Inclusionary Zoning Overlay District (IZ-O)

November 9, 2021
Planning Commission Briefing
1:00 PM

Director Andrew Dash
Planners Andrea Lavin Kossis & Phillip Wu
AGENDA

• Overview

• Inclusionary Zoning

• Inclusionary Zoning in Polish Hill & Bloomfield

• IZ-O Purpose and Process
Affordable Housing Work To Date

- 2016 Affordable Housing Task Force
- 2017 Inclusionary Housing Exploratory Committee & report
- 2019 IPOD-6, Pilot Inclusionary Housing Ordinance in Lawrenceville
- 2021 IZOD, Permanent Inclusionary Housing Ordinance applied in Lawrenceville
What is Inclusionary Zoning?

Inclusionary Zoning (IZ) is an ordinance that promotes affordable housing by tying the construction of market-rate housing to that of affordable housing.

It requires or incentivizes 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

• Incentivized Inclusionary Zoning
  • Uptown Public Realm (UPR) - adopted December 2017
  • Riverfront Zoning District (RIV) - adopted July 2018

• Mandatory Inclusionary Zoning
  • IPOD-6 – EXPIRED piloted in Lawrenceville, 2019-2021, mandatory
    • Responsible for creation / eventual creation of 40 affordable units (35 rental, 5 for-sale)
  • IZOD – Permanent, created Feb 2021, currently in Lawrenceville
IZOD Purpose

Per presentation to Planning Commission of April 6, 2021 (slide 17)

• "Although at this point the IZ-O is only being mapped to the existing IPOD-6 boundaries within the Lawrenceville neighborhoods, creating the permanent overlay allows for its expansion into other neighborhoods at a later date."
Inclusionary Zoning in Pittsburgh

• Proposed: Expansion of IZOD to Polish Hill & Bloomfield.

• Requested by Polish Hill Civic Association & Bloomfield Development Corporation.

• Introduced by Councilperson Gross at Council in July 2021.
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.

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

- 10% of units, rounding up if a fraction.

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

- A developer can put affordable units on another site, if meet certain conditions:
  - 12% of the units must be affordable
  - Located no more than 0.25 mile from original site
IZOD Standards

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.

How will affordable units be priced?
• Units will be priced at no more than 30% of income (based on AMI)

How long will units remain affordably priced?
• Rental and for-sale units will remain affordable for a minimum of 35 years.
Pittsburgh Area Median Income Levels & Monthly Rent + Utilities

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<td><strong>30% AMI</strong></td>
<td>$16,800 ($420/month)</td>
<td>$19,200 ($450/month)</td>
<td>$21,600 ($540/month)</td>
<td>$23,950 ($648/month)</td>
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<td><strong>50% AMI</strong></td>
<td>$28,000 ($700/month)</td>
<td>$32,000 ($800/month)</td>
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<td><strong>80% AMI</strong></td>
<td>$44,750 ($1,119/mo)</td>
<td>$51,150 ($1,279/mo)</td>
<td>$57,550 ($1,439/mo)</td>
<td>$63,900 ($1,598/mo)</td>
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Planning Commission Process

• IZOD Expansion presented at City Council in July 2021.
  • Council referred measure to Planning Commission.

• Pre-Planning Commission Hearing:
  • 3 Community meetings (2 Polish Hill, 1 Bloomfield)
  • Mailings to 3,596 recipients
    • Electronic correspondence shall be submitted to Planning Commission prior to Hearing
    • Calls shall be received and returned by Planner Phillip Wu

• For more information visit: https://engage.pittsburghpa.gov/izodx