307	41,640	2,199	5.3%	4,013	9.6%	6,212	14.9%	6,407	15.4%	12,619	30.3%	
PUMA 1308	40,561	1,173	2.9%	1,744	4.3%	2,917	7.2%	3,566	8.8%	6,483	16.0%	
East Region	82,796	7,682	9.3%	7,939	9.6%	15,621	18.9%	13,817	16.7%	29,438	35.6%	
PUMA 1301	40,799	1,909	4.7%	2,764	6.8%	4,673	11.5%	5,628	13.8%	10,301	25.2%	
PUMA 1302	41,997	5,773	13.7%	5,175	12.3%	10,948	26.1%	8,189	19.5%	19,137	45.6%	
Southeast Region	82,103	12,048	14.7%	9,427	11.5%	21,475	26.2%	15,445	18.8%	36,920	45.0%	
PUMA 1303	41,579	8,079	19.4%	5,223	12.6%	13,302	32.0%	8,624	20.7%	21,926	52.7%	
PUMA 1309	40,524	3,969	9.8%	4,204	10.4%	8,173	20.2%	6,821	16.8%	14,994	37.0%	
South Region	89,535	4,910	5.5%	6,005	6.7%	10,915	12.2%	10,471	11.7%	21,386	23.9%	
PUMA 1304	50,900	3,054	6.0%	3,515	6.9%	6,569	12.9%	6,977	13.7%	13,546	26.6%	
PUMA 1305	38,635	1,856	4.8%	2,490	6.4%	4,346	11.2%	3,494	9.0%	7,840	20.3%	
West Region	44,787	4,232	9.4%	4,156	9.3%	8,388	18.7%	7,127	15.9%	15,515	34.6%	
<i>City of Pittsburgh</i>	144,915	27,853	19.2%	20,998	14.5%	48,851	33.7%	23,990	16.6%	72,841	50.3%	
PUMA 1310	36,171	10,222	28.3%	6,325	17.5%	16,547	45.7%	5,394	14.9%	21,941	60.7%	
PUMA 1311	61,645	10,636	17.3%	8,194	13.3%	18,830	30.5%	10,177	16.5%	29,007	47.1%	
PUMA 1312	47,099	6,995	14.9%	6,479	13.8%	13,474	28.6%	8,419	17.9%	21,893	46.5%	
<i>Allegheny County Overall</i>	526,337	60,097	11.4%	54,279	10.3%	114,376	21.7%	80,823	15.4%	195,199	37.1%	

Source: Meta Corporation; Claritas, Inc.; Real Estate Strategies, Inc.; GSPIA

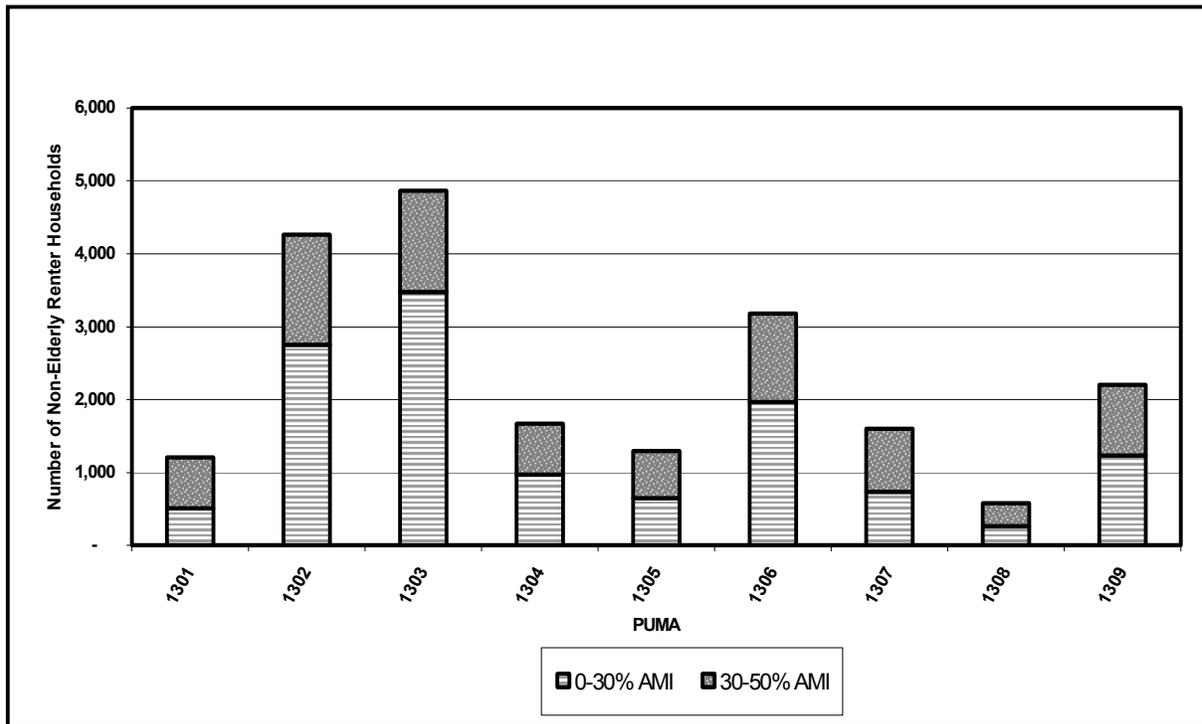
*Locations of Households by Age and Tenure*

The special tabulations also permit analyses of the number of non-elderly and elderly renter and owner households by PUMA. Since the primary focus of this study is Allegheny County outside of the City of Pittsburgh, the analysis concentrates on the nine PUMAs comprising Allegheny County, outside Pittsburgh.

**Non-Elderly Renter Households in Allegheny County, outside Pittsburgh**

Figure A1 shows the number of non-elderly renter households with incomes below 30 percent of the area median income (AMI), and those in the range from 30 to 50 percent of AMI.

***Figure A1. Distribution of Non-Elderly Renter Households in Allegheny County, outside Pittsburgh***



Source: Meta Corp; Claritas, Inc.

Consistent with the pattern for all very low-income households, there are concentrations of non-elderly renter households in PUMAs 1303 and 1302, the Mon Valley area of Allegheny County. The largest concentration of non-elderly renter households with incomes at and below 30 percent of AMI in Allegheny County is within PUMA 1303; the estimated number of renter households with incomes at and below 30 percent of AMI and between 30 and 50 percent of AMI are 3,477 and 1,385, respectively. Overall, an estimated 4,862 non-elderly renter households in PUMA 1303 have incomes below 50

percent of AMI. PUMA 1306, which is located south of the Ohio River and includes McKees Rocks, also contains a large concentration of very low-income non-elderly renter households, with an estimated 3,174 of these households.

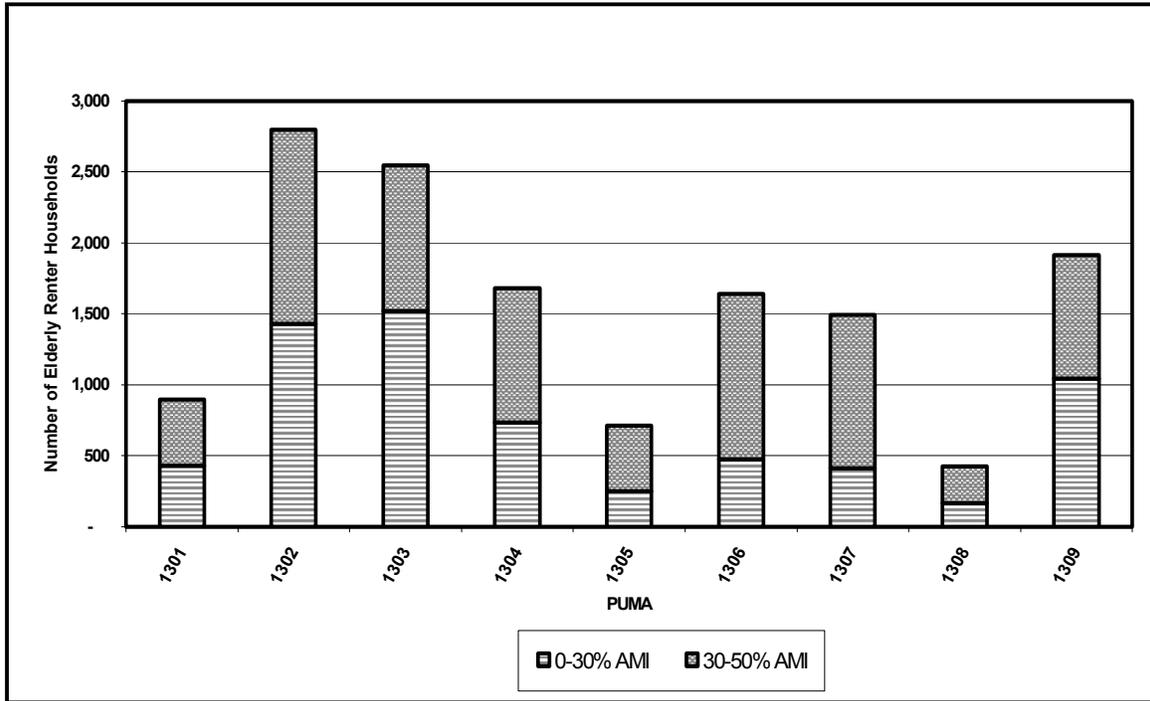
Detailed tables, presented earlier in Appendix A, provide estimates of the sizes of households for non-elderly renters. For Allegheny County overall, more than 80 percent of these households with incomes at and below 30 percent of AMI consist of one to three persons. Thus, of the 12,550 non-elderly renter households in this age and income band, 10,146 households have three or fewer persons. The largest number of very poor non-elderly renter households, an estimate of 4,136, is one-person households.

For 8,284 non-elderly renter households with incomes estimated to range from 30 to 50 percent of AMI, almost one-third are one person households and 6,524 (70.0 percent) have three or fewer persons. Overall, then, demand that is generated by very low-income non-elderly renter households who are living in Allegheny County is for units with one and two bedrooms.

### **Elderly Renter Households in Allegheny County, outside Pittsburgh**

As shown in Figure A2, the distribution of elderly renter households was different during 2000 from that of non-elderly households. While PUMA 1303 has a slightly larger number of elderly renter households with incomes below 30 percent of AMI, the total number of very low-income elderly renter households is highest in PUMA 1302, north of the Monongahela River, which was estimated to have 2,799 of these households during 2000. In addition to PUMA 1303 with 2,576 elderly renter households, other PUMAs with large numbers of very low-income elderly renter households include PUMAs 1309 (1,916 households); 1304 (1,680 households), and 1306 (1,642 households).

**Figure A2. Distribution of Elderly Renter Households in Allegheny County, outside Pittsburgh**



Source: Meta Corp.; Claritas, Inc.

