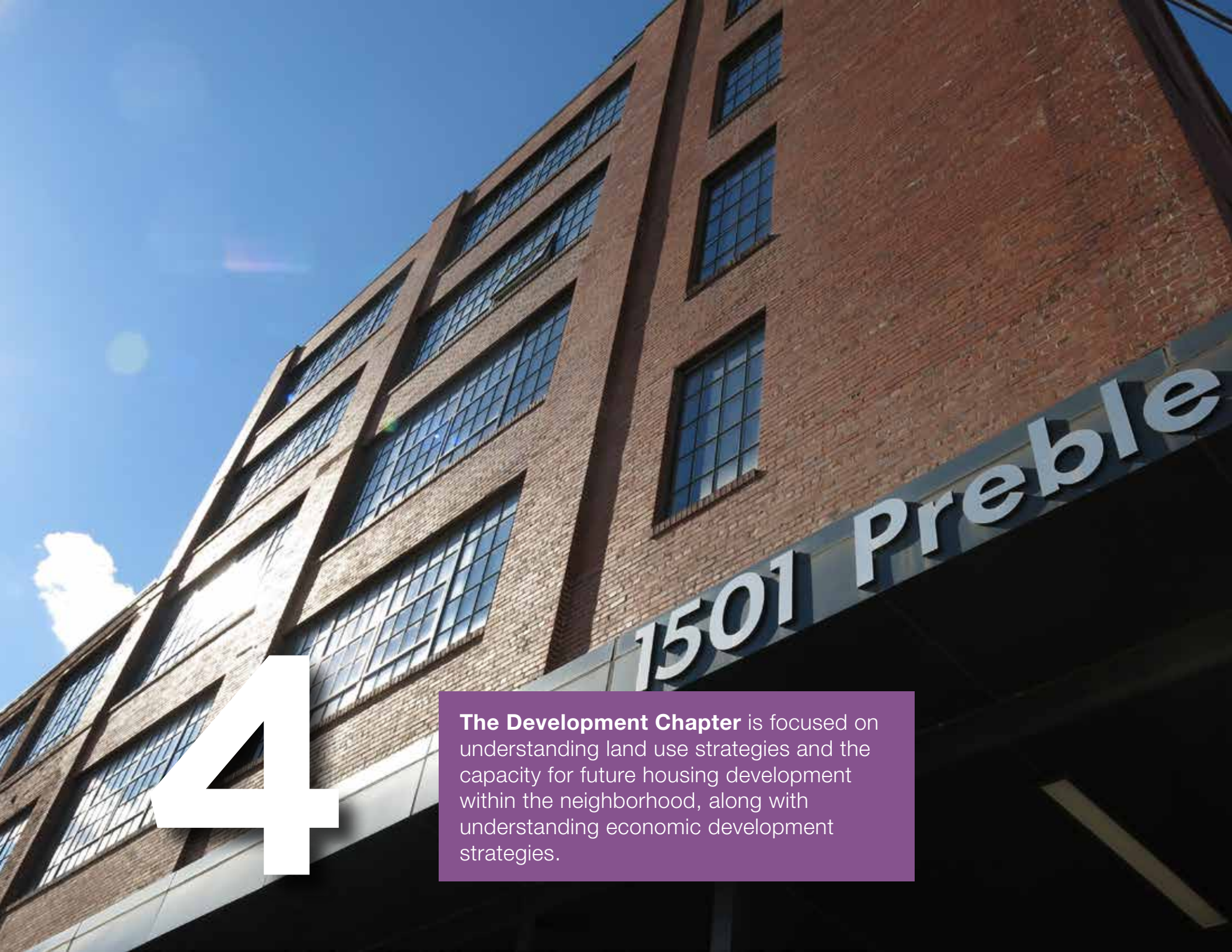


4

The Development Chapter is focused on understanding land use strategies and the capacity for future housing development within the neighborhood, along with understanding economic development strategies.

DEVELOPMENT

LAND USE

OVERVIEW

The Land Use and Zoning in the neighborhood represents both the evolution of a traditional neighborhood and rapid change resulting from creation of an industrial area, following construction of SR 65. As a result, land uses in Manchester-Chateau are fairly distinct on each side of the SR 65 corridor. On the east, in Manchester, a largely residential mix exists with commercial located generally in corridors at the neighborhood edges and in some small nodes within. On the west side, in Chateau, industrial and institutional uses dominate, with some office and commercial uses as well. The new riverfront zoning "RIV" District puts new standards in place that should facilitate a mix of uses and quality development at the western edge of Chateau.

IN THIS SECTION

PUBLIC ENGAGEMENT

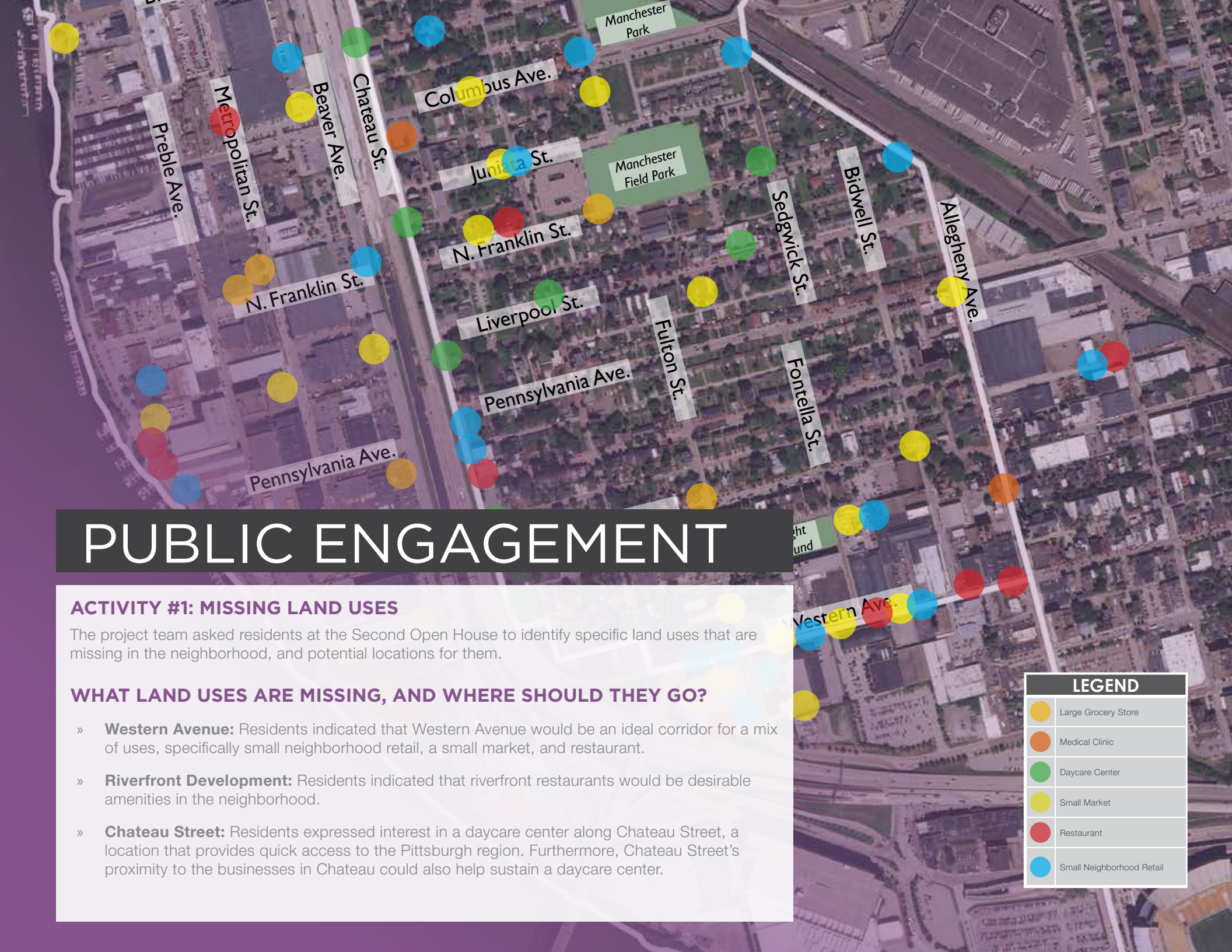
- Residents indicated that they travel far outside of the neighborhood in order to reach certain land uses including medical office, grocery stores, and other services.
- As growth occurs, residents preferred that missing land uses, cluster along Western Ave. in Manchester and the riverfront in Chateau.
- Residents largely indicated that they were willing to accommodate residential growth in order to support a variety of uses in the neighborhood.

