

LABOR MARKET
SUPPLY AND DEMAND
~
EAST END, PITTSBURGH



Three Rivers Workforce Investment Board, 2014

Executive Summary

The Pittsburgh Foundation commissioned this report by the Three Rivers Workforce Investment Board (3RWIB) to assist The Pittsburgh Foundation and East Liberty Development, Inc. (ELDI) in building an understanding of labor market dynamics, workforce needs, and workforce services in the East End¹ of Pittsburgh. This report comprehensively maps and analyzes the East End's labor market. In evaluating the area's employment dynamics and workforce resources, the following trends were observed:

Labor Market Demand

- *The East End contains 3.3% of Allegheny County's labor market;* there are over 21,000 jobs in a range of industries and occupations. The East End is a hub of Healthcare and Social Assistance services; the share of jobs in this sector is significantly larger in the East End (48.7% of jobs) than in the County (17.7% of jobs).
- *East End businesses are smaller than Allegheny County's average.* Out of the 708 businesses located in the East End in 2013, 84.4% employ fewer than 20 people (compared to 70% of businesses in the County); 13.4% of East End employers have between 20-100 employees; just 2.3% of East End employers have more than 100 employees. Only two employers in the East End have more than 1,000 employees.
- *The average wage of East End jobs is slightly below the average wage of Allegheny County jobs, but above that of the Pittsburgh Metropolitan Statistical Area (MSA).* The average wage for all East End jobs is \$23.27 per hour, 11.5% below the County's \$26.30 per hour average wage. Jobs in the Pittsburgh MSA pay an average of \$21.66 per hour. The share of active job postings that are part-time is approximately the same in the East End (16.4%) and the County (16.0%).
- *Jobs in the East End labor market require a variety of skills and educational levels; wages are strongly correlated with education and experience needed.* Approximately 51% of jobs in the East End require short/moderate-term on-the-job training and pay on average \$10.59 per hour. Jobs requiring postsecondary or long-term on-the-job training make up 13% of area jobs and have an average starting wage of \$14.31 per hour. Jobs requiring an Associate's degree make up 16% the market and have an average wage of \$22.67 per hour; those requiring a Bachelor's degree or higher make up 19% of area jobs and pay an average wage of \$35.04 per hour.
- *In the next ten years, job growth is expected in both entry-level jobs and those requiring more advanced skill sets.* Healthcare will dominate the job growth in the area, with Healthcare Practitioners and Technical occupations and Healthcare Support occupations growing by 15%.
- *Jobs in occupations with environmental applications (typically referred to as "Green jobs") are expected to grow substantially in the next ten years.* Green jobs are projected to grow 14.7% in the East End in the next decade, compared with 5.2% growth in the County. Construction Laborers will see the most growth (28 jobs, 39% job growth), followed by Operating Engineers and Other Construction Equipment Operators (20 jobs, 53% job growth).

¹ For the purposes of this report, the East End is defined as Bloomfield, East Liberty, Garfield, Homewood North, Homewood South, Homewood West, Larimer, and Lincoln-Lemington-Belmar.



Labor Market Supply

- *The East End is a highly populated area with less labor force participation than the City;* the overall labor force in the East End is 14,691 individuals (53.2% of the population 16 and older, compared with 61.6% labor force participation in the City of Pittsburgh). The average unemployment rate for the East End area was 13.4% for the time studied, well above Pittsburgh's rate of 9.3% for the same time period.
- *The strength and availability of the workforce differs by neighborhood:*
 - Bloomfield has the largest population, the highest labor force participation rate, and the lowest unemployment rate (less than half the rate of the next lowest rate among the eight neighborhoods studied). Bloomfield has the highest median income and per capita income of the East End neighborhoods. Bloomfield is dissimilar to the other seven neighborhoods in the East End in terms of racial demographics, age, and education level of its population; it has a significantly smaller share of minority residents, is the youngest community, and has the highest level of educational attainment.
 - East Liberty is the second largest neighborhood by population, has the second largest share of its population with a Bachelor's degree or more education, the second lowest unemployment rate in the East End, and an above average labor force participation rate.
 - Larimer has the highest unemployment rate, a lower than average labor force participation rate, and lower than average median and per capita incomes for the area.
 - Homewood West has the lowest median income of all the neighborhoods, the second highest level of unemployment, and the second lowest labor force participation rate. Homewood West and Larimer also have the smallest populations in the East End.
 - Homewood South is the oldest residential community in the East End; 39% of its population is over the age of 55. Homewood South also has one of the lowest labor force participation rates in the East End, at 47.5%.
- *The East End workforce is less educated than the City as a whole.* Approximately 13.7% of the East End population over the age of 26 does not have a high school diploma, compared with 10% of the population of Pittsburgh. About 25.7% of the East End population has a Bachelor's or higher degree, compared with 35% of the Pittsburgh population.
- *The educational attainment of the East End workforce varies significantly by neighborhood; educational attainment and income are highly correlated.* Homewood West has the highest share of its residents with a high school diploma or less education (65%), followed by Larimer (59.5%), Homewood South (57.1%), and Homewood North (54.1%). Correspondingly, these neighborhoods have four of the five lowest median incomes in the East End. Bloomfield has the largest share of its population with a Bachelor's degree or higher (44.4%), followed by East Liberty (29.2%), Homewood South (17.6%), and Lincoln-Lemington-Belmar (16.1%). Bloomfield, Lincoln-Lemington-Belmar, and East Liberty have the highest median incomes in the study area.



- On average, *East End neighborhoods have lower per capita incomes than the City of Pittsburgh* (\$17,869 vs. \$26,535 for the City). Bloomfield and East Liberty have the highest per capita incomes in the area; Homewood North and Garfield have the lowest per capita incomes. More East End households receive cash public assistance (7.1%) than City households (5.0%).

Job Access and Supply-Demand (Mis)match

- *Job accessibility in the community is very good*; only one employer in the East End is further than ¼ mile from a bus stop. Employers and jobs are concentrated in Bloomfield and East Liberty. Almost 40% of East End employers are located in Bloomfield. An additional 23.3% of employers are located in East Liberty. Homewood North has the lowest share of businesses in the East End, with just 1.8% of East End employers.
- *The East End's labor force is concentrated in three neighborhoods*, with 69.1% of the area's labor force in Bloomfield, East Liberty, and Lincoln-Lemington-Belmar. The neighborhood with the largest share of the area's labor force is Bloomfield (38.1%).
- *While the East End's labor market offers diverse job opportunities*, only 10.5% of the area's residents work in the East End and only 6.1% of the area's jobs are held by East End residents.
- *East End job seekers and job openings display a mismatch in educational level*. The largest disconnect is between job seekers with some college education (22.6% of job seekers) and jobs requiring this level of education (10.1% of annual openings). Only 5.6% of job seekers have an Associate's degree, but 17.4% of annual openings in the East End require this credential. Jobs requiring a Bachelor's degree or more education are better aligned with job seekers, with 19.7% of annual openings and 20.9% of job seekers in this educational cohort.

Provider Network

- *A network of almost 225 service providers operates in the East End and can be drawn upon to serve the diverse needs of East End households*. Providers are concentrated in East Liberty (32.9%) and Homewood South (16.7%) and are accessible by public transportation.
- *Twenty eight East End organizations provide workforce development services*. These organizations are located in every neighborhood except Homewood North. Bloomfield, East Liberty, and Homewood South have the lowest rates of unemployment in the East End and the highest number of organizations providing workforce development services. Larimer, which has the highest unemployment rate in the community, has just one organization that provides employment and training services.



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Major Challenges and Opportunities

Education and Training

East End businesses employ 21,000 workers across a diverse occupational spectrum requiring varied levels of educational attainment. Career interests of residents align with job openings in the area in many cases, however healthcare occupations represent a significant disconnect, which will be explored more below. Additionally, only 6.1% of jobs in the East End are held by East End residents and only 10.5% of residents are employed in the area. This disconnect can partially be attributed to differences in the educational attainment of local residents and the educational requirements of local jobs.

Two groups of East End job seekers have larger struggles to align with open jobs:

- 1) Those with some college education (22.6%) greatly outnumber the jobs available to individuals with this level of educational attainment (10.1% of annual openings) and may not be equipped for jobs requiring an Associate's degree, which make up 17.4% of annual openings;
- 2) Those without a high school diploma (15.4%) are unable to access abundant entry level jobs requiring a high school diploma or GED in fields such as Healthcare and Office and Administrative Support.

The data collected in this report suggest that both long-term and short-term strategic upskilling of East End residents is warranted. Job training and other workforce development solutions must be driven by local business in order to be successful. A two-pronged approach that targets both the relatively small number of large employers in key growth industry sectors and high number of smaller employers, who often need workers with more versatile skills, to design and implement training programs will create stronger employment outcomes for East End residents.

- In the short-term, the high levels of unemployment in some neighborhoods call for **work readiness and soft skill development**, leading to the reattachment of the disenfranchised workforce. These efforts will require intensive collaboration between human services and workforce agencies; local providers may need technical assistance and/or additional capacity to effectively tackle this challenge.
- In the medium-term, **a mix of specific training opportunities (pre-employment, apprenticeship, on-the-job, etc.) driven by genuine employer demand should be identified and implemented.** These solutions must be customized to the specific needs of workers, job seekers, and employers. For example, the high share of job seekers with some college education may have very different needs than individuals without a high school diploma. Those without a high school diploma or GED may require diploma retrieval in addition to occupational skills training. Special consideration should also be given to programming assisting the working poor—these individuals often shoulder multiple family responsibilities and lack time to engage in training, particularly if it is unpaid. The question of who the working poor are in each neighborhood merits additional consideration.



- In the long-term, a more holistic approach to workforce development, beginning with a K-12 focus and family oriented programming, is warranted. With the exception of Bloomfield, every neighborhood in the East End has a larger share of its population without post-secondary education than the City of Pittsburgh. Every East End neighborhood but Bloomfield and East Liberty also has a larger share of its population under the age of 21 than the City. Students need early career awareness and exposure, as well as the opportunity to access Career and Technical education programming in their high schools. Supporting the next generation of workforce to attain high school and post-secondary credentials or technical education, as well as work experience such as internships, is critical to the long-term economic prosperity of the region.

The existing network of East End service providers should be considered an asset in designing and implementing workforce development strategies. This network offers a diverse spectrum of services, including education, housing, healthcare, food assistance, and daycare services. These agencies have the potential to leverage additional impact by connecting and collaborating with the existing continuum of workforce development services, and—while continuing to play to their specific strengths—adopting common referral and reporting mechanisms to streamline services to individuals.

Healthcare Strategies

The East End labor market is dominated by employers in the Healthcare and Social Assistance industry, which account for almost half of all jobs in the area. Healthcare providers need talent in a range of business support occupations in addition to practitioners, so training options need not be focused solely on healthcare practitioners and technical or healthcare support occupations. Nonetheless, a significant disconnect exists between East End job seekers interested in and annual openings in healthcare practitioners and technical and healthcare support occupations (11.1% of job seekers and 34% of annual openings).

Workforce development providers have shown promising results using cohort model strategies for specific populations. Groups of job seekers facing the same challenges or with comparable career goals can access similar services, saving on administrative and other costs and increasing a job seeker's peer support system. Developing a strategy to engage East End residents in job training and supportive services to prepare for employment in the healthcare field would align labor market supply with growing demand. An effective strategy should use defined career pathways with well-connected educational steps that build on previous training and include industry-recognized, stackable credentials. Career pathways should include multiple entry and exit points to enable individuals with limited education to understand how to advance through the pathway as easily as those with an advanced degree. As with all occupational skills training, a career pathway cohort model will be most successful with employer engagement and buy in.



Strategic development

The neighborhood-level and census-tract level data and analyses included in this report allow decisions about investments and programming to be tailored to the specific needs of each community. While we encourage a comprehensive East End workforce development strategy, the neighborhood-level and census tract-level data can be used to effectively focus business outreach and target recruitment, assessment, training, and job placement of East End residents.

The differences among individual neighborhoods can be leveraged for strategic development of the entire area. While beyond the scope of this report, we suspect that physical infrastructure, community cohesion, crime, cultural assets, historical developments, and other attributes factor into the economic prosperity and employment stability of each neighborhood. While the majority of East End residents do not work in the East End, the vibrancy of businesses in the area aligns with some indicators of quality of life. The neighborhoods with the highest per capita incomes, Bloomfield and East Liberty, also have the highest density of businesses.

The subset of job seekers actively enrolling in public workforce development services (PA CareerLink®) mirrors the education level and work experience characteristics of the general East End population; this makes it easier to infer patterns from this data that may be applicable to the entire East End labor force. For example, we can understand the longitudinal data on career interests of job seekers utilizing PA CareerLink® as illustrative of the population as a whole. Going forward, we can isolate more detailed information regarding time to placement, specific training needs, or starting wages of East End residents.



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Focus on: Larimer

The Federal Housing Administration announced a \$30 million implementation grant for mixed-income housing and mixed-use development in Larimer in June 2014. In the coming years, Larimer will see an increased amount of attention, investment, and growth. While the full report looks at each of the eight East End neighborhoods individually and as a whole; in light of impending investments, this section focuses more in depth on Larimer.