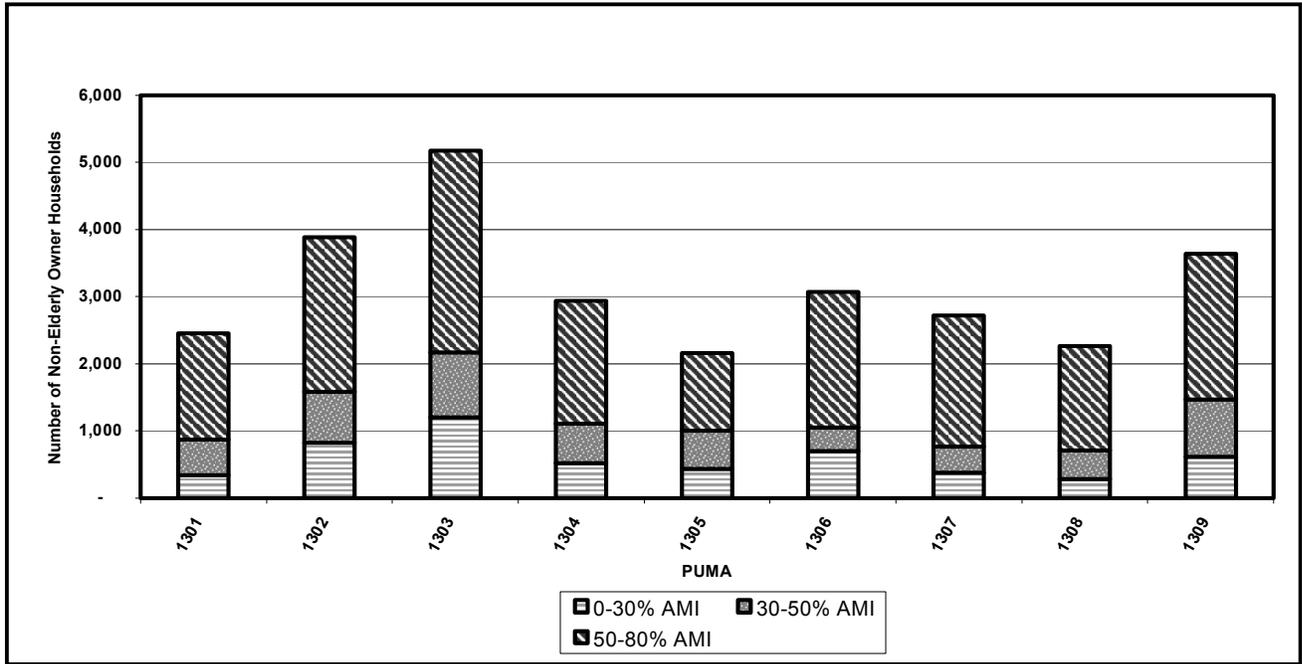
The distribution of elderly households by income band also was different during 2000 than for non-elderly renters. The number of elderly households with incomes below 30 percent of AMI and those with incomes from 30 to 50 percent of AMI were very similar, 12,248 and 12,088, respectively. Of the non-elderly renter households in Allegheny County, 63.5 percent had incomes below 30 percent of AMI.

The vast majority of the very low-income elderly renter households had one or two persons. In all, only 66 of an estimated 14,108 very low-income elderly renter households in Allegheny County had more than two persons.

**Non-Elderly Owner Households in Allegheny County, outside Pittsburgh**

Figure A3 provides a breakdown of non-elderly owner households by PUMA. Since households who own their housing units are likely to require more income to cover housing costs, households with incomes ranging from 50 to 80 percent of AMI are included on the table. Far lower numbers of non-elderly owner households have incomes below 30 percent of AMI than is the case for renters, reflecting the difficulty that these households have in becoming homeowners.

**Figure A3. Distribution of Non-Elderly Owner Households in Allegheny County, outside Pittsburgh**



Source: Meta Corp.; Claritas, Inc.

The largest number of non-elderly owner households with incomes at and below 30 percent of AMI is found in PUMA 1303, which had 1,204 (22.8 percent) of the 5,292 non-elderly owner households in Allegheny County who are in this lowest income band. The majority of these very poor owner households – 814 or 67.6 percent – had one or two persons. Non-elderly owner households in the income band from 30 to 50 percent of AMI in this PUMA were more likely to be larger families. Overall, 350 owner households in this income band, or 36.2 percent of non-elderly owner households in the PUMA, consisted of four or five persons.

PUMAs 1302 and 1306 also have high numbers of low-income non-elderly owner households, and the household size distributions indicate sizable numbers of households with four or more persons.

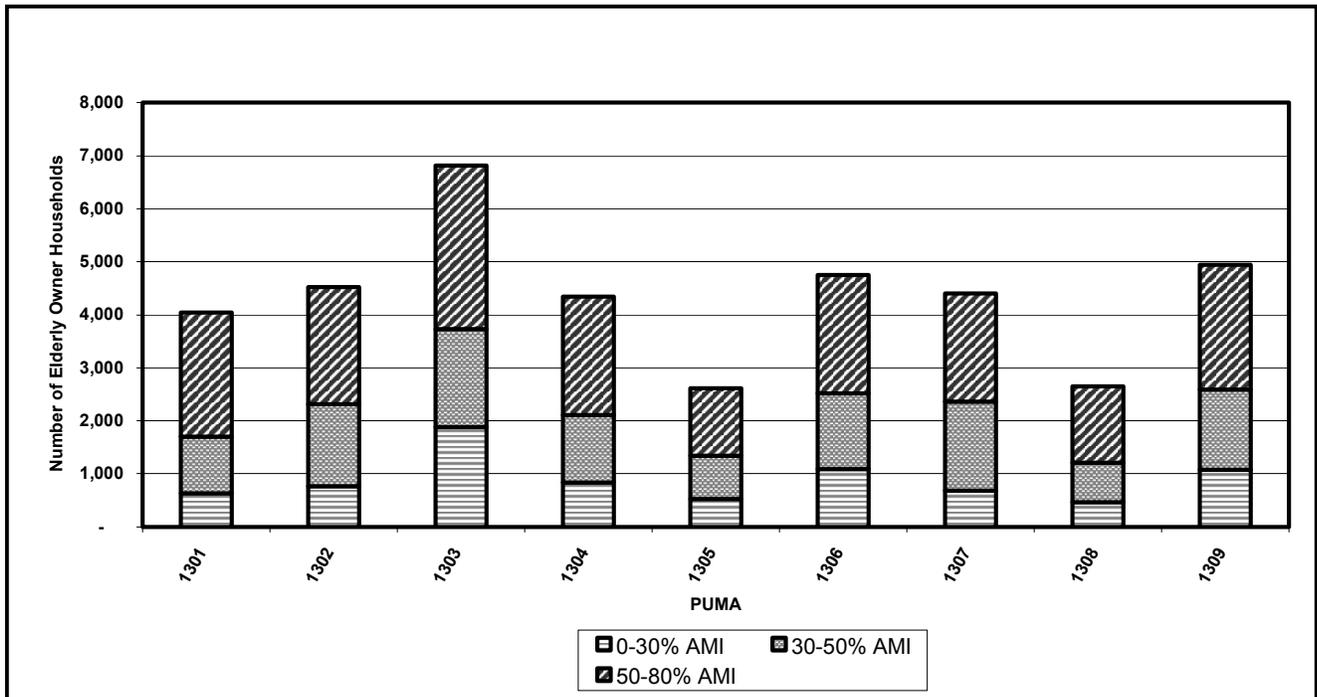
**Elderly Owner Households in Allegheny County, outside Pittsburgh**

During the course of other housing market analyses in Pittsburgh and Allegheny County, representatives of public agencies and organizations providing services for elderly households have commented on the difficulties of poor elderly households who own their own homes. In Allegheny County, an estimated 7,952 elderly households with incomes 30 percent of AMI and below own their own homes, and another 11,919 elderly

households with incomes ranging from 30 to 50 percent of AMI also are owners. The vast majority of these households have one person, 81.3 percent of the very poor households and 72.7 percent of elderly households with incomes from 30 to 50 percent of AMI. Combined, there are an estimated 15,136 one-person very low-income elderly owner households in Allegheny County. This estimate is consistent with the large number of householders 65+ who were reported in the 2000 U.S. Census to be living alone. As presented previously in Table 3, there were 51,113 such households overall, including all incomes and both owners and renters, in Allegheny County in 2000.

Figure A4 presents a breakdown of elderly owner households in Allegheny County by PUMA. As with other special tabulations, the estimates are for households 62 years old and older, which is consistent with the definition used for subsidized housing programs.

**Figure A4. Distribution of Elderly Owner Households in Allegheny County, outside Pittsburgh**



Source: Meta Corp.; Claritas, Inc.

As with other very low-income households, PUMA 1303 also has a high concentration of very low-income and low-income elderly owner households, and the vast majority of these households have one or two persons. Other PUMAs with very low-income elderly households include PUMAs 1309 (2,588 households); 1306 (2,518 households); 1307 (2,358 households); and 1302 (2,311 households). Representatives have reported that many of these households are not able to take care of their homes, but there are few alternatives available to them. This is especially the case for elderly householders who have mobility and/or care limitations.

## **Implications of Housing Demand Analysis**

Household growth will generate some additional demand for housing units in Allegheny County, and replacement demand is estimated to be sizable, especially in the City of Pittsburgh. For all of Allegheny County, annual replacement demand of about 5,400 units is indicated based solely on the expected need to replace one percent of housing units each year.

Demand to meet needs generated by household growth and replacement produce estimates that are general in nature, and are not confined to demand for affordable or low-income housing. The special tabulations of households using HUD income limits estimate the number of very low-income and low-income households in Allegheny County and its PUMAs so that they can be compared with the supply of affordable housing units that is available. In all of Allegheny County there are very sizable numbers of households with incomes at, and below 50 percent of the HUD-established median income. Based on the estimates, the following numbers of households in Allegheny County during 2000 by tenure and age generate demand for affordable housing units:

- 45,147 non-elderly renter households, including 28,652 households with incomes that are at and below 30 percent of the median income for the Pittsburgh MSA.
- 24,336 elderly (62+) renter households, including 12,248 households with incomes that are at and below 30 percent of the median income for the MSA.
- 16,130 non-elderly households who own their own homes, but have incomes at and below 50 percent of the MSA median, including 7,705 households with incomes at and below 30 percent of median income.
- 28,763 very low-income elderly households who own their own homes, and are trying to maintain them with incomes at, and below 50 percent of the MSA median. Included are an estimated 11,492 households with incomes at, and below 30 percent of median who are largely of one person households.

The special tabulations were produced using a procedure that relied on 1990 Census data. As such, the resultant estimates may not be completely reliable. Analyses of the 2000 U.S. Census data that have been released, including data on households by household type, indicate that the estimates are likely to be useful in predicting the magnitude of the need that exists in Allegheny County, and the general nature of housing demand within the established PUMA areas. No doubt, the demand that exists far exceeds the existing supply and the commitments of new resources that can be committed to meeting the housing needs of non-elderly and elderly households.

