



Published for the members of the Pittsburgh History & Landmarks Foundation

No. 126

November 1992

NEWS

- Bank Lending and the Community Reinvestment Act
- African-American Survey: Postscript

**SPECIAL ISSUE:
INTERN REPORTS**

Reinvestment in Pittsburgh Neighborhoods: *A Study for the National Trust for Historic Preservation*

by Glenn Worgan



Glenn Worgan completed an internship this summer in Pittsburgh and Philadelphia sponsored by the National Trust for Historic Preservation, the Pittsburgh Community Reinvestment Group, and the Pittsburgh History & Landmarks Foundation. His major task in Pittsburgh was to analyze bank-lending practices during the past eight years in National Register and National Register-eligible districts for the National Trust for Historic Preservation. Through extensive research, Glenn documented a significant increase in bank lending. The results of his research are published in the following two articles in this issue.

Glenn is now completing his master's degree in Historic Preservation at the University of Georgia in Athens.

Renovation in Manchester



Much of our nation's historic fabric is concentrated in the inner cities. For years, these same urban neighborhoods have been suffering from problems that, by now, sound all too familiar. Poverty, urban decay, and disinvestment have created an environment of economic and social adversity that not only limits opportunity, but that also threatens many of the historic resources that make up these neighborhoods.

Many preservationists have long been trying to fulfill their mission through partnerships with various organizations. Partnerships with environmental, educational, governmental, and community groups have all been explored, but unfortunately they have not flourished as people had hoped. This approach, when attempted with community groups, has probably experienced the greatest success; however, this has been random and inconsistent.

A golden opportunity exists for preservationists who are concerned not only about old buildings but also about the people who occupy them. Success in the inner city is, indeed, attainable. As a matter of fact, in Pittsburgh, a partnership between the communities and preservationists has succeeded. A model program is currently in operation. A similar partnership could be adopted in any city; it would only have to be initiated and then tailored to suit the appropriate needs of each particular community.

The Partners

The revitalization of Pittsburgh's historic neighborhoods is a direct result of cooperation between the partners. Investment in Pittsburgh's low-income historic neighborhoods has increased dramatically over the last few years. From 1984 through 1987, before the partnership was formed, Pittsburgh's seven low- and moderate-income National Register and National Register-eligible districts collectively received from the area's major banks 148 mortgage and home improvement loans for a total of \$4,462,000. Between 1988 and 1991, however, the same neighborhoods received 326 loans totaling \$12,101,000. Clearly, preservationists have an untapped resource in such a partnership.

The success of the Pittsburgh operation resulted from the passing of the federal Community Reinvestment Act (CRA). In essence, the CRA requires financial service institutions to meet the credit needs of their entire market area, including low- and moderate-income neighborhoods.

Stanley Lowe, director of the Pittsburgh History & Landmarks Foundation's Preservation Fund, Pennsylvania



Beech Avenue, Allegheny West, c. 1960

advisor to the National Trust, and an advisor to the Manchester Citizens Corporation, spearheaded an effort to identify the banks participating in the discriminatory lending practices known as "redlining." This subsequently led to the formation of the Pittsburgh Community Reinvestment Group (PCRG), a coalition of 26 community development organizations that function as the voice of the people. PCRG's primary responsibilities are to monitor the lending practices of the Pittsburgh-area lending institutions, communicate the needs of the low- and moderate-income neighborhoods, and promote reinvestment.

The Pittsburgh History & Landmarks Foundation (Landmarks), the county-wide non-profit historic preservation group, helped to establish PCRG. PCRG is not, however, an historic preservation group; it is a community activist group which uses historic preservation as a tool to achieve its goals in the neighborhoods. PCRG is

primarily concerned with the vitality of the city's communities, while Landmarks is first concerned with preserving Pittsburgh's architectural heritage. Together they form a partnership that is the key to the overall success of the efforts in the neighborhoods.

The partnership was not formed overnight or with clear understanding of each other's goals. It was the Manchester Citizens Corporation (MCC) that first accessed the previously closed credit markets. In doing so, it began a redevelopment program of urban renewal, one in which entire city blocks were razed to make room for suburban-style tract housing. Many preservationists cringe at the thought of split-level detached homes with manicured lawns in the middle of the city, but to the people of Manchester their quality of life was improving: and

(Continued on page 2)

PHLF NEWS

GIVE A MEMBERSHIP

in LANDMARKS

Introduce your friends to the world of historic preservation and to the work of the Pittsburgh History & Landmarks Foundation. Since its founding in 1964, Landmarks has been creating a future for Pittsburgh by preserving its past. The goals of our organization are to:

Preserve architectural landmarks, historic neighborhoods, and industrial sites and artifacts in Allegheny County;

Create tours, lectures, publications, and educational programs featuring the history, architecture, and culture of Pittsburgh and Allegheny County; and

Continue the development of Station Square, the 52-acre riverfront site where Landmarks' principles of historic preservation, adaptive use, and urban planning are creating a lively attraction for Pittsburgh.