EXISTING CONDITIONS & TRENDS

- Land uses are distinctly different in Manchester and Chateau, a development caused largely by the construction of SR 65.
- Manchester is primarily a residential neighborhood, with about 10% vacant land and limited neighborhood commercial spaces.
- Chateau is primarily an industrial and institutional district. Moving forward, Chateau is likely to attract new residential and mixed-use developments.

PRIORITY IMPLEMENTATION STRATEGIES

- Align future development in Chateau with the future land use plan.
- Leverage the riverfront and planned green corridors for future development.
- Re-evaluate applicable zoning along Western Avenue in order to promote the desired uses.



PUBLIC ENGAGEMENT

ACTIVITY #1: MISSING LAND USES

The project team asked residents at the Second Open House to identify specific land uses that are missing in the neighborhood, and potential locations for them.

WHAT LAND USES ARE MISSING, AND WHERE SHOULD THEY GO?

- **Western Avenue:** Residents indicated that Western Avenue would be an ideal corridor for a mix of uses, specifically small neighborhood retail, a small market, and restaurant.
- **Riverfront Development:** Residents indicated that riverfront restaurants would be desirable amenities in the neighborhood.
- **Chateau Street:** Residents expressed interest in a daycare center along Chateau Street, a location that provides quick access to the Pittsburgh region. Furthermore, Chateau Street's proximity to the businesses in Chateau could also help sustain a daycare center.

ACTIVITY#2 : LAND USE TRADEOFF CARDS

Residents were asked how willing they were to accept the necessary population growth to support these land uses. The table below highlights the results of this tradeoff exercise. Attendees first rated how important each new amenity was to them on a 0-10 scale (with a 0 as not important at all, and a 10 as very important). Then, participants were asked to rate how willing they are to accept growth in order to accommodate each specific use (with a 0 as no population growth, and a 10 as "a lot of population growth.")

Generally, Manchester residents were willing to accommodate "significant population growth" in order to accommodate some of the desired uses. *(A capacity study later in this Chapter identifies how much capacity the neighborhood has for different types of residential growth).*

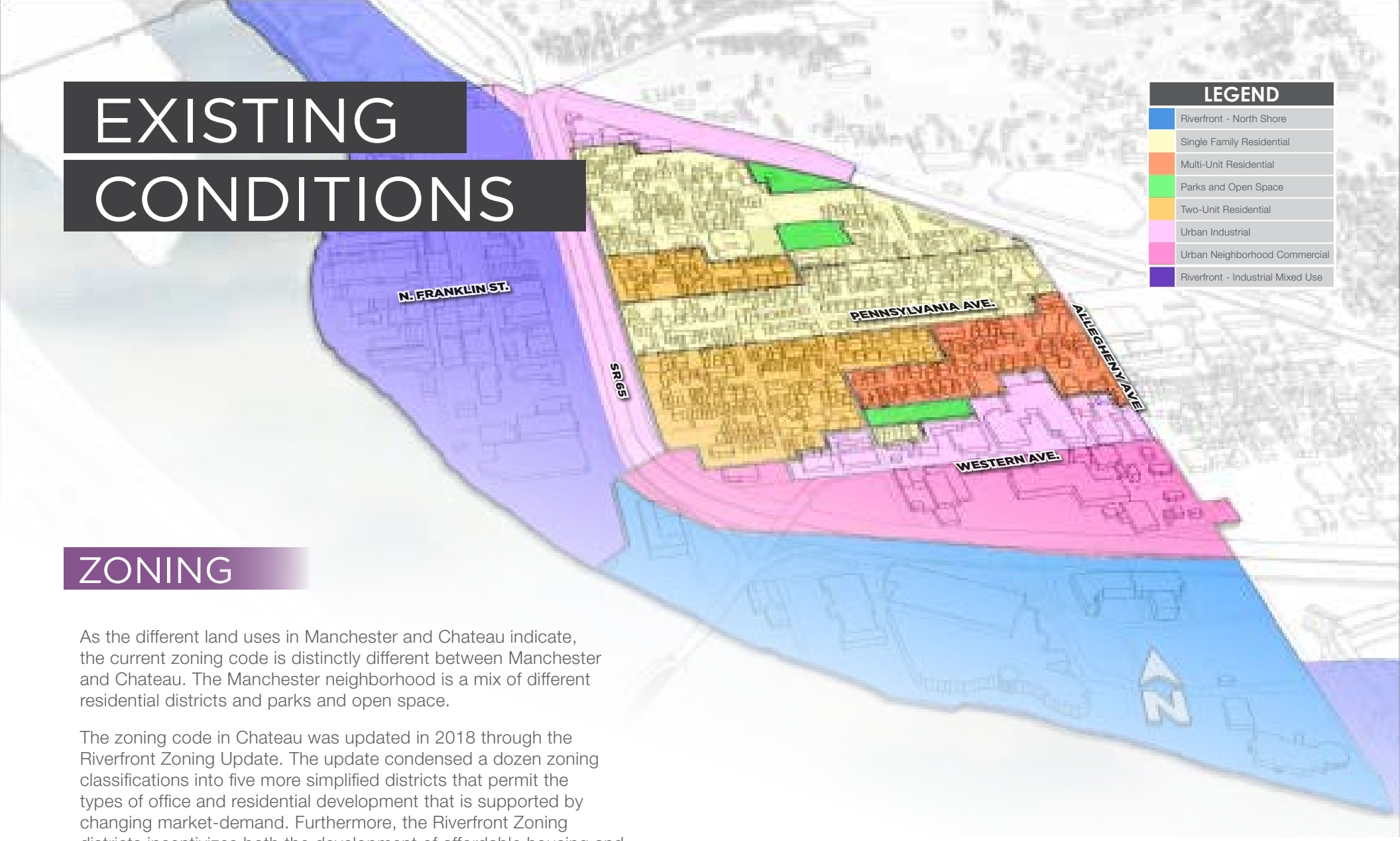
On average, activity participants said that additional restaurants and neighborhood retail are the most important. Additional comments and conversations with residents revealed that the East End Food Co-op is a desired model for a neighborhood market/retail space.

Residents are willing to accommodate population growth in order to attract desired land uses.

TABLE 1-1: Land Use Cards Results

LAND USE		HOW IMPORTANT IS IT TO YOU?	HOW WILLING ARE YOU TO ACCEPT GROWTH TO SUPPORT IT?
SMALL MARKET	Average	7.3	8.6
	Median	8	9.5
NEIGHBORHOOD RETAIL	Average	8.3	8.4
	Median	10	10
LARGE GROCERY STORE	Average	7.6	7.2
	Median	10	7
RESTAURANT	Average	8.8	8
	Median	10	9.5
MEDICAL CLINIC	Average	5.9	7.3
	Median	6.5	9.5