**Housing Characteristics**

The 2000 U.S. Census reported a total supply of 583,646 housing units in Allegheny County. Of the total, 537,150 (92.0 percent) were occupied units, and 46,496 (8.0 percent) were vacant units. Table A10 provides details from the U.S. Census data that were released during May 2001, along with data from the 1990 Census.

**Table A10. Housing Stock Comparison, 1990 and 2000 Census**

	<i>Allegheny County, excluding Pittsburgh</i>		<i>City of Pittsburgh</i>		<i>Allegheny County Overall</i>	
	<i>1990</i>	<i>2000</i>	<i>1990</i>	<i>2000</i>	<i>1990</i>	<i>2000</i>
Total Housing Units	410,579	420,280	170,159	163,366	580,738	583,646
Occupied Housing Units	387,778	393,411	153,483	143,739	541,261	537,150
Vacant housing units	22,801	26,869	16,676	19,627	39,477	46,496
For seasonal use	n/a	1,220	n/a	878	n/a	2,098
Homeowner vacancy rate	n/a	n/a	n/a	2.8%	n/a	1.9%
Rental vacancy rate	n/a	n/a	n/a	8.8%	n/a	8.9%
Housing Tenure - Occupied Housing Units						
Owner-Occupied						
Number	277,858	285,109	80,168	74,927	358,026	360,036
Percent of Occupied Units	71.7%	72.5%	52.2%	52.1%	66.1%	67.0%
Renter-Occupied						
Number	109,920	103,799	73,315	68,812	183,235	177,114
Percent of Occupied Units	28.3%	26.4%	47.8%	47.9%	33.9%	33.0%
Average Household Size						
Owner-Occupied Units	2.46	n/a	2.27	2.17	2.41	2.31
Renter-Occupied Units	n/a	n/a	n/a	2.37	n/a	2.51
Renter-Occupied Units	n/a	n/a	n/a	1.95	n/a	1.91

*Source: Claritas, Inc. compilations from the 1990 Census; U.S. Census Bureau, Census 2000, Tables DP-1 Profile of General Demographic Characteristics: 2000*

Since no compiled data were available for Allegheny County for 2000, data in Table A10 were created by subtracting information for the City of Pittsburgh from the County data to the extent possible.

While the number of housing units in Allegheny County increased 9,701 units from 1990 to 2000, the gain was concentrated in owner-occupied housing units. The number and percent of renter-occupied housing units in Allegheny County actually declined during the time frame. The pattern was similar for all of Allegheny County, which gained about 2,000 owner-occupied housing units and lost more than 6,000 renter-occupied units.

For the City of Pittsburgh, the total number of housing units declined from 170,159 in 1990 to 163,366 units in 2000, a loss of almost 6,800 housing units. During the same time frame, the number of households in Pittsburgh declined by 9,744. With a loss of more households than housing units, there would be an excess supply of housing units in the PMA, assuming that the age and condition of the housing supply were not issues.

Available data indicate, however, that there are problems with the age and condition of the housing stock in the City of Pittsburgh and also in Allegheny County. In the City of

Pittsburgh, the housing stock is older, with 55.3 percent reported in the 1990 U.S. Census as having been built before 1940 (age of housing data are not yet available from the 2000 U.S. Census). In all of Allegheny County, a lower but still significant percentage of the housing stock, 35.2 percent of all housing units in 1990, had been built before 1940.

The homeowner and rental vacancy rates that are reported for the City of Pittsburgh and Allegheny County in the 2000 U.S. Census are higher than those generally reported for housing units, especially for standard housing units in the City of Pittsburgh. It is very likely that the number of vacant housing units is attributable to the definition of vacant housing units that is used in the 2000 U.S. Census. The definition is as follows:

“Vacant Housing Unit – A housing unit is vacant if no one is living in it at the time of enumeration, unless its occupants are only temporarily absent. Units temporarily occupied at the time of enumeration entirely by people who have a usual residence elsewhere are also classified as vacant.” (Source: U.S. Census Bureau)

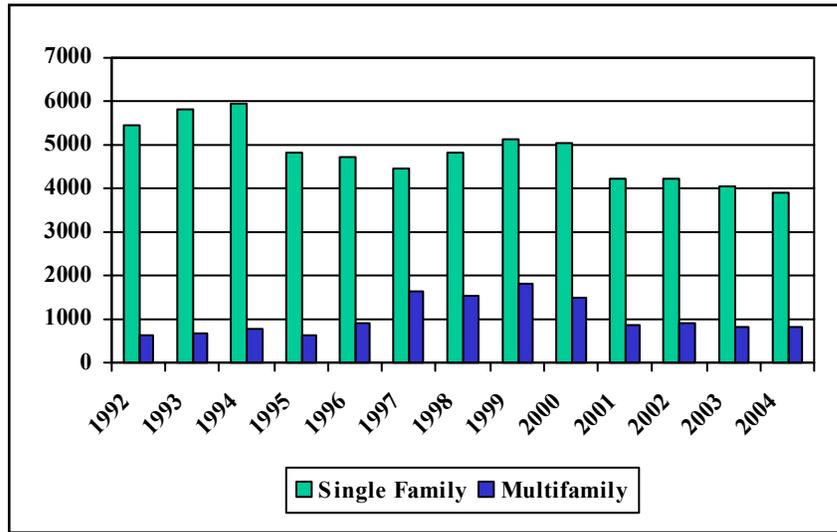
Based on this definition, the count of vacant units and the calculation of a percentage of units that were vacant at the time of the 2000 U.S. Census would include units that are uninhabitable or in substandard condition. The definition presumably would, for example, include vacant public housing units in the City of Pittsburgh and Allegheny County that were scheduled for demolition at the time of the 2000 Census

The census data on owner-occupied units shows, the higher level of owner-occupied housing units in areas of Allegheny County outside of the City of Pittsburgh. For the entire Pittsburgh MSA, 71.3 percent of occupied units were owner-occupied during 2000, compared with a homeownership rate in the United States overall of 66.8 percent. In fact, a U.S. Department of Commerce report issued in 2000 noted that homeownership rates in the Pittsburgh MSA had remained above 70 percent throughout the 1990's. The Commerce Department also reported that the MSA had the tenth highest homeownership rate among the 75 largest metropolitan areas for 1999.

### **Residential Permits**

Statistics are compiled for the entire Pittsburgh MSA on annual housing permits from 1992 through 2004, and are presented in Figure A5. The data, including forecasts by Economy.com (formerly Regional Financial Associates, Inc.) show that the number of permits peaked during 1999 in the MSA, and that there was a decline during 2000 that was more significant in multifamily permits than for single-family units. The pattern is projected to continue, with relatively steep declines projected during 2001 followed by some recovery for multifamily units during 2002. Overall, however, the estimates of permits do not indicate sizable additions to the multifamily stock in the Pittsburgh MSA overall from 2000 through 2004.

Figure A5. Residential Permits in the Pittsburgh MSA, 1992 to 2004



Source: Economy.com, January 2001; Real Estate Strategies, Inc.

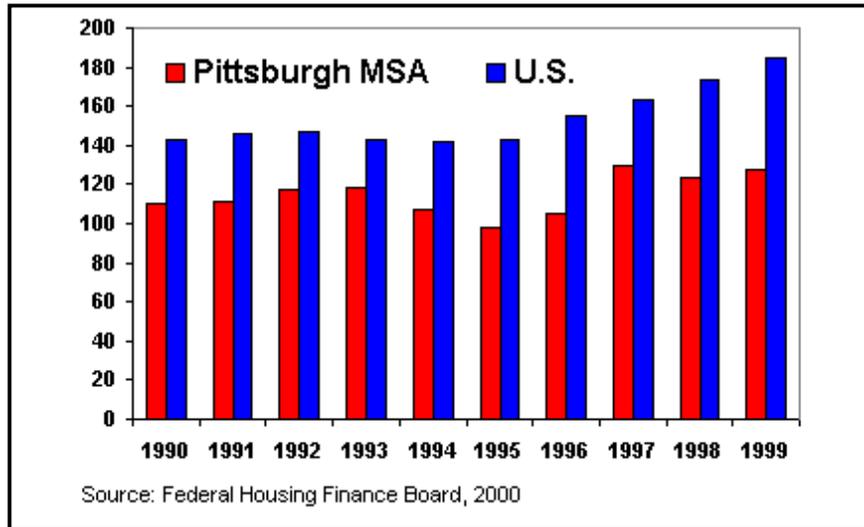
### Sales Housing Affordability and Market Trends

Virtually all economic reports list housing affordability as a major advantage of the Pittsburgh MSA, Allegheny County, and the City of Pittsburgh. As a result, the analysts have found that households with lower incomes who have acceptable credit histories can purchase homes more often in Allegheny County and the City of Pittsburgh than in other major metropolitan areas in the Northeast. A report on Pittsburgh by Fannie Mae stated that the below average purchase price has helped to maintain a high homeownership rate in the MSA. Homeownership programs, therefore, may be a very realistic component of an affordable housing strategy, especially in concert with counseling programs special financing programs.

Data compiled by the Federal Housing Finance Board has shown that the average purchase price for single-family homes in the Pittsburgh MSA were 30.0 percent below the national average. Housing appreciation in the Pittsburgh MSA was 4.1 percent during 2000, with the median sale price of an existing home reported to be \$93,600. Economy.com has estimated that the increase during 2001 will be to a median sale price for existing homes of \$97,100 for the entire year.

Figure A6 illustrates the affordability of homes in the Pittsburgh MSA by showing annual data on the median purchase price for homes from 1990 through 1999, in comparison with statistics for the United States as a whole.

*Figure A6. Comparison of Median Single-Family Home Prices, Pittsburgh MSA and United States, 1990 through 1999*



The August 2001 HUD publication entitled U.S. Housing Market Conditions contained an article on housing in the Pittsburgh MSA. Regarding new construction, the article stated that demand has remained stable. Starter homes, which include both condominium and townhouse units, have minimum sales prices of \$130,000. Carriage houses/townhomes reportedly have been popular with retirees who are downsizing their homes.

During the first six months of 2001, the average sales price of an existing housing unit increased by less than one percent in Allegheny County, from \$122,275 to \$123,207. This average price was far lower than in other suburban counties, including Butler and Washington Counties. These two counties had more expensive average prices and far higher price escalation.

### **Rental Housing Market Trends**

The multifamily apartment market in the Pittsburgh MSA and in Allegheny County and City of Pittsburgh submarkets traditionally have been described by national data services as stable, with relatively low levels of new construction and low vacancy rates. Rents have been very affordable in comparison with other major metropolitan areas, and rent growth has been modest. For the second quarter 2001, one national service, REIS, reported an average vacancy level in the MSA of 3.3 percent. This low rate actually reflects an increase from the first quarter of 2001, when the vacancy rate was 2.5 percent. Since the late 1980's, vacancy rates in market-rate apartments consistently have been these low levels. While REIS projects that MSA-wide vacancies could increase to five percent by 2003, multifamily construction typically has been constrained. Vacancies in

market-rate apartment complexes have not reached this rate in the MSA since the mid-1980s.