Labor Market Demand

- *Larimer has a small, but important business district.* The neighborhood is home to 74 small and mid-size businesses. Well over half (60.8%) of these businesses have fewer than 10 employees; 31.1% of Larimer businesses have between 10-49 employees. Just six businesses, 8.1% of Larimer companies, have more than 50 employees. Larimer has the third largest business population in the East End (10.5% of East End businesses), behind Bloomfield (39.3%) and East Liberty (23.3%).²
- *Larimer businesses have a slightly different distribution across industry clusters than businesses in the East End as a whole.* Nearly half of Larimer businesses are in three sectors: Healthcare and Social Assistance (20.3%), Wholesale Trade (14.9%), and Other Services³ (12.2%). Five sectors make up another 40% of Larimer businesses: Manufacturing (10.8%), Retail Trade (10.8%), Accommodation and Food Service (6.8%), Real Estate (5.4%), and Information (5.4%). In the East End as a whole, Healthcare and Social Assistance (27.4%) is the largest sector, followed by Retail Trade (13.6%); Accommodation and Food Service (13.0%); Other Services (11%); and Professional, Scientific, and Technical Services (6.8%).

Labor Market Supply

- *Larimer has among the lowest population densities in the East End.* Over 1,600 residents live in Larimer (5.2% of the East End population); Larimer is nearly 0.45 mi² (9.4% of the total East End geographic area).
- *The median and per capita incomes are below the area's average.* The median household income in Larimer is \$22,400, compared with \$26,698 for the East End. The per capita income is \$14,257 in Larimer and \$17,869 in the East End as a whole. Larimer has the largest share of its residents receiving cash public assistance (19.2%) of all East End neighborhoods (7.1%).
- *Larimer's residents are older than the East End as a whole.* Slightly more than half of East End residents (53%) are over the age of 35; in Larimer, 58% of all residents are over 35. The largest difference in age group is in the 22-34 age range: 21% of East End residents are in this cohort, as opposed to just 7% of Larimer residents.

² For the purposes of this report, census tract 9800 (in Lincoln-Lemington-Belmar, north of the Allegheny River) was excluded from analysis. If included, Lincoln-Lemington-Belmar has the third largest business district in the East End, with 98 businesses (12.8% of East End businesses).

³ The Other Services sector comprises establishments engaged in providing services not specifically provided for elsewhere in the classification system, including equipment repairing, promoting religious activities, grantmaking, and providing laundry services and personal care services.



- *Larimer residents have less formal education than the East End as a whole.* One third (33.4%) of East End residents and 18.7% of Larimer residents have a post-secondary credential. The plurality of Larimer's population (49.6%) has only a high school diploma or GED (compared with 32.7% of East End residents). A smaller share of Larimer residents has no high school diploma (9.9%) than East End residents (13.7%).
- *Larimer's labor force faces more challenges than the East End labor force as a whole.* Larimer has the highest unemployment rate of the East End Neighborhoods (25.6%, compared with 13.4% in the East End). Larimer's labor force participation rate is also slightly below the East End's average (52.4% vs. 53.2% in the entire East End). However, a smaller share of Larimer's employed residents has incomes below the poverty line (9.2% vs. 11.6% in the East End).

Job Access and Supply-Demand (Mis)match

- *Job accessibility in Larimer is very good.* All of Larimer's businesses are located within ¼ mile of a bus stop. Larimer is home to 4.7% of the East End's labor force. Homewood West is the only East End neighborhood with fewer individuals in the labor force than Larimer. Larimer and Homewood West have the smallest residential populations of all the East End neighborhoods.
- *Job seekers in Larimer have less formal education than East End annual openings require.* The largest disconnect is with job seekers with a Bachelor's degree or higher: jobs requiring this credential make up 19.7% of East End annual openings and just 6.3% of Larimer job seekers. Larimer job seekers with only a high school diploma are at the greatest disadvantage: 37.7% of Larimer job seekers have a high school diploma, yet just 28.7% of annual openings require this credential. These job seekers may be unable to access the 47.2% of East End annual openings that require some post-secondary training.
- *The majority of jobs in Larimer pay a family sustaining wage, but few Larimer jobs are held by Larimer residents.* Over 60% of jobs in Larimer pay more than \$3,333/month (approximately \$19.22/hr.), 26.3% of Larimer jobs pay between \$1,251-\$3,333/month (\$7.21-\$19.21/hr.), and 12.2% pay less than \$1,250/month. Most employed Larimer residents (51.3%) make between \$1,251-\$3,333/month; followed by residents making less than \$1,250/month (35.6%). The smallest share of employed Larimer residents make more than \$3,333/month (13.2%). Just 2.7% of Larimer residents work in Larimer and less than 1% of Larimer jobs are held by its residents. Nearly one third (31.2%) of employed Larimer residents commute longer than 30 minutes to work, nearly the same share as the East End as a whole (31.8%).

Provider Network

- *Twenty service providers operate within Larimer, providing a wide range of services.* Organizations providing summer food assistance (5), family support (4), youth services (4), and healthcare/support (2) represent 80% of Larimer's service providers.
- Larimer, which has the highest unemployment rate in the East End, has just *one organization that provides employment and training services.* While residents can find employment and training services in other East End neighborhoods, understanding the needs of job seekers in this community will be important as investment takes place here over the coming decade.



Report Organization

There are five main sections in the report:

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This section includes an overview of business activity in the area, highlights neighborhoods with high business density, and summarizes employment opportunities by industry and by occupations, including wage information and 10-year projections for industry and occupational growth.	
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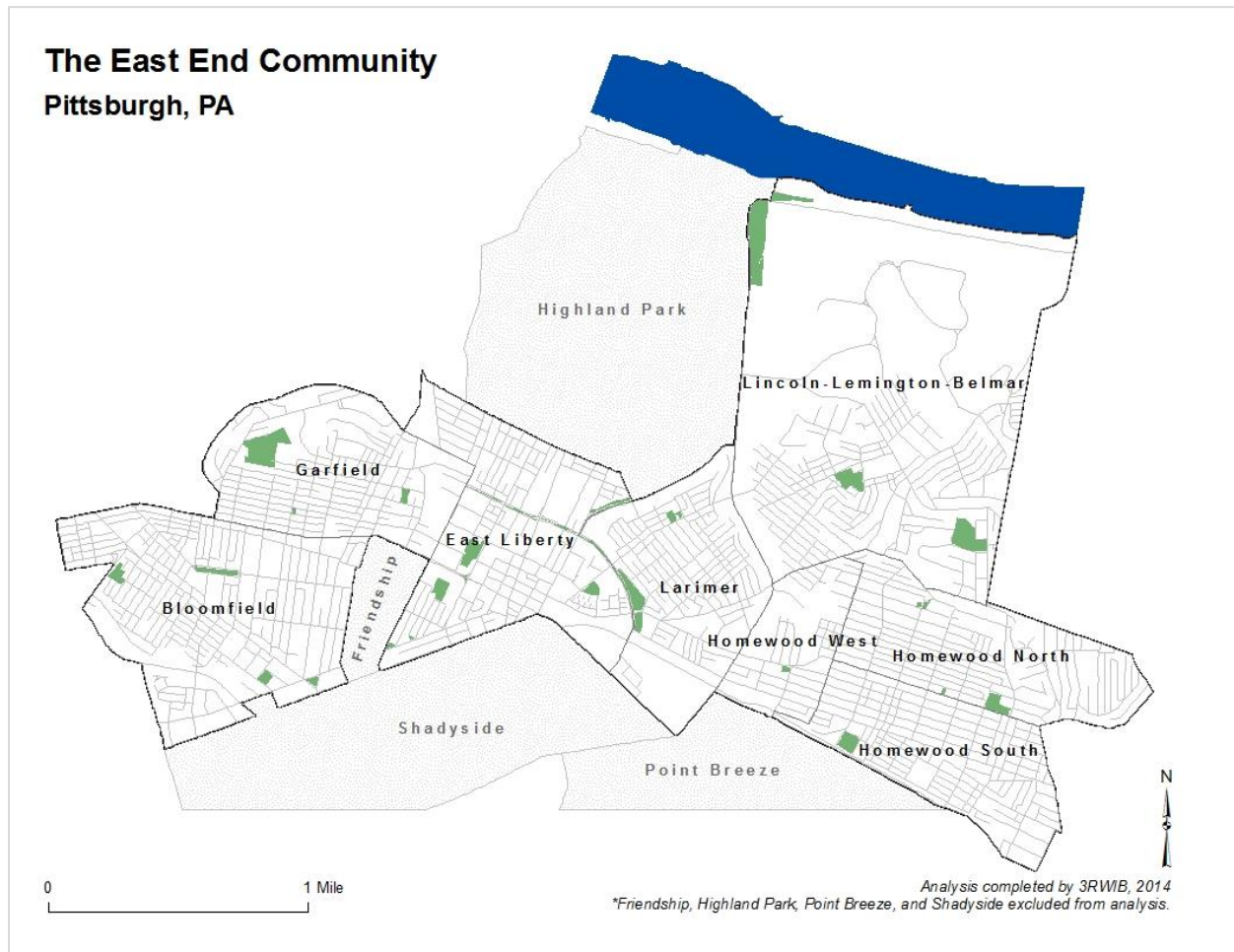
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Introduction

Geographic Context

This project examines labor market dynamics, workforce needs, and workforce services in the East End of Pittsburgh. For the purposes of this project, “East End” refers to the neighborhoods of Bloomfield, East Liberty, Garfield, Homewood North, Homewood South, Homewood West, Larimer, and Lincoln-Lemington-Belmar. In total, the area makes up 4.7 square miles. The largest neighborhood, by area, is Lincoln-Lemington-Belmar (1.5 mi²) and the smallest is Homewood West (0.2 mi²).



Asset Context

The East End is a mixed use community with a large residential base and a high degree of population density. The East End population consists of 31,817 residents in 14,927 households.

The East End community has a highly concentrated business base, with 708 employers providing job opportunities to over 21,000 people. This represents 3.3% of Allegheny County’s labor market.



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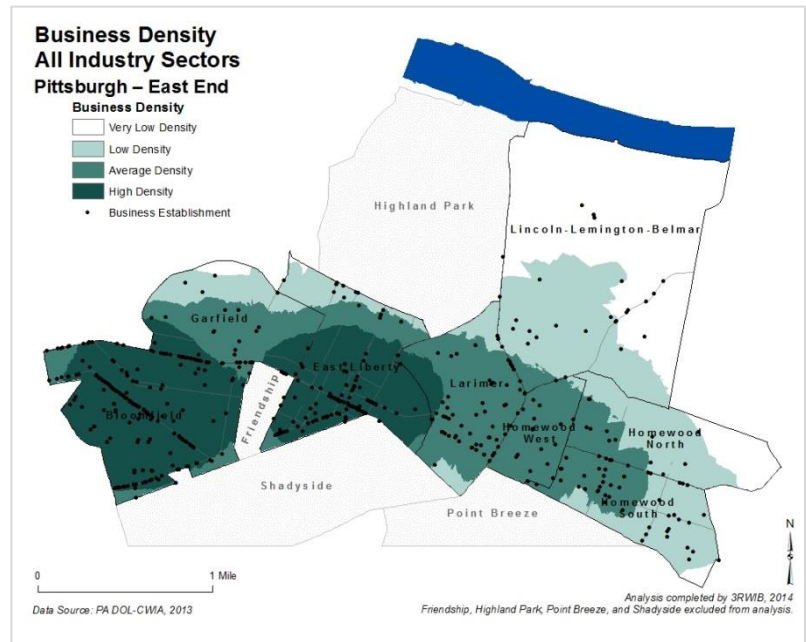
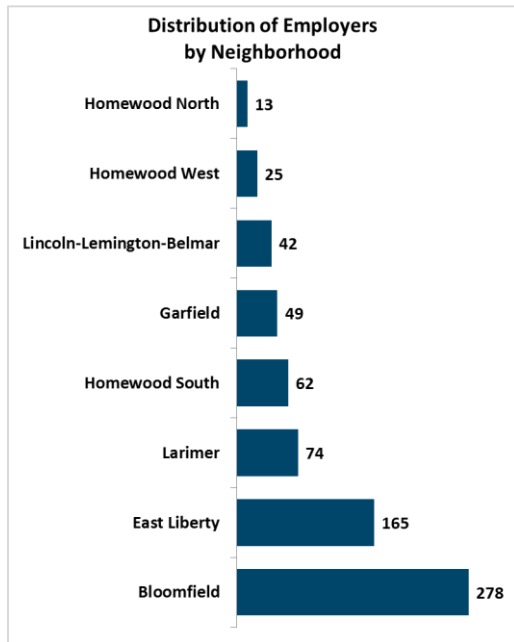


I. Demand Side

Employer Outlook (Detail Information in Appendix A)

There were 708 employers located in the East End in 2013. Most of these businesses are very small; 51.3% employ fewer than four people, 20.2% employ between 5-9 people, and 12.9% employ between 10-19 people. 13.4% employ between 20-100 people. Just 2.3% of East End employers employ more than 100 people. Only two employers, both hospitals, employ more than 1,000 individuals.

Almost 40% of East End employers are located in Bloomfield. Another 23.3% of employers are located in East Liberty. This unequal distribution of employers by neighborhoods is similar at the job level, as well. 40% of employers with more than 50 employees are located in Bloomfield and 27.3% are located in East Liberty.



Industry Clusters - Current Outlook (Detail Information in Appendix A)

Nearly all major industries are represented in the East End employer population, but the distribution of employers across industry sectors is uneven. Two thirds of businesses are concentrated in four sectors: Healthcare and Social Assistance (27.4%), Retail Trade (13.6%), Accommodation and Food Services (13%) and Other Services⁴ (11%).