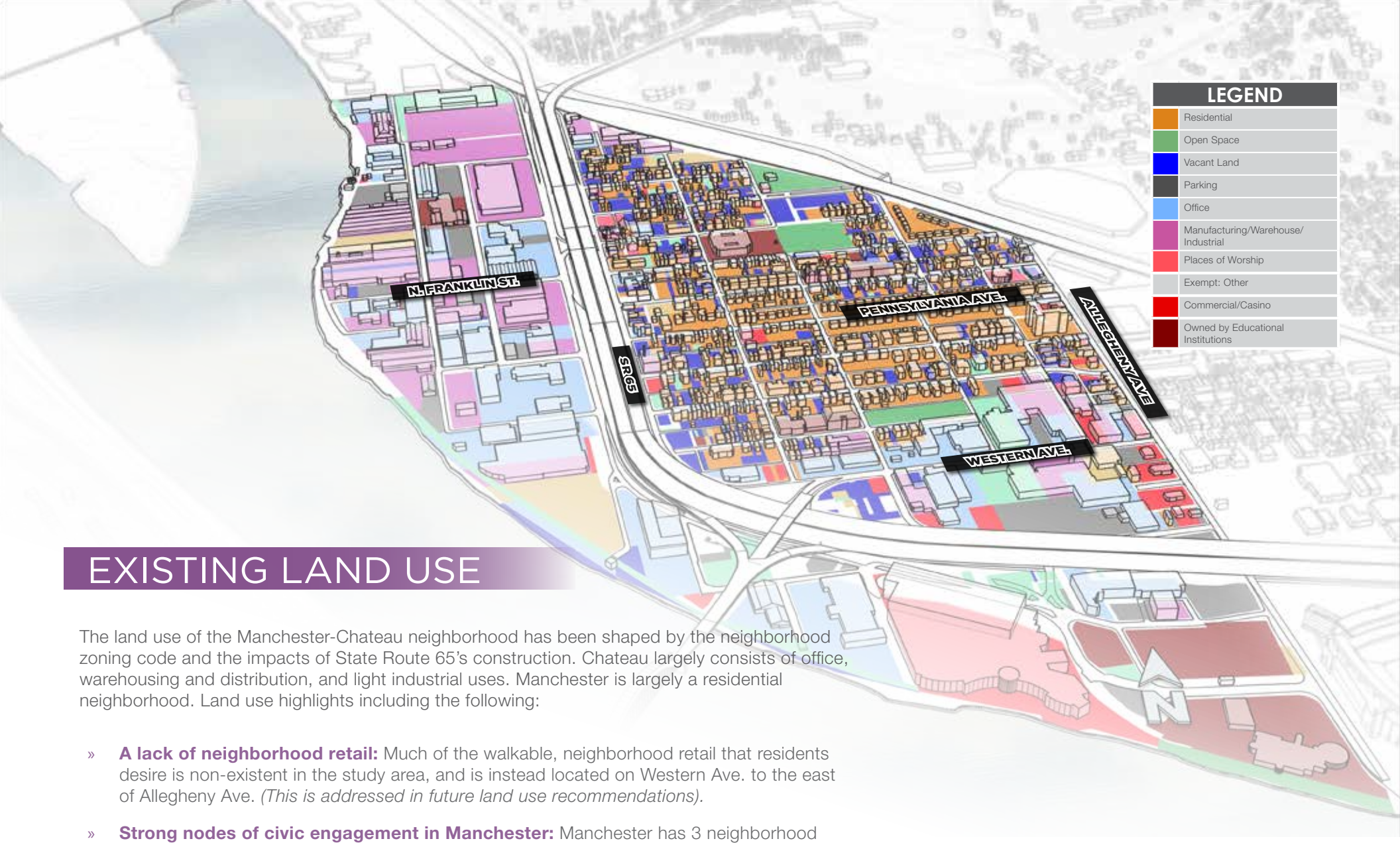
EXISTING CONDITIONS



ZONING

As the different land uses in Manchester and Chateau indicate, the current zoning code is distinctly different between Manchester and Chateau. The Manchester neighborhood is a mix of different residential districts and parks and open space.

The zoning code in Chateau was updated in 2018 through the Riverfront Zoning Update. The update condensed a dozen zoning classifications into five more simplified districts that permit the types of office and residential development that is supported by changing market-demand. Furthermore, the Riverfront Zoning districts incentivizes both the development of affordable housing and sustainable infrastructure and development practices.



EXISTING LAND USE

The land use of the Manchester-Chateau neighborhood has been shaped by the neighborhood zoning code and the impacts of State Route 65's construction. Chateau largely consists of office, warehousing and distribution, and light industrial uses. Manchester is largely a residential neighborhood. Land use highlights including the following:

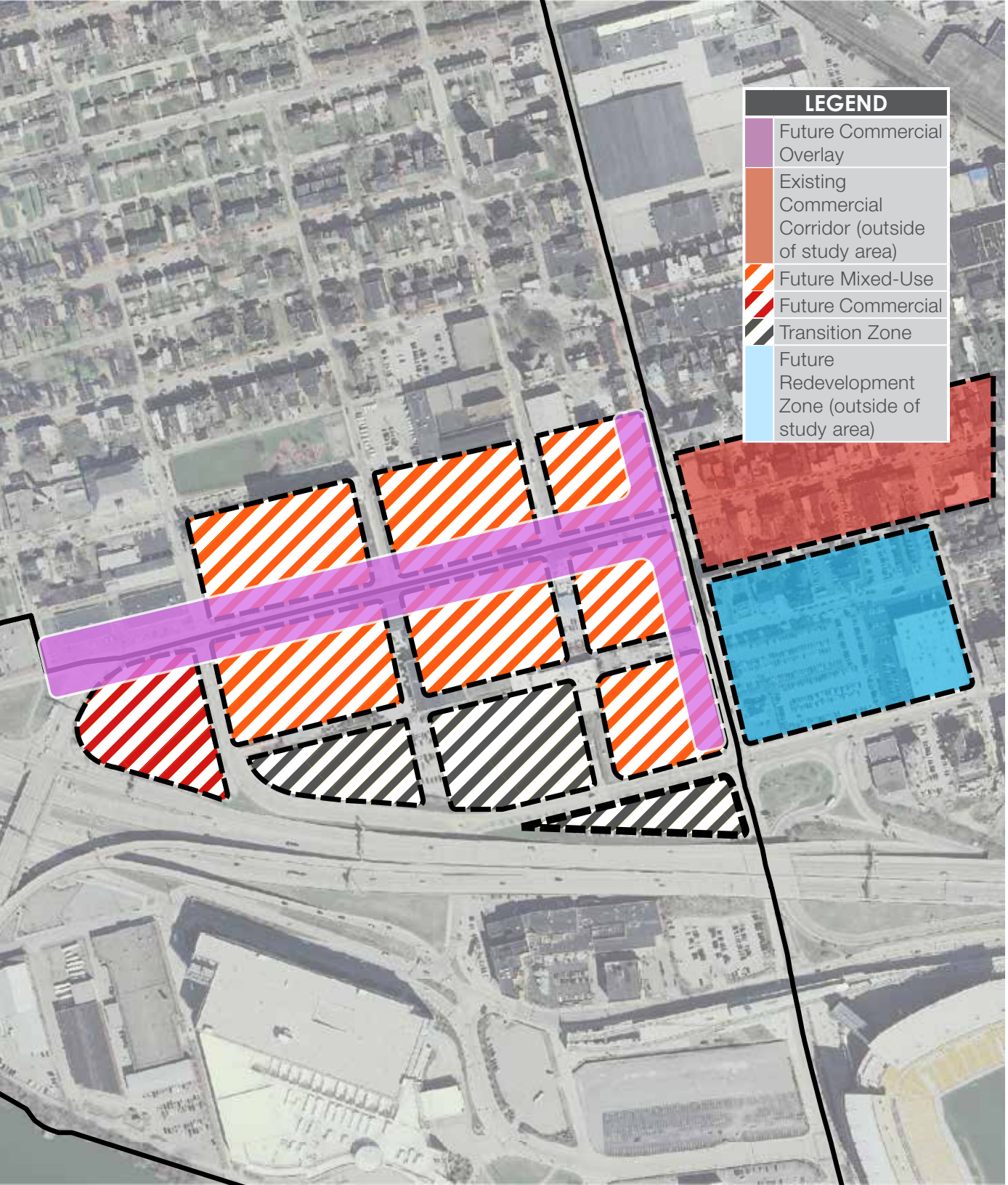
- **A lack of neighborhood retail:** Much of the walkable, neighborhood retail that residents desire is non-existent in the study area, and is instead located on Western Ave. to the east of Allegheny Ave. *(This is addressed in future land use recommendations).*
- **Strong nodes of civic engagement in Manchester:** Manchester has 3 neighborhood parks, which are important community assets. Each of these parks are surrounded by other nodes, including schools and churches, making them important mini-nodes of neighborhood activity. *(Strengthening these nodes is highlighted in the Parks chapter).*
- **Riverfront access and development:** The Three Rivers Heritage Trail helps connect Chateau to other areas of the city, including the professional sports stadiums and Downtown. *(Strategies for addressing this can be found in the Mobility Chapter).*

VACANT LAND

Vacant land is dispersed throughout the neighborhood, with a large concentration in close proximity to Manchester Park. Land vacancy varies by owner (see summary below) and proximity to other vacant lots (which affects redevelopment opportunities). The Affordable Housing section of this chapter explores strategies for redeveloping vacant (and other underutilized) portions of land.

Vacant Land Summary:

- **+/- 10% of all land** in Manchester and Chateau is classified as vacant. (Underutilized warehouse and industrial space in Chateau is not counted in this number).
- **83% of all vacant land in study area** owned by private entities and organizations. 229 different owners of this land present significant logistical challenges.
- **Institutional owners include** the City of Pittsburgh: (1.65 acres, 32 parcels), the Urban Redevelopment Authority: (1.21 acres, 17 parcels), and the Manchester Citizens Corporation (.71 acres, 12 parcels).



RECOMMENDED LAND USE - WESTERN AVE.

As outlined in the both the housing and mobility sections, the Western Ave. area represents Manchester's most significant and feasible opportunity to add new residential units along with a complementary, and desired mix of uses. This development should include mixed-use developments, with ground floor retail and office/residential above, along the Western Ave. corridor. Development should be 4 to 6 stories along the corridor, with ground-floor commercial space providing a dense, vibrant, mixed-use heart for the neighborhood. (The housing capacity analysis outlined in this Chapter offers additional detail).

Outside of the mixed-use area (hatched in orange), there are additional opportunities for commercial (hatched in red) along with transition areas that will likely remain surface parking in the short-term.

