

**ProHousing Application  
City of Pittsburgh  
Pittsburgh, Pennsylvania**

**Pittsburgh Housing Innovation Lab**

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## **Pittsburgh Housing Innovation Lab**

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**NARRATIVE**

**Pittsburgh Housing Innovation Lab  
Exhibit A Executive Summary**

## **Exhibit A Executive Summary**

While the City of Pittsburgh is known outside the region as a relatively affordable housing market, longtime residents of certain neighborhoods don't get the same experience. A burgeoning "meds and eds" post-industrial economy in the City has provided an opportunity for Pittsburgh to serve as an example of what economic rebirth can look like for Rust Belt cities. This has attracted a sizable population of young, educated professionals to live and work in Pittsburgh. As these higher earning demographics move into the City and shift markets, longtime residents are feeling the pressures of this change. Our neighbors forced out of the city experience new hardships as moving further away results in disconnection from family, friends, support networks, social services, low-cost recreational programs, affordable transportation options, and economic opportunities.

There are approximately 24,000 properties in the City of Pittsburgh that are vacant, of which about 14,000 are owned by the city. This scale of urban blight and disinvestment contributes to increased crime rates, negative health outcomes, adverse impacts to property values, and reduced city tax base revenues, among other destructive effects. However, these vacancy challenges coupled with the City's first ever comprehensive planning process provide us with an incredible opportunity for the future development of affordable housing. Our proposal will target key barriers to affordable housing through novel zoning solutions and execute a stabilization strategy for City owned properties.

We intend to build a framework, "the Pittsburgh Housing Innovation Lab," that will allow us to trial the efficacy of proposed novel zoning code, investment, and stabilization strategies to preserve publicly owned vacant structures, prioritizing those in the best condition for affordable housing, which will enable us to address tax-delinquent properties citywide. These zoning strategies will be developed alongside our Comprehensive Planning efforts, enabling community goals like sustainability and transit access.

We have attempted zoning changes in the past, but these were limited to single neighborhoods. Our strategy targets citywide changes that will benefit from the expertise of consultants to develop zoning solutions that are generalizable for citywide rules, but also flexible enough to accommodate each of our 90 unique neighborhoods. Our stabilization efforts will act as pilot programs for our zoning changes, becoming a forum to both engage the public and test their efficacy before any expansion.

Through this project, we will stabilize 80 publicly owned vacant properties and sell them as affordable housing. Additionally, we will create novel zoning code to increase the affordable housing stock in Pittsburgh, expanding it into high opportunity neighborhoods, and remove barriers to housing development broadly. This new code will also help to improve the housing stock of multi-family residential units, which are in high demand. The execution of the PHI Lab will encourage the transformation of Pittsburgh communities by stabilizing our existing housing, creating affordable options in a variety of neighborhoods, and transitioning vacant properties from community liabilities to assets as viable homes for our neighbors. We hope these changes can create opportunities for our residents forced out by the market to return and for new families to call Pittsburgh home.



**Pittsburgh Housing Innovation Lab**

**Exhibit B Threshold Requirements and Other Submission Requirements**

## **Exhibit B Threshold Requirements and Other Submission Requirements**

*Review and provide a narrative response, as necessary, to the Threshold Eligibility Requirements in Section III.D and Other Submission Requirements in Section IV.G*

### ***Standard Application, Assurances, Certifications and Disclosures Standard Form 424 (SF-424) Application for Federal Assistance The SF-424***

*We have complete and submit the form with the other required forms and information as directed in this NOFO. By signing the forms in the SF-424 through electronic submission we as the signing authorized organization representative affirm that we have reviewed the certifications and assurances associated with the application for Federal assistance and (1) are aware the submission of the SF-424 is an assertion that the relevant certifications and assurances are established and (2) acknowledge that the truthfulness of the certifications and assurances are material representations upon which HUD will rely when making an award to the applicant.*