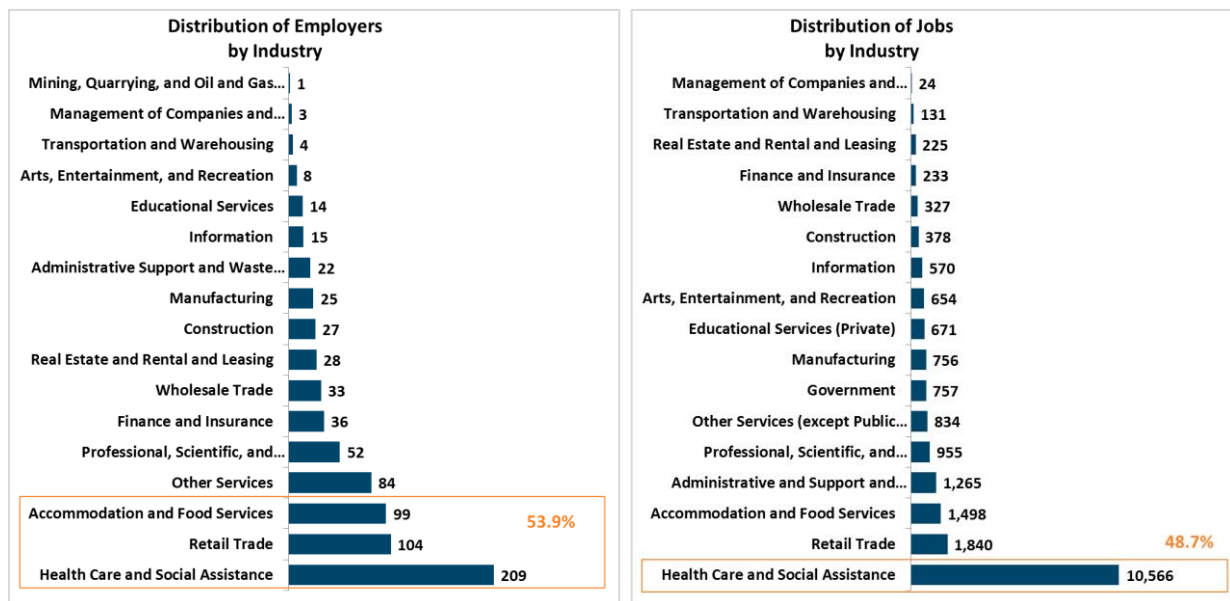
Out of the 19 resident employers that have more than 100 employees, six of them are in Healthcare and Social Assistance; five in Retail Trade; four in Administrative Support and Waste Management; two in Professional Scientific, and Technical Services, and one each in Educational Services and Other Services.

⁴ The Other Services sector comprises establishments engaged in providing services not specifically provided for elsewhere in the classification system, including equipment repairing, promoting religious activities, grantmaking, and providing laundry services and personal care services.



These 19 large businesses are all located in Bloomfield (7), East Liberty (6), Lincoln-Lemington-Belmar (4), and Larimer (2).

The Healthcare and Social Assistance sector is significantly larger than each other industry sector in terms of numbers of jobs. With 10,566 jobs (48.7%), it is over five times larger than the next largest industry sector—Retail Trade—with 1,840 jobs (8.5%). Accommodation and Food Services (1,498 jobs, 6.9%) is the third largest sector followed by Administrative, Support, and Waste Management (1,265 jobs, 5.8%), and Professional, Scientific, and Technical Services (955 jobs, 4.4%). Each of the following sectors has between 750-1,000 jobs: Other Services (834 jobs), Government (757 jobs), and Manufacturing (756 jobs).



Job Growth by Industry - 10 Year Projections (Detail Information in Appendix B)

Overall, the East End labor market is projected to grow by 8.4% over the next 10 years (approximately 2.4 percentage points above the projected growth for the entire Pittsburgh metro area during the same time period).

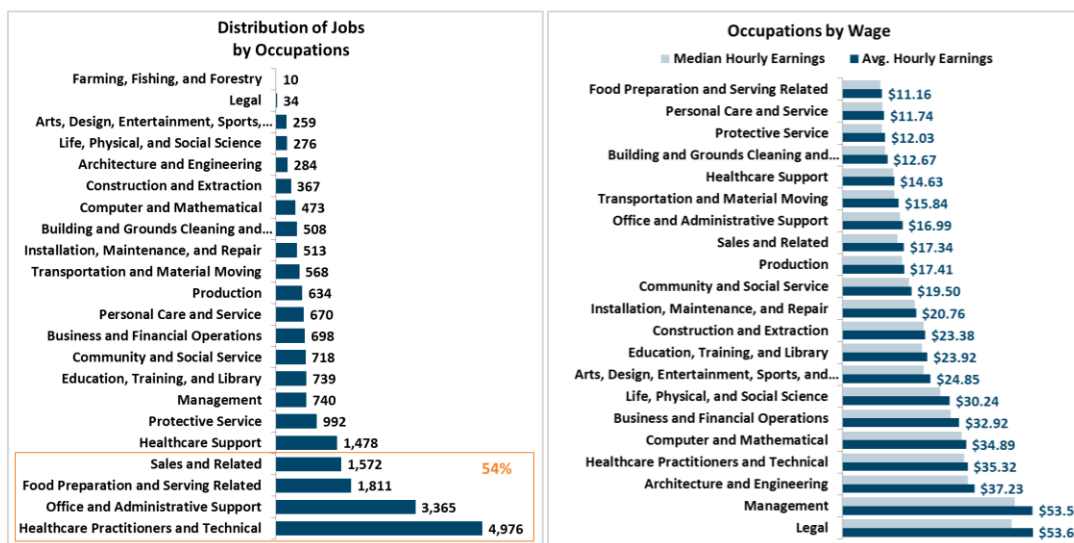
The Healthcare and Social Assistance sector is expected to lead the job growth in the East End, adding almost 1,500 jobs in the next 10 years (14.1% industry growth). Administrative, Support, and Waste Management are expected to add 140 jobs (11.2% industry growth) and Construction will add 100 jobs (28.3% industry growth). The Transportation and Warehousing sector is projected to experience the greatest percentage change of all sectors, adding almost 40 jobs for 30% industry growth.

The Retail Trade industry is projected to lose the most jobs of any sector, with over 90 positions (5% industry decline), followed by the Government sector (63 jobs, 8.3% industry decline), and the Wholesale Trade sector, which is projected to lose almost 40 jobs (11.3% industry decline).



Occupational Clusters - Current Outlook (Detail Information in Appendix C)

The occupational cluster makeup in the East End labor market is more diverse than the industry cluster makeup. With almost 5,000 jobs, Healthcare Practitioners and Technical occupations make up the largest job cluster (23%). Office and Administrative Support occupations form the second largest cluster (3,365 jobs, 15.5%), followed by Food Preparation and Serving Related occupations (1,811 jobs, 8.4%), Sales and Related occupations (1,572 jobs, 7.3%), Healthcare Support occupations (1,478 jobs, 6.8%), and Protective Service occupations (992 jobs, 4.6%). Each of the following sectors accounts for 3% of jobs: Management occupations (740 jobs); Education, Training, and Library occupations (739 jobs); Community and Social Service occupations (718 jobs); Business and Financial Operations occupations (698 jobs); and Personal Care and Service occupations (670 jobs).



The average wage for all East End jobs is \$23.27 per hour, slightly above the average wage of \$21.66 for the Pittsburgh MSA⁵. Almost 9,400 (43%) jobs are in occupations with an average wage above \$20/hr., about 6,900 (32%) jobs are in occupations with average wages of \$15-20/hr., and 5,500 (25%) jobs are in occupations with an average wage of \$11-15/hr. The share of open job postings that are part-time jobs is slightly higher in the East End (16.4%) than in the County (16.0%).

Job Growth by Occupation - 10 Year Projections (Detail Information in Appendix B)

Healthcare occupations will dominate the job growth in the East End in the next 10 years, with Healthcare Practitioners and Technical occupations adding about 750 jobs (15% cluster growth) and Healthcare Support occupations adding over 200 jobs (15% cluster growth). These will be followed by Protective Service occupations (172 jobs, 17% cluster growth), Office and Administrative Support occupations (102 jobs, 3% cluster growth), and Construction and Extraction occupations (84 jobs, 23% cluster growth). The only occupational cluster projected to lose jobs in the East End in the next 10 years is Sales and Related occupations, which is projected to lose 59 jobs (4% cluster decline).

⁵ The Pittsburgh Metropolitan Statistical Area (MSA) is seven counties anchored by the city of Pittsburgh: Allegheny, Armstrong, Beaver, Butler, Fayette, Washington, and Westmoreland.

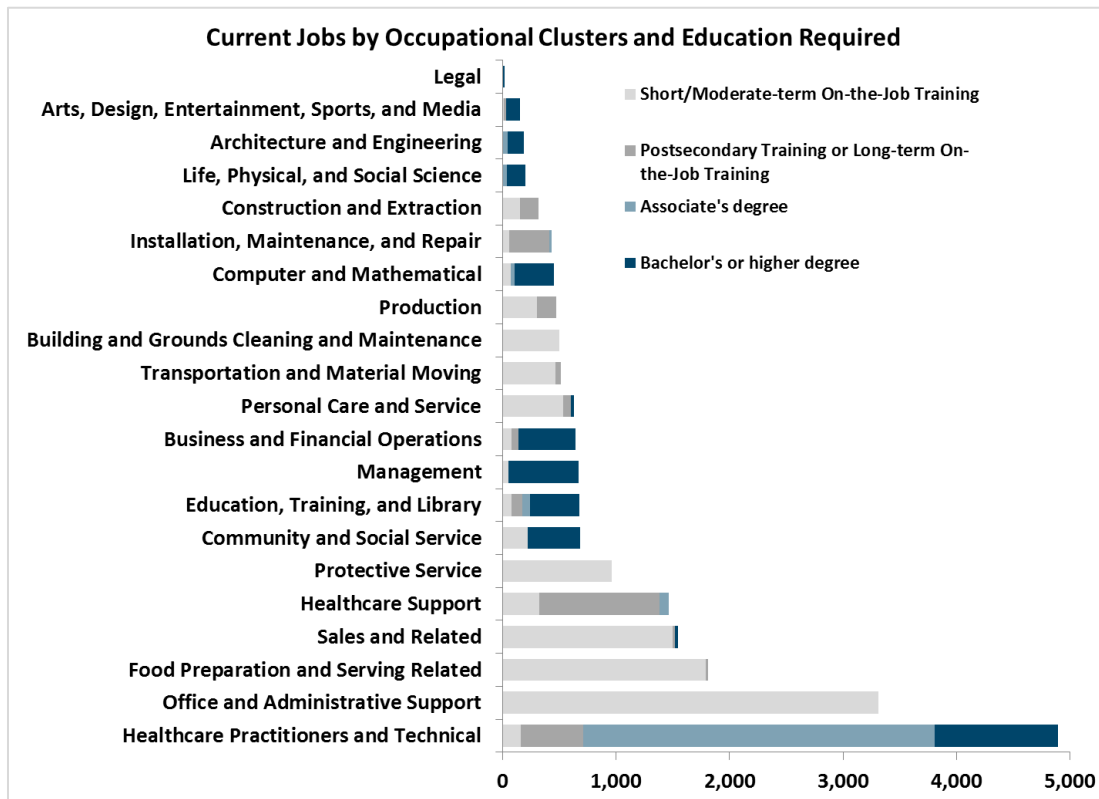


Career Pathways

Jobs in the East End labor market require a variety of skills and educational levels. A slight majority of jobs (10,560, 51%) require only short/moderate-term on-the-job training. Most of these jobs are in Office and Administrative Support occupations (3,310 jobs, 31% of jobs requiring short/moderate-term training), Food Preparation and Serving occupations (1,790 jobs, 17% of jobs requiring short/moderate-term training), and Sales and Related occupations (1,496 jobs, 14% of jobs requiring short/moderate-term training). The average hourly wage for jobs in these three occupational clusters ranges from \$11.16-\$17.34/hr.

An additional 13% of the area's jobs require postsecondary training or long-term on-the-job training. The majority of these jobs are in Healthcare; Healthcare Support occupations make up 40% of jobs requiring postsecondary training (1,058 jobs). Healthcare Practitioners occupations comprise 21% of jobs requiring this level of training (552 jobs). The average wage for a job in a Healthcare Practitioner occupation is over twice that of a job in a Healthcare Support occupation (\$35.32/hr. vs. \$14.63/hr.).

Nearly all of the 16% of jobs in the East End that require an Associate's degree are in Healthcare Practitioners and Technical occupations (3,097 jobs, 92% of jobs requiring an Associate's degree). This cluster also makes up the largest share of jobs requiring a Bachelor's degree or higher (1,085 jobs, 27% of jobs requiring a Bachelor's degree or more), followed by Management occupations (617 jobs, 16% of jobs requiring a Bachelor's degree or more) and Business and Financial occupations (498 jobs, 13% of jobs requiring a Bachelor's degree or more).