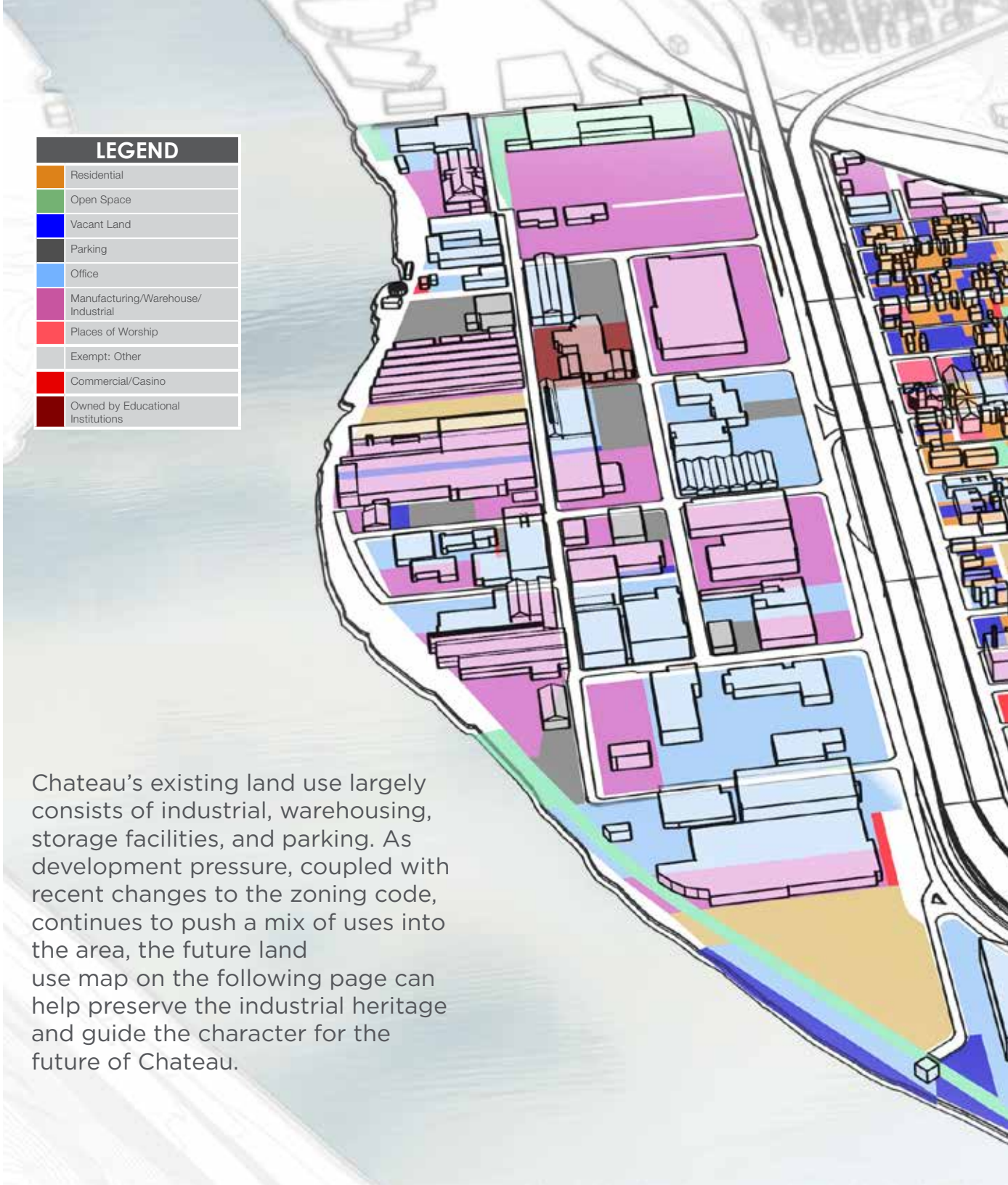
One of the additional changes that will be needed is a re-evaluation of the existing zoning district to ensure that it allows for optimal development on the site. (See Action Items for specific recommendations).

EXISTING LAND USE - CHATEAU

Chateau consists largely of industrial, warehousing, and other similar businesses and uses. Business owners in the area use the easy access to the State Route 65 network in order to distribute their goods and services to local and regional markets.

Outside of the existing warehousing and industrial uses, Chateau also has a number of institutions that serve both the Manchester community and the region. This includes the Bidwell Training Center. The institutions highlighted in the Recommended Land Use Map to the right will likely remain anchor institutions in the neighborhood moving forward.

In the future, Chateau is likely to experience a shift in uses, moving away from traditional warehousing and industrial businesses and more towards higher-density, mixed-use development. Balancing these trends with preserving the industrial heritage of Chateau is reflected on the Recommended Land Use Map to the right. Additional residential development will be important to establishing street-level activity in Chateau.



Chateau's existing land use largely consists of industrial, warehousing, storage facilities, and parking. As development pressure, coupled with recent changes to the zoning code, continues to push a mix of uses into the area, the future land use map on the following page can help preserve the industrial heritage and guide the character for the future of Chateau.

RECOMMENDED LAND USE - CHATEAU.

The following are recommendations for future land use development in Chateau.

Districts:

A. Mixed-Use Industrial Zone:

- District should contain more industrial uses than other districts.
- Riverfront trail should be expanded to accommodate a number of uses.

B. Mixed-Use Institutional Zone:

- Mix of existing institutional uses. Bordered by future "green connectors" along Columbus Ave. and N. Franklin St.

C. Mixed-Use Neighborhood:

- Neighborhood development, primarily focused on mid-rise residential (8-12 story development).

Green Corridors *(See Infrastructure Chapter).*

Planned Esplanade Project

The public engagement process, existing conditions analysis and review of best practices in this Chapter helped lead to the creation of specific goals and recommended action steps. A full summary of the plan goals, action steps, and relevant details are available in the Implementation Chapter.

GOAL 10: PROMOTE WESTERN AVENUE AS A VIBRANT, MIXED-USE COMMERCIAL DISTRICT.

Since the construction of State Route 65, Manchester-Chateau has lost many of its neighborhood shops and retail. As the neighborhood continues to revitalize and as the population of the neighborhood continues to grow, there will be both the need and demand for a new neighborhood commercial district.

The corridor east of Manchester-Chateau is already a vibrant, corridor with a variety of shops and restaurants. Extending that corridors west into the study area is an important priority.

Recommended Action Steps Include:

- Re-evaluate applicable zoning along Western Avenue in order to promote desired uses.
- Investigate zoning performance standards to achieve the following desired characteristics for the district:
  - Ground floor commercial (office or retail)
  - Residential units above (4-6 stories)
  - Building materials and design that are historically appropriate for the neighborhood.
  - Incorporate gateway signage outlined in the Community section on the corner of Western Ave. And Allegheny Ave.
  - Active street frontages that prioritize pedestrian access
  - No new surface parking or driveways

GOAL 11: STRENGTHEN AND DIVERSIFY EXISTING LAND USE IN CHATEAU.

The construction of State Route 65 helped drive the development of Chateau into a district dominated by industrial and warehousing uses. As land uses continue to change, facilitated by the recent update in the City's Riverfront Zoning Code, development in the district should leverage the riverfront trail, along with planned improvements on N. Franklin St. and Columbus Ave.

Recommended Action Steps Include:

» Align future development with the future land use plan outlined in this Chapter.

» Leverage the riverfront and planned green corridors for future development (See Infrastructure Chapter for further detail on Green Corridors).

HOUSING CAPACITY STUDY

CAPACITY STUDY

The project team conducted a housing capacity analysis in Manchester, to help the neighborhood and leadership understand the types of residential redevelopment opportunities available in the neighborhood.

