

City of Pittsburgh **Recovery Plan**

State and Local Fiscal Recovery Funds 2022 Report

**City of Pittsburgh
2022 Recovery Plan**

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GENERAL OVERVIEW

Executive Summary

The City of Pittsburgh has created and adopted a four-year plan for the deployment of its allocated State and Local Fiscal Recovery Funds. The plan infuses funds to restore and maintain core services through the eligible spending period, upgrade existing public facilities and pieces of key infrastructure, make improvements to the City's fleet, support housing and economic development initiatives, and remediate lead from drinking water.

As of June 30 2022, the City has made significant progress on allocations relating to the Operating Budget. Spend within capital projects has moved at a slower pace due to internal bandwidth constraints and supply chain issues. Individual agreements with affiliated governmental authorities are still moving through the negotiation, review, and execution process; those projects should begin in earnest within the next year.

Uses of Funds

Mayor Ed Gainey set a very clear goal when he started his first term in January 2022: building a Pittsburgh composed of safe neighborhoods, welcoming communities, and thriving people. These three priorities encompass numerous subjects, including housing, environment, resident empowerment, economic mobility, and equity. Federal funding from the SLFRF program will allow the City to take significant steps towards realizing the Mayor's vision.

An effective government is one that has the necessary funding to fulfill resident needs. The four-year SLFRF allocation plan places a major emphasis on stabilizing and supporting the City's Operating Budget and its day-to-day provision of core government services. Over 53% of the total allocation was directly targeted to assist City departments achieve their goals on behalf of constituents and visitors to the municipality. The original 2021 Operating Budget encompassed drastic cuts across personnel and non-personnel budget lines. Program funds were used to re-open the 2021 Operating Budget to restore these budget lines and to ensure that the 2022, 2023, and 2024 budgets would not be subject to similar reductions in staffing and supplies.

Nearly 18% of the total allocation was targeted towards capital projects, with an emphasis on fleet, facility, and infrastructure improvements. Fleet improvements will allow the City to swap existing vehicles with newer, more efficient vehicles, including those with alternative fuel options. This will allow for progress to achieve ambitious climate action goals. Funding is slated to purchase a total of 78 vehicles and the necessary infrastructure for support them. This includes electric bucket trucks, electric pickup trucks, and electric recycling packers.

Numerous construction projects are planned in order to make great strides toward improving resident and employee experiences. The current allocation targets capital improvements at recreation and senior centers across all nine Council districts. Other projects will improve mobility for all users, including motorists, transit riders, cyclists, pedestrians, and the mobility-impaired. These mobility investments include public stair repairs, traffic signal improvements, and pedestrian amenities such as the construction of a new pedestrian bridge.

More than 12% of the total allocation will support affordable housing options through a partnership with the Urban Redevelopment Authority of Pittsburgh ("URA"). By increasing

affordable housing options within the City, residents are able to live and thrive in all neighborhoods without fear of displacement. Housing investments are planned across a broad spectrum of permanently affordable housing options, including both rental and ownership strategies, new construction and preservation projects, and a range of income eligibility levels. For low and moderate income homeowners, there will be grant opportunities that promote environmentally-friendly renovations that can lead to a lower carbon footprint and lower utility bills. There is also funding to expand the ability of local community land trusts to operate effectively. The need for secure and high-quality housing is at an all-time high and this funding will help address this critical demand. An additional 10% of the allocation will support other initiatives with the URA, including support for the Land Bank.

Approximately 5% of the allocation will route to the Pittsburgh Water and Sewer Authority (“PWSA”) for remediation of lead in drinking water. This \$17.5 million water infrastructure allocation will improve health and safety conditions of residents.

The final, smaller allocations will support an electric vehicle charging project with the Pittsburgh Parking Authority (“PPA”), as well as internal compliance assistance with accounting and legal experts.

In addition to State and Local Fiscal Recovery Funds, the City of Pittsburgh also received two Emergency Rental Assistance allocations totaling \$16,027,418.00. The City partnered with the Allegheny County Department of Human Services to jointly administer the program, which provided rent and utility assistance as well as housing stability services. The collaboration allowed the two government units to develop cohesive policies and procedures, build the technology platform needed for the program, and monitor performance and payments more robustly. The first City allocation has been fully spent. Expenses shifted to the second allocation in January 2022. New applications were accepted until March 31, 2022 and the program will officially end on July 31, 2022. More information is available online at the program’s [website](#).

