



# Hill District Development Action Team

# ECONorthwest Team Involvement



# Today's Focus: Housing and Design

Overall approach: Anti-Displacement / Right to Return

## **Making development pencil**

- Supporting affordable housing and market rate development
- Housing typologies

Housing format

Urban sustainable design

# Housing Strategy Framework

## Anti- Displacement / Community Stabilization

Focus on strategies and actions that **encourage and support stability for current residents in the Hill District**. Anti-displacement strategies for all household incomes and renters and homeowners.

## Right to Return / Preference Policies

Consider policies that **support the right to return for current and former longtime residents** (and family of residents through generational ties) who have been directly or indirectly displaced from the Hill District. Focused on public sector and philanthropic funded investments.

# Anti-Displacement / Right to Return Strategy

## Support new development that meets Plan goals

- Initiate targeted code changes
- Implement new incentives
- Leverage base of vacant properties/buildings
- Create preference policy for current/former Hill residents
- Explore innovative housing

## Reduce displacement risk for renters & homeowners

- Implement IZ policy
- Support home maintenance and legal assistance programs

## Create opportunities for community ownership

- Re-engage in Hill CLT process
- Explore Neighborhood REIT as a tool

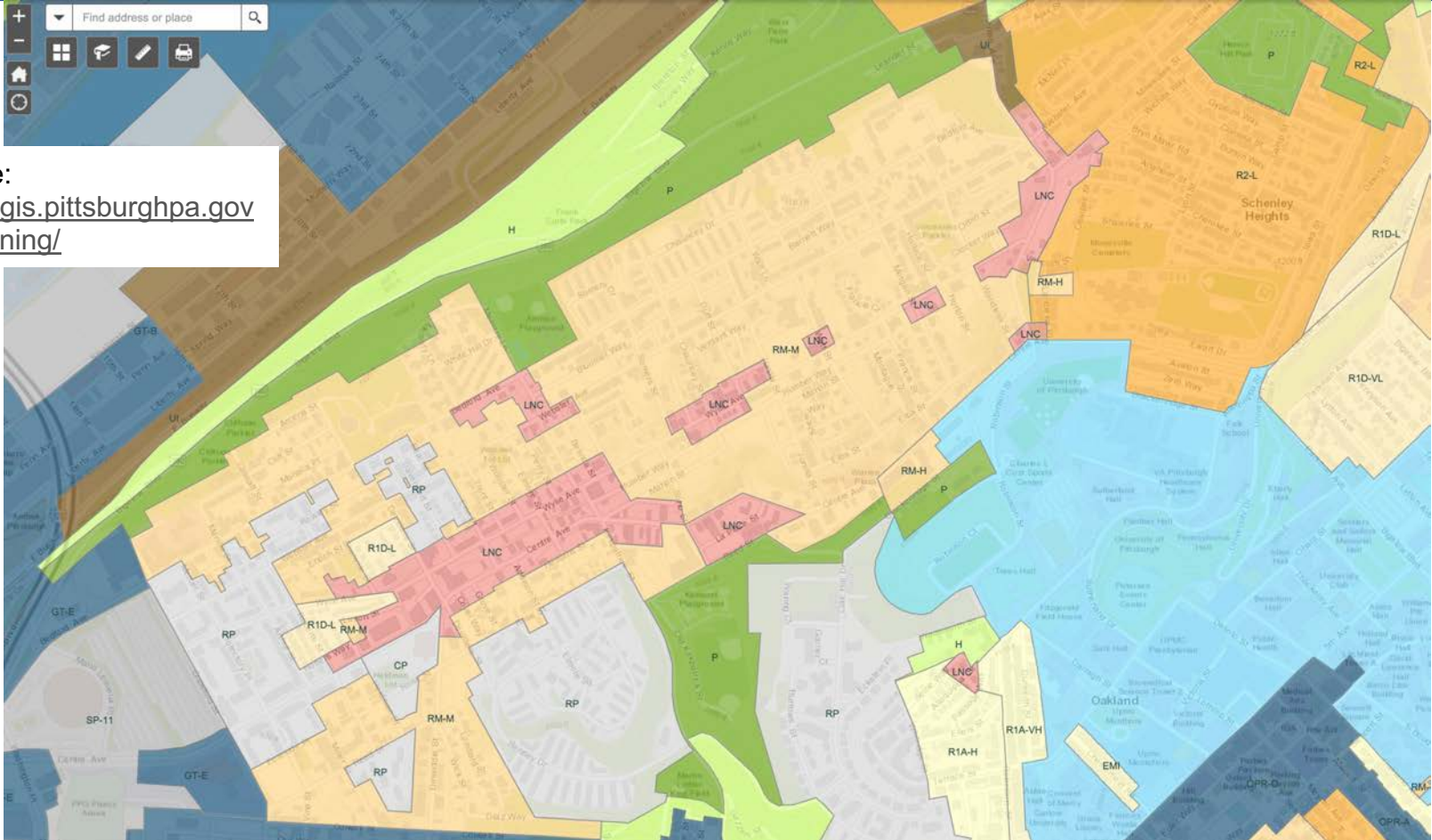
- Goal 1: Build Upon the African American Legacy
- **Goal 2: Family Friendly Housing Development Without Displacement**
- Goal 3: Economic Empowerment and Commercial Development
- Goal 4: Make the Hill District a Green and Well-Designed Community
- Goal 5: Mobility, Transportation, and Parking

