

EXAMINING PITTSBURGH'S FINAL 2021 BUDGET: A CITY BUDGET PROCESS THAT IS NEITHER TRANSPARENT NOR ACCESSIBLE WILL NOT BE RESPONSIVE TO CITY RESIDENTS' MOST PRESSING NEEDS

Mayor Peduto stated in his budget address that *"Pittsburgh [is] continuing to prioritize equity, which means ... building up communities that haven't always had the same opportunities, access or protection."* However, without incorporating input from these communities or demonstrating how budget decisions support these communities his statement rings hollow.

The proposed budget release in November, notably shorter compared to previous years' September releases, limited opportunities for the public to digest and give feedback before the December budget approval. With only one public meeting for residents to voice their concerns on the operating budget the condensed process reduced transparency and limited participation.

Furthermore, input that was received at the public meeting was not reflected in the approved budget as calls to reduce the police budget were not addressed. While the Office of Management and Budget conducted a survey asking for input on the 2021 Operating Budget, the results have not been shared with City Council, nor has there been any public release of the results of the survey. We can only surmise that survey responses were not incorporated into the budget.

The City Council budget made some adjustments to Mayor Peduto's proposed budget, which included increased funding for affordable housing managed by the Urban Redevelopment Authority—but these increases were not nearly enough to address the current crisis.¹ Despite significant public calls for budgetary changes, such as reprogramming funding from the traditional police budget to social priorities, only superficial changes were made from the mayor's proposal concerning police spending.

AFFORDABLE HOUSING FUNDING INCREASES BUT IT STILL DOES NOT MEET THE NEED: The City of Pittsburgh adopted a budget that increased capital budget spending for affordable housing by 1% or \$2.5 million more than the mayor had proposed. An additional \$1.9 million was allocated to the Housing Opportunity Fund on top of the yearly \$10 million allocation.²

While we applaud these steps, there are several recommendations outlined in our analysis "Budgeting Our Values" that have yet to be adopted.³ Notably, HOF funding needs to be increased permanently which could be provided through its current funding structure from the Realty Transfer Tax (RTT).⁴ Additionally, increases in funding to affordable housing measures must also be paired with equitable allocations that target historically disadvantaged communities.

NO SUBSTANTIAL CHANGES TO THE POLICE BUDGET DESPITE CALLS FOR REFORM: Over the last year, the City has taken some steps to address the centuries-long pattern of police violence against people of color including the establishment of the Community Task Force on Police Reform and the Office of Community Health and Safety. However, the police bureau proposed funding remain nearly flat (a cut of 2.9%, compared to an average department cut of 13%), despite calls to reduce the police budget.

¹ The HOF established a line item for legal assistance but, still, more than 2,600 residents face eviction once the federal eviction moratorium ends.

² This was through Councilman O'Connor's amendment redirecting Mon-Oakland Connector funding to the URA.

³ Thandiwe, N., & Polson, "Budgeting Our Values" https://krc-pbpc.org/research_publication/budgeting-our-values-analysis-pgh-2021-budget-proposal/. Other recommendations included doubling the HOF funding (a \$10 million increase) and funding Avenues of Hope, which the adopted budget did through the URA at \$270,000.

⁴ The RTT is projected to generate more than \$15 million annually, well over the current \$10 million HOF yearly appropriation.

While the phrase *defund the police* has become politicized, the overreliance on police to solve today's deepening social and economic problems is unsustainable and ineffective, and this has been recognized even by our own police force. As Pittsburgh's chief of police Scott Schubert reported at a City Council hearing, *"I don't want anyone thinking this is new to us. We have been for years asking for help to do things different as it relates to homelessness, mental health, and addiction."*

There were only aesthetic changes to the police budget after public comments calling for substantial reductions in police spending. The movement of funding for the Office of Community Health and Safety from the police budget to the Department of Public Safety did not reduce fundamental police spending.⁵ There were no police staffing reductions from the proposed budget to the approved budget.⁶

The city can start to address citizens' concerns by reducing the police force from its current 31 officers per 10,000 residents to 19—the average number for medium-sized cities, which would save nearly \$24 million in salaries and wages alone. It should also adopt the "Community Task Force on Police Reform" priorities with enforceable timelines and shift additional money to the Office of Community Health and Safety.

BUDGET EQUITY: Given the uncertainty of the city's revenues during the current pandemic and recession and uncertainty of the amount of additional federal emergency assistance that the city might receive, City Council and the mayor will revisit the budget in June. Whether or not this provides an opportunity to allocate additional resources or dole out additional cuts, it is critical that changes in June focus available resources on the priorities and people with the greatest need.

As our December report noted, the COVID-19 pandemic and recession has hit Black, indigenous, people of color (BIPOC) and lower income residents the hardest. These populations have also been historically cost-burdened by housing costs, suffer from higher unemployment rates, and face well-documented police brutality. For these reasons, further changes to the city budget should address affordable housing, help our workforce access living-wage jobs, and reimagine public safety to free-up resources to help families and workers.

MOVING FORWARD: Given how the current budget process does not include hearing from city residents, it is no wonder that the final Pittsburgh budget does not adequately address residents' most pressing needs. The city can start to understand residents' priorities by holding more public meetings, lengthening the budget process, and adopting established best practices in developing a comprehensive budget engagement strategy.⁷ Changing the budget process to be more transparent and accessible is a first step towards creating a more equitable budget that prioritizes Pittsburghers' greatest needs.

A city budget that is responsive to its community's needs would heed calls for additional funding for affordable housing given the tremendous crisis we now face and will continue to face in the coming year. It would listen to calls to cut the police budget in ways that would redirect funds towards addressing poverty and racial injustice, rather than responding to problems with militarized force.

⁵ The adopted budget only moved the \$5.3 million "Stop the Violence" grant funding for the Office of Community Health and Safety from the Bureau of Police to the Department of Public Safety-Admin and Services; while this reduces the Police Bureau's overall budget it makes no changes to the role of policing.

⁶ Staffing levels are negotiated by the mayor and the Fraternal Order of Police and are currently set until 2024.

⁷ National League of Cities report "Bright Spots in Community Engagement"
<http://my.solarroadmap.com/userfiles/BrightSpots-final.pdf>.

We believe in a Pittsburgh that works for all of us. We need to invest in our communities so that people of color, poor people, and working-class people have what they need; neighborhoods and priorities are not pitted against each other; and all our neighbors can thrive. We must start by putting our money where our values are.