Promoting equitable outcomes

Increasing equity is critical in every step taken in developing programs, policies and practices. The City of Pittsburgh strives every day to create and implement change to positively impact those who have been most historically affected by inequitable practices and systems. SLFRF programming will allow the City to make significant strides towards long-term goals of increased equity.

The primary intent of the City’s SLFRF programming for residents is to target and assist those most impacted adversely by the COVID-19 pandemic and its subsequent health and economic impacts. The City is committed to monitoring and refining said programs to ensure that there are no unintended barriers to access. As programs commence, the City and its partners will work with communities and relevant community groups to make sure that all assistance programs are advertised and accessible to all.

For most indicators of success and well-being, Black residents in Pittsburgh fall behind their White counterparts with respect to educational attainment, health outcomes, and wealth accumulation. Historic disinvestment in public infrastructure has adversely affected Black and low income neighborhoods. The City aims to invest significantly in community and economic

development projects in these communities. By investing in lead remediation, neighborhood recreation and senior centers, and quality-of-life infrastructure investments, the City is directly funding work to diminish racial and wealth disparities between residents.

Land maintenance and homeownership are also important to building equity in Pittsburgh. The funding plan directs funding to community land trusts, safeguards already existing affordable housing, creates grant opportunities for residents to purchase land and renovate homes, and expands land maintenance on publicly owned parcels. These initiatives all work to combat the lack of affordable housing as well as extreme blight.

Many Pittsburgh households have lead water service lines. Many structures contain lead paint as the housing stock is older. This disproportionately affects Black residents given historic disinvestment, and especially affects Black youth, who are more susceptible to lead poisoning as children than adults are. Lead safety initiatives, including inspections and trainings led by the City's Department of Permits, Licenses, and Inspections, as well as work to be completed by the Pittsburgh Water and Sewer Authority, will expedite efforts to assist with remediation.

Details and agreements for many of the programs that would directly impact equity have not yet been finalized. To that extent, the City does not yet have sufficient data to describe progress towards the goals discussed in this plan. Subsequent reports will elaborate on progress.

Community Engagement

In July 21, City Council held two public meetings to discuss proposed SLFRF. During these meetings, residents had the opportunity to directly voice their opinions to their elected representatives. The Office of Management and Budget ("OMB") also attended a separate "post agenda" meeting with City Council. At this meeting, members of Council had the opportunity to ask questions about the proposed plan to members of the mayoral administration. Recordings of these sessions are all available publicly on the City's [legislative platform](#).

Following these three meeting, City Council passed a four-year allocation for program funds. This plan may be re-visited at the discretion of the Mayor and Council. This would be accomplished by amending the original resolution. As part of the regular legislative process, citizens always have the ability to comment on proposed legislation at three different public Council meetings.

These engagement efforts allowed different residents and communities to have their voices heard. The process also ensures that elected officials are able to hear recommendations and concerns and take these comments into consideration as the plan moves forward.

Labor Practices

All capital and infrastructure work utilizing program funds will comply with federal procurement and wage guidelines. Capital project work completed by City staff are also subject to wages and requirements as set in applicable collective bargaining agreements.

The City of Pittsburgh has project labor agreement and prevailing wage ordinances set in its Code of Ordinances. Section [161.34](#) states that departments planning to enter into a contract for a public works project with an estimated construction cost of more than \$500,000.00 shall

make efforts to determine if a project labor agreement is necessary. Code sets out what is to happen following said review. Section [161.38](#) sets a local prevailing wage requirement for projects across specific sectors that are subsidized by public monies. The Office of the City Controller manages the ordinance provisions and more information is available on its [website](#).

Use of Evidence

For the majority of the approved SLFRF allocation lines, the fact that regular government services have continued uninterrupted is the evidence that funding already made a meaningful impact. Similarly, in passing legal budgets, the City is clearly demonstrating that federal funding is meeting the goals of the American Rescue Plan Act.