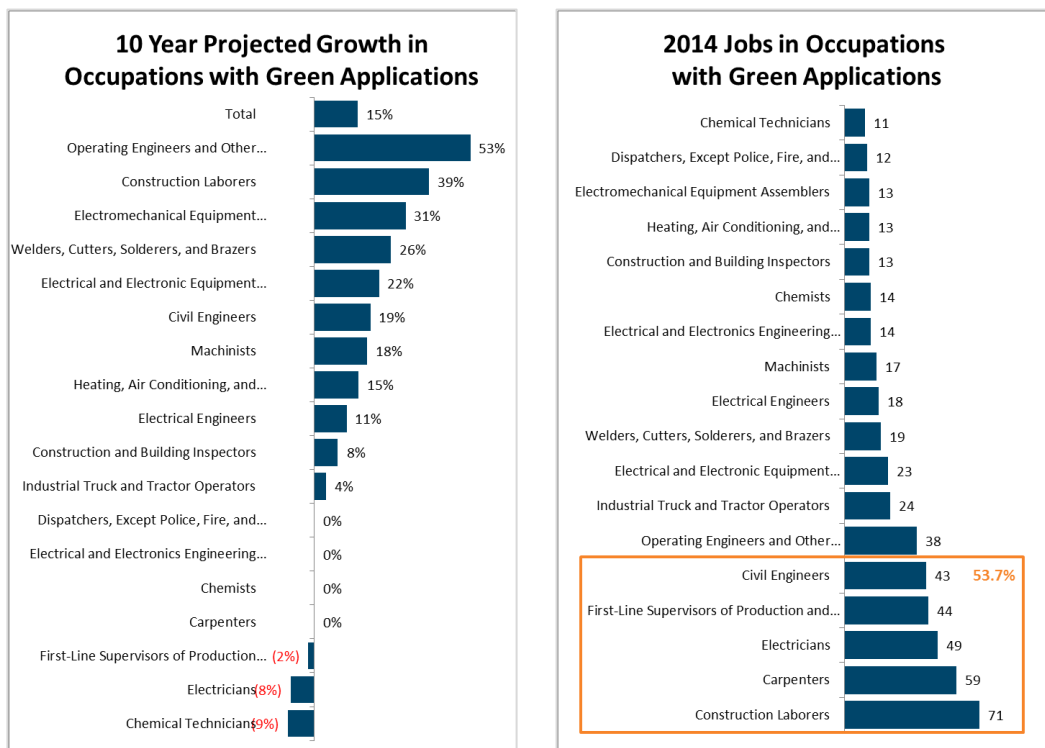


Green Jobs (Detail information in Appendix D)

Green jobs can be found in every industry sector and most occupational clusters. While there is no universally accepted definition of green jobs, many analysts hold that the outcome of the occupational effort rather than the task performed by the employee must be “green” for a job to be considered “green.” Strategic clusters associated with green jobs identified in a recent study include Building Retrofitting, Mass Transit/Freight Rail, Smart Grid, Wind Power, Solar Power, and Advanced Biofuels. The East End has jobs in each of these strategic clusters except Smart Grid. It is important to note the difference between a green occupation and a job title. A welder could switch between working for a coal plant and working for a wind turbine manufacturer with little additional training, yet one occupation is not green and the other is. Often workers with traditional skills can be hired for green occupations with little advanced training.

Construction Laborers made up the largest share of jobs with green applications in the East End in 2014, with 71 jobs (14.3%), followed by Carpenters (59 jobs, 11.9%), Electricians (49 jobs, 9.9%), Supervisors of Production Workers (44 jobs, 8.9%), and Civil Engineers (43 jobs, 8.7%).

Overall, jobs with green applications are projected to grow 14.7% in the East End in the next ten years. Construction Laborers will see the most growth (28 jobs, 39% job growth), followed by Operating Engineers and Other Construction Equipment Operators (20 jobs, 53% job growth) and Civil Engineers (8 jobs, 19% job growth). The East End is projected to lose four Electrician jobs in the next ten years, or 8% job decline. Jobs with applications in Solar Power are expected to see the most growth in green jobs in the area.



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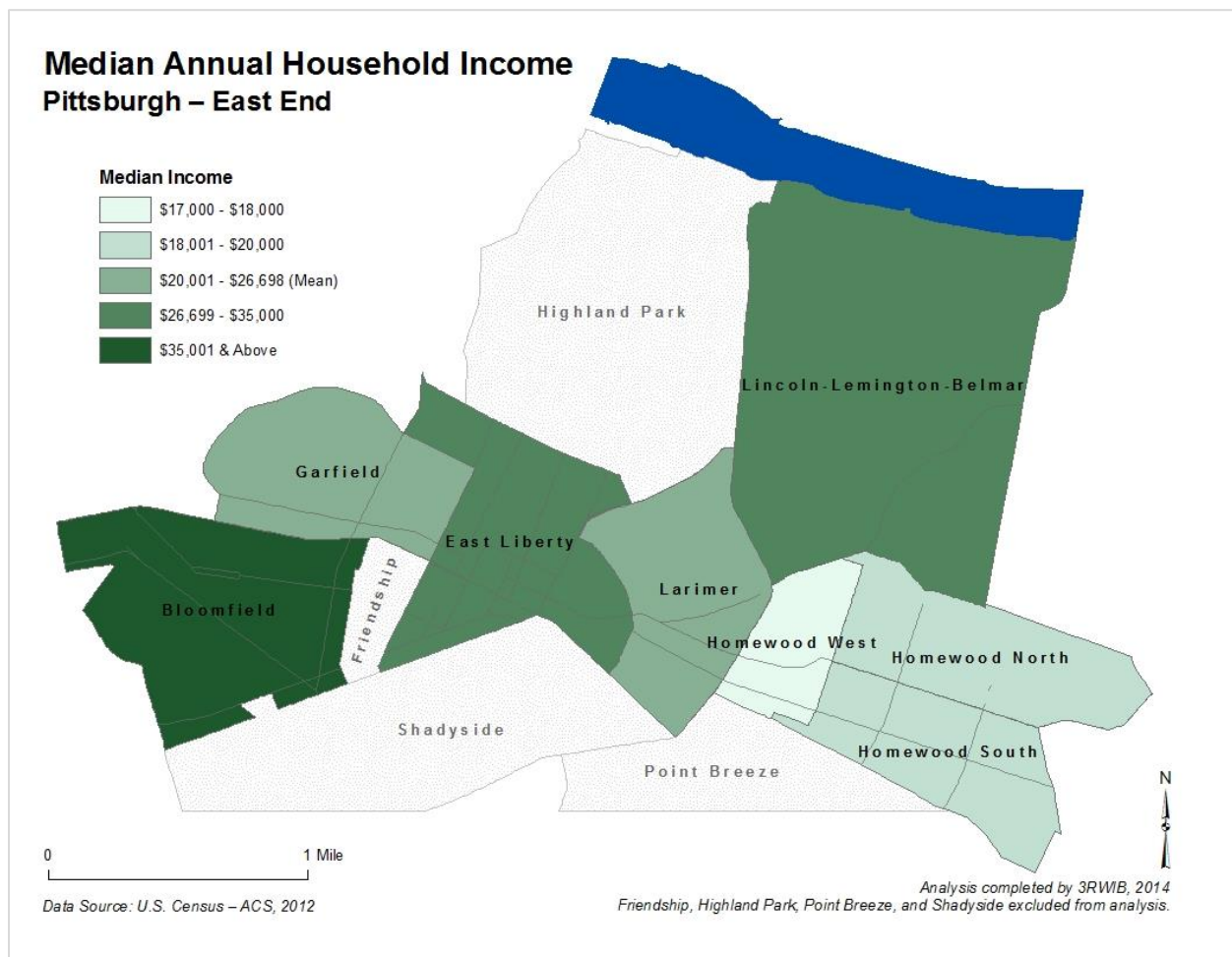
II. Supply Side

Population Base

The East End is home to almost 32,000 people living in nearly 15,000 households. The average annual per capita income is \$17,869 and the average median household income is \$26,698. The per capita income for the City of Pittsburgh is \$26,535; the median household income is \$38,029. Approximately 7.1% of East End households receive public assistance, compared with 5% of City of Pittsburgh households.

Minorities account for 67.5% of the total population in the East End. This is a far greater percentage than the City of Pittsburgh, which counts 33.9% of its total population as minorities. The largest segment of the area's population by age is individuals 55 or older (28.3%), followed by those 21 and under (25.9%) and those 35-54 (25%). Individuals aged 22-34 make up the smallest segment of the area's population, with 20.8% of the population.

a. Income (Detail Information in Appendix E)

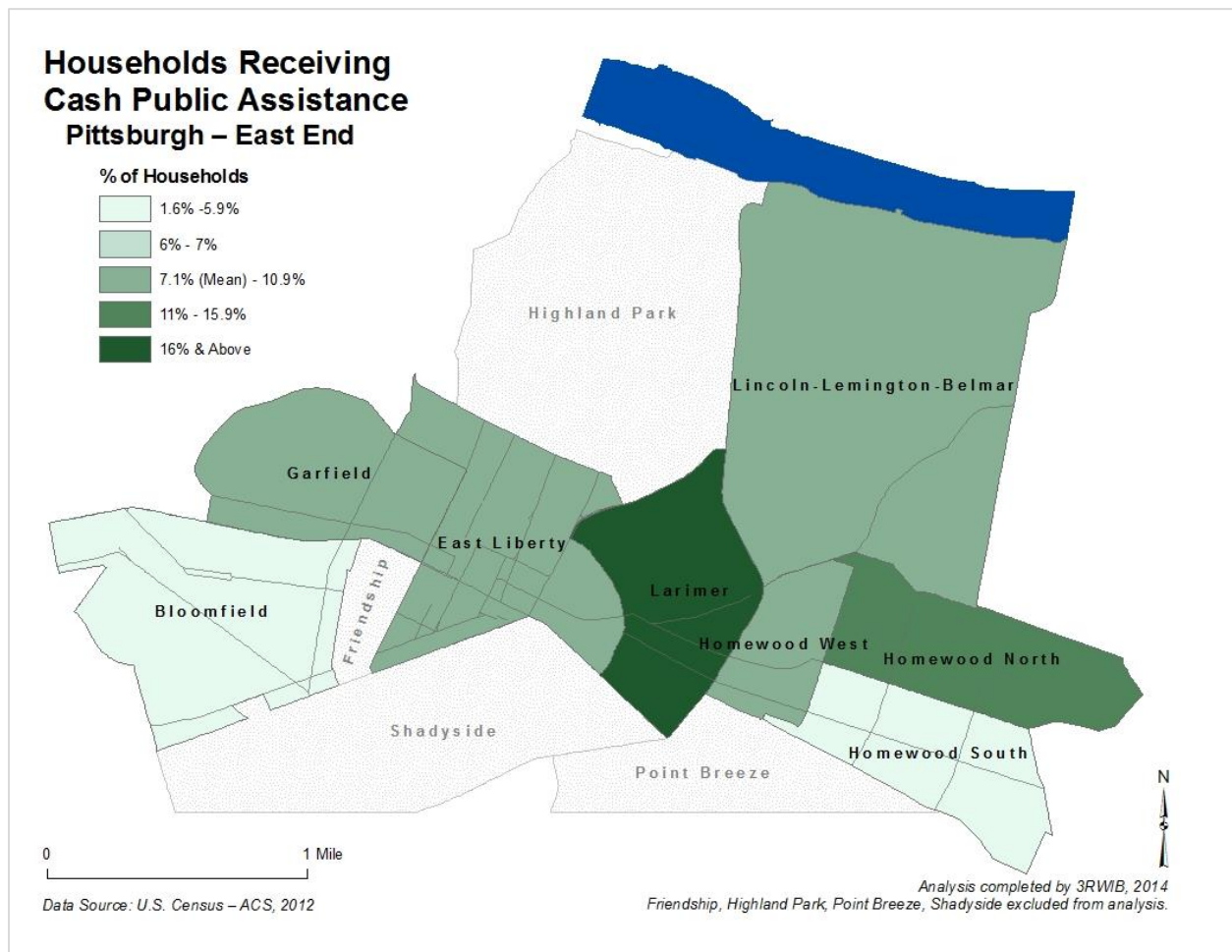


All eight of the neighborhoods in the East End have lower median household incomes than the City of Pittsburgh (\$38,029). Bloomfield has the highest median annual income of the East End neighborhoods, at \$36,222. Lincoln-Lemington-Belmar and East Liberty also have median household incomes above the East End average of \$26,698.

With median annual incomes between \$20,000-\$23,000, Larimer and Garfield are 16-20% below the East End area's household income average.

With median annual household incomes below \$20,000, Homewood South, Homewood North, and Homewood West are the most economically distressed neighborhoods in the area.