# Purpose of today

- Implement an inclusionary housing policy in the Hill District.
- Make targeted changes to zoning requirements (parking requirements, allowed uses, and density requirements) help make housing development possible.
- Expand the affordable housing property tax abatement to include other taxing districts
- Reduce regulatory barriers to co-ops and explore co-op/other creative housing funding strategies
- Explore new investment programs related to the Hill District's vacant land and building stock.

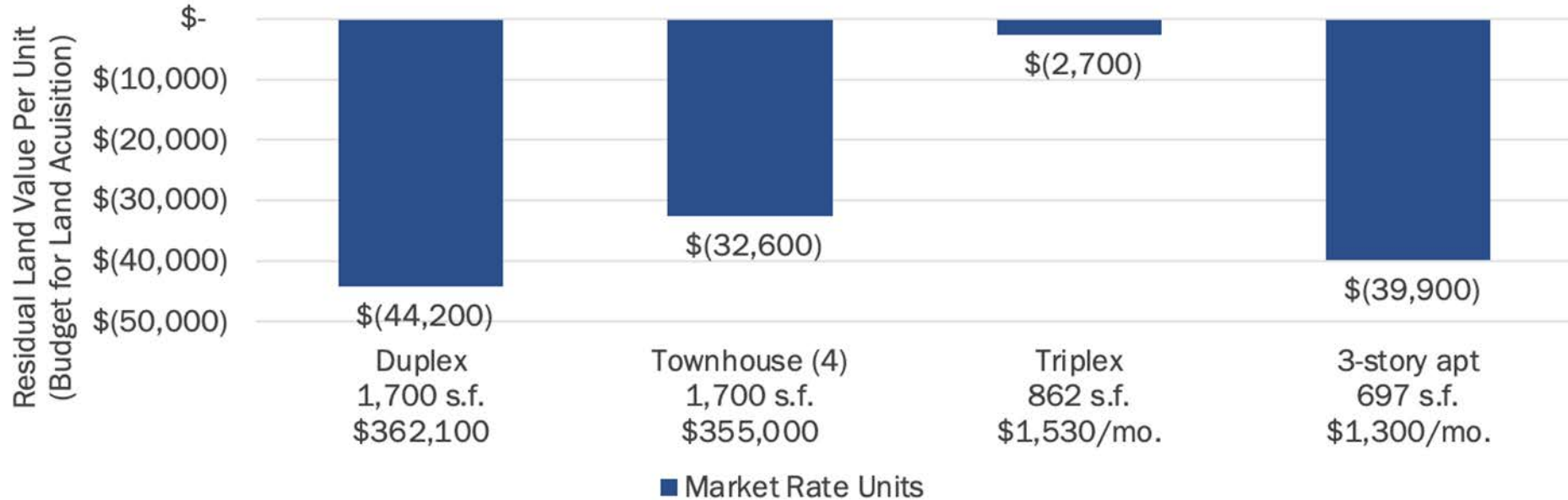
# Existing Zoning Map

Source:  
<https://gis.pittsburghpa.gov/pghzoning/>



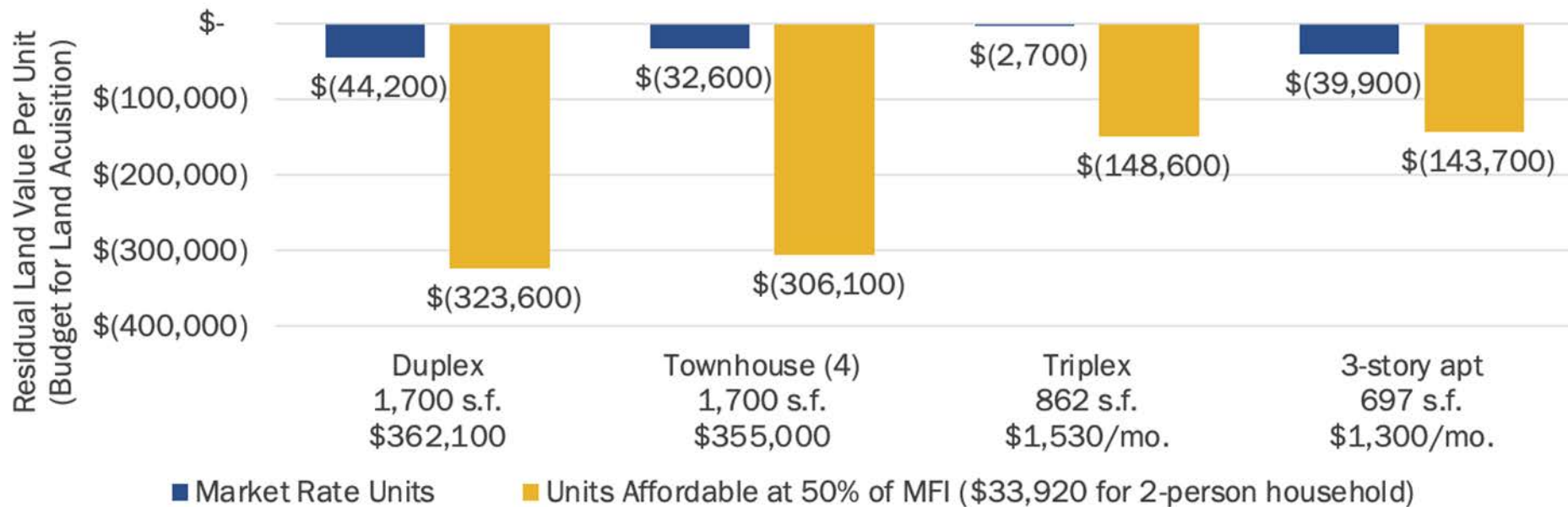


There is a financial gap for all housing types.



Increasing affordability of units also increases the feasibility gaps for all unit types.