For projects that have more observable opportunities for program evaluation, metrics for success will be determined in collaboration with the entities that will administer the funding as sub-recipients. Subsequent reports will elaborate on this.

Performance Report

The Office of Management and Budget is responsible for implementing and maintaining the SLFRF program on behalf of the Mayor. In addition to completing and filing the requisite Treasury reports, OMB must give quarterly contracting updates to City Council.

The City Controller has also committed to an annual fiscal audit of State and Local Fiscal Recovery Funds.

With respect to non-fiscal performance indicators, the City will further describe progress in subsequent reports as individual projects are fully authorized and launched.

Legislation

The following City of Pittsburgh resolutions relate to the appropriation of SLFRF funds:

- [Resolution 315 of 2021](#) - established a special revenue account to house the program funds and also created the Pittsburgh Recovery Task Force to provide recommendations to City Council for usage
- [Resolution 444 of 2021](#) - authorized an agreement for third-party compliance services directly related to the American Rescue Plan
- [Resolution 453 of 2021](#) - appropriated the funds as recommended by the Mayor and the Pittsburgh Recovery Task Force
- [Resolution 454 of 2021](#) - re-opened and amended the 2021 Operating Budget (1 of 2)
- [Resolution 455 of 2021](#) - re-opened and amended the 2021 Operating Budget (2 of 2)
- [Resolution 456 of 2021](#) - re-opened and amended the 2021 Capital Budget
- [Resolution 577 of 2021](#) - authorized an agreement for a project with OnePGH
- [Resolution 578 of 2021](#) - authorized an agreement for a project with the Pittsburgh Parking Authority
- [Resolution 579 of 2021](#) - authorized an agreement for projects with the Pittsburgh Water and Sewer Authority
- [Resolution 580 of 2021](#) - authorized an agreement for projects with the Urban Redevelopment Authority

- [Resolution 265 of 2022](#) – establishes a special revenue account called the “Lead Safety Trust Fund” that will house program funds

Other Resources

- The public portal for [American Rescue Plan Reporting](#) is available on OMB’s website
 - The OMB website also includes sections for [Capital Budgets](#), [Operating Budgets](#), and [Quarterly Financial Reports](#)
- The City Controller has also established a [Monitoring Page](#) for the American Rescue Plan Trust Fund

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PROJECT INVENTORY

As of June 30, 2022, 70 unique line items have been legislatively approved by City Council via [Resolution 453 of 2021](#). They are organized into the following 17 projects:

Avoid layoffs

Project ID: Op1

Funding amount: \$112,938,391.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- In response to the impact of COVID-19 on revenue, the original 2021 Operating Budget and Five Year Plan included an anticipated workforce reduction line across all departments, effective 7/1/2021, totaling \$113 million over four years. This project allocates funds in each eligible fiscal year to avoid layoffs that would otherwise have been necessary.

Use of Evidence

- Goal: to maintain a robust workforce to provide effective government services
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- Following the passage of the amended 2021 Operating Budget, \$25.6 million was moved into the general fund for salaries
- At the beginning of the 2022 fiscal year, \$27.3 million was moved into the general fund for salaries
- No employees were laid off as a direct consequence of COVID-19

Restoration of the Operating Budget

Project ID: Op2

Funding amount: \$38,324,206.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- Funding will be used to restore lines that were decreased or cut in 2020 in order to pass a balanced 2021 Operating Budget and Five Year Plan
- Impacted budget lines include commodities, professional services, and vacant positions
- Funds will be obligated and expensed each year through 2024

Use of Evidence

- Goal: to ensure that departments have the resources needed to provide effective government services
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- The amended 2021 Operating Budget included \$4.7 million for these budget lines
 - Vacant positions were restored for the final 4 months of the fiscal year
- The 2022 Operating Budget included \$11.0 million for these budget lines

- The amended 2021 Operating Budget and 2022 Operating Budgets met all legal requirements imposed by the Home Rule Charter and the Code of Ordinances