#### ***Assurances (HUD 424-B)***

*By submitting our application, we are providing assurances that, if selected to receive an award, we will comply with U.S. statutory and other requirements, including, but not limited to civil rights requirements.*

*HUD 2880 is required if you are applying for assistance within the jurisdiction of HUD to any project subject to Section 102(d) of the HUD Reform Act.*

#### ***Code of Conduct***

*Both you, as the award recipient, and all subrecipients must have a code of conduct (or written standards of conduct).*

#### ***Affirmatively Furthering Fair Housing***

*The application must discuss how the applicant will carry out the proposed activities in a manner that affirmatively furthers fair housing in compliance with the Fair Housing Act and its implementing regulations, and how applicants will meet the requirements of the definition of AFFH at 24 CFR 5.151.*



***d. Federal Assistance Assurances.*** To assure compliance with statutory requirements for nonconstruction grant programs, you must complete the Federal Assistance Representations and Certifications section of your sam.gov registration

***e. 424-CBW budget form.***

*Applicants must complete the 424-CBW budget form. Provide a breakdown of the aggregate numbers detailing the funding allocation to each activity.*

***f. Certification Regarding Lobbying.***

*All applicants except Federally recognized Indian tribes must submit this certification with their application.*

***g. Disclosure of Lobbying Activities (SF-LLL). D***

*Download this form as part of the Application Package for this NOFO. If this form does not apply, indicate on the form (e.g., writing 'N/A') and submit it with your application.*

**Pittsburgh Housing Innovation Lab**

**Exhibit C Need**

## Exhibit C Need

### **1. Efforts to identify, address, mitigate, or remove barriers to affordable housing**

While the City of Pittsburgh is known outside the region as a relatively affordable housing market, the dynamics within the city and in particular neighborhoods paint a much more complex picture. Many of our neighbors have left for other communities in the county and region to find homes they could access and afford, moving further away from family, friends, support networks, affordable transportation options, and economic opportunities. The City has taken steps to identify and understand the barriers that our most vulnerable residents face. The most recent analyses identifying residents' needs and the barriers to addressing those needs include the 2022 Housing Needs Assessment, 2020-2024 Analysis of Impediments to Fair Housing Choice, and the 2019 Policy Recommendations of the Affirmatively Furthering Fair Housing Task Force.

Affordable housing investment has always been a priority of the Urban Redevelopment Authority of Pittsburgh (URA), one of the country's longest-standing economic development authorities. Throughout Pittsburgh's history, the URA fulfilled different economic development needs within the City. The URA was tasked with courting development interests in Pittsburgh from the 1980s through early 2000s. Most recently, due to changing economic dynamics in the City, the URA's role has flipped to almost exclusively funding affordable housing development and to serve as a mechanism to create and preserve affordability.

#### **Identified Barriers**

##### 2022 Housing Needs Assessment (HNA)

While there are new multifamily developments throughout the City, these developments are mainly located within several neighborhoods. Multifamily zoning is allowed by right in only 23% of the total land area within City limits, resulting in longer and costlier processes that developers and residents must navigate. These processes often include an application and review by the Zoning Board of Adjustment (ZBA) requires a public hearing, adjacent landowner notification, a longer review process, and possibly a Development Activities Meeting (DAM) with the neighborhood Registered Community Organization (RCO). The increased time, fees, and knowledge required may discourage competition from smaller developers, restrict supply, and ensure higher rents.

Minimum parking requirements also increase development costs and inevitably result in higher rents. This is incongruous with current renter car-ownership rates within the City, where over 35% of renter households do not own a car, and especially if located near mass transit stations. The Zoning Code of Ordinances does allow developers to reduce parking provided for residential use in Specially Planned Districts, Planned Unit Development Districts, and within Downtown and the Riverfront districts. However, as noted by the 2022 HNA, the zoning code does not make allowances for reduced parking near mass transit stations. Similarly, minimum lot sizes per dwelling unit for residential multi-unit and single-family residential can hinder infill development.