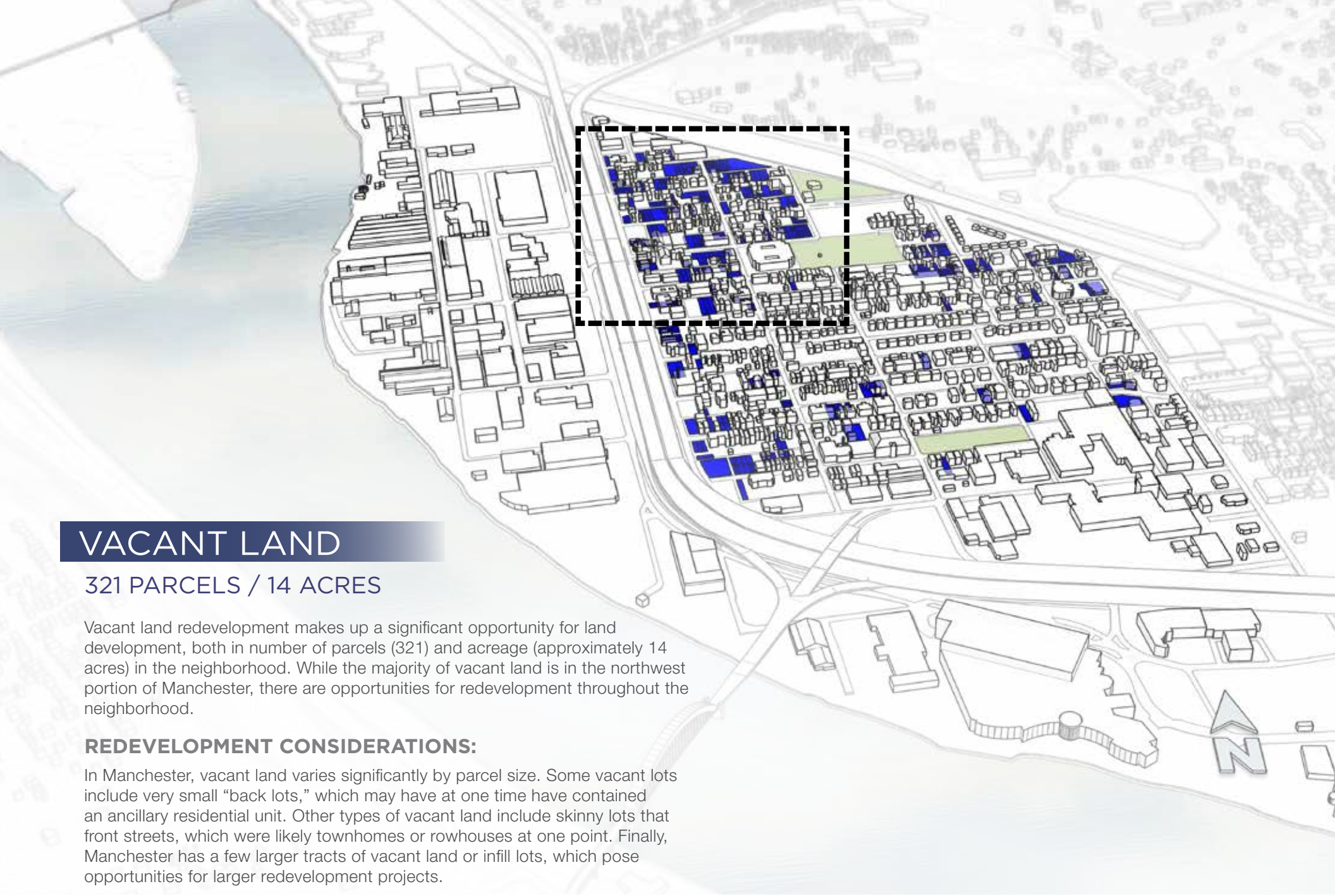
- Study Purpose: To understand the distinct and unique opportunities to add housing on underutilized land (including vacant land, underutilized parking, and building redevelopment opportunities) throughout Manchester.
- Study Approach: The project team did a visual survey of each street in the neighborhood and identified three different types of redevelopment opportunities, pictured here. These underutilized sections of Manchester have the capacity to accommodate future residential development.
- Development Analysis: After identifying and assessing each of the redevelopment opportunities, the team identified appropriate development patterns and capacities for each of these areas. (For example: vacant land could either be a single stand-alone lot for single-family homes, or a cluster of land more suited for infill development). The recommended development approach can be found on the case studies pages in this Chapter. The study reveals significant opportunities to add residential development within the neighborhood.

REDEVELOPMENT OPPORTUNITY TYPES

VACANT LAND
(~14 acres)

UNDERUTILIZED PARKING
(~4 acres)

REPURPOSE BUILDINGS
(~4 acres)



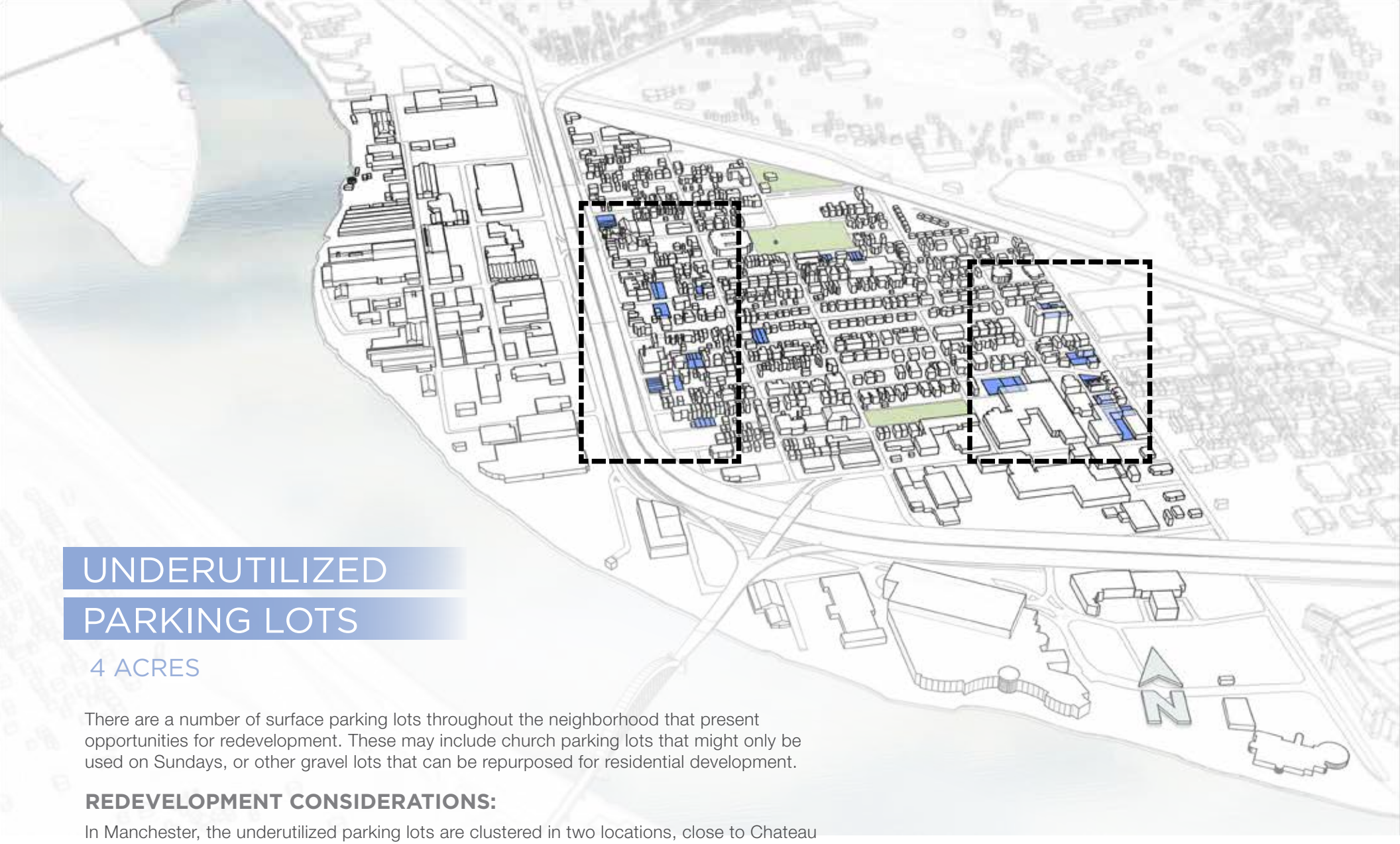
VACANT LAND

321 PARCELS / 14 ACRES

Vacant land redevelopment makes up a significant opportunity for land development, both in number of parcels (321) and acreage (approximately 14 acres) in the neighborhood. While the majority of vacant land is in the northwest portion of Manchester, there are opportunities for redevelopment throughout the neighborhood.

REDEVELOPMENT CONSIDERATIONS:

In Manchester, vacant land varies significantly by parcel size. Some vacant lots include very small “back lots,” which may have at one time have contained an ancillary residential unit. Other types of vacant land include skinny lots that front streets, which were likely townhomes or rowhouses at one point. Finally, Manchester has a few larger tracts of vacant land or infill lots, which pose opportunities for larger redevelopment projects.