## Comparing Market Rate Units to Affordable Units, Hill District Prototypes (50% AMI)

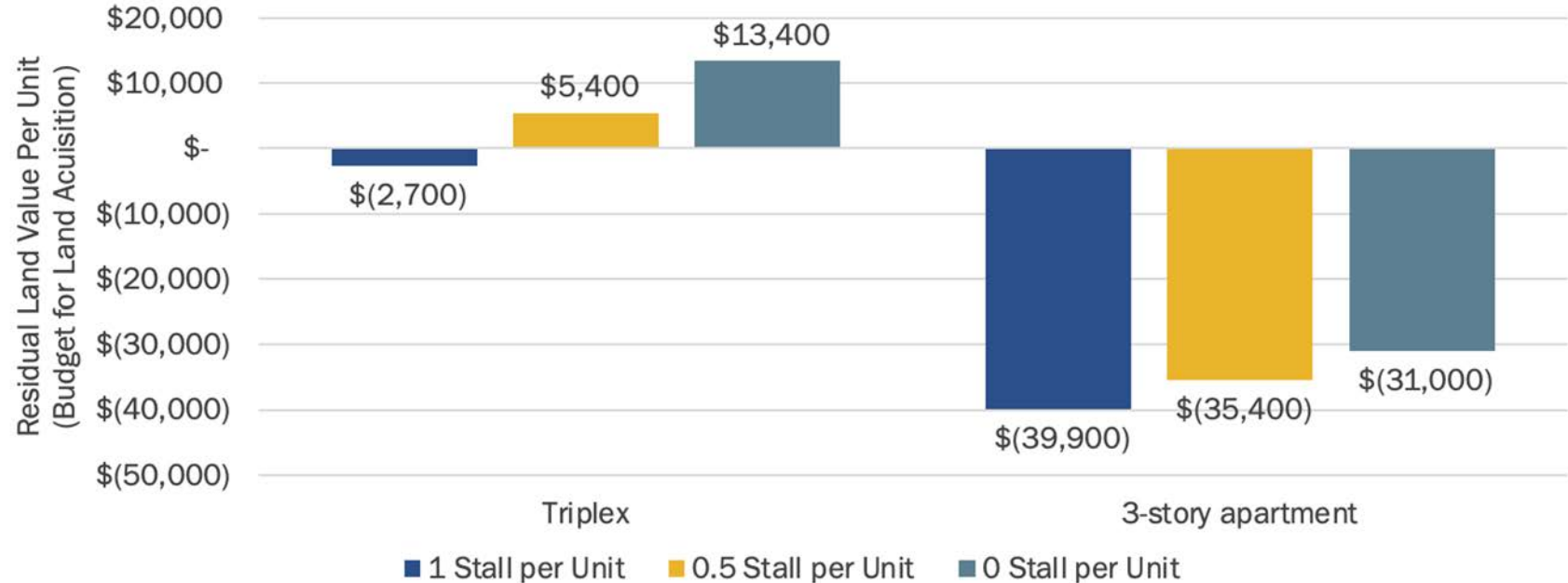


## Changes to regulations could reduce the financial gap for new construction housing.

- Reduce parking requirements to 0.5 spaces per unit
- Increase allowable heights and densities
  - **Allow 3- to 4-story buildings in the C Zone**
  - **Allow middle housing types like six-plexes in the RM-M zones**
    - Explore deeper affordability density bonus (20% of units at 50% AMI)?
  - Reduce minimum lot sizes
  - **Nonconforming businesses**