Statistics on vacancies, rents and rent growth in submarkets within the MSA are fragmented in a manner similar to those used for single-family housing. As a result, data are not maintained for the City of Pittsburgh; but rather, are for markets that are divided by the three rivers. Traditionally the tightest market is on the City's East Side, which encompasses the entire area of Pittsburgh that is north of the Monongahela River and east of the Allegheny River. For this submarket, the average rent was \$801 during the second quarter 2001, compared with an average of \$707 for the entire MSA. Annualized rent growth in the submarket was a relatively low 1.6 percent during 2000; the three-year average was 2.8 percent.

For the entire MSA during 2000, rent growth was a healthy 4.0 percent, and the three-year average was 2.8 percent. In contrast, rent growth in the United States overall during 2000 was 8.7 percent, and the three-year average for the period ending December 31, 2000 was 6.3 percent. In comparison, therefore, Pittsburgh started out with affordable rents, and rents have increased at a slower pace during recent years.

For the future, projections indicate that asking rents in the United States overall and in the Northeast will decline to rates that are similar to the rent growth pattern in Pittsburgh. This trend is projected to continue through 2005. Thus, rents in Pittsburgh will grow, but they will continue to be lower than those nationally or in the Northeast. Inventory growth rates are also expected to be slow in the MSA, with growth projected at 1.3 percent (541 units), annually through December 31, 2005.

### **Economic and Employment Characteristics**

Economic conditions in Allegheny County and the Pittsburgh MSA will provide the underpinning for the performance of the housing market. It is relevant to a consideration of housing demand and supply to examine underlying economic patterns and trends, especially those related to employment patterns that will drive household expenditures for housing.

The economy of the Pittsburgh MSA, including Allegheny County and the City of Pittsburgh was very successfully revitalized and repositioned during the 1980's and 1990's from its traditional manufacturing roots to a service industry orientation. Local officials have cleaned up much of the pollution that affected the area's environment, and they have been restructuring the region's economy around educational services, health services, business and financial services, and construction materials. Primary metal industries still are important, and specialty metals operations in the Pittsburgh MSA have been competing successfully in the global economy.

The MSA's economic diversity is apparent in the listing of the top private sector employers, which are shown in Table A9. The area's leading industries include

hospitals, private colleges and universities, grocery stores, and commercial banks, and these industries are represented on the list.

In the 12 months ending June 2001, nonagricultural employment in the Pittsburgh MSA totaled 1,140,800 jobs, essentially unchanged from June 2000. During this period, employment growth in the construction, wholesale and retail trade, and the services sectors was offset by losses in other sectors of the economy including manufacturing, health and business services, and government. The June 2001 unemployment rate (not seasonally adjusted) was 4.6 percent, based on Bureau of Labor Statistics (BLS) data; initial data for July 2001 showed a decline to 4.3 percent.

***Table A11. Top Employers in the Pittsburgh MSA***

<i>Employer</i>	<i>Number of Employees</i>
UPMC Health System	28,000
US Airways, Inc.	11,717
West Penn Allegheny Health System	8,901
Mellon Bank Corporation	8,613
University of Pittsburgh	8,117
PNC Bank Corporation	6,993
USX Corporation	5,820
Eat 'N Park Restaurants, Inc.	4,760
Allegheny Technologies, Inc.	4,600
Highmark Blue Cross Blue Shield	4,529
Verizon Communications	4,471
Giant Eagle, Inc.	4,301
AT&T Corporation	3,500
Carnegie Mellon University	3,310
Sony Technology Center-Pittsburgh	3,300
Port Authority of Allegheny Company	3,281
Westinghouse Electric Corporation	3,200
PPG Industries, Inc.	3,200
Pittsburgh Mercy Health System	2,900
The May Company (Kaufmann's)	2,829

*Source: Pittsburgh Business Times, Book of Lists, 2001.*

Government jobs are a significant component of total employment in the Pittsburgh MSA. A Commonwealth of Pennsylvania report for March 2001 showed that the federal government employed 19,700 persons in the MSA, a decline of 800 jobs from the prior year. State government employment totaled 16,300, a slight drop from the prior year but an increase of over 800 jobs since 1999. By far the largest government employment was by local governments in the region, which provided a total of 91,900 jobs in March 2001, an increase of over 5,000 jobs since 1999. Over 60 percent of the local government employment was education-related.

For the MSA during June 2001, BLS reported that the service industry continued to be the top employment sector, employing over 406,000. Wholesale and retail trade

accounted for another 270,000 jobs while manufacturing employed 134,300. On a year-over-year basis, manufacturing employment had declined 2.5 percent since June 2000.

During June 2001, Allegheny County's employment totaled 640,813, or more than 56 percent of the MSA's total employment. There was an increase of 1.9 percent in total employment from June 2000 to June 2001. Unemployment in Allegheny County was 3.9 percent in June 2001, an increase of 0.1 percent from June 2000.

Recent large-scale commercial development in downtown Pittsburgh, including new stadium facilities for sports teams, has been generating additional construction employment. A new convention center also is under construction, and road construction is underway. As a result, the construction industry was maintaining job growth during the first half of 2001.

Economic projections consistently have indicated that its poor demographics and the slow population and household growth hinder the Pittsburgh MSA. Further, the area's economy still has high exposure to structurally declining industries such as steel, and the rough terrain and poor infrastructure are seen as disadvantages for commercial development and business expansion.

Despite these negatives, Pittsburgh continues to diversify its business base, and there have been successes in attracting some high-technology businesses. The presence of major universities and a well-educated workforce are seen as positive factors in stimulating entrepreneurship and long-term economic stability. Long-term, the MSA's economy is expected to grow, but at rates below those for the nation overall.

## **APPENDIX B: SUPPLEMENTAL DATA SOURCES**

In addition to data from the public housing authorities, this study uses national databases that assess the housing stock for areas within Allegheny County. Two data sources are used to supplement the micro-level analysis. Estimates of population and housing market characteristics across municipality housing markets, as well as other neighborhood-level characteristics are obtained from the decennial census of the United States in 1990. Family responses in the American Housing Survey provide additional background information on Pittsburgh metropolitan area trends in family income and structure, housing costs, and housing quality.

### *Census Tract Data*

Summary Tape Files 3A (STF3A) from the decennial census provide summary demographic and housing unit information for different geographic areas in the U.S. (e.g., counties, municipalities, cities, census tracts, and block groups). Variability measures across census tracts are computed to obtain municipality-level characterizations of housing market conditions and family structure. More specifically, we ascertain the relative supply and demand of affordable housing for the City of Pittsburgh and Allegheny County, excluding Pittsburgh. Data are available on family characteristics and housing stock characteristics. The measures of interest include the proportion of families or housing units within a neighborhood that possess certain characteristics, and mean or median values of attributes over all families or individuals in each tract.

The analysis uses data from the 1990 Census. At the time of the study, all summary tables were not available for the 2000 Census. According to the release schedule available at the Census Bureau's website ([www.census.gov/population/www/censusdata](http://www.census.gov/population/www/censusdata)), municipality, city, and census-tract level data for household and housing unit characteristics will be made available between May and July of 2001. We have obtained 2000 Census population counts for the study areas.

### *American Housing Survey*

The analysis also uses data from the metropolitan American Housing Survey (AHS) for 1995, the most recent data available at the metropolitan level. While the national survey is conducted every 2 years and national data is available for 1999, the sample size relating to Allegheny County is too small to permit analysis at this smaller geographic level. AHS-related reports suggest performing analysis for smaller geographic levels, like metropolitan statistical areas (MSAs) by using the metropolitan files. The next metropolitan survey for the Pittsburgh MSA is scheduled for 2002.

The metropolitan AHS data for 1995 contains detailed information on both housing unit features and family attributes for a sample of over 2,000 housing units in the Pittsburgh MSA (see Table B1 for a breakdown by study region). Table B1 suggests that the distribution of sampled housing units in the AHS is consistent with the distribution of households in Census data.

*AFFORDABLE HOUSING SUPPLY AND DEMAND IN ALLEGHENY COUNTY*

*Table B1. Sample Size Distribution for Pittsburgh and Allegheny County, 1995 AHS*

<i>Region</i>	<i>Sample Size</i>	<i>Percent Distribution by Region</i>		
		<i>1995 AHS</i>	<i>1990 Census</i>	<i>2000 Census<sup>22</sup></i>
City of Pittsburgh	587	28%	28%	27%
Allegheny County, outside Pittsburgh	1543	72%	72%	73%
<i>County Overall</i>	2130	100%	100%	100%

<sup>22</sup> Table entries are based on preliminary Census 2000 data, not projections.

**APPENDIX C: MAPS**

*Map C1. Sample Public Use Microdata Areas (PUMAs) in Allegheny County*

*Map C2. Municipalities in Allegheny County (excluding the City of Pittsburgh)*

*Map C3. Areas of Study in Allegheny County and the City of Pittsburgh*

*Map C4.1. Population Distribution (2000) across Allegheny County*

*Map C4.2. Population Percentage Distribution (2000) across Allegheny County*

*Map C5. Population Change (1990-2000) within Allegheny County and the City of Pittsburgh*

*Map C6. Allegheny County Regional Distribution of Public Housing (excluding the City of Pittsburgh)*

*Map C7. Allegheny County Regional Distribution of Public Housing (excluding the City of Pittsburgh)*