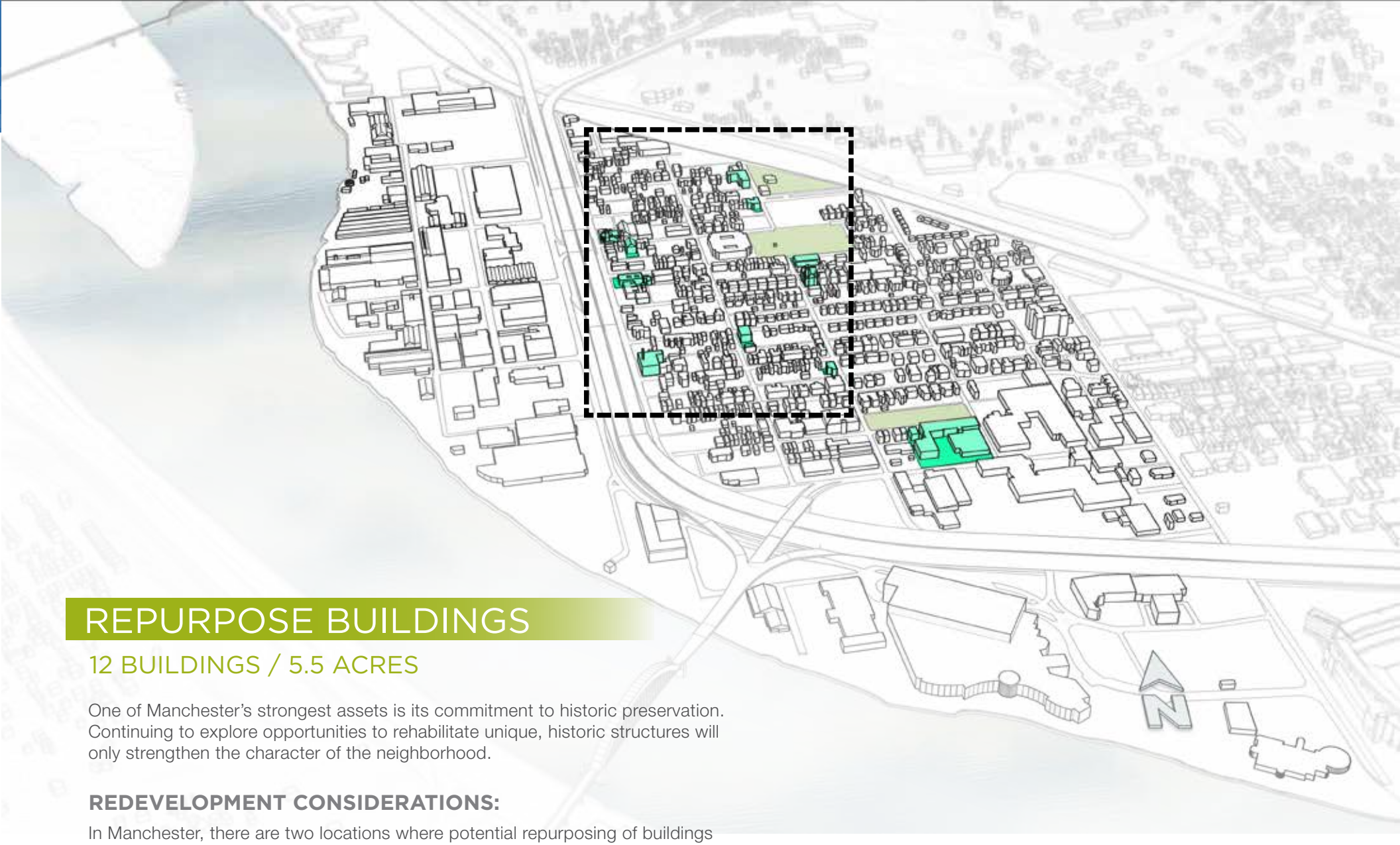
UNDERUTILIZED PARKING LOTS

4 ACRES

There are a number of surface parking lots throughout the neighborhood that present opportunities for redevelopment. These may include church parking lots that might only be used on Sundays, or other gravel lots that can be repurposed for residential development.

REDEVELOPMENT CONSIDERATIONS:

In Manchester, the underutilized parking lots are clustered in two locations, close to Chateau Street and near the southeast corner of the neighborhood next to Western Avenue and Allegheny Avenue. Larger-scaled residential efforts may fit the scale and context of Chateau Street, which is a predominantly auto-oriented thoroughfare. The corner of Western Avenue and Allegheny Avenue represents an important gateway into the neighborhood. Existing surface parking lots can be a part of a future land use strategy.



REPURPOSE BUILDINGS

12 BUILDINGS / 5.5 ACRES

One of Manchester's strongest assets is its commitment to historic preservation. Continuing to explore opportunities to rehabilitate unique, historic structures will only strengthen the character of the neighborhood.

REDEVELOPMENT CONSIDERATIONS:

In Manchester, there are two locations where potential repurposing of buildings was identified. Smaller buildings, warehouses, and churches within Manchester, if redeveloped, can continue to add to the character of the neighborhood. Along Western Avenue, the Hinkel-Hoffman building (currently home to U-Haul) could be part of a larger residential redevelopment project that would add density along Western Ave. (See Capacity Study #2)

CASE STUDIES

After outlining all of the redevelopment opportunities available, the project team assigned approximate densities to each opportunity, in order to develop an estimate of how much additional residential capacity the neighborhood can currently support. The project team used the four case studies below to develop the estimate.

TINY HOMES
CASS COMMUNITY, DETROIT, MI

The Cass Community is a tiny home development meant for low income seniors, the homeless, and students. The 25 home community has lot sizes that are around 3,000 square feet (s.f.) and homes that are 250-400 s.f. A front or back porch is also included for additional living space. The homes are currently under a rent-to-own model, where homeowners rent for a number of years and then have the opportunity to purchase the tiny home.

Tiny homes may be an appropriate development type for smaller back lots in the neighborhood.

Density:	1 unit per lot
Available Lots in Manchester:	32
Total Potential Units:	32 units

NEW VILLAGE
COLUMBUS, OH

New Village is a new, mixed-income development in an existing urban neighborhood in Columbus. The multi-block redevelopment includes a mix of unit sizes, from apartments to small cottages, and a mix of prices, from affordable to market-rate. Shared green space gives residents access to communal green space in a fairly dense urban neighborhood. There are 100 units on 16 acres, yielding 6.6 units per acre.

Mixed-income, development sites are appropriate in areas within Manchester that have larger tracts of redevelopable land.

Density:	5-7 units per acre
Available Acreage in Manchester:	5 (approx.)
Total Potential Units:	25-35 units

TOWN/ROWHOUSES
LARIMER POINT, PITTSBURGH, PA

Located in Pittsburgh's Larimer neighborhood, this redevelopment community is 3.6 acres and includes 40 units of townhomes which equates to roughly 11 units per acre. The townhomes accommodate a mix of incomes. Newer townhome development styles can blend in with the historic character of the neighborhood while finding creative ways to integrate green space.

Townhomes and rowhouses can be found throughout the neighborhood, and are appropriate strategies for redevelopment.

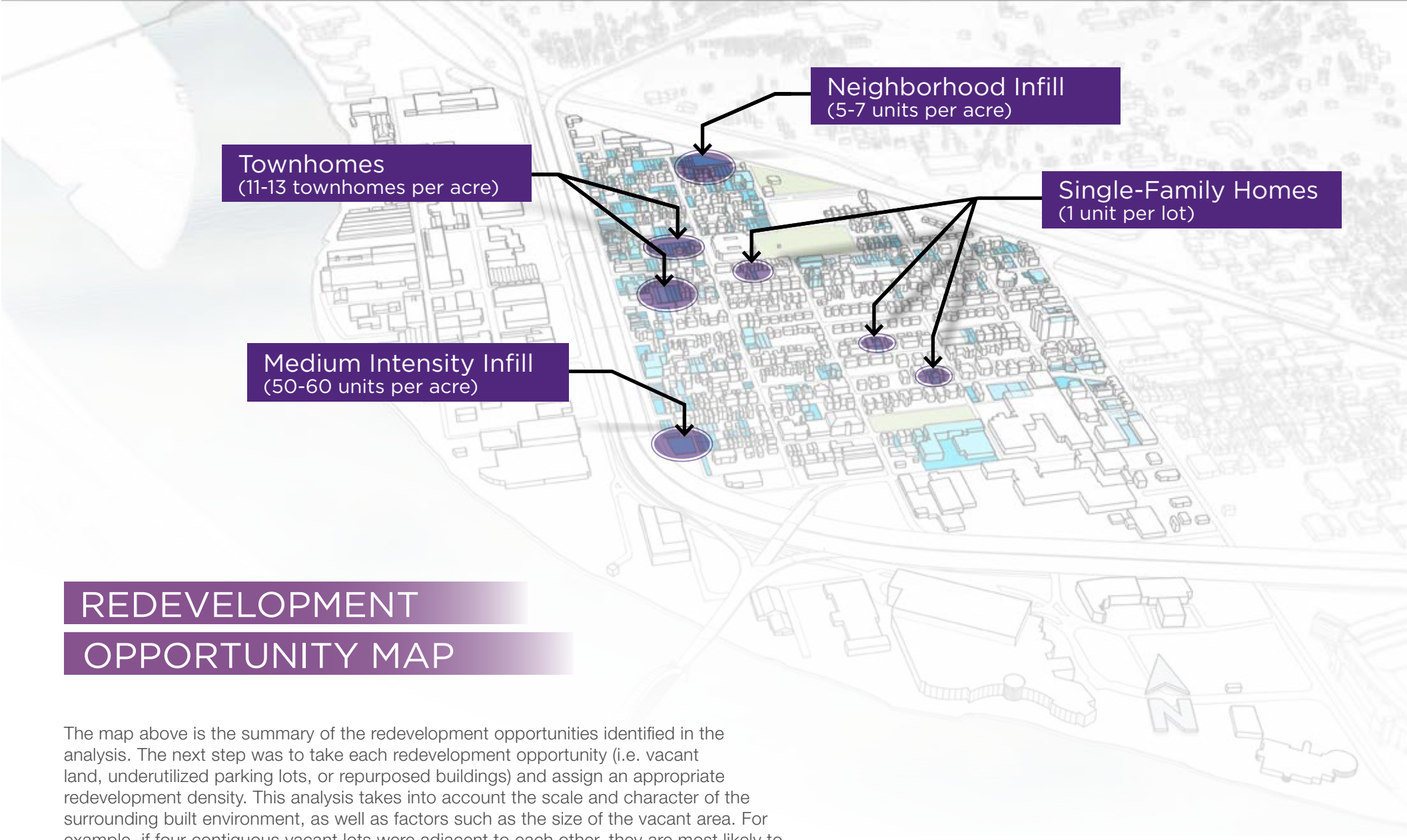
Density:	11-13 units per acre
Available Acreage in Manchester:	10.7 (approx.)
Total Potential Units:	118-139 units