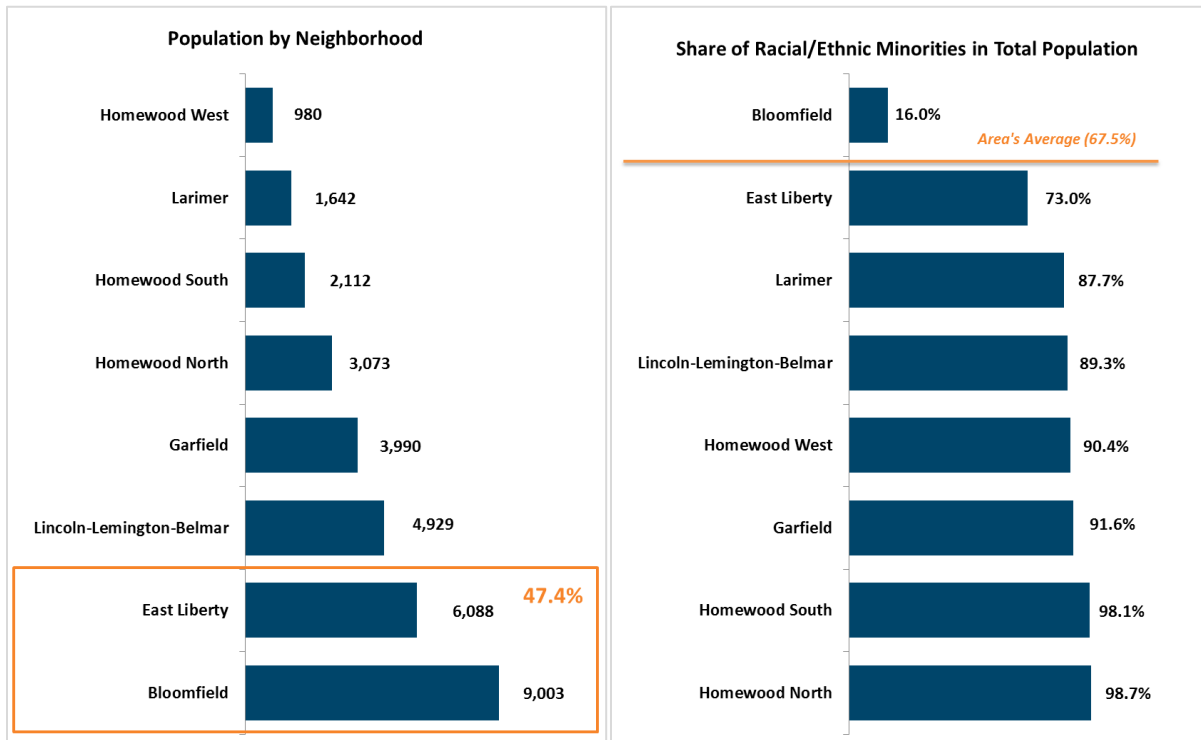
Approximately 7.1% of East End households receive cash public assistance. The share of households receiving cash assistance is significantly higher in Larimer (19.2%), Homewood North (15.9%), and Homewood West (10%). Just 1.6% of Bloomfield households receive cash public assistance. Due to Bloomfield's large residential population that is generally less dependent on public assistance, the share of households in the East End receiving cash assistance skews downward. Without Bloomfield in the calculation, 9.6% of area households receive cash assistance.



b. Residency, Race/Ethnicity, and Age (Detail Information in Appendix F)

Bloomfield (the largest residential community, housing 28.3% of the area’s population) and East Liberty (19.1%) have the largest residential populations of the East End neighborhoods. Together, they account for 47% of the East End population. Lincoln-Lemington-Belmar is the next largest neighborhood in the community by population, with almost 5,000 residents (15.5%).

With populations between 3,000 and 4,000, Garfield (12.5%) and Homewood North (9.7%) are the midsize communities in the area. Homewood South (6.6%), Larimer (5.2%), and Homewood West (3%) are the smallest residential communities in the East End.



The racial diversity in the East End neighborhoods is a tale of two areas. Bloomfield counts 16% of its population as individuals in a racial minority. Bloomfield’s large residential population, with its different demographic pattern, skews the share of population that is a minority in the East End as a whole downward. With Bloomfield included in the calculation, 67.5% of East End residents are minorities. Without Bloomfield, 87.7% of East End residents are minorities.

Homewood North has the largest share of residents who are minorities, with 98.7%, followed by Homewood South (98.1%), Garfield (91.6%), Homewood West (90.4%), Lincoln-Lemington-Belmar (89.3%), Larimer (87.7%), and East Liberty (73%).



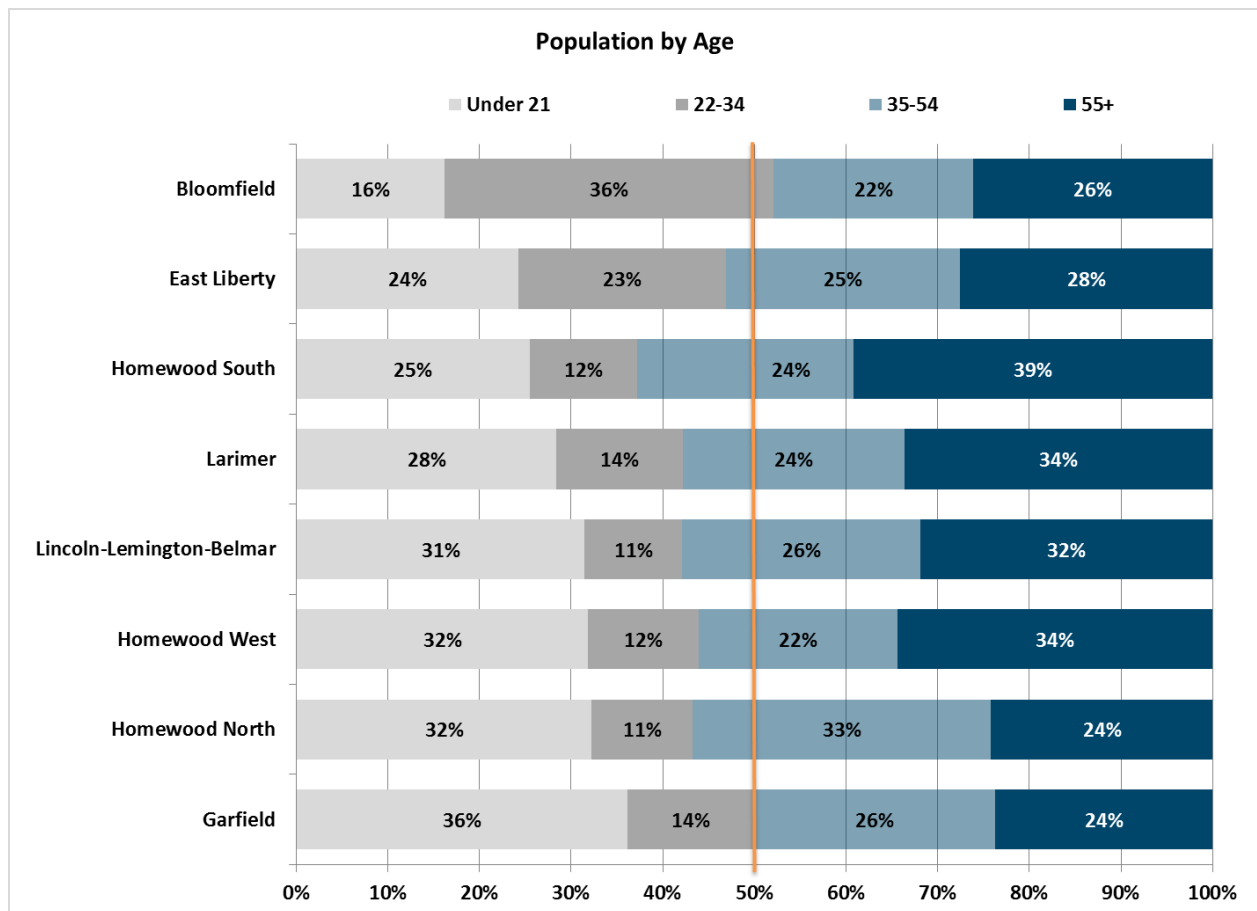
Approximately 26% of East End residents are age 21 and under. Residents age 22-34 make up 21% of the area population, those 35-54 make up 25%. The largest cohort of residents is those age 55 and older.

Bloomfield is the youngest community, with a smaller share of those 21 and under than the East End as a whole (16%), but a significantly larger share of individuals between the ages of 22-34 (36%). This is again an instance of Bloomfield’s large population skewing the overall area average. Without Bloomfield’s population in the calculation, the share of individuals between 22-34 in the East End drops from 20.6% to 14.8%; this is much more in line with the trend seen in Homewood South, Larimer, Lincoln-Lemington-Belmar, Homewood West, Homewood North, and Garfield.

East Liberty’s population is relatively evenly split between the age groupings, with 23-28% of its population in each of the four groups.

Garfield has the largest share of residents age 21 and under (36%) and a relatively smaller population of individuals between the ages of 22-34 (14%).

Homewood South is the oldest community in the area, with 39% of its population over the age of 55 and 24% between 35-54. It is followed by Lincoln-Lemington-Belmar, with 32% over 55 and 26% between 35-54. Homewood North has the largest share of its population between the ages of 35-54 (33%).



Workforce Base

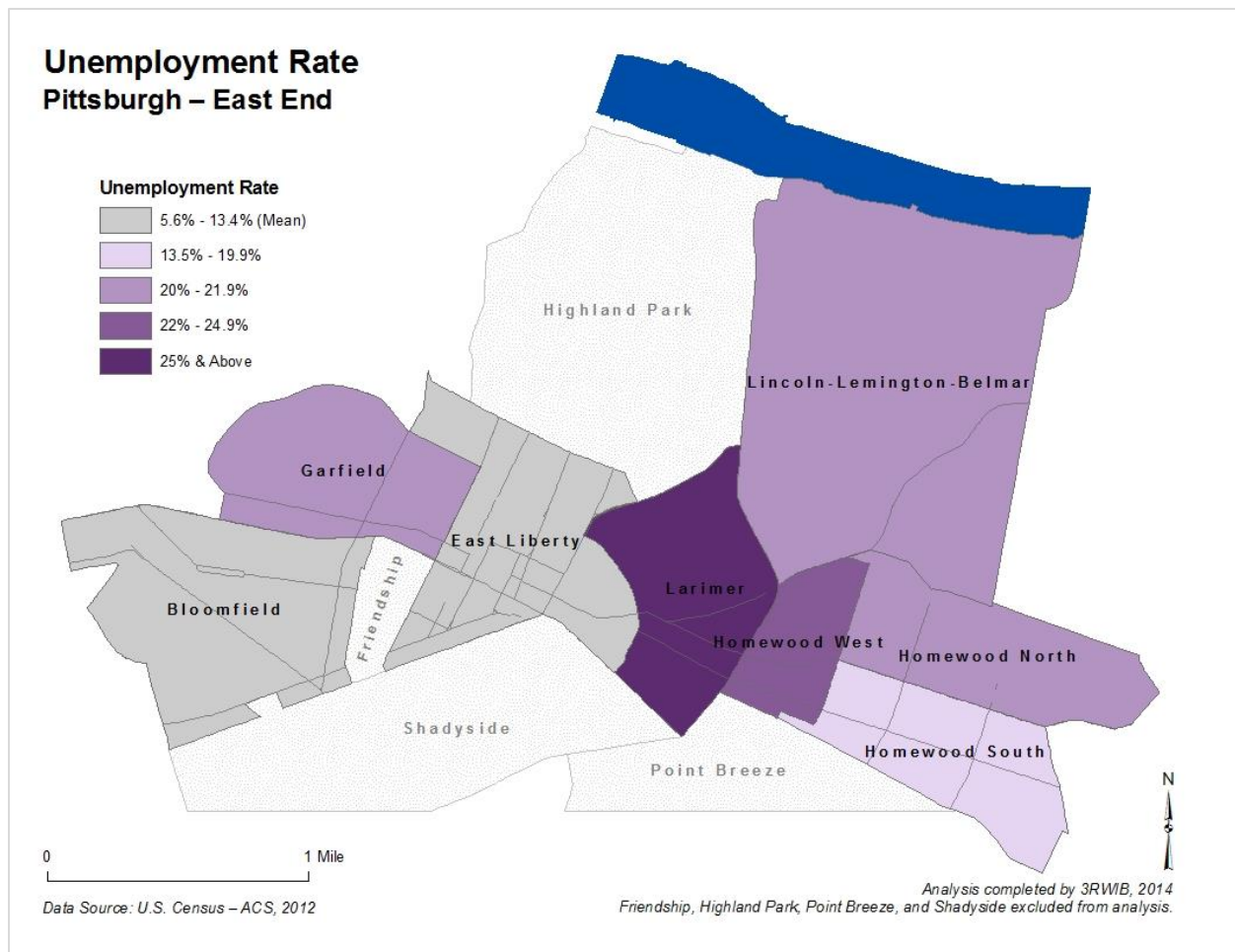
a. Unemployment (Detail Information in Appendix G)

The overall labor force participation rate in the East End is 14,691 individuals (53.2% of the population 16 and older) and the average unemployment rate for the area is 13.4%, well above the City of Pittsburgh's rate of 9.3% for the same time period.

Bloomfield has the highest labor force participation rate of the East End neighborhoods, at 69.5%, followed by East Liberty (59.3%). Lincoln-Lemington-Belmar has the lowest rate, at 43.8%.

The unemployment rate differs significantly among the East End neighborhoods. Larimer has the highest unemployment rate in the area, at 25.6%, followed by Homewood West (24.1%), Lincoln-Lemington-Belmar (20.8%), Garfield (20.4%), Homewood North (20.2%), and Homewood South (19%).

Only East Liberty (11.3%) and Bloomfield (5.6%) have lower unemployment rates than the area average (13.4%). Without Bloomfield residents in the calculation, the mean unemployment for the remaining neighborhoods is 18.2%.