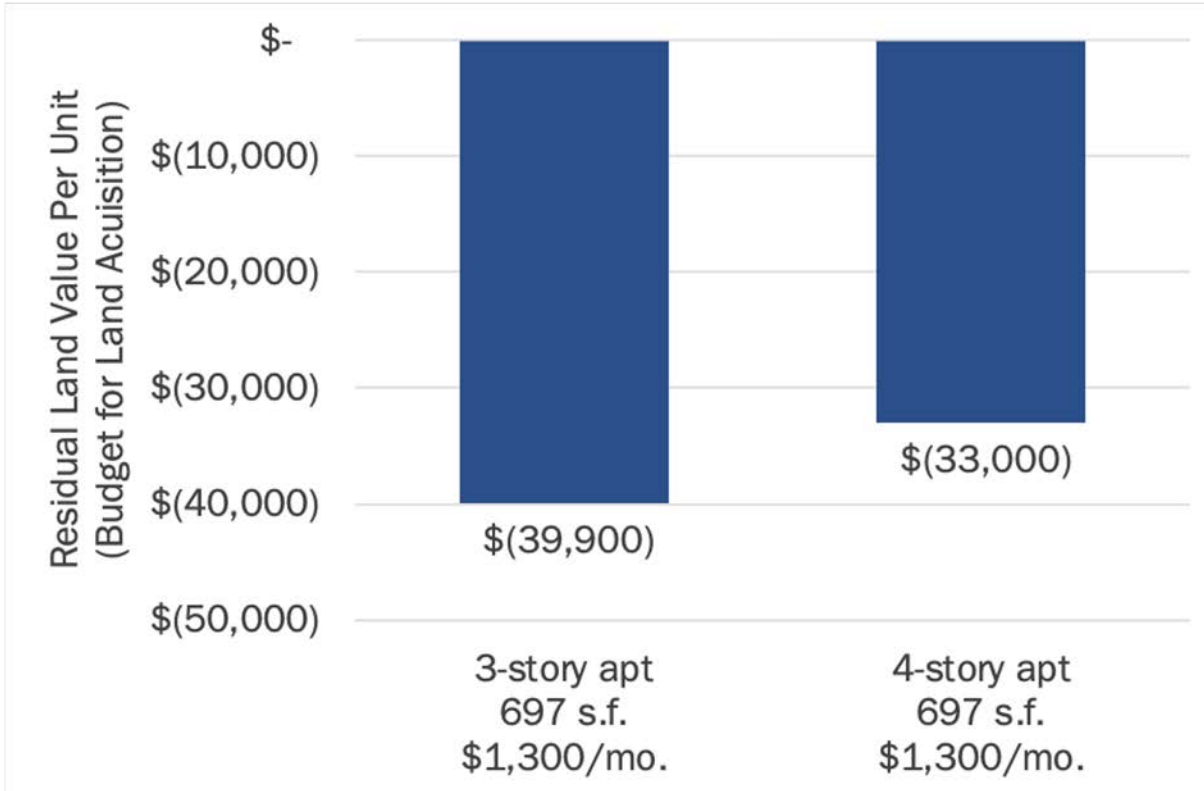
# Potential Regulatory and Code Changes

Reducing parking requirements helps both market rate development feasibility and affordable housing funding



## Potential Regulatory and Code Changes

Consider additional housing types and changes to regulations - 4 story allowance in C-zone



# Potential Regulatory and Code Changes

Consider additional housing types and changes to regulations - Sixplex allowance in RM-M zone



# Potential Regulatory and Code Changes

Consider additional housing types and changes to regulations - Sixplex allowance in RM-M zone