MEDIUM INTENSITY
COLUMBUS, OH

This development is located in a walkable, urban Columbus neighborhood. This one-acre site has 65 units. Site dimensions and layout are applicable to specific sites along Chateau Street. Podium parking underneath the structure elevates the first floor residential units off the ground.

Medium intensity development is appropriate for spaces along the edges of the Neighborhood, including Chateau Street and Western Ave.

Density:	50-60 units per acre
Available Acreage in Manchester:	3.8 (approx.)
Total Potential Units:	190-228 units



REDEVELOPMENT OPPORTUNITY MAP

The map above is the summary of the redevelopment opportunities identified in the analysis. The next step was to take each redevelopment opportunity (i.e. vacant land, underutilized parking lots, or repurposed buildings) and assign an appropriate redevelopment density. This analysis takes into account the scale and character of the surrounding built environment, as well as factors such as the size of the vacant area. For example, if four contiguous vacant lots were adjacent to each other, they are most likely to redevelop as townhomes/rowhouses, and were assigned the residential density highlighted from the case studies on the previous page.

Each redevelopment opportunity was assigned a redevelopment density based on this process. The result is the estimated development capacity outlined on the following page.

ESTIMATED DEVELOPMENT CAPACITY (PART 1)

HOUSING TYPE	# OF UNITS OR ACRES	DENSITY (UNITS/ ACRE)	TOTAL UNITS
Single Lot Infill	32	--	32 homes
Townhomes	10.73 ac.	11-13 townhomes/ac.	118-139 townhomes
Neighborhood Infill	5 ac.	5-7 units/ac.	25-35 units
Medium Intensity Infill	3.8 ac.	50-60 units/ ac.	190-228 units
Total # of Potential New Units:			365 - 434 units

Using the initial capacity analysis and case studies as a guide, the neighborhood has the opportunity to add 365-434 residential units.

WESTERN AVENUE REDEVELOPMENT OPPORTUNITY

This capacity study indicates opportunities in addition to smaller infill development opportunities throughout Manchester. This includes the significant redevelopment opportunities along Western Avenue. As a primary, but underutilized commercial corridor, this area has the potential to redevelop into denser residential multi-family (5-6 stories) that can play an important role in supporting some of the desired land uses throughout the Manchester-Chateau neighborhood. This approach of combining the reuse of warehouse buildings with new mixed-use, traditionally patterned infill is common and popular in various Pittsburgh neighborhoods and throughout the region. The resulting additional housing development capacity is outlined on the following page.

ESTIMATED DEVELOPMENT CAPACITY (PART 2)

HOUSING TYPE	# OF UNITS OR ACRES	DENSITY (UNITS/ ACRE)	TOTAL UNITS
Single Lot Infill	32	--	32 homes
Townhomes	10.73 ac.	11-13 townhomes/ac.	118-139 townhomes
Neighborhood Infill	5 ac.	5-7 units/ac.	25-35 units
Medium Intensity Infill	3.8 ac.	50-60 units/ ac.	190-228 units
Medium Intensity (4-5 stories)	13 ac.	50-70 units/ ac.	650-910 units
Total # of Potential New Units:			1015 - 1344 units

The Estimated Development Capacity Part 2 builds on the previous redevelopment efforts by adding a longer-term, but more significant, redevelopment opportunity along Western Ave. Full build-out of this area has the potential to increase the residential capacity of the Manchester neighborhood by over 1,000 additional units.

ACCOMMODATING AFFORDABLE UNITS IN FUTURE GROWTH

Manchester-Chateau (2018)	
Population: +/-2000	Units: Rental +/-500 units Owner-Occupied: +/-550 units
Potential Population Growth (Scenario #2)	
Population: +/-2600	Capacity for +/-1300 additional units (see Housing Capacity analysis)
Total (Under a Maximum Build Out Scenario)	
Population: +/-4,600	Units: +/-2,400

20% of Manchester's housing units are income restricted

(~10% of Pittsburgh's housing units are income restricted)

Source: U.S. Department of Housing and Urban Development

Affordability Targets (Manchester):

10% of units affordable:
+/-240 units total

20% of units affordable:
+/-480 units total

(Currently, ~250 units in the neighborhood are income restricted, or about 10% of the neighborhood. In order to increase the housing affordability threshold to 20%, in a full-build out scenario within Manchester, +/- 480 units will need to be affordable. This means that the neighborhood will need to ensure approximately +/-230 additional units are affordable).

Affordability Targets (Chateau):

20% of total (per project)

HOUSING TRUSTS 101

Housing Trusts (HTs) are dedicated funds that are held in trust to be used to provide affordable housing. The agencies that administer them can take many forms, such as a local housing, economic development, or community development department, a multi-city or regional agency, or a private nonprofit organization. Typically, local HT funds share a handful of common features:

- » They receive ongoing revenues, usually from dedicated sources, and are not dependent exclusively on annual appropriations.
- » Funds are designated to support affordable housing rather than other community needs.
- » They include sources of funding in addition to those that are otherwise restricted or available to support housing.

HTs can serve as an effective tool in creating housing product that tailors to the income levels and needs of target geographies. Effective HTs can create and preserve affordable housing, stabilize neighborhoods, and support low income persons, seniors and special needs populations. An advantage of local housing trust funds is revenue predictability and flexibility. Funds can be used to address priorities or fill gaps remaining from other housing programs with more rigid rules or requirements.

Having a dedicated source of revenue that automatically comes into the trust fund is important and means that funds for housing do not compete with other priorities when it comes time to approve the annual budget. These features allow organizations to make longer term, forward-thinking investments.

An HT is most effective when serving as a non-profit lender that collaborates with both public and private sectors along with other non-profit sector organizations to develop a housing finance strategy that meets the need of a targeted geography.

HT structures can vary, but a typical structure is a 501(c)(3). Revenue structures can take a number of forms. The table to the right provides the mix of revenue based on a number of existing trusts.

Source	Affordable Housing Trust of Columbus & Franklin County (OH)	1260 Housing Development Corporation (PA)
Contributions and Grants	77.5%	7.5%
Program Service Revenue	21.9%	82.5%
Investment Income	0.4%	5.3%
Other Revenue	0.1%	4.6%
Revenue Note	Government Grants (City & County) and Loan Fees	City & State Grants; Government Contract Income, Rental Income from Tenants, Developer Fee, Section 8 - HUD, Real Estate Services
Staff	8	0
Board Members	11	9
Primary Role	Project Finance	Purchase, Construct, Rehab with Partners

GOAL 12: ENSURE AFFORDABILITY FOR FUTURE GENERATIONS.

House Trusts (HTs) are dedicated funds that are held in trust to be used to provide affordable housing. The agencies that administer them can take many forms, such as a local housing, economic development or community development department, a multi-city or regional agency, or a private nonprofit organization.

HTs can serve as an effective tool in creating housing product that tailors to the income levels and needs of target geographies. Effective HTs can create and preserve affordable housing, stabilize neighborhoods and support low income persons, seniors and special needs populations.