Support Landmarks; encourage your friends to join today.

Please send a gift membership to:

• Name _____
 Address _____
 City _____ State _____ Zip _____
 Phone _____

• Name _____
 Address _____
 City _____ State _____ Zip _____
 Phone _____

Total number of gift memberships _____ x \$20.00 each

Total payment enclosed \$ _____

Your name _____
 (as it should appear on the gift announcement)

Address _____
 City _____ State _____ Zip _____
 Phone _____

Clip and mail to: **Mary Lu Denny**
Pittsburgh History & Landmarks Foundation
One Station Square, Suite 450
Pittsburgh, PA 15219-1170
 (412) 471-5808

Reinvestment in Pittsburgh Neighborhoods: *A Study for the National Trust* (Continued from page 1)



A North Side street

indeed it was. They did not know, or care frankly, about historic preservation; they wanted decent homes in which to live.

Convincing the People

Landmarks, the historic preservation organization, recognized the serious loss of historic fabric that was taking place. It realized that some intervention was necessary if this destruction were to stop. This became quite a challenge, as Manchester already had an exceedingly successful redevelopment program. The issue at hand was clear, both parties had similar goals, but chose different means with which to carry them out. An education process (for both parties) was the next logical step, a step that was not easy to achieve. A long struggle ensued that culminated with the Manchester residents receiving a crash course in preservation (i.e. a bus trip to various successfully preserved urban areas: Georgetown, Annapolis, Washington, D.C.). Only then did the community people realize what extraordinary resources were available to them. (For preservationists engaged in this type of partnership, educating community leaders is the primary responsibility as well as the most effective way to ensure success. It may be the most difficult part of the process, but once the economic, social, and cultural benefits of preservation are understood, the battle is half won.)

As the partnership solidified and became more sophisticated, financing opportunities fast became available. PCRG, through research, creativity, and assertive action essentially forced the banks to comply with their lawful obligations and ultimately to realize that lending in low- and moderate-income neighborhoods is not only ethical but profitable. In fact, as a direct result of CRA monitoring, banks now find themselves in fierce competition for market share in these historic neighborhoods. In the past, banks would rarely lend in minority-based historic neighborhoods, but now, in addition to discounted loans for low-income residents, there are products specifically underwritten for historic buildings.

In conjunction with the opening of the lending markets, Landmarks initiated a revolving fund program which is targeted at rehabilitation in low-income neighborhoods. Although this was not critical to success in Pittsburgh, Landmarks' Preservation Fund significantly increased the economic viability of many projects that otherwise would have been marginal. For preservation groups interested in urban preservation, launching a similar program is the other important function that should be performed.

The other major player in Pittsburgh's revitalization is the city government. The Urban Redevelopment Authority of Pittsburgh (URA), following the lead of the PCRG and Landmarks' partnership, shifted its focus from urban renewal to rehabilitation and neighborhood conservation. The city now offers a variety of discount loan products for use in low to moderate-income neighborhoods, and it has even collaborated with local banks to create a dynamic program which enables the low-income residents of these neighborhoods to receive a mortgage and a home improvement loan in one.

The three major components of Pittsburgh's successful revitalization program are: the Pittsburgh Community Reinvestment Group (community activists) and its CRA monitoring system; the Urban Redevelopment Authority of Pittsburgh (city housing authority) and its interest in neighborhood conservation; and the Pittsburgh History & Landmarks Foundation (a non-profit historic preservation group).

Preservationists, obviously, can control only one of these components. To make this partnership succeed, they must offer education and provide bridge financing through a revolving

A restored house in Manchester



PHLF News is published six times each year for the members of the Pittsburgh History & Landmarks Foundation. It is supported through membership dollars, proceeds from Station Square, and advertising revenue.

Arthur P. Ziegler, Jr. President
 Louise Sturgess Editor/Executive Director
 Cathy Broucek Director of Marketing, Station Square
 Diane C. DeNardo Director of Education & Marketing
 Mary Lu Denny Director of Membership Services
 Eric F. Dickerson Advertising Sales Manager
 Walter C. Kidney Architectural Historian
 Stanley A. Lowe Director of the Preservation Fund
 Albert M. Tannler Archivist
 Greg Pytlík Designer

fund. Again, the first and most vital step is to enlighten community leaders as to the tremendous potential available in their existing neighborhoods. If committed community leaders can be targeted and subsequently informed, it is virtually guaranteed that neighborhoods will begin to experience positive change.