Portland Sixplex



Montreal Sixplex



# Potential Regulatory and Code Changes

Consider additional housing types and changes to regulations - Sixplex allowance in RM-M zone



Boston Triple Decker



Portland Sixplex

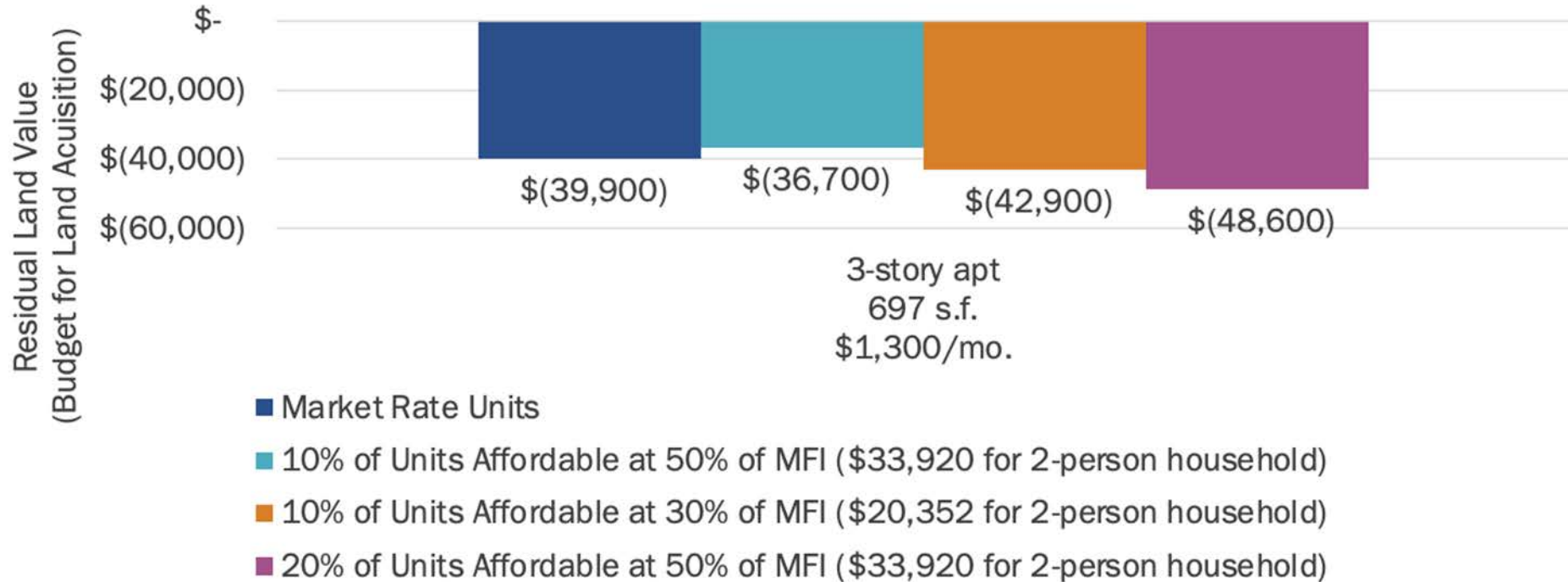


# Reduce Displacement Risk-Inclusionary Zoning

- Dependent on market rate development - affordable units get built only when market rate units get built.
- Good idea to implement IZ to hedge against future price escalation