Continuous investment in current and new housing stock can keep communities from deteriorating and often make them appealing to additional investment. Redlining practices from

1937 until its purported end in 1968 have had a long-term effect on concentrations of poverty and minorities. Communities of color that did not receive mortgages or were awash in multi-family rental developments and public housing continue to carry a stigma and a perception of a “hazardous” and “definitely declining” neighborhood that should not receive additional investment. Per the 2022 HNA, of the \$12 billion in home loans given to Pittsburgh residents between 2007 and 2019, approximately \$816 million (6.8%) went to minorities with only \$28.6 million going to black households.

The status of real estate economics, per the 2022 HNA, “operating newly constructed rental housing necessitates rents that often are only affordable to higher-income households.” Multifamily development costs include hard costs, soft costs, and land, as well as operational costs consisting of financing, property management, and an acceptable profit for the developer. These costs are factored into the rent; if City-related processes necessitate increased time, effort, and expertise, developers may lose profits, or more likely: rents will remain out of reach for the most vulnerable residents.

#### 2020-2024 Analysis of Impediments to Fair Housing Choice (AI)

The Analysis of Impediments to Fair Housing Choice, a HUD-required document for CDBG grantees, studies barriers that residents face in accessing decent, safe, and affordable housing of their choice. In the City of Pittsburgh’s most recent AI, the Office of Management and Budget Community Development division and its consultants identified seven (7) impediments to fair housing choice, including: 1. A continuing need for fair housing education and outreach; 2. A continuing need for development of affordable rental housing; 3. A continuing need for the development of affordable housing for sale; 4. Increased accessible housing options for people with disabilities and senior residents; 5. Issues with private lending practices; 6. An “approach to affirmatively furthering fair housing” – essentially that there continues to be concentrations of low- to moderate-income persons in certain parts of the City; and 7. A lack of economic opportunities in the City to improve household incomes.

#### 2019 Policy Recommendations of the Affirmatively Furthering Fair Housing Task Force (AFFH)

The 2019 AFFH Report made twelve (12) unique recommendations addressing criteria for proposed development projects, non-discrimination of tenants and applicants based on criminal history or eviction history, tenant protections, support for community land trusts, accessibility issues within the housing market and surrounding infrastructure, and maximizing the use of Section 8 Home Ownership Programs. A common finding of note that with the 2022 HNA is around the disparities within the private housing market. More specifically, the Statement of Needs notes that the private housing market in Pittsburgh is exacerbating these disparities with the city having lost more than three-fifths of its low-cost rental housing since 2000, while experiencing a six-fold increase in high-cost rentals. These new private rental market rate developments tend to be built in high-amenity areas that benefit from City investment in new infrastructure providing their tenants with access to neighborhood amenities which enables them to charge higher rents. However, these new housing developments are also largely unaffordable to most African American households in the city. “The minimum income required to afford a new 1-bedroom

apartment in the City of Pittsburgh is 2.4 times the median Black household income, and the minimum income needed to afford a new 2-bedroom apartment is 3.3 times the median Black household income.”

### **Barrier Mitigation**

The City of Pittsburgh and its partners are well aware of the housing issues residents face, exacerbated most recently by the COVID 19 Pandemic and continued inflationary pressures. Efforts to address known barriers are frequent and ongoing. In 2019, the City of Pittsburgh piloted an Inclusionary Housing Interim Planning Overlay District known as IPOD-6 in the Lawrenceville neighborhood. Due to speculation concerns and resident displacement, IPOD-6 was adopted as a temporary measure, resulting in the development of 40 affordably priced housing units. The Inclusionary Housing Overlay District became permanent in 2021, and in January 2022, the Planning Commission unanimously recommended approval of the proposed expansion to include the adjacent neighborhoods of Bloomfield and Polish Hill.

Effective July 2020, the City of Pittsburgh consolidated and replaced several real estate tax abatement programs. To receive an enhanced abatement on City real estate taxes, the new program requires applicants with residential projects to include 10% of units affordable to and occupied by residents at or below 50% AMI OR 60% of units affordable to and occupied by households at 80% AMI.