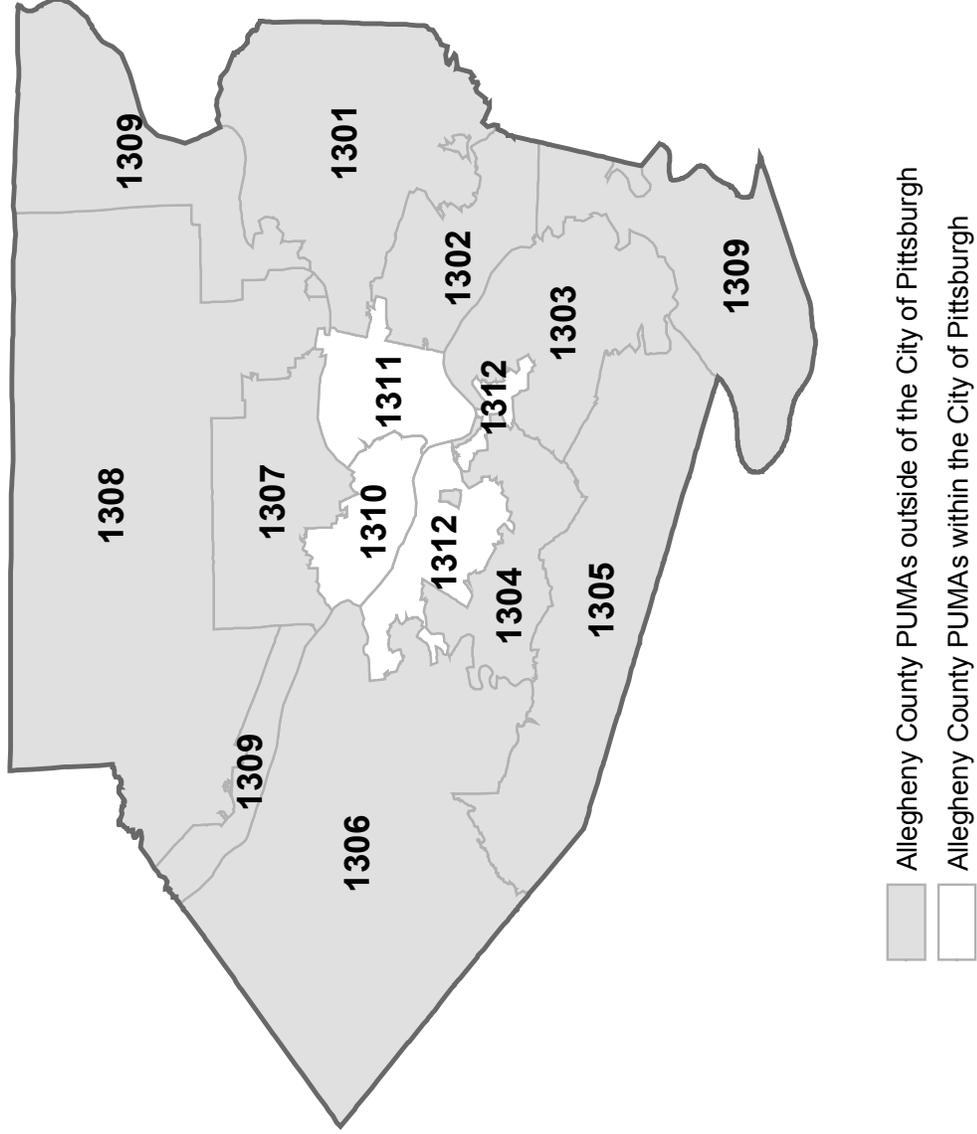
*Map C8. Total Subsidized Housing within Allegheny County and the City of Pittsburgh*

*Map C9. Percentage of Public Units to Total Units within Allegheny County and the City of Pittsburgh*

*Map C10.1. Employment within Allegheny County by PUMA and SIC Code*

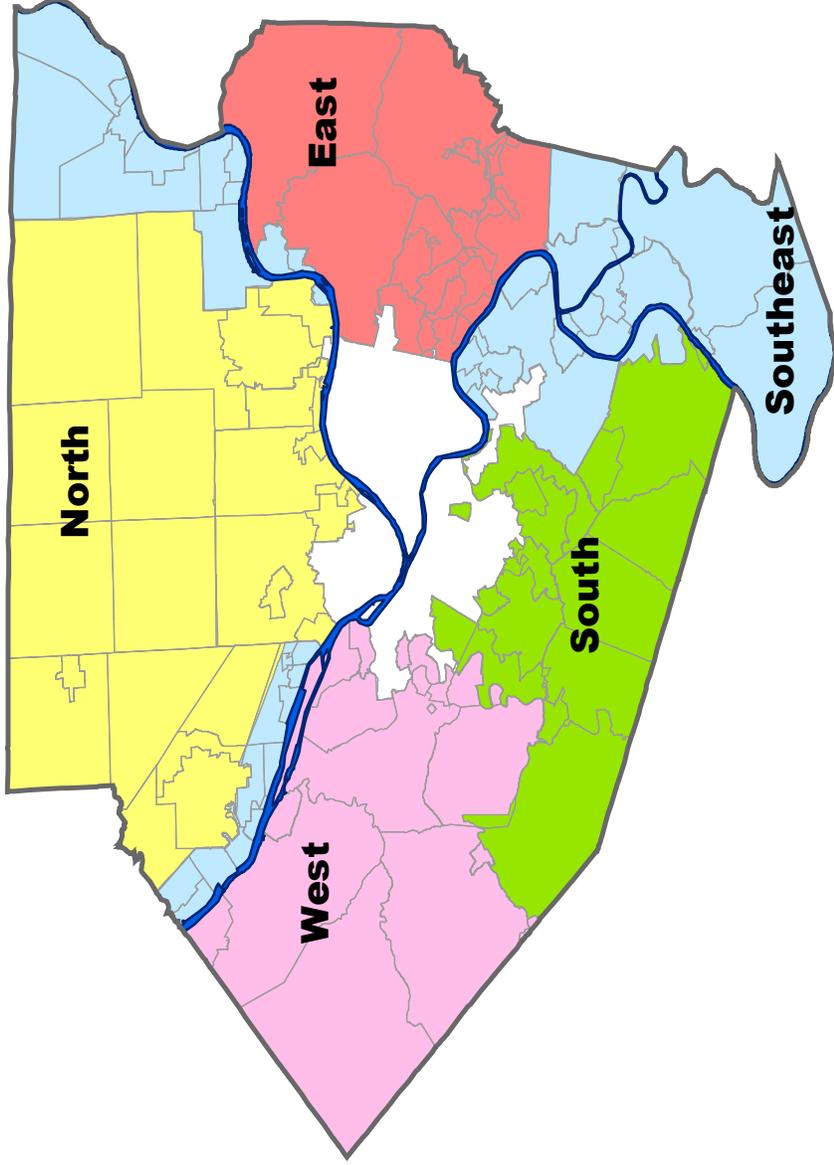
*Map C10.2. Employment within the City of Pittsburgh by PUMA and SIC Code*