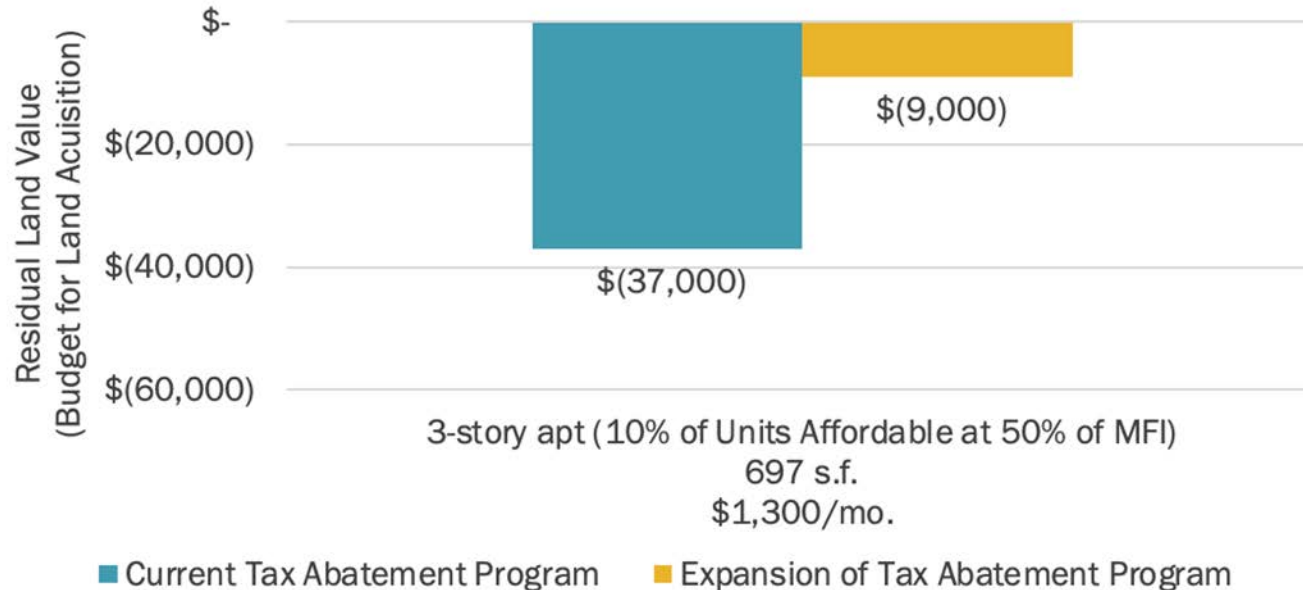
Inclusionary zoning requirement would increase the financial gap for new construction housing.

## Feasibility Gaps with Alternative Inclusionary Zoning Programs, 3-Story Apartment with Tax Abatement



## Expand the affordable housing property tax abatement to include other taxing districts

Tax abatements will get more developers interested if other jurisdictions are participating, but not sure what the willingness is right now. A limitation of the current tax abatement program is that it exempts only City of Pittsburgh property tax.



# Opportunities for Community Ownership

## Co-Op housing is feasible today and the least expensive affordable home ownership option evaluated

Sources of Money for a Co-op Unit (by Housing Affordability Level)

Source: ECONorthwest

	100% MFI	80% MFI	70% MFI	60% MFI	50% MFI
Mortgage (5.5% interest)	\$143,600	\$143,600	\$143,600	\$110,400	\$88,300
Social Investor Equity or Low-Cost Loans (3.5% interest)	\$72,300	\$66,900	\$29,100	\$31,800	\$20,800
<b>Subsidy (grants)</b>	<b>\$0</b>	<b>\$5,400</b>	<b>\$43,200</b>	<b>\$73,700</b>	<b>\$106,700</b>
Member Shares	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Total	\$220,900	\$220,900	\$220,900	\$220,900	\$220,900

**Thank  
you!**