City of Pittsburgh Performance Points System supports the creation of innovative developments that contribute to neighborhood livability. The system, housed within Zoning Code Section 915.07, awards an additional 15 feet of building height for each performance point earned. Points can be earned if developers build Zero Energy or Zero Carbon Buildings, include on-site energy generation, provide affordable housing, include rainwater capture or mitigation, building reuse, inclusion of public art, conversion of structure parking, equitable development, and fresh food access.

The City of Pittsburgh recently signed onto a statewide programmatic agreement with the Pennsylvania State Historic Preservation Office regarding Section 106 exemptions. The programmatic agreement allows the City of Pittsburgh to perform Section 106 consultations with PA-SHPO in a more efficient manner, resulting in faster processing time and less costs incurred by housing stabilization programs for low- to moderate-income residents.

### **Recent Initiatives – Urban Redevelopment Authority**

The City of Pittsburgh created the Housing Opportunity Fund in 2016, which became operationalized in 2018 and is administered by the URA. HOF is a local affordable housing trust fund that currently allocates \$10M per year to support a wide range of affordable housing initiatives. From investing in the development of new multi-family and single-family projects, to providing down payment and closing cost assistance, repairs for existing homeowners, or even legal assistance to prevent evictions and homelessness, HOF takes a holistic approach to address the acute affordable housing needs within the City of Pittsburgh.

Beyond HOF and annual allocations of Federal sources such as CDBG and HOME, the City of Pittsburgh has provided the URA with over \$43 million of American Rescue Plan Act funds to support affordable housing initiatives and property stabilization. Through the OwnPGH program, the URA has \$15.6 million in funding to support low-income first-time homebuyers in the City of Pittsburgh with deferred financing options of up to \$90,000 that require no repayment so long as the borrower is living in the home. This program can help increase opportunities for low- and moderate-income homeowners to build generational that may otherwise be forced to leave the city. With another \$9 million in ARPA funds, the URA is supporting the development of affordable homeownership opportunities through community land trusts and its affiliate, the Pittsburgh Housing Development Corporation. Understanding that it is just as important to preserve existing affordable housing within Pittsburgh, the URA is using \$8.9 million in ARPA funding for affordable housing preservation. Additionally, they are putting \$3.5 million towards property stabilization efforts and another \$3.5 million to support the Pittsburgh Land Bank in recycling vacant properties towards neighborhood-scale development and community uses. Like many cities, Pittsburgh has been confronted with the changing commercial real estate markets and through \$2.1 million in local ARPA funding, \$3 million in state ARPA funding, and \$900,000 in local resources, the URA has launched the Downtown Conversion Pilot Program to support residential conversions in our central business district.

The Urban Redevelopment Authority offers myriad programs to address housing insecurity among vulnerable populations, including sustainable efforts to support minority- and women-owned businesses (MWBE). In 2022, the URA invested \$4.8 million in business loans, of which approximately \$4,320,000 (90%) supported MWBE businesses. The URA is also working to issue bonds to bolster new and existing affordable housing programming that are projected to yield between \$25 million to \$40 million.

### **Measurable Impact**

The 2022 Housing Needs Assessment reports an 8,200 housing unit supply gap for units priced affordably to residents earning less than 30% AMI. In 2022, the URA issued \$426,660 in home repair loans for 33 homeowners, invested \$6,393,650 to create 91 new affordable and workforce-rate rental units, and invested \$4,900,000 to preserve 314 rental units. In total, URA created or preserved 479 affordable units through an investment of \$11.6 million, according to the 2022 URA annual report. Of those units, 370 affordable rental units came as the result of the URA closing on nine projects through their Rental Gap Program. During the start of the pandemic, from 2020 through 2021, the URA created or preserved 2,137 housing units by investing \$26.7 million. The Housing Opportunity Fund, as the main driver in creating and preserving safe and affordable housing within the City, issues a report each year.

## **2. Acute Demand for Affordable Housing**