Supplements to the Operating Budget

Project ID: Op3

Funding amount: \$26,600,858.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- Funding will be used to add requested budget lines and positions that were not originally added into the 2021 Operating Budget and Five Year Plan due to the impact that COVID-19 had on the revenue forecast
- Funds will be obligated and expensed each year through 2024

Use of Evidence

- Goal: to ensure that departments have the resources needed to provide effective government services
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- The amended 2021 Operating Budget included \$3.4 million for these budget lines
 - New positions in 2021 were allocated for the final 4 months of the fiscal year
- The 2022 Operating Budget included \$9.8 million for these budget lines

Lead paint projects

Project ID: SR1

Funding amount: \$2,000,000.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- Funding will be used to supplement budget for initiatives relating to the inspection and remediation of lead paint in buildings

Use of Evidence

- Goal: to reduce, and thereby mitigate the health risks of, exposure of City residents to lead hazards
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- The City has created a special revenue account in anticipation of future initiatives

Fleet improvements

Project ID: Cap1

Funding amount: \$13,750,000.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- Funding will be used to purchase vehicles to improve the status of the City's fleet

Use of Evidence

- Goal: to improve the overall quality of the fleet and to acquire more environmentally friendly vehicles to make City operations more sustainable
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- \$2,784,253.00 has been spent
- Supply chain issues have extended the amount of time between placing an order and receiving the vehicles

Facility improvements

Project ID: Cap2

Funding amount: \$20,925,840.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- Funding will be used for building and technology improvements at the following City facilities:
 - Cowley Recreation Center
 - Jefferson Recreation Center
 - McKinley Recreation Center
 - Paulson Recreation Center
 - Phillips Recreation Center
 - Robert E. Williams Recreation Center
 - West Penn Recreation Center
 - Hazelwood Healthy Active Living Senior Center
 - Marshall Mansion
 - Public Works Fourth Division
 - Thaddeus Stevens School

Use of Evidence

- Goal: to improve building conditions for City employees and residents who use public spaces
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- Construction has not begun on these projects
- Allocations are expected to be drawn down as planning and bandwidth within the Department of Public Works allows

Infrastructure improvements

Project ID: Cap3

Funding amount: \$23,272,116.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- Funding will be used for the following capital infrastructure projects across the City:
 - New LED streetlights
 - Davis Avenue pedestrian bridge
 - North Avenue improvements
 - Irvine Street improvements
 - Public step projects, including Frazier Street and 57th Street
 - Hill District improvements

Use of Evidence

- Goal: to improve street infrastructure in a way that prioritizes safety for all forms of mobility
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- \$23,912.00 has been spent on public step projects
- Allocations are expected to be drawn down as planning and bandwidth within the Department of Mobility and Infrastructure allows

Demolition of structures

Project ID: Cap4

Funding amount: \$2,000,000.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- Funding will be used to demolish or deconstruct buildings

Use of Evidence

- Goal: to eliminate threats to public safety that come in the form of unsafe building conditions
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- \$1,225,720.00 has been spent by the Department of Permits, Licenses, and Inspections

Support for non-profits

Project ID: URA1

Funding amount: \$100,000.00

Project Expenditure Category: 2.34 Assistance to Impacted Non-Profit Organizations

Project Overview

- The City will partner with the URA to support local non-profits that were negatively impacted by COVID-19

Use of Evidence

- Goal: to assist local non-profits in their recovery from adversely impacted financial situations as a result of the pandemic
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- The City of Pittsburgh and the URA executed a Coronavirus Local Fiscal Recovery Fund Recipient Agreement on June 27, 2022 for \$100,000.00 to offer assistance to Casa San José, an organization that is able to demonstrate negative economic impact
- Casa San José responded to the exacerbated needs of the City's Latino community by providing pandemic support that went outside of the organization's normal scope of services
- Casa San José is primarily serving disproportionately impacted communities based on the low-income threshold set by the Department of Treasury

Support for community development

Project ID: URA2

Funding amount: \$16,800,000.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- The City will partner with the Urban Redevelopment Authority for the following community development opportunities:
 - Penn Circle two-way conversion
 - Development of Broadway Avenue
 - Development along the designated "Avenues of Hope"
 - Development of the Lexington Technology Park
 - Development for the Jasmine Nyree Campus
 - Development of Gladstone School

