Inclusionary Zoning Overlay District Lawrenceville

March 9, 2021
Planning Commission Briefing
1:00 PM

Director Andrew Dash
Planner Christopher Corbett
AGENDA

• Overview

• Inclusionary Zoning

• Inclusionary Zoning in Lawrenceville

• Purpose, Standards, and Intent

• Planning Commission
Affordable Housing Work To Date: Affordable Housing Task Force

- Created in 2016 via Executive Order
- 26 members including:
  - elected officials,
  - housing developers (market-rate & affordable),
  - community organizers, and
  - advocates
- Four committees:
  - Policy and Recommendations
  - Community Engagement
  - Needs Assessment
  - Feasibility
Affordable Housing Task Force Findings

Affordable Housing Gap for Renters, 2014

Affordable Housing Gap for Homeowners, 2014
Affordable Housing Task Force: Recommendations and Actions

- Creation of Housing Opportunity Fund
- Increase Utilization of 4% Low Income Housing Tax Credit
- Preservation of Existing Affordable Housing
- Protection of Existing Homeowners and Tenants

- Inclusionary Housing
  - Creation of Exploratory Committee & subsequent report
  - *Pilot Inclusionary Zoning Ordinance: Lawrenceville*
Interim Planning Overlay District (IPOD)

• What is an IPOD?
  • Tool that provides temporary zoning in a specific area of the City where existing zoning doesn't provide sufficient standards for the area's current activities.
  • Does not replace an area's base zoning. Can only add more controls, cannot add incentives.
  • Once approved by City Council, an IPOD is in place for 18 months. It can be extended an additional six months by Council.
  • Intent is to be replaced by permanent zoning informed by Pilot + further study

Previous IPODs
• IPOD-6
  • Inclusionary Zoning Interim Planning Overlay District (expiring June 2021)
• IPOD-4: Uptown (2015)
  • Expired and replaced with new zoning developed during through community planning
• IPOD-5: Riverfront (2016)
  • Expired and replaced with new zoning developed through community process
Inclusionary Zoning
What is Inclusionary Zoning?

Inclusionary Zoning (IZ) is an ordinance that promotes affordable housing through:

• Tying the construction of market-rate housing to that of affordable housing.

• Requiring/incentivizing new residential development to make a percentage of the units affordable to residents of a certain income level (typically low-or-moderate-income residents).
Inclusionary Zoning in Pittsburgh

• Where?
  • Uptown Public Realm (UPR) - adopted December 2017, incentivized
  • Riverfront Zoning District (RIV) - adopted July 2018, incentivized
  • Urban Industrial (UI) - Introduced by City Council but not passed, mandatory

• How?
  • In UPR and RIV, Incentive-based through use of Performance Points
  • # Points earned depend on level of affordability
  • Points can be used for additional height (in both districts) or to build closer to the river (RIV)
Inclusionary Zoning in Lawrenceville
Inclusionary Zoning in Lawrenceville

• Led by Lawrenceville United (LU), Lawrenceville Corporation (LC), Councilwoman Deb Gross, and the Department of City Planning we co-hosted three “Housing For All” community meetings:
  • **Meeting 1**: September 25, 2018
  • **Meeting 2**: October 17, 2018
  • **Meeting 3**: November 5, 2018

• Interest and support expressed at those meetings resulted in Lawrenceville volunteering to become the pilot neighborhood for an Inclusionary Zoning IPOD.
• Since the IZ Pilot started new affordable rental and for-sale units have been created.
  • Arsenal 201, Phase II (Milhaus): 35 rental units
  • Holy Family (E Properties & Development): 5 for-sale units (condos)
Lawrenceville: Changes in Housing

- Over a 15% increase in housing units in Lawrenceville.
- Increase in multi-family residential.
- Lawrenceville among top neighborhoods for # of residential building permits issued.

From: pittsburghpa.buildingeye.com
Lawrenceville: Changes in Housing

- Increase in multi-family development: complete, underway, or approved

<table>
<thead>
<tr>
<th>Project</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milhaus Phase I</td>
<td>243</td>
</tr>
<tr>
<td>The Foundry</td>
<td>191</td>
</tr>
<tr>
<td>Mews on Butler</td>
<td>67</td>
</tr>
<tr>
<td>Doughboy Square Apartments</td>
<td>45</td>
</tr>
<tr>
<td>Heartland Homes</td>
<td>31</td>
</tr>
<tr>
<td>McCleary School Condos</td>
<td>25</td>
</tr>
<tr>
<td>The Wainwright</td>
<td>15</td>
</tr>
<tr>
<td>Mintwood Warehouse</td>
<td>17</td>
</tr>
<tr>
<td>Bayard School Lofts</td>
<td>11</td>
</tr>
<tr>
<td>Butler Street Lofts</td>
<td>13</td>
</tr>
<tr>
<td>Squareview Apts</td>
<td>11</td>
</tr>
<tr>
<td>Shoppes at Doughboy</td>
<td>11</td>
</tr>
<tr>
<td>3719 Butler</td>
<td>25</td>
</tr>
</tbody>
</table>

**TOTAL:** 705
Purpose, Standards, and Intent
IZ is intended to promote the public health and welfare by increasing the supply of affordable housing for a range of family sizes and promoting economic integration within the District boundaries.

Specifically, the intent of the Inclusionary Housing is to encourage quality, economically-balanced development by:
Leveraging development pressure by connecting the production of affordable housing with the current market production of housing units.

What type of projects will need to provide affordable units?

• Every new construction, substantial rehabilitation, or conversion/reuse project with 20 or more residential units for sale or for rent.
Leveraging development pressure by connecting the production of affordable housing with the current market production of housing units.