Recommended Action Steps Include:

- Develop a Housing Trust
  - Identify stakeholders, including a principle acting agency.
  - Define organizational structure and scale.
  - Determine income qualifications and housing trust model.

GOAL 13: ENCOURAGE STRATEGIC DEVELOPMENT OF VACANT LOTS/PARCELS.

Vacant land presents key opportunities for redevelopment. Approximately 10% of Manchester is current made up of vacant land, owned by a variety of owners, allowing some flexibility and creativity in establishing new housing and commercial development in the neighborhood.

Furthermore, vacant land can be combined with adjacent underutilized lots to create larger redevelopment opportunities, particularly along commercial corridors such as Western Ave. and Chateau St.

Recommended Action Steps Include:

- Prioritize rehabilitating existing vacant structures before infilling vacant land
- Develop a stabilization program to untangle titles and get control of vacant properties
- Explore temporary uses for vacant lots, including community gardens.
- Create a policy with community input on addressing affordable housing on publicly-owned vacant lots.

ECONOMIC DEVELOPMENT

OVERVIEW

In order to encourage economic development, a variety of funding strategies must be utilized. By creating a toolkit of potential sources and programs, these can be used as part of a larger approach toward achieving specific neighborhood and development goals. This can include strategic infrastructure projects that change the function, safety, and appearance of a corridor, park or intersection. It could be a catalytic development project that repositions a commercial corridor. These strategies will be part of the larger affordable housing approach. In all, the mix of potential options will be matched to outcomes as the implementation of neighborhood change begins and evolves.

IN THIS SECTION

PUBLIC ENGAGEMENT

» The recommended tools and programs identified in this section will help implement many of the residents' desired projects outlined elsewhere in this Plan. These funding streams primarily focus on the implementation of affordable housing projects and public infrastructure projects.

PRIORITY IMPLEMENTATION STRATEGIES

Revenue Capture-Transportation

» One of the primary recommendations for revenue capture is the establishment of a Transit Revitalization Investment District (TRID). This tool can be used to fund projects within a certain radius of Allegheny Station in Chateau. The implementation of the East Liberty TRID is a model for Allegheny Station in Chateau.

Applicable Grant Programs

» A number of grant programs have been identified to support the range of public infrastructure projects. Manchester-Chateau stakeholders should be cognizant of grant funding timelines, expected funding amounts, and eligibility criteria, all of which are outlined in the Appendix.

VALUE-CAPTURE STRATEGIES

Value capture strategies typically involve a combination of private and public funding. Value capture uses the expected increases in property tax and property, caused by new development, to assist in paying for the capital and operating costs of the transportation improvement itself. These mechanisms may help accelerate the implementation of infrastructure improvements.

There are two key strategies for funding investments in the neighborhood. A Transit Revitalization Investment District (TRID) takes a district-wide approach to development and is dependant upon substantial future development. A Tax-Increment Financing (TIF) acts as more of a project/parcel-based revenue capture solution, and is meant for more traditional public infrastructure as opposed to certain private uses. Both of these value capture strategies can be used to leverage additional state and federal funding.

TRANSIT REVITALIZATION INVESTMENT DISTRICT (TRID)

Pennsylvania legislation enables the use of a TRID, which is a district-based tax increment financing mechanism to capture increases in property values to pay for needed improvements. It is distinct from tax-increment financing (TIF) because, unlike TIF, it does not require that there be a finding of "blight" in the area where it is used. It also differs in that it explicitly emphasizes transit and transit-oriented development (TOD) and the comprehensive, community-based planning required for successful TODs.

Additionally, with a TRID, all or a portion of the incremental real estate tax revenue generated by the development(s) in that District can be used to finance public or private improvements associated with transit oriented development. Additionally, TRID can potentially fund affordable housing as well as public space improvements. Requirements of TRID can be comprehensive, highlighted by a Transit Oriented Development TRID Study; however the benefits can be large depending on the potential development of the TRID District.

The East Liberty TRID is a model for funding redevelopment strategies around Allegheny Station and any future stations planned north of Allegheny Station in Chateau.

A TRID (established around the existing Allegheny Station) will help finance eligible public and private projects in Manchester-Chateau.

A TRID provides a powerful tool to assist with both public and certain private development costs. This is a key recommendation highlighted in the goal on the following page. Specifically details to note include:

- The TRID legislation enables the use of a district-based tax increment financing mechanism to capture increases in property values to pay for needed improvements in close proximity to a transit stop or transit station. The TRID program can be a highly effective mechanism in fostering large-scale redevelopment that would otherwise not be financially feasible.
- Establishment of this value capture boundary allows the local taxing bodies and transit agency to share incremental tax revenues generated without in the boundary to implement projects identified in the planning study. Within a TRID, all or a portion of the incremental real estate tax revenue generated by the development(s) in that District can be used to finance public or private improvements associated with transit oriented development.
- A portion of incremental increase in real estate taxes resulting from developments and improvements within the district are used to repay debt that is unique for each project and/or pay the costs of the improvements on a pay-as-you-go basis. However, the tax increment can also include any tax increase resulting from the increase in commercial activity as a result of the development including hotel, amusement and business privilege taxes, or other tax increases occurring within the district generally, if elected by the three taxing bodies.

The TRID boundaries should encompass any area in, or immediately adjacent or in close proximity to, Manchester/Chateau that is expected to develop or redevelop property (creating an increased tax revenue increment) or public infrastructure. Additionally, the boundary must include a transit stop or transit station, such as the Allegheny Station.

TAX INCREMENT FINANCING (TIF)

A public financing technique used by local entities to encourage economic development, TIF captures the incremental tax benefits stemming from an infrastructure investment to pay for the present cost of those improvements.

Typically, a public-sector agency or authority issues bonds to finance the infrastructure necessary to support new development with the increase in property value within a formally designated TIF district used to pay back the bonds for the development-related costs, including the improvements. When applied to transportation-related projects, TIF districts can be expanded beyond the exact site of a transportation improvement to encompass an area where an incremental property value increase is anticipated. It is important to note that TIF is used to help finance the capital costs of large infrastructure projects rather than for longer-term on-going operational support.

The Pittsburgh Urban Redevelopment Authority administers the TIF program on behalf of Pittsburgh projects. Pittsburgh's three taxing bodies must approval the TIF. Typical TIFs from the URA are awarded at 60% of the incremental property taxes, however if the project is in a target area, is LEED certified or results in significant job creation, up to 75% of the incremental taxes are awarded. Note that in Pittsburgh, a developer or other entity is required to guarantee the financing of public infrastructure improvements.

CASE STUDY: SMALLMAN STREET REDEVELOPMENT PROJECT (PITTSBURGH, PA)

$123 million project ($22 million in infrastructure costs)

TIF Use: Public space improvements; Street and related R-O-W improvements; Storm sewers, sanitary sewers, and water distribution system; Engineering and inspection work related to the above infrastructure improvements; Improvements to space(s) accessible to the public (as funds permit).

1600 Smallman Street	
Developer Debt/Equity	**$47,500,000**
Redevelopment Assistance Capital Program (State Grant)	**$2,000,000**
Produce Terminal	
Developer Debt/Equity	**$49,500,000**
Infrastructure Improvements	
Pittsburgh Water and Sewer Funds	**$13,000,000**
Redevelopment Assistance Capital Program (State Grant)	**$4,000,000**
Smallman Street TIF Proceeds	**$3,500,000**
DCED Grant (State Grant)	**$1,000,000**
City of Pittsburgh Funds	**$533,503**
Heinz Endowment/Pittsburgh Gateways Grant	**$80,956**

GOAL 14: IMPLEMENT REVENUE CAPTURE STRATEGIES TO ADVANCE PUBLIC AND PRIVATE PROJECTS.

Throughout the plan, there are a number of different public and private infrastructure projects that can be financed through the establishment of revenue capture strategies.

Recommended action steps to realize these strategies include:

» Establish a TRID. This consists of:
1. **A Planning Study** (typically 6 months, could be shortened to 3 months). The Urban Redevelopment Authority of Pittsburgh (URA) can serve as a management entity for TRIDs, and carries the experience needed to shorten the learning curve of TRID management. (While this is a typical timeframe, the Manchester Chateau Plan contains many elements that satisfy the study's requirements. It is recommended to add a financial analysis that includes a proposed amortization, and full analysis of revenue capture).
2. **A TRID Implementation Plan** - An implementation plan is developed to implement the recommendations in the Planning Study.
3. **Resolution, Public Meeting, and City Ordinance** (6 months). **This requires resolution from the three taxing bodies (not just the city) and buy in from Port Authority.**

A variety of additional funding strategies needed to implement housing strategies and other goals are outlined in the Appendix of this Plan.