*Map C1. Sample Public Use Microdata Areas (PUMAs) in Allegheny County*

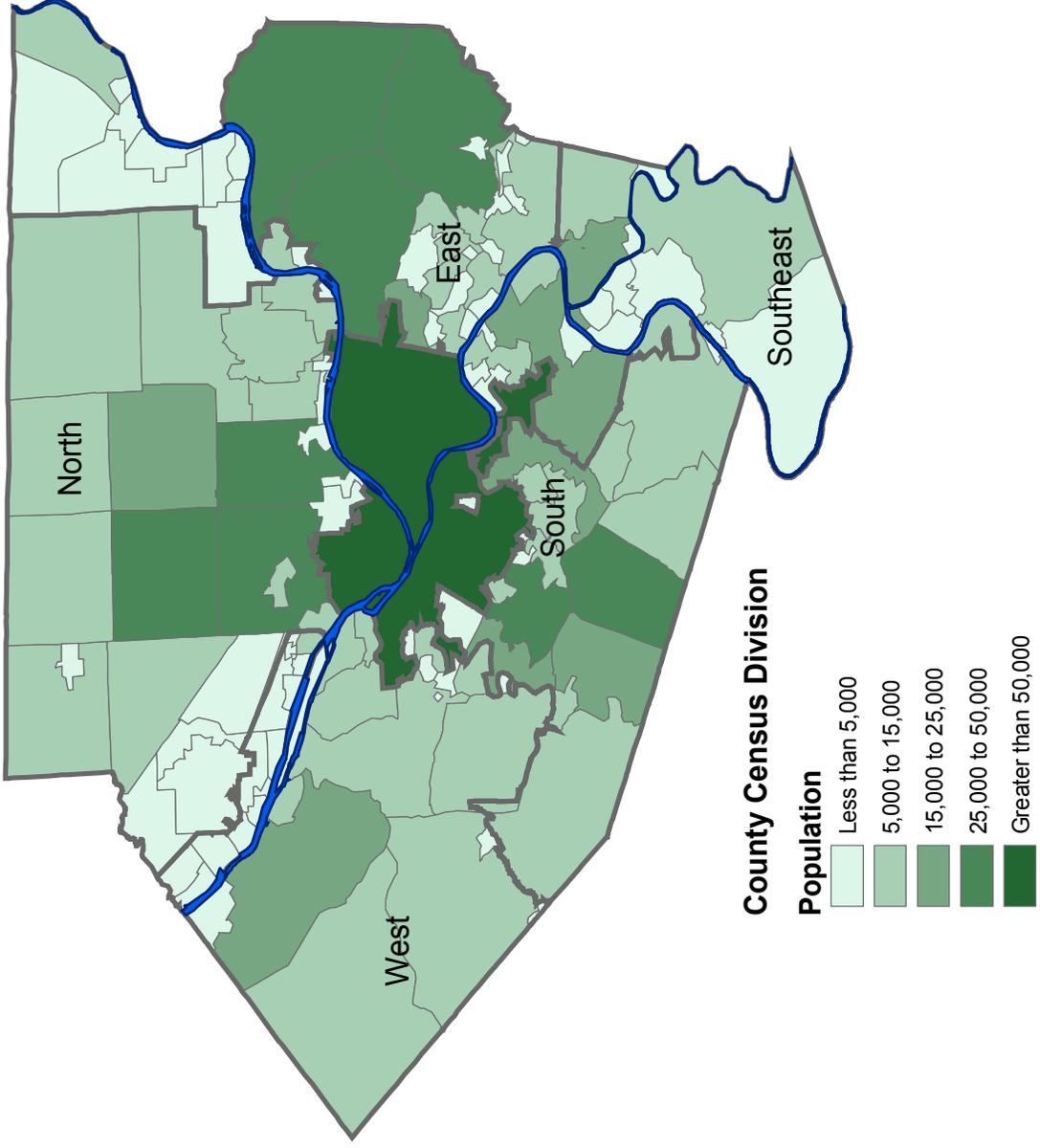




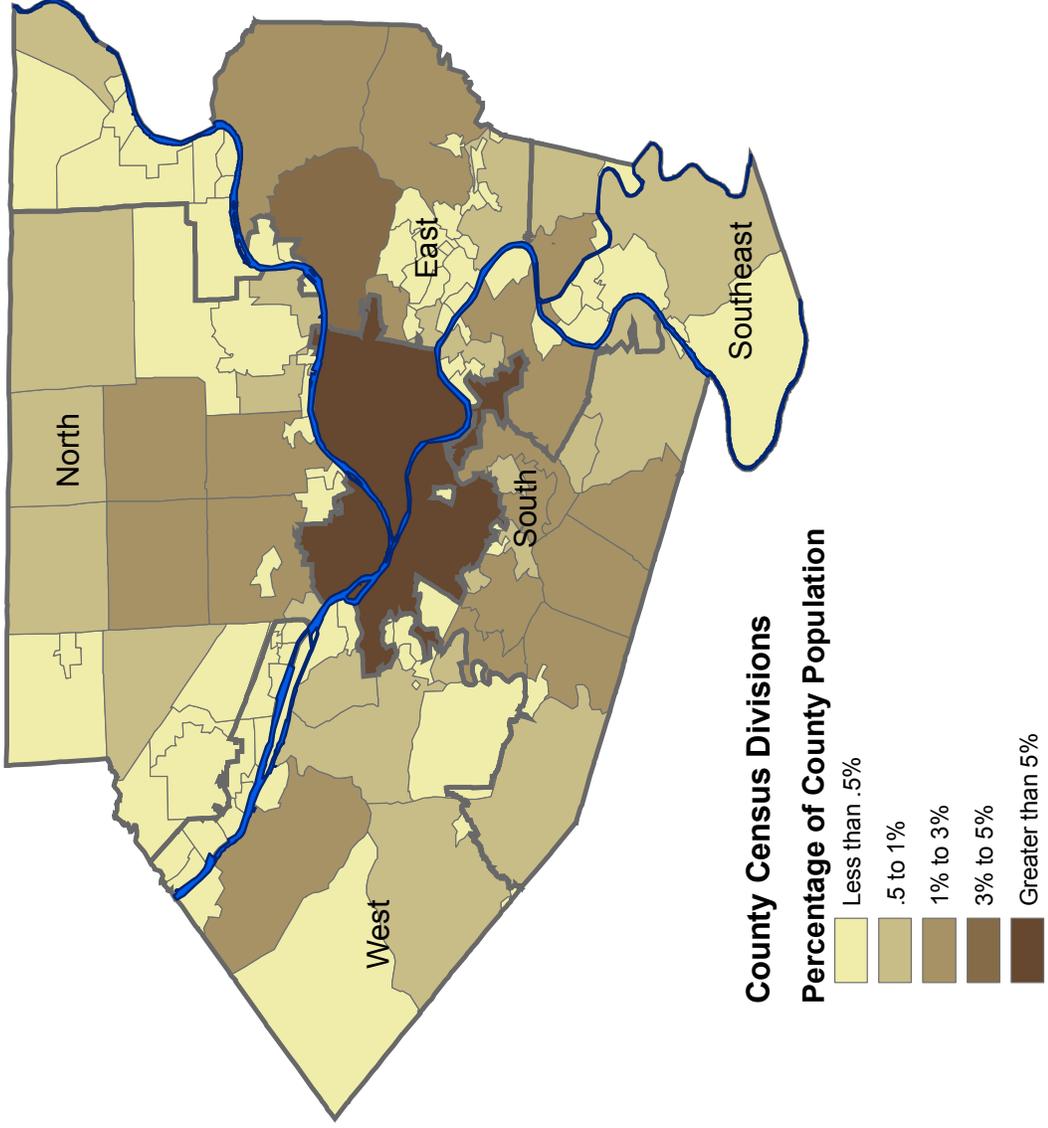
*Map C3. Areas of Study in Allegheny County and the City of Pittsburgh*



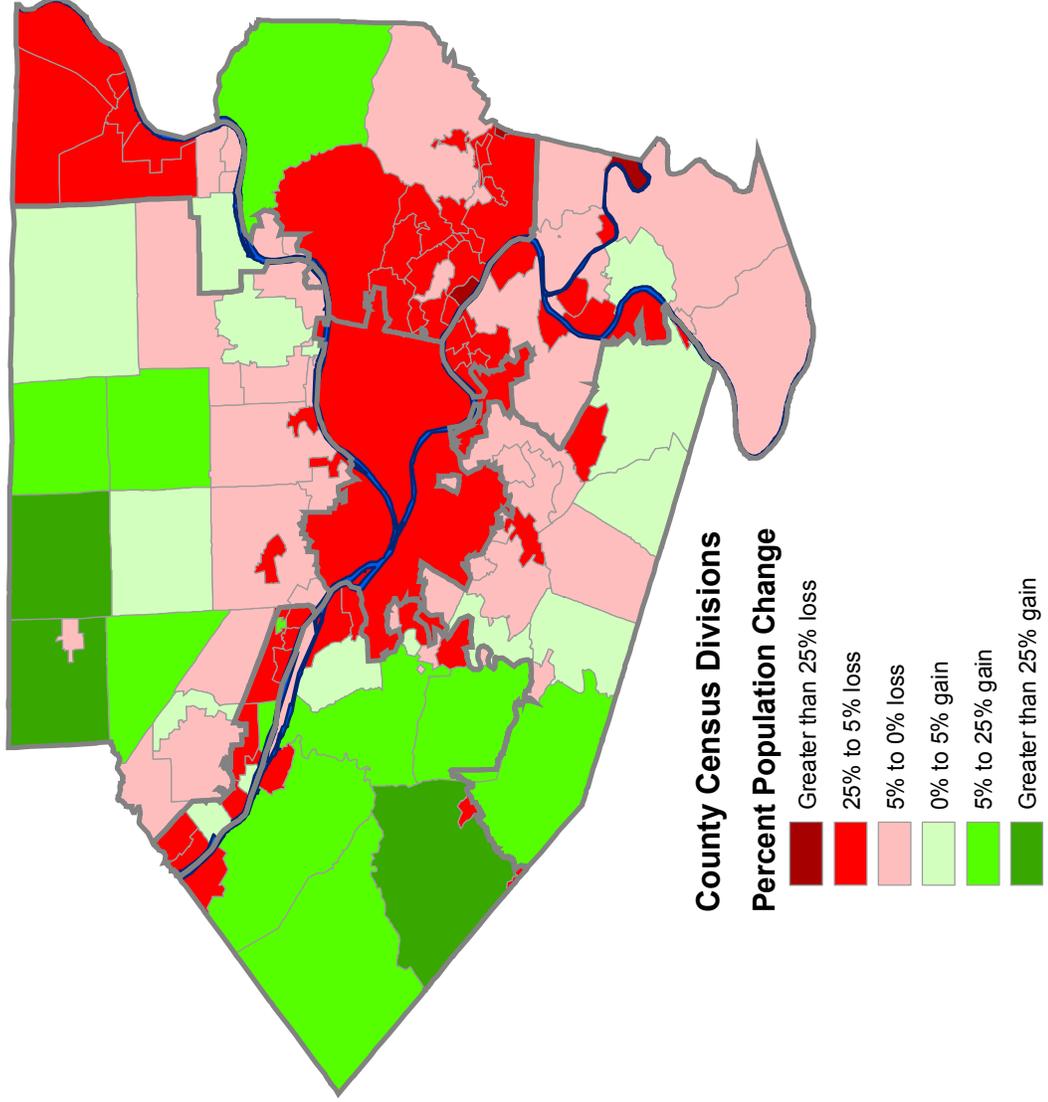
*Map C4.1. Population Distribution (2000) across Allegheny County*



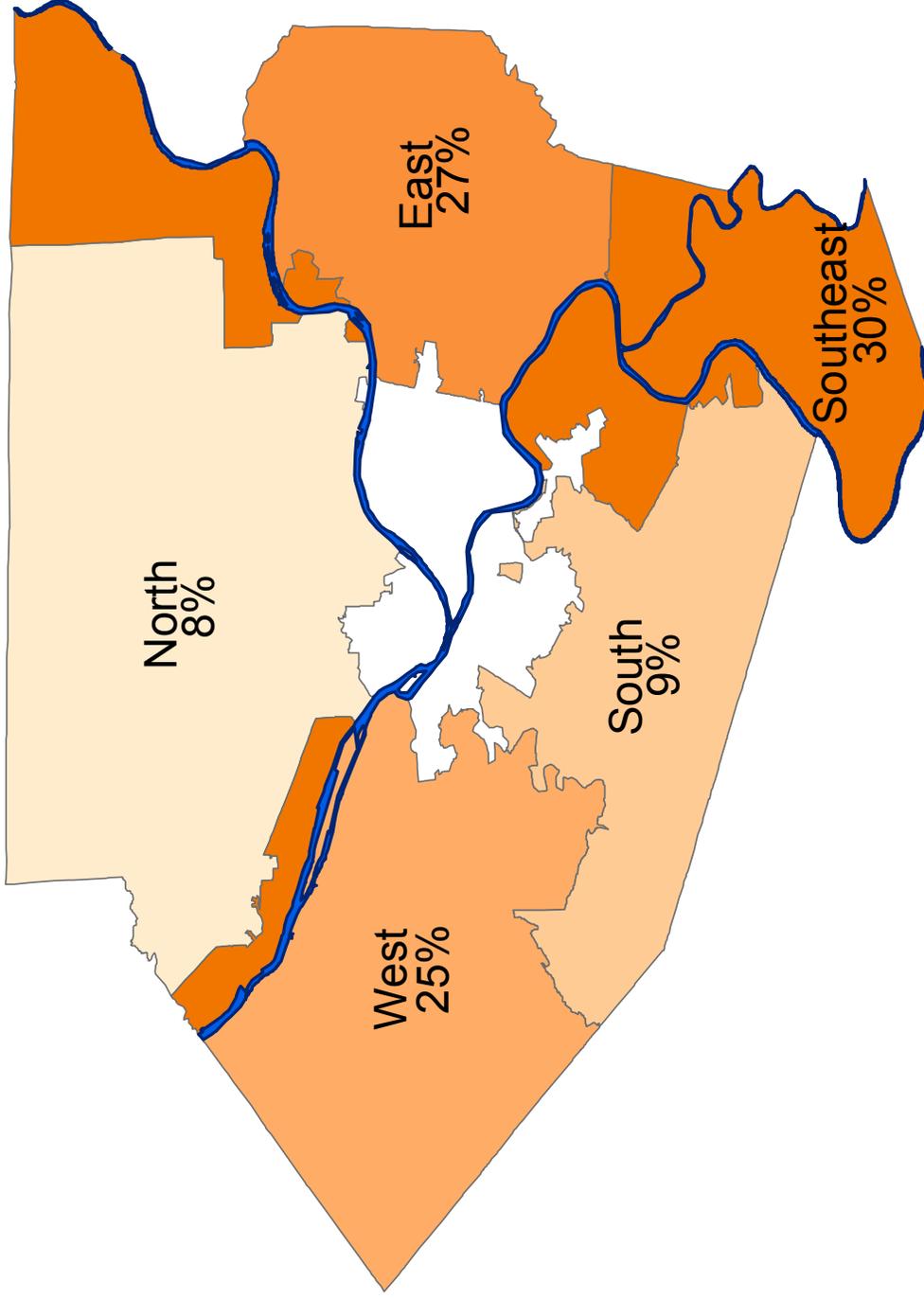
*Map C4.2. Population Percentage Distribution (2000) across Allegheny County*