How many of the units will need to be priced affordably?

• **10% of units**, rounding up if a fraction.

Example: 100 units constructed, $100 \times .10 = 10$

So 10 units would be priced affordably.
Leveraging development pressure by connecting the production of affordable housing with the current market production of housing units.

Do the affordable units all need to be constructed on site?

• A developer can put affordable units on another site, as long as they meet certain conditions:
  • **12% of the units** must be affordable
  • Located no more than **0.25 mile** from original site
Inclusionary Zoning Examples

Off-site Units

- 40 Unit Apartment Building with market rate units
- 6 Affordable units within a quarter mile radius from project site corresponding to 12%

[Diagram showing a map with off-site units and key to affordable and market rate units]
Purpose & Intent

Encourage diverse and balanced housing available for households of all income levels and ensure that when developing the limited supply of developable land, housing opportunities for persons of a variety of income levels are provided.
Encourage diverse and balanced housing available for households of all income levels and ensure that when developing the limited supply of developable land, housing opportunities for persons of a variety of income levels are provided.

What income levels may participate?

- To rent, a household can't earn more than 50% AMI.
- To own, a household can't earn more than 80% AMI.
## Pittsburgh Area Medium Income (AMI) Levels

<table>
<thead>
<tr>
<th>Income Levels</th>
<th>1 person</th>
<th>2 person</th>
<th>3 person</th>
<th>4 person</th>
<th>5 person</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% AMI</td>
<td>16,000</td>
<td>18,250</td>
<td>20,780</td>
<td>25,100</td>
<td>29,420</td>
</tr>
<tr>
<td>50% AMI</td>
<td>26,600</td>
<td>30,400</td>
<td>34,200</td>
<td>38,000</td>
<td>41,050</td>
</tr>
<tr>
<td>60% AMI</td>
<td>31,920</td>
<td>36,480</td>
<td>41,040</td>
<td>45,600</td>
<td>49,260</td>
</tr>
<tr>
<td>80% AMI</td>
<td>42,600</td>
<td>48,650</td>
<td>54,750</td>
<td>60,800</td>
<td>65,700</td>
</tr>
</tbody>
</table>

Source: HUD 2018
Purpose & Intent

Encourage diverse and balanced housing available for households of all income levels and ensure that when developing the limited supply of developable land, housing opportunities for persons of a variety of income levels are provided.

How will affordable units be priced?

• Units will be priced at no more than 30% of income (based on AMI)
# What is Allowable Pricing in Pittsburgh?

<table>
<thead>
<tr>
<th>Housing Costs</th>
<th>50% AMI Rent*</th>
<th>60% AMI Rent*</th>
<th>80% AMI Ownership</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 bedroom</td>
<td>$713</td>
<td>$855</td>
<td>$922 ($105,000)</td>
</tr>
<tr>
<td>2 bedroom</td>
<td>$855</td>
<td>$1,026</td>
<td>$1037 ($128,000)</td>
</tr>
<tr>
<td>3 bedroom</td>
<td>$988</td>
<td>$1,186</td>
<td>$1152 ($146,000)</td>
</tr>
<tr>
<td>4 bedroom</td>
<td>$1,103</td>
<td>$1,323</td>
<td>$1245 ($155,000)</td>
</tr>
</tbody>
</table>

*Rent Figure Assumes Utility Costs included

Source: HUD 2018
Purpose & Intent

Encourage diverse and balanced housing available for households of all income levels and ensure that when developing the limited supply of developable land, housing opportunities for persons of a variety of income levels are provided.

How long will units remain affordably priced?

• Rental and for-sale units will remain affordable for a minimum of 35 years.
Purpose & Intent

Encourage diverse and balanced housing available for households of all income levels and ensure that when developing the limited supply of developable land, housing opportunities for persons of a variety of income levels are provided.

Will affordable units be different from market-rate units?

• No.
• Units will need to be integrated within, and distributed throughout the building.
• Units will be the same size, have the same finishes, and have access to the same amenities.
Inclusionary Zoning Examples

5 Story Building

- 40 Unit Apartment Building with 4 affordable units
- Top floor without affordable units

- Affordable Units
- Market Rate Units
Inclusionary Zoning Examples

7 Story Building
- 70 Unit Apartment Building with 7 affordable units
- Top 3 floors without affordable units

- Affordable Units
- Market Rate Units
Purpose & Intent

Utilize sites in IZOD as opportunities to build mixed-income developments. Because remaining land appropriate for residential development within the IZOD is limited, it is essential that a reasonable proportion of such land be developed into housing units affordable to low- and moderate-income people.
Planning Commission Process

• Pre-Planning Commission Hearing mailings to 4,555 recipients
• The Planning Commission Hearing is scheduled for:
  • **Tuesday, April 6, 2021 at 2:00 PM**
  • Community members can provide public testimony to Planning Commission about the proposed IZOD.
    • Public Testimony can also be sent via:
      • **Mail:** Department of City Planning, ATTN: Corbett 200 Ross Street, 4th Floor, Pittsburgh PA 15219
      • **Email:** housing@pittsburghpa.gov
    • To join the Zoom meeting, use this link: [https://us02web.zoom.us/j/88275113502](https://us02web.zoom.us/j/88275113502)
      • Or call in using the phone number 1.301.715.8592 with Webinar ID 882 7511 3502
    • For more information visit: [https://pittsburghpa.gov/dcp/izod](https://pittsburghpa.gov/dcp/izod)
Inclusionary Zoning
Overlay District
Lawrenceville

March 9, 2021
Planning Commission Briefing
1:00 PM

Director Andrew Dash
Planner Christopher Corbett