Use of Evidence

- Goal: to foster thriving communities via targeted support to specific URA projects
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- The City of Pittsburgh and the URA executed a Coronavirus Local Fiscal Recovery Fund Recipient Agreement on June 8, 2022 for \$2,800,000.00 for work relating to the restoration of two-way traffic on Penn Circle
- Agreements for the other initiatives have not yet been executed; this project inventory section will be expanded in subsequent reports

Support for small businesses and artists

Project ID: URA3

Funding amount: \$6,500,000.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- The City will partner with the Urban Redevelopment Authority to offer assistance to small businesses and artists

Use of Evidence

- Goal: to offer assistance to small businesses and artists that were negatively impacted as a result of the pandemic
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- Agreements for these initiatives have not yet been executed; this project inventory section will be expanded in subsequent reports

Support for housing

Project ID: URA4

Funding amount: \$47,478,811.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- The City will partner with the Urban Redevelopment Authority to offer several types of assistance to homeowners, including the following:
 - Assistance for home ownership
 - Protection of existing affordable housing
 - Assistance for a community land trust
 - Assistance with homeownership utility payments

Use of Evidence

- Goal: to offer assistance to residents via different affordable housing programs operated by the URA
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- Agreements for these initiatives have not yet been executed; this project inventory section will be expanded in subsequent reports

Support for ongoing URA projects

Project ID: URA5

Funding amount: \$10,000,000.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- The City will partner with the Urban Redevelopment Authority to offer operational assistance for existing URA projects including the Land Bank

Use of Evidence

- Goal: to support the ongoing operations of the Land Bank
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- An agreement for this initiative has not yet been executed; this project inventory section will be expanded in subsequent reports

Support for ongoing Pittsburgh Parking Authority projects

Project ID: PPA1

Funding amount: \$80,000.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- The City will partner with the PPA to offer support for a DC Fast Charging and Hydrogen Fueling Grant Program project

Use of Evidence

- Goal: to assist the PPA in installing direct current fast chargers for electric vehicles at a location available for public use
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- An agreement for this initiative has not yet been executed; this project inventory section will be expanded in subsequent reports

Lead line remediation projects

Project ID: PWSA1

Funding amount: \$17,500,000.00

Project Expenditure Category: 5.12 Drinking water: Lead Remediation, including in Schools and Daycares

Project Overview

- The City will partner with the Pittsburgh Water and Sewer Authority to complete projects to remediate lead in drinking water

Use of Evidence

- Goal: to lower the levels of lead present in drinking water for residents
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- The City of Pittsburgh and PWSA executed a Coronavirus Local Fiscal Recovery Fund Recipient Agreement on April 27, 2022 for \$17,000,000.00 for lead service line replacement work
 - An agreement for the remaining \$500,000.00 will be executed in a subsequent reporting period
- Progress will be reported as follows:
 - Number of locations served
 - Levels of lead detected at work sites
 - Aggregate levels of lead detected in the overall service area
- Activities funded by this will occur at approximately 1,400 locations throughout the municipality
 - In June 2022, work was completed at 330 locations in Elliot and Crafton Heights

Guaranteed income project

Project ID: OnePGH1

Funding amount: \$2,500,000.00

Project Expenditure Category: 6.1 Provision of Government Services

Project Overview

- The City originally planned to partner with the non-profit OnePGH to support a new guaranteed income program
- In May 2022, Mayor Gainey announced that the City will not move forward with this project
- These funds will be reallocated to a different project via legislation; this will be reflected in a subsequent reporting period

Compliance assistance

Project ID: ARPTF1

Funding amount: \$300,000.00

Project Expenditure Category: 7.1 Administrative Expenses

Project Overview

- Funding will be used to contract with accountants and legal counsel for assistance with federal compliance

Use of Evidence

- Goal: to confirm that the City has subject-matter expertise with respect to the rules and regulations of the SLFRF program
- Program funds will not be spent on evidence-based interventions or program evaluations

Performance Report

- The City of Pittsburgh and Maher Duessel executed a professional services agreement on August 26, 2021
- As of June 30, 2022, \$56,552.75 has been spent