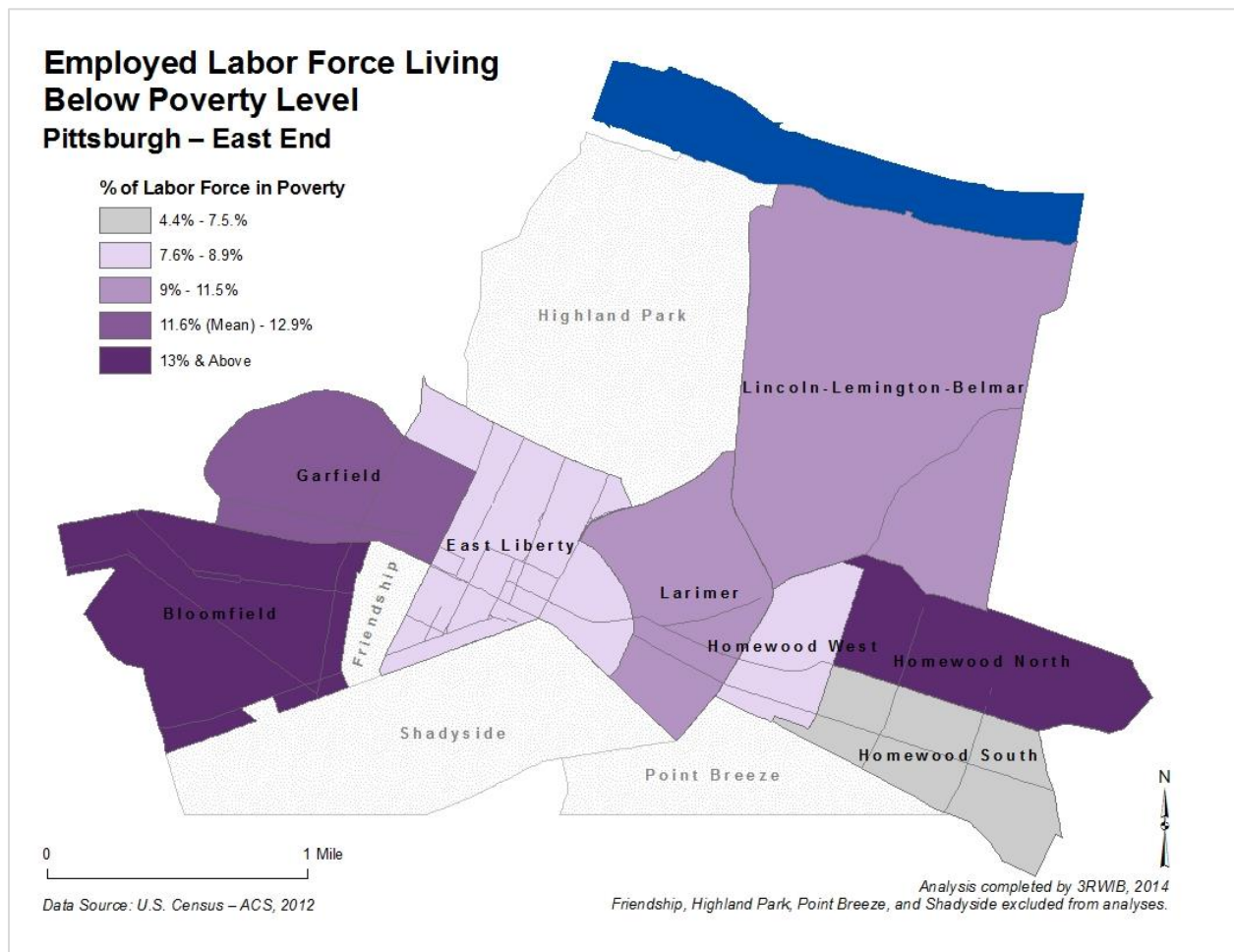
b. Working Poor & Part-time Workers (Detail Information in Appendix G)

Individuals who are employed, but whose annual income nonetheless falls below the poverty line, are considered working poor. The share of East End residents in this category is 11.6%.

Homewood North has the largest share of working poor in its labor force, with 18.8%, followed by Bloomfield (13.7%) and Garfield (12.9%).

Larimer (9.2%), Lincoln-Lemington-Belmar (9%), and East Liberty (8.1%) have slightly smaller shares of their populations who are working poor than the City of Pittsburgh (9.8%).

The neighborhoods with the lowest percent of their population of employed individuals living below the poverty line are Homewood West (7.6%) and Homewood South (4.4%).



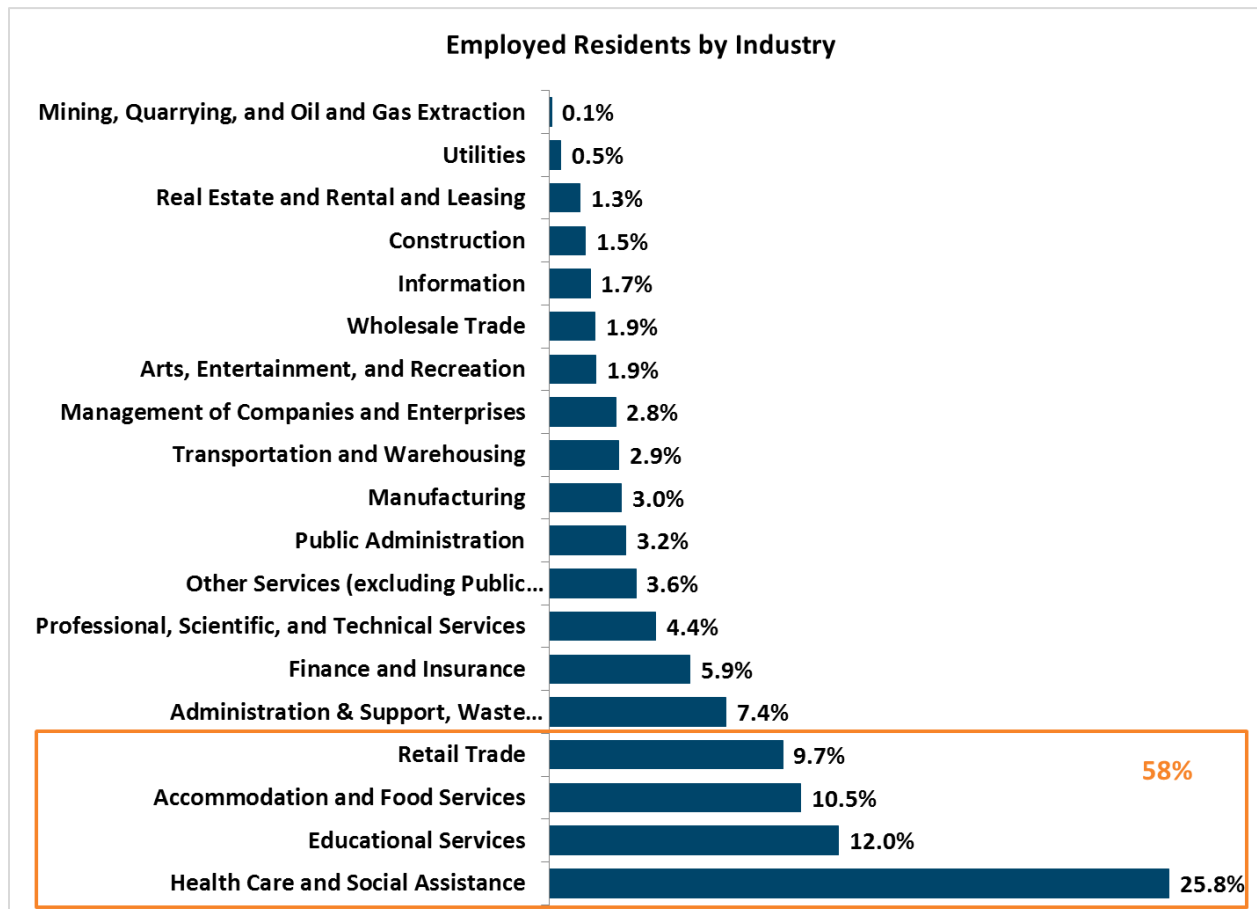
Approximately 24.5% of East End residents with jobs are employed part-time. Larimer has the largest share of its employed residents working part time, at 33.2%, followed by Lincoln-Lemington-Belmar (27.4%), Garfield (25.6%), and Homewood North (25.2%). Homewood West has the smallest share of its employed population working part time, with 15.8%.



c. Strength of the Employed Workforce (Detail Information in Appendix J)

Over 11,500 East End residents were employed in 2011. Approximately 45.3% were employed in jobs earning between \$1,251-\$3,333/month (\$18,252-\$39,996 annually); 30.3% made less than \$1,250 per month and 24.4% made more than \$3,333 per month.

One quarter of employed East End residents hold jobs in the Healthcare and Social Assistance sector. The next largest employment category is Education Services (12%), followed by Accommodation and Food Services (10.5%); Retail Trade (9.7%); and Administration, Support, and Waste Management (7.4%).



While general trends in employment by industry hold across all age groups, younger workers (29 and younger) are employed in larger proportions in Accommodation and Food Service (17.4%, vs. 10.5% of all workers) and Retail Trade (13.9% vs. 9.7% of all workers).

Workers over the age of 55 are more heavily represented in Healthcare and Social Assistance (30%, vs. 25.8% of the general employed population) and less well represented in Accommodation and Food Service (4.6% vs 10.5% of the general employed population). Employed East End residents between the ages of 30-54 have a slightly larger representation in Educational Services (13.4% vs. 12%) and Finance and Insurance (6.7% vs. 5.9%) than the general employed population.



Workforce Preparedness

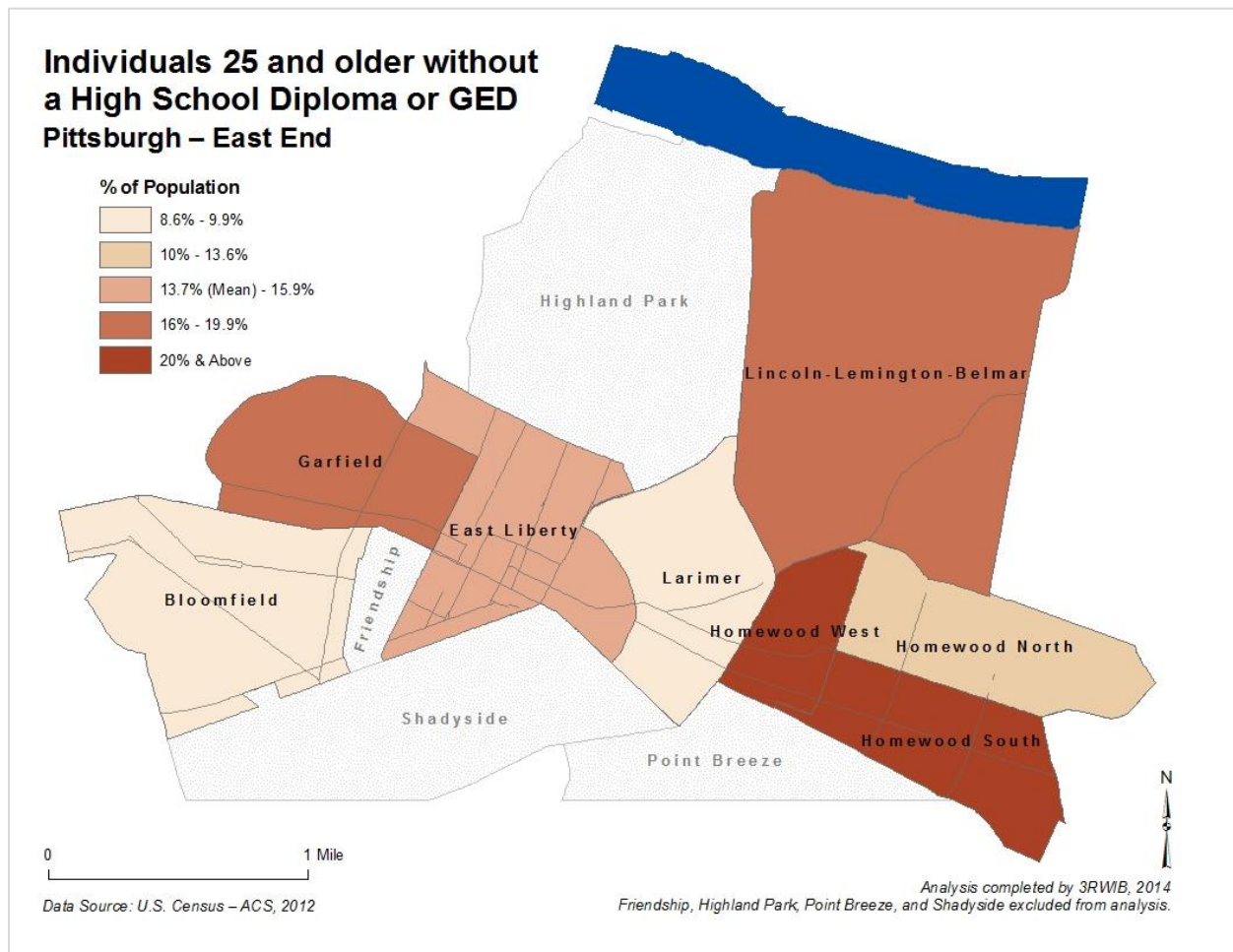
a. High School Education (Detail Information in Appendix H)

Without a high school diploma, individuals face a more difficult time finding employment and earning a living wage. Approximately 13.7% of the East End population over the age of 25 does not have a high school diploma or GED.

Homewood West has the largest share of its population over 25 without this basic credential, at 21.7%, followed by Homewood South (18.6%).

Lincoln-Lemington-Belmar (16.6%), Garfield (16.4), East Liberty (15.3%), and Homewood North (13.2%) also have large shares of their population without a high school diploma.

Larimer (9.9%) and Bloomfield (8.6%) have the lowest rates of individuals without a high school diploma in the East End communities.