The Pittsburgh Community Reinvestment Group is a coalition of 26 community-based organizations representing low- and moderate-income neighborhoods. The offices of the PCRG are located on the North Side at 1000 California Avenue. Carol Peterson is the neighborhood coordinator, and Carol Green is the secretary. As the elected representative of the PCRG, Stanley Lowe serves as its spokesperson. Much of Stanley Lowe's time in working with the PCRG has been funded by the Pittsburgh History & Landmarks Foundation, where Stanley is the director of the Preservation Fund. Landmarks has also provided funds to support the publication of PCRG reports.



Carol Peterson



From left to right: Carol Peterson, Carol Green, and Stanley Lowe.



Carol Green

Summary of Major Pittsburgh Bank-Lending Patterns in Low- to Moderate-Income National Register and National Register-Eligible Historic Districts

Year	# of Loans	% Increase	Amount	% Increase
1984	22		\$781,000	
1985	31	40.91%	\$807,000	3.33%
1986	43	38.71%	\$1,212,000	50.19%
1987	52	20.93%	\$1,662,000	37.13%
1988	54	3.85%	\$1,500,000	-9.75%
1989	83	53.70%	\$3,340,000	122.67%
1990	104	25.30%	\$4,515,000	35.18%
1991	85	-18.27%	\$2,746,000	-39.18%
Total	474			
Average Annual Increase		27.52%		33.26%
Total Dollars Loaned:			\$16,563,000	

Includes results for Integra, Mellon, PNB, and Dollar Banks

Information derived from bank Loan Application Register System and HMDA Reports. An element of error exists in the bank reporting, therefore the accuracy of the results are slightly skewed.

Bank Lending and the Community Reinvestment Act

Since the passage of the Community Reinvestment Act (CRA) in 1977, preservationists have attempted to use it to aid in their efforts in preserving older neighborhoods. In Pittsburgh, community leaders and preservationists have formed a partnership that has enjoyed great success in utilizing the CRA as a tool in the reinvestment of their neighborhoods. The purpose of this study is to document the impact the CRA has had on low- and moderate-income historic neighborhoods.

A thorough analysis of bank lending in National Register and National Register Eligible Historic Districts during the past eight years was conducted. The four banks included in the study were Mellon, Pittsburgh National, Integra, and Dollar: Pittsburgh's four largest.

As seen from the very favorable statistics, the enforcement of the CRA in Pittsburgh has obviously resulted in a dramatic increase in the number of loans originated and in the total dollar amount lent. This is not an arbitrary trend, but the product of hard work by the Pittsburgh community leaders and preservationists. It is an example of

what can be accomplished by simply helping banks to comply with their ethical and legal obligations, as required by the CRA.

Community leaders and preservation professionals, alike, should realize the tremendous potential that CRA enforcement has to offer and use it for the betterment of their cities and neighborhoods. Hopefully, the results of this study will serve as a catalyst for other similar reinvestment initiatives.

For more information on the history of the Pittsburgh program or how to use the CRA, see the following publications of the National Trust for Historic Preservation:
 "Preservation Forum," May/June 1991
 "Information" series No. 56, 1992

Ensure the Life of Our Historic Buildings

If you own appreciated securities or real estate and would like to realize additional income, avoid tax on capital gains, receive an income-tax deduction, and benefit your community, then consider making a planned gift to the Pittsburgh History & Landmarks Foundation.

Gifts can be made to Landmarks that pay income to the donor for life.

Gifts of appreciated property can be made to Landmarks without any recognition of a capital gain by the donor, while at the same time the donor receives an income-tax deduction in the year the gift is made equal in many cases to the full fair market value of the property given.

After the death of the donor, the remaining principal becomes the sole property of Landmarks to help it carry on its work in preserving the history, character, and architectural landmarks of your community.

For additional information concerning the advantages of gifts to Landmarks, please contact: Eric Dickerson at (412) 471-5808.



In addition, consult your personal tax advisor to ensure that a charitable gift to Landmarks would be an appropriate part of your personal financial and estate planning. If you wish, Landmarks will make its own tax advisor available for consultation.



African-American Survey: Postscript

by Dan Holland

Dan Holland was an intern for the Pittsburgh History & Landmarks Foundation from September 1991 to September 1992. During his internship with Landmarks, Dan assisted project director Eliza Brown of Landmarks Design Associates with the research, writing, photography, and field work for the African-American Historic Site Survey.

Black history in Allegheny County is at a critical stage. While many historic resources were lost with urban renewal projects of the 1950s and '60s, a stagnant economy and aging population leave many buildings unused and vacant. Historic structures in many black communities will fall more to neglect, indifference, and ignorance than to targeted demolition.