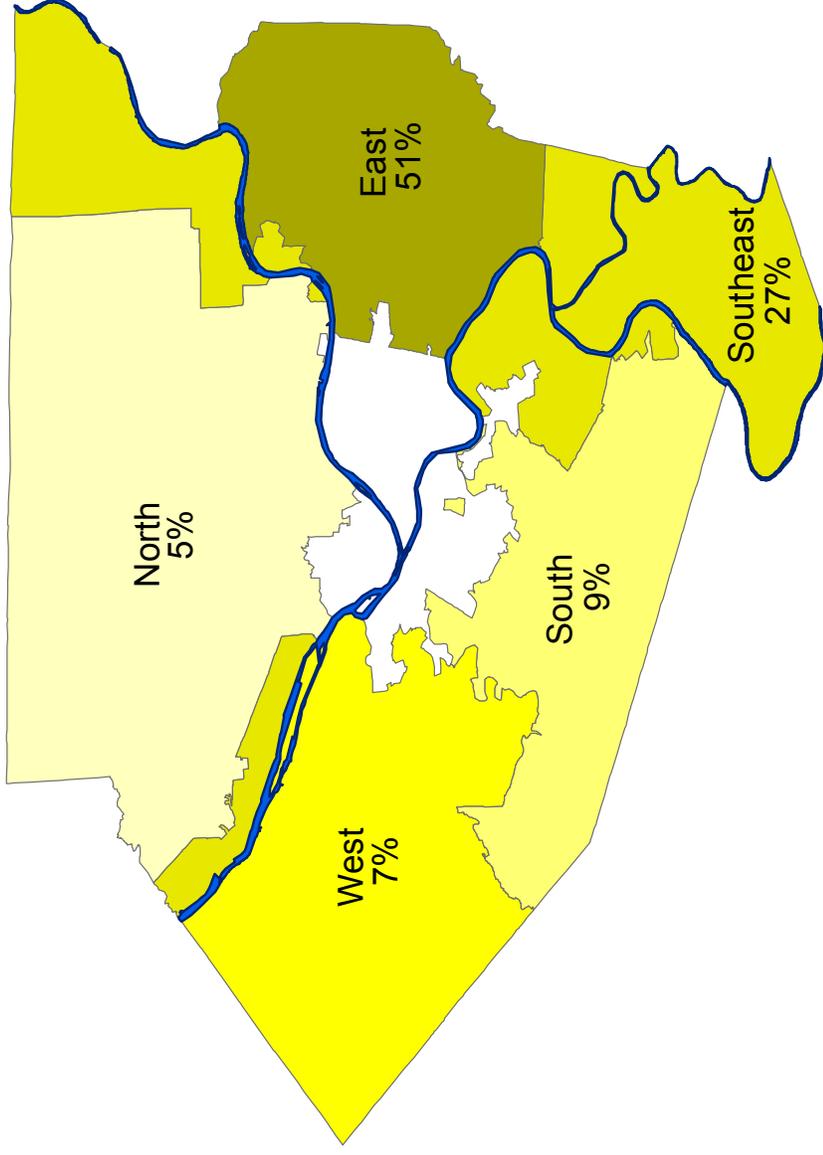
Map C5. Population Change (1990-2000) within Allegheny County and the City of Pittsburgh



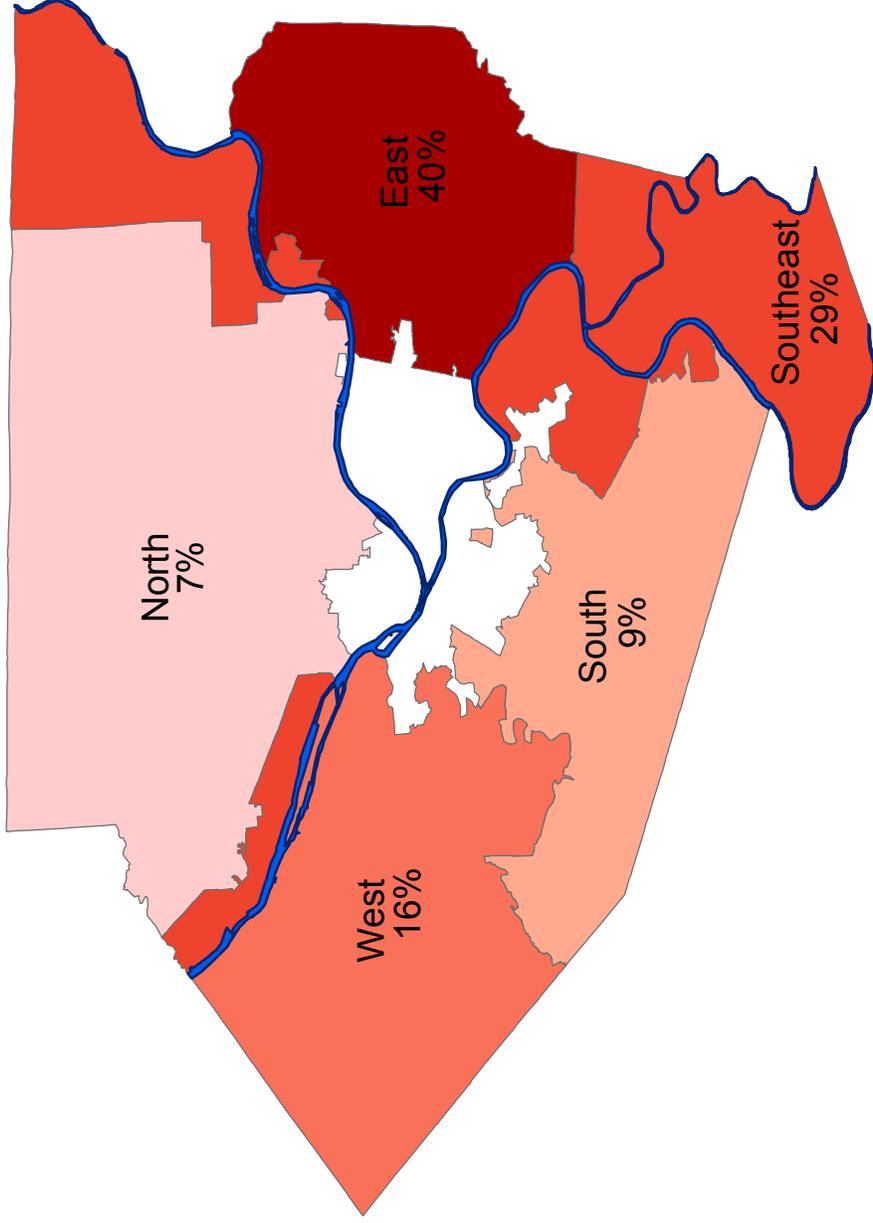
*Map C6. Allegheny County Regional Distribution of Public Housing (excluding the City of Pittsburgh)*



*Map C7. Allegheny County Regional Distribution of Section 8 Housing (excluding the City of Pittsburgh)*



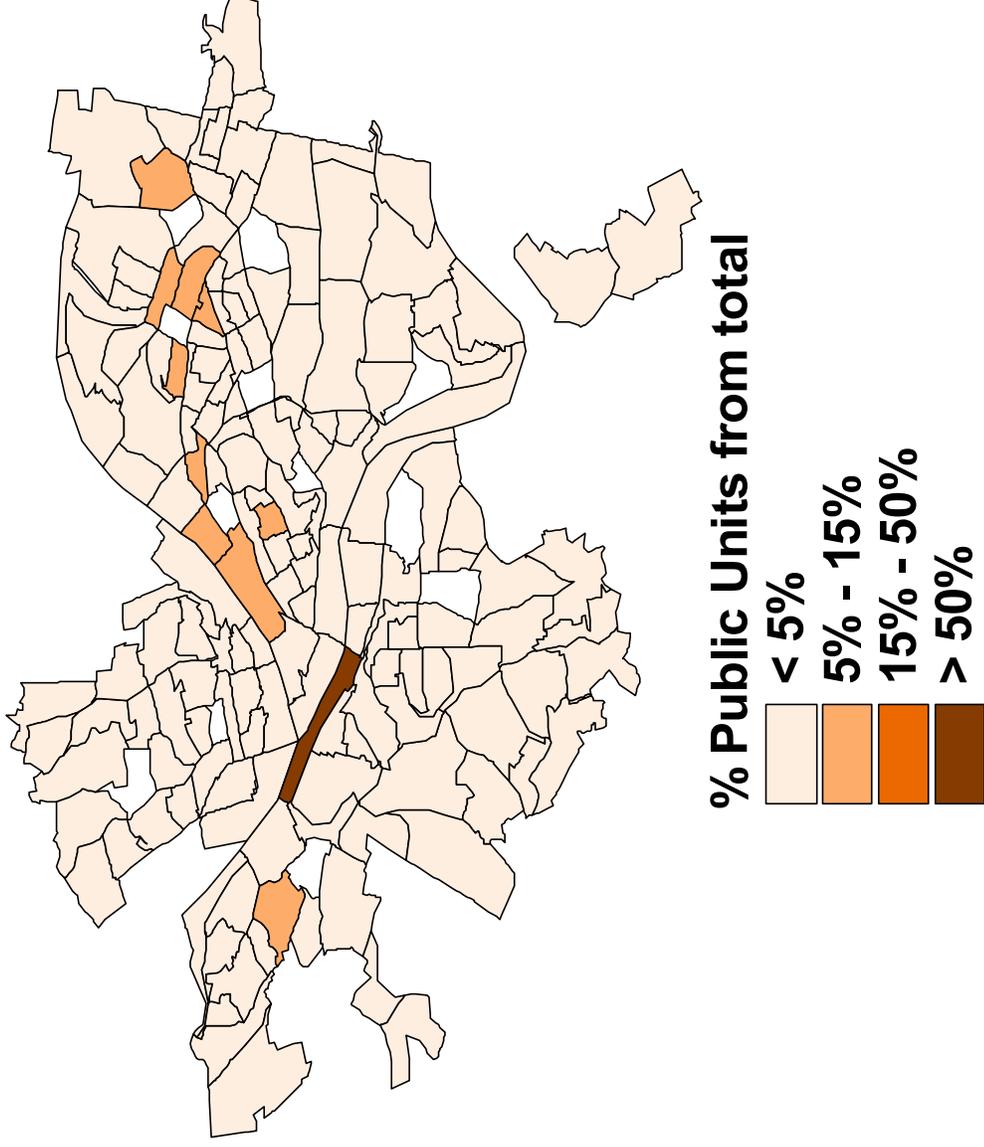
*Map C8. Total Subsidized Housing within Allegheny County (excluding the City of Pittsburgh)*