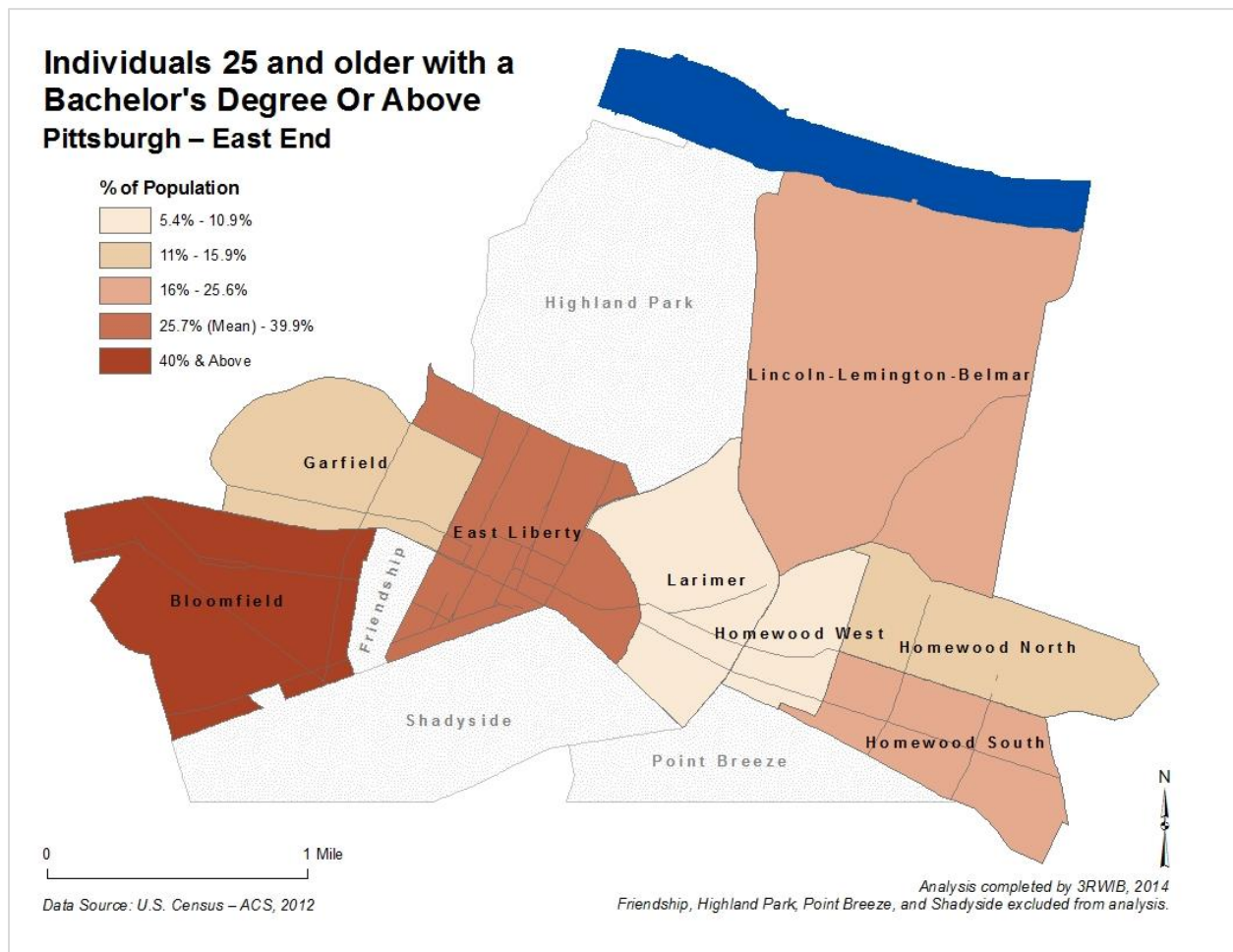


b. College Education (Detail Information in Appendix H)

Approximately 25.7% of the population over 25 in the East End has a Bachelor’s degree or more education. This percentage is skewed significantly higher by the inclusion of Bloomfield, where 44.4% of residents over 25 have a Bachelor’s degree or more. Without Bloomfield’s population, 17.6% of East End residents have a Bachelor’s degree or more.

East Liberty has the second largest share of its population with a Bachelor’s degree or higher (29.2%), followed by Homewood South (17.6%), Lincoln-Lemington-Belmar (16.1%), Homewood North (12.8%), and Garfield (11.8%).

Larimer (8.6%) and Homewood West (5.4%) have the lowest share of their populations with this credential.

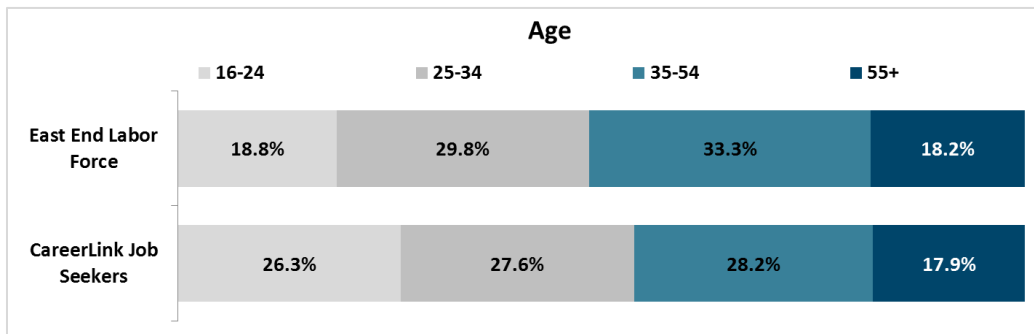


Active Job Seekers

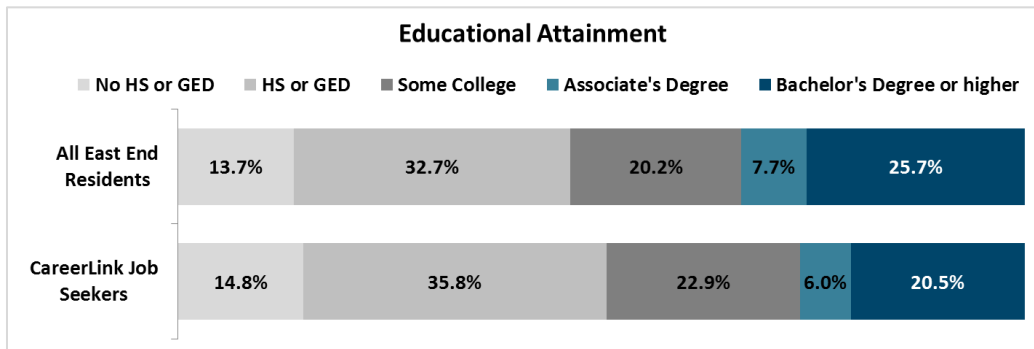
Demographic Information (Detail Information in Appendix I)

The share of individuals participating in PA CareerLink®⁶ since 2012 who are minorities is slightly larger than the East End population as a whole (72.0% vs. 67.5%). The proportion of males to females is different from the general labor force, as well. Males make up 46% of the general labor force in the East End and 52% of PA CareerLink® job seekers.

Job seekers using the public workforce system in the East End tend to be younger than the general East End labor force, with 26.3% of job seekers and 18.8% of the labor force between 16-24. While 33.3% of the labor force is between 35-54, only 28.2% of job seekers are in this age demographic.



Job seekers using the public workforce system are also less educated than residents of the East End as a whole, with 20.5% of job seekers possessing a Bachelor’s degree or higher, compared with 25.7% of the general population. Individuals without a post-secondary credential make up a greater share of the job seeker population (73.5%) than the general population (66.6%).



⁶ Since January 2012, individuals filing for Unemployment Compensation in Pennsylvania have been required to create an account with the Commonwealth Workforce Development System (CWDS), the system of record for public workforce development in Pennsylvania. These individuals can create and post a resume, search available jobs within the system, find new opportunities for training, and work with career counselors. Job seekers can access more intensive workforce development services through the One Stop system (locally known as PA CareerLink®).

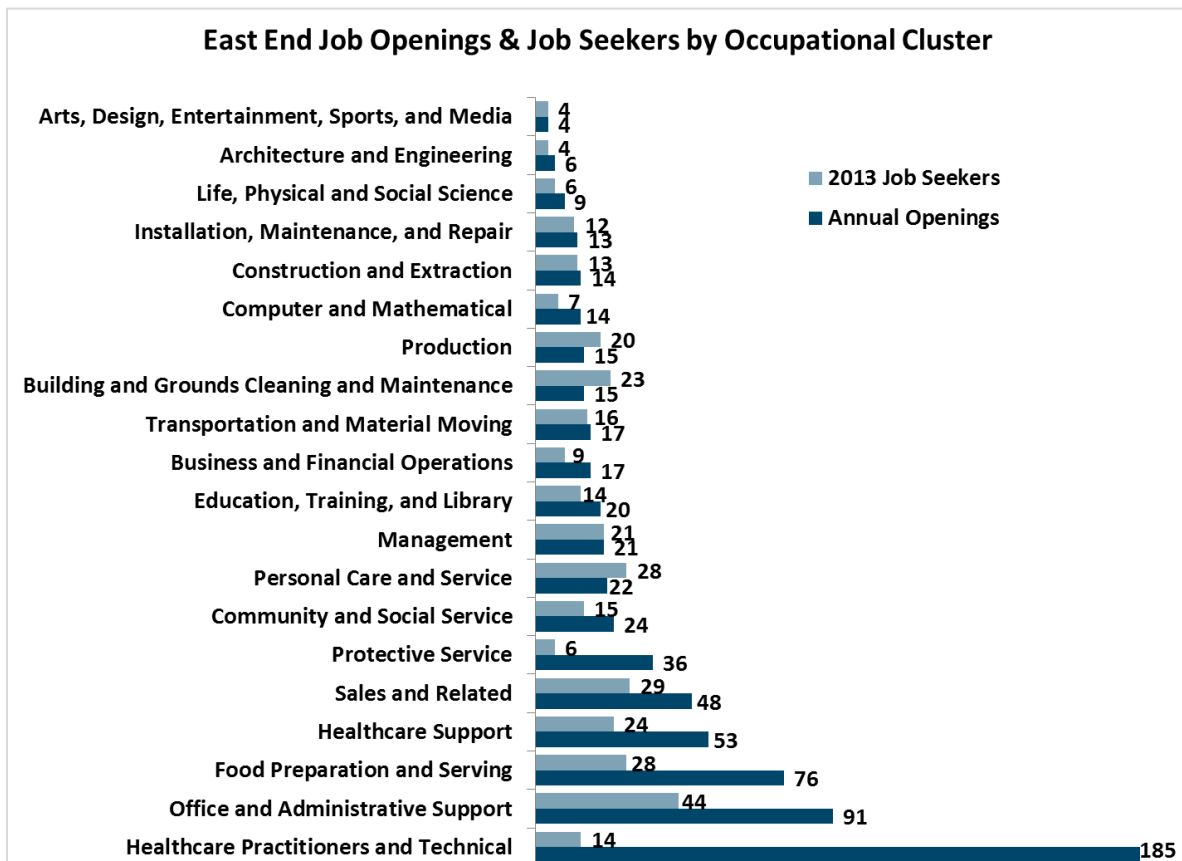


III. Supply-Demand Dynamics

Career Interest of Active Job Seekers versus Current Job Openings (Detail Information in Appendices C and I)

In many cases, the annual job openings in the East End align with the career interests of job seekers. A clear exception to this is in Healthcare Practitioners and Technical occupations, which make up 26.4% (185) of annual openings but only 4.1% of job seekers (14) were interested in the field in 2013. Just over half (51.3%) of job seekers in 2013 were interested in occupations in Office and Administrative Support, Sales and Related, Food Preparation and Serving, Personal Care and Service, Healthcare Support, and Building and Grounds Cleaning and Maintenance. These six occupational clusters represent 43.5% of annual openings in the community, and are all within the lowest eight clusters by average hourly earnings. With the exception of Personal Care and Service and Building and Grounds Cleaning and Maintenance, these clusters all have more job openings than job seekers.

Occupational clusters with more job openings than interested job seekers also include Community and Social Service (15 job seekers and 24 job openings) and Business and Financial occupations (9 job seekers and 17 annual openings). Clusters with fewer job openings than interested job seekers include Personal Care and Service (28 job seekers and 22 job openings), Building and Grounds Cleaning and Maintenance (23 job seekers and 15 job openings), and Production (20 job seekers and 15 job openings).