The African-American Historic Site Survey of Allegheny County, carried out in 1992 by Landmarks Design Associates, Architects, with assistance from the Pittsburgh History & Landmarks Foundation, is a first step in the rehabilitation process. By identifying and documenting the numerous places important to blacks before destructive development projects took their toll (around 1960), both the black and white community can better understand and respect the physical remains of the past to help create a better future.

The survey covered seven themes of black history: settlement patterns; occupations; churches; educational and cultural achievements; sports and recreation; politics; and the anti-slavery movement. They cover approximately four time periods: from 1760 to 1800; from 1800 to 1860; from 1860 to 1915; and from 1915 to 1960. They are by no means final histories, but establish a context for sites found through this survey.

The result: nearly 300 sites (173 of which still exist) in 56 communities throughout Allegheny County were documented on Pennsylvania Historic Resource forms. Identification of places that were important to blacks before 1960 was no small task. But through archival research and a large amount of community input, locations such as churches, businesses, and little-known clubs and fraternal associations were documented.

The survey explored several varieties of communities. Many are small pockets of black settlement, like mining districts, defined by the hilly geography,

while others, like the Hill District, are large urban communities. From small towns to large urban neighborhoods, Allegheny County's "black community" is actually an amalgamation of black settlements, each with its own self-sustaining institutions.

In the Hill District, the African-American Survey highlighted a little-known segment of the city's past. Black cultural, political, and religious life in Allegheny County began to center in the Hill District as early as the 1790s but flourished during the 1920s through the 1950s. When Duke Ellington came to play in a downtown Pittsburgh club, for instance, he stayed in the Ellis Hotel in the Hill because Downtown was off-limits to blacks. The Ellis Hotel is still there and is only one of two black-run hotels left from the Hill's glory days.

The first Crawford Grill at 1401 Wylie Avenue was Pittsburgh's hottest night spot during the 1930s. Gus Greenlee, owner of the Negro League's star baseball team, the Pittsburgh Crawfords, packed in the crowds every night to see the best jazz performers in the city. Although a fire closed the first Grill, Greenlee started a second Crawford Grill at 2141 Wylie Avenue in 1943 and it is still there, albeit a bit weathered.

Other places persisted, like the New Granada at 2009-13 Centre Avenue, which replaced the smaller Old Granada at 1851 Centre Avenue during the 1940s and '50s. This once-thriving Art Deco movie house and jazz club is currently being converted into a cultural center by the Hill Community Development Corporation, a 1992 Landmarks Award of Merit recipient.

But the Hill was just one neighborhood where blacks established community institutions. The National Negro Opera Company got its start in a giant Queen Anne house on Apple Street in Homewood. Under the direction of Madam Mary Cardwell Dawson, this opera group became nationally famous, performing in large cities throughout the U.S. In Pittsburgh, they performed at the only spot in the city they were allowed: the Syria Mosque.

Two churches on the North Side — Brown Chapel A.M.E. in Central North Side, and Allen Chapel A.M.E. in Manchester — are outstanding landmarks of the black community. Brown Chapel was the second A.M.E. congrega-

The first home of the National Negro Opera Company, on Apple Street in Homewood



The second Crawford Grill, opened in 1943

tion west of the Alleghenies, organized in 1837-38, while Allen Chapel was founded in the 1860s in the Hill District before moving to Manchester in 1889. While the buildings they inhabit are not as old as their congregations, they are rare remnants of nineteenth-century black institutions, a testimony of the cohesiveness of the North Side's black community.

The black church frequently became the only focus of community social events and religious life outside of Pittsburgh. Especially in former mining districts, the black community is defined solely by its church. Ebenezer Baptist Church in Blythedale (Elizabeth Township) and the First Baptist Church of Gallatin in Forward Township are the only black institutions in these once-booming mining patches.

Each site investigated stands as an example of the shifting economics and demographics of Allegheny County. While some sites are remarkably preserved, many are in poor condition — abandoned and neglected. But each tells a story, and together they illustrate a segment of Allegheny County's history that is little known, forgotten, or ignored.

With the help of local residents and experts, part of the story has been uncovered. Two consultants for the African-American Survey, Professor Laurence Glasco of the University of Pittsburgh and Ronald C. Carlisle, an archaeologist with the Michael Baker Corporation, have added a substantial amount of data and energy to the project. Glasco wrote thematic essays on black politics in Pittsburgh, educa-



The Ebenezer Baptist Church in Blythedale

tional and social attainments, and black churches; Carlisle wrote the Archaeological Narrative, which uncovered some never-before-documented archaeological sites that have relevance to the black community.

But most of all, residents of Allegheny County have made significant contributions to the survey. Particularly helpful were Frank Bolden, a former *Pittsburgh Courier* writer, Walter Worthington, a resident of the Hill, and Judge Livingstone Johnson, who helped identify sites in Wilkinsburg. Without the input of numerous individuals, such a large number of sites would not have been documented in the survey.