# Pittsburgh

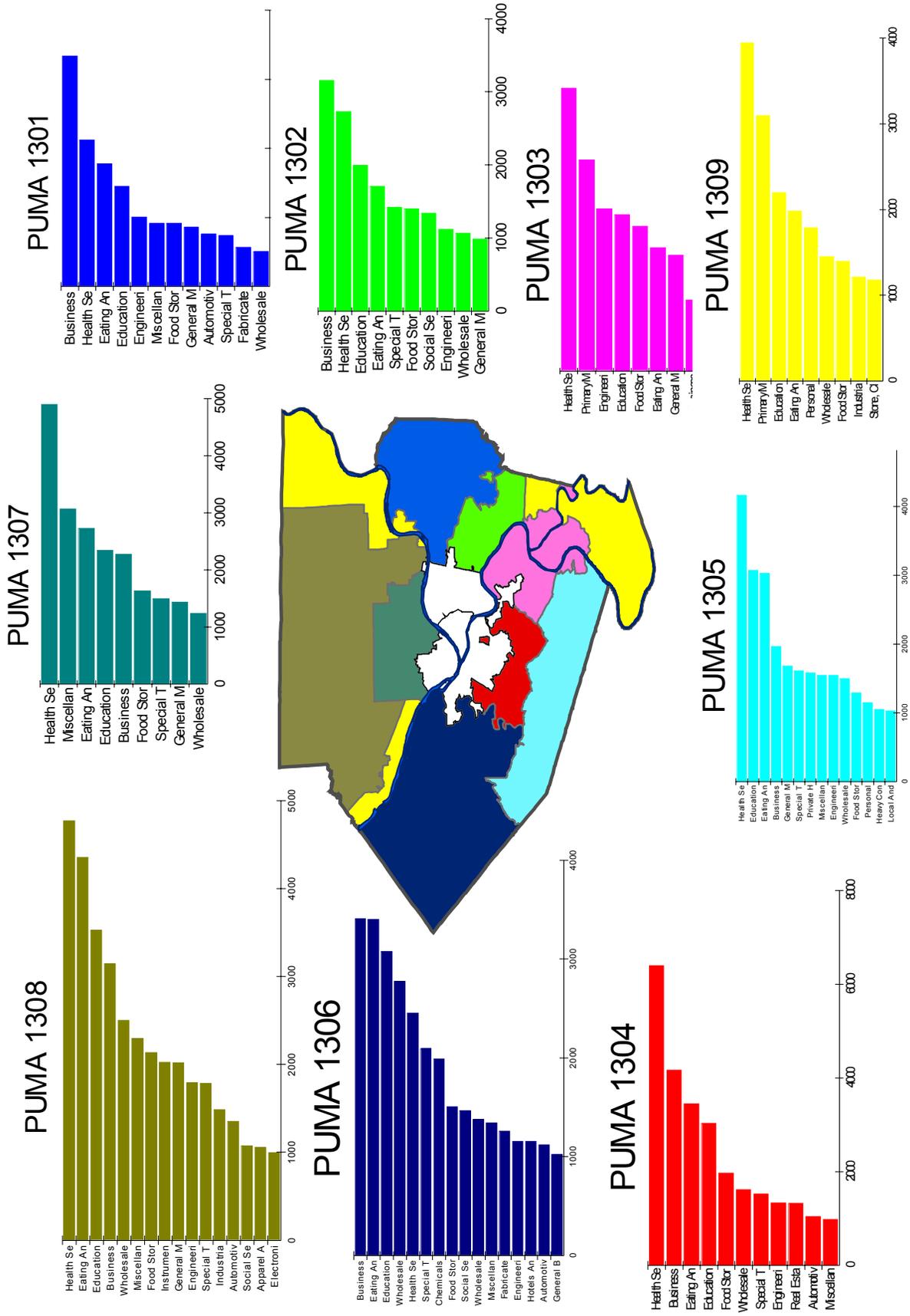
Map C9. Percentage of Public Units to Total Units Within Allegheny County and the City of Pittsburgh

## Public Housing Burden

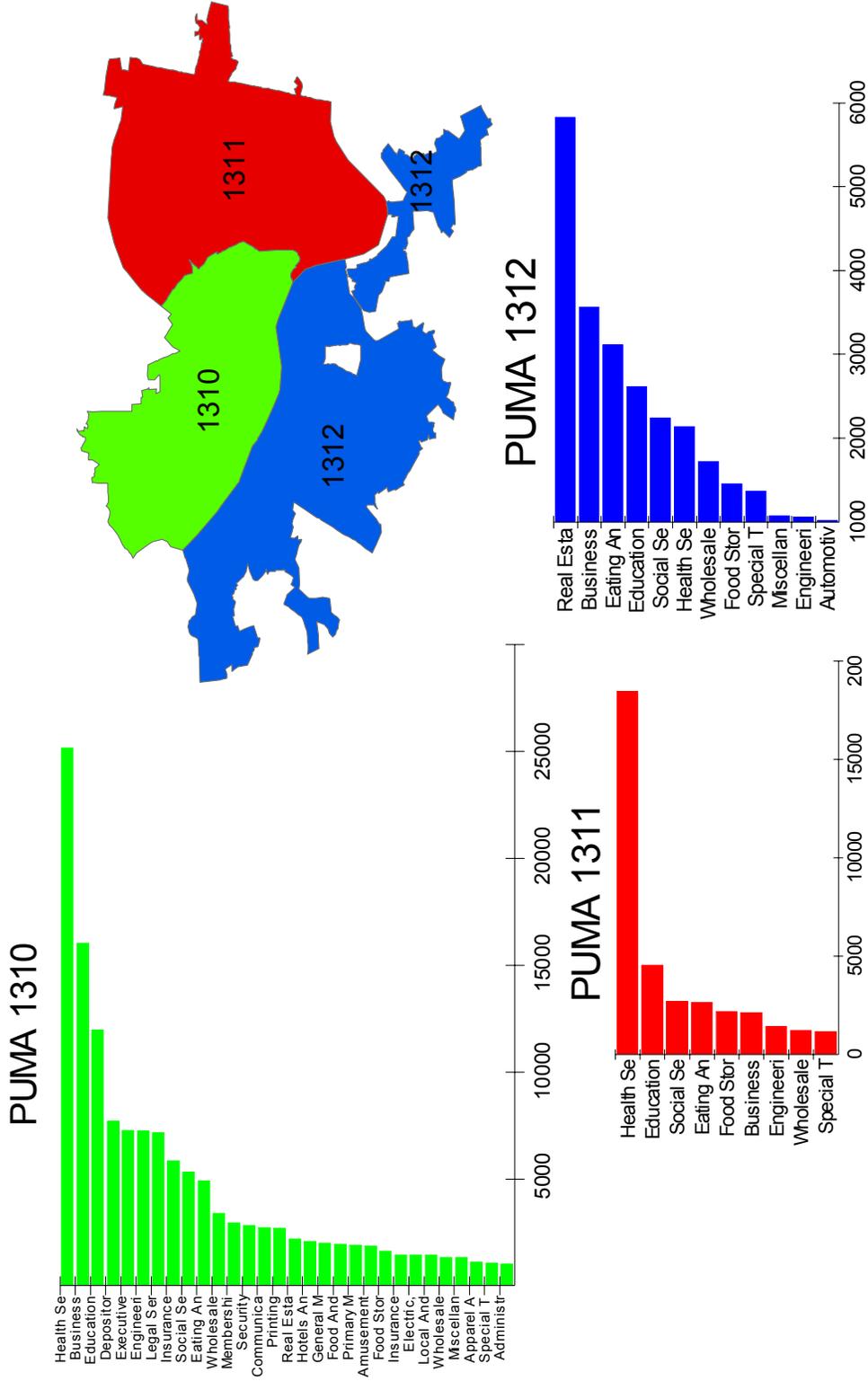


**AFFORDABLE HOUSING SUPPLY AND DEMAND IN ALLEGHENY COUNTY**

*Map C10.1. Employment within Allegheny County by PUMA and SIC Code*



Map C10.2. Employment within the City of Pittsburgh by PUMA and SIC Code



## APPENDIX D: GLOSSARY

### Agency Acronyms

**HUD:** Department of Housing and Urban Development

**NLIHC:** National Low Income Housing Coalition

**SWPAPC:** Southwestern Pennsylvania Aids Planning Coalition

### Terms and Definitions

**Affordable Rental Housing:** Affordable rental housing units are those for which the monthly contract rent does not exceed 30% of monthly household.<sup>23</sup>

**Affordable Owner-Occupied Housing:** Affordable occupied housing units are those with prices not exceeding 2.5 times the household's annual income.

**Area Median Household Income (AMI):** This analysis uses median household incomes provided by the Department of Housing and Urban Development. Income limits are provided for an MSA and are not available for separate counties or municipalities. The 2000 HUD estimated median household income for the Pittsburgh MSA was \$44,600.

**Doubled-Up Housing:** More than one family within a housing unit.

**Elderly Housing:** Elderly subsidized housing units are for residents that are at least 62 years old or are a person with a disability.

**Family Housing:** Family subsidized housing units are generally for households with two or more persons and at least one dependent child.

**Extremely Low-Income Household:** Extremely low-income households are those with incomes at or below 30% of AMI or approximately \$13,400 in 2000.

**Housing Wage:** As defined by the National Low Income Housing Coalition, is the income required for a family to afford the Fair Market Rent for a two-bedroom rental unit, if the household pays no more than 30 percent of their income on rent.

**Living Wage:** A wage that is designed to raise a family of four above the poverty level. The living wage, which varies by metropolitan area, accounts for basic living costs, including food, shelter, medical care, child care, transportation, and other household needs.

### Inadequate housing

**Low-Income Household:** Low-income households are those with incomes at or below 80% of AMI or approximately \$35,700 in 2000.

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<sup>23</sup> This definition of affordable housing is used in other local and national housing affordability studies (e.g. HUD 2001 and Daskal 1998)

**Metropolitan Statistical Area (MSA):** Five counties comprise the Pittsburgh MSA: Allegheny, Beaver, Fayette, Washington, and Westmoreland. Of the five counties, Allegheny has the largest share of the MSA's population.

**Occupancy Standard:** The reasonable number of persons that can reside in a housing unit. HUD does not have a formal occupancy standard, but sets a reasonable housing unit occupancy standard of 2 persons per bedroom. This standard may be adjusted given bedroom size, housing unit composition (e.g. a study or den that may be used as a sleeping area), ages and genders of children, or other considerations. Occupancy standards or occupancy reasonableness are important factors for compliance with fair housing laws, particularly complaints regarding rent refusals on the basis of familial status.

**Overcrowded Housing:** More than one person per room in a housing unit. This definition is used in the report, *In Search of Shelter*, from the Center Budget and Policy Priorities. Analyses in the Allegheny County affordable housing study measures overcrowding using HUD's occupancy standards (see definition above).

**Public Use Microdata Area (PUMA):** PUMAs are state-specific geographic areas that contain a total population of at least 100,000 individuals. To achieve this objective, counties or parts of counties are combined to create a PUMA. 12 PUMAs comprise Allegheny County, three of which are in the City of Pittsburgh. PUMAs are not necessarily contiguous geographic areas and may transcend neighborhood boundaries (see Appendix C).

**Region:** This analysis provides estimates for five regions of Allegheny County. These PUMA-based regions are: North (1307 and 1308), East (1301 and 1302), Southeast (1303 and 1309), South (1304 and 1305), West (1306), and City of Pittsburgh (1310, 1311, and 1312). (See Appendix C).

**Rent Burden:** The ratio of monthly rent to monthly household. A household is moderately rent burdened if this ratio exceeds .3 (i.e. over 30% of household monthly income is spent on rent). A household is severely rent burdened if this ratio exceeds .5 (i.e. over 50% of household monthly income is spent on rent).

**Subsidized housing:** Housing units or families subsidized by government funds. Subsidized housing includes public housing and Section 8 vouchers administered by the local housing authorities and project-based assisted rental housing.

**Very Low-Income Household:** Very low-income households are those with incomes at or below 50% of AMI or approximately \$22,300 in 2000.