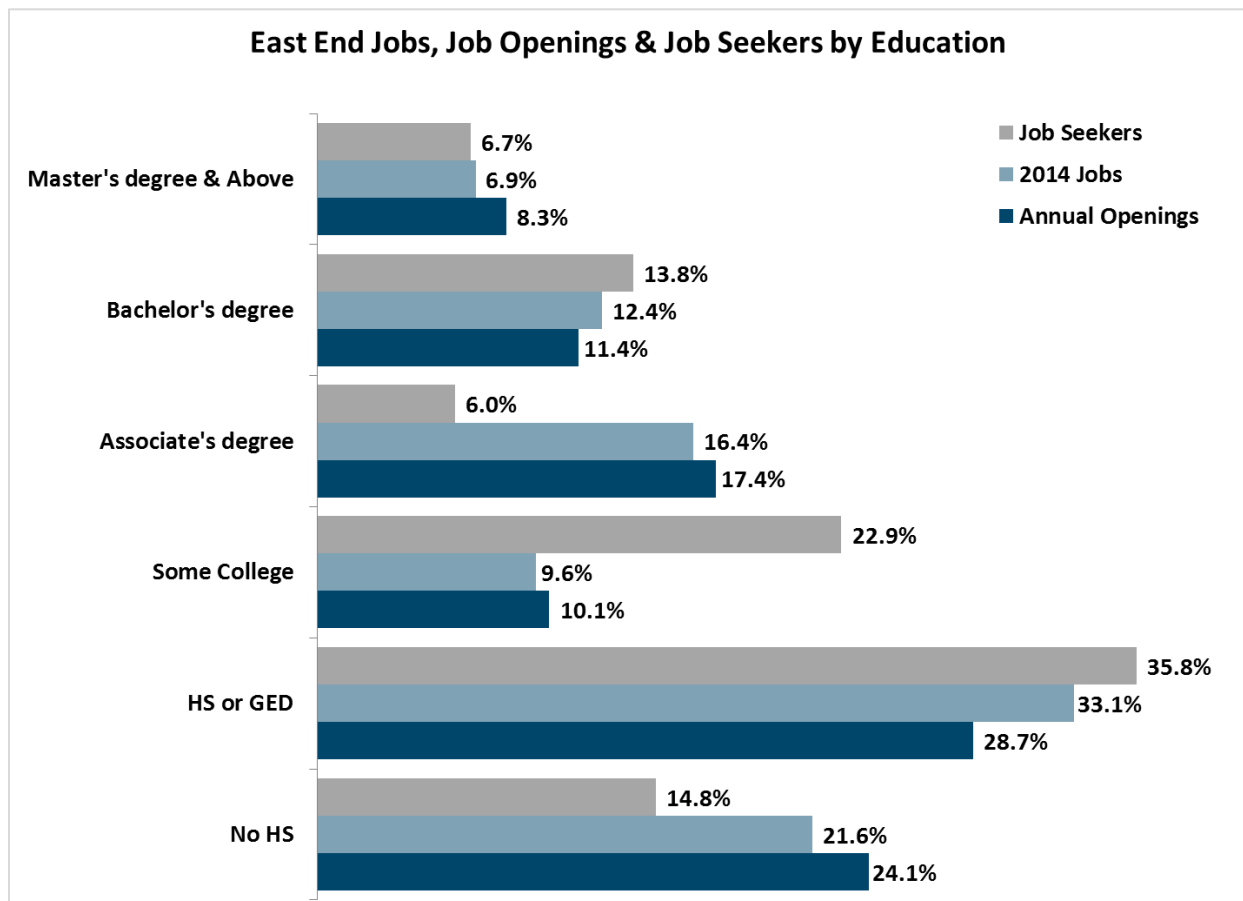


Educational Attainment of Active Job Seekers versus Educational Requirement of Available Jobs

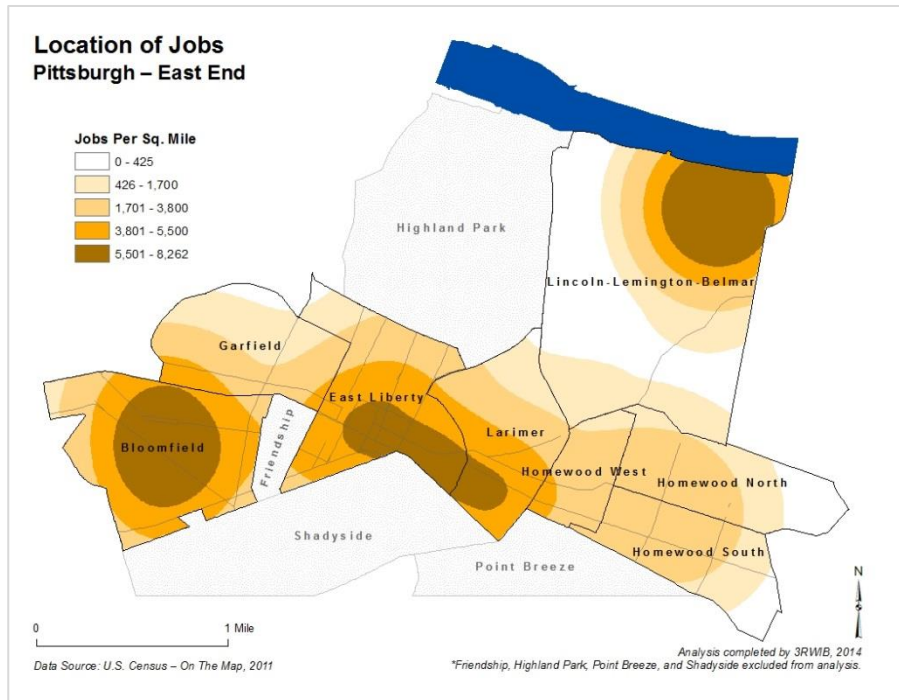
The most disadvantaged group of job seekers, in terms of a mismatch between educational attainment and education required for annual job openings, is those individuals with some college education. These individuals make up 22.6% of job seekers, but only 10.1% of annual job openings and 9.6% of 2014 jobs require some college education. Those job seekers with a high school diploma or GED also are more highly represented in the job seeker population (35.5%) than that of 2014 jobs (33.1%) and annual openings (28.7%). Individuals with a Bachelor's degree are also at a slight disadvantage, with 14.5% of job seekers having obtained this credential, while just 12.4% of 2014 jobs and 11.4% of annual openings requiring it.

Job seekers with an Associate's degree make up 5.6% of job seekers in the East End. Jobs requiring an Associate's degree make up 17.4% of annual openings and 16.4% of 2014 jobs. Individuals and jobs without a high school diploma also have a lower share of job seekers (15.4%) than 2014 jobs (21.6%) and annual openings (24.1%).

East End job seekers with a Master's degree or higher (6.4%) are closely matched with 2014 jobs (6.9%) and relatively closely matched with annual openings (8.3%).

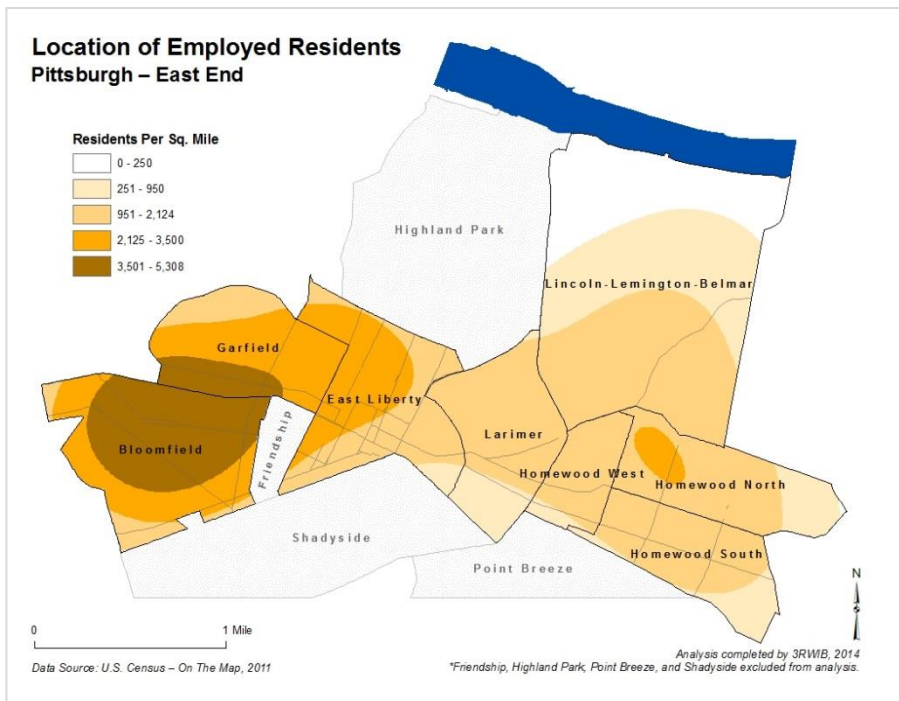


Geographic Connectivity and Job Access (Detail Information in Appendix J)



The East End is well connected with public transportation. Just one of the 708 resident employers is not within ¼ mile of a bus stop.

Jobs are concentrated in Bloomfield, East Liberty and Larimer, and Lincoln-Lemington-Belmar. However, the data in these maps are from 2011, before the VA hospital closed in Lincoln-Lemington-Belmar.



The concentration of employed residents matches the population density of the neighborhoods. Worker density is highest in Bloomfield, Garfield, and East Liberty, and a smaller pocket of density in Homewood North.

While the East End labor market offers many diverse job opportunities, only 10.5% of the area’s residents actually work in the East End, and only 6.1% of the area’s jobs are held by East End residents.



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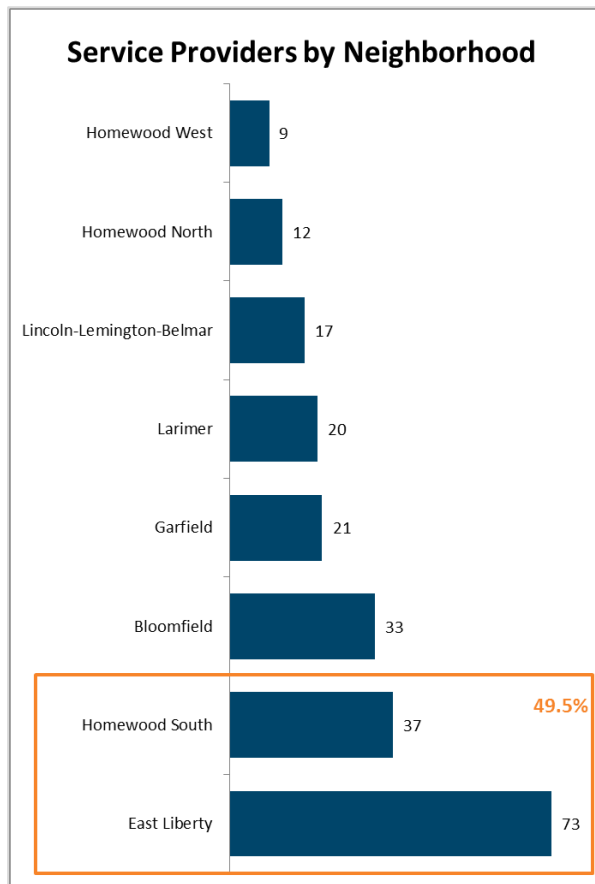
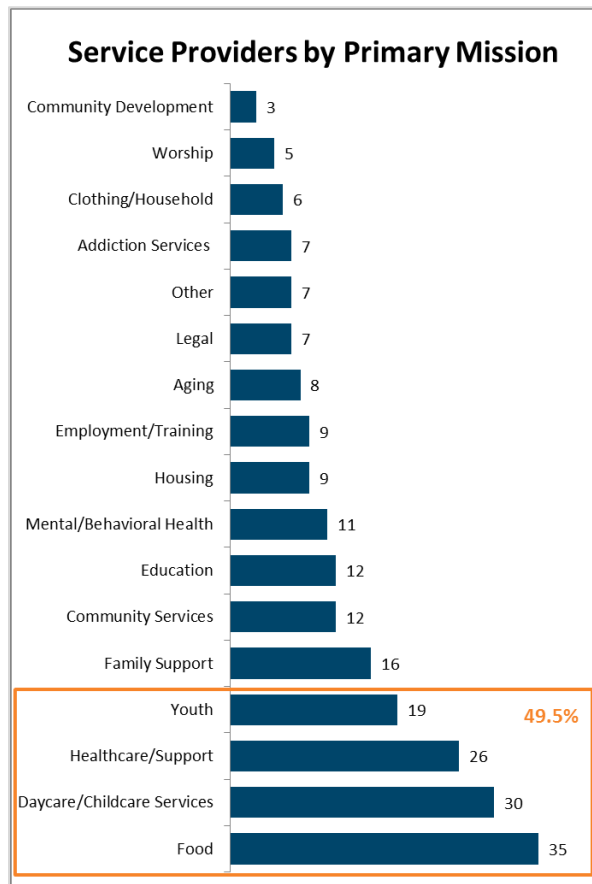


IV. Service Providers (Detail Information in Appendix K)

The East End has a dense network of almost 225 service organizations serving an array of needs from food assistance, healthcare, and daycare needs to mental and behavioral health and family support. Almost half of these providers are located in East Liberty (73, 32.9%) and Homewood South (37, 16.7%). A third of providers in the East End are located in Bloomfield (33, 14.9%), Garfield (21, 9.5%), and Larimer (20, 9%). Most East End service providers serve a geographic scope that extends beyond the eight East End neighborhoods.

Most of the organizations in the East End provide basic needs such as Food Assistance (35, 15.8%), Daycare (30, 13.5%), and Healthcare and Support (26, 11.7%). Community Services and Community Development organizations make up an additional 15 providers, or 6.8% of all service organizations.

Nine organizations in the East End (4.1%) provide employment and training services as their primary purpose. An additional 19 providers provide employment skills as a secondary focus. Organizations providing employment and training services are located in every East End neighborhood except Homewood North. Homewood South has the most employment and training providers (10), followed by East Liberty (5), Bloomfield (4), Garfield (4), Homewood West (2), Lincoln-Lemington-Belmar (2), and Larimer (1).



Service Provider Collaboration

When Target opened in East Liberty in July, 2011, it quickly became an anchor for the developing retail corridor in the community. The construction and staffing of the Target store in East Liberty involved several local partners to ensure that jobs created at the store were filled by local residents. Local employment centers, Target, and the City of Pittsburgh worked together to host job fairs in the East End and to prepare interested residents for Target's hiring process and interviews. East Liberty Development, Inc (ELDI) played a significant role in bringing Target and local partners together to meet the hiring needs of the company and engage residents in the process. The collaborative network developed during Target's construction and staffing and the lessons learned during this process should be parlayed into additional collaborations for future developments in the community.

While Target added over 250 permanent jobs in the area, many of these jobs are lower-wage, lower-skilled retail occupations. Efforts should be made to utilize the Pittsburgh Works network to develop employer-driven jobseeker preparation and training programs and implement strategic employer recruitment efforts that target high growth occupations within the area, with a focus on those occupations that are career pathway occupations.



On the request of The Pittsburgh Foundation, report prepared by:
**Three Rivers Workforce Investment Board
Centre City Tower
Suite 2600
650 Smithfield Street
Pittsburgh, PA 15222**

For questions:

Vera Krekanova Krofcheck
Director of Strategy and Research
(412) 552-7095

Susie Puskar
Policy Manager
(412) 552-7099

Technical Assistance Provided by Olivia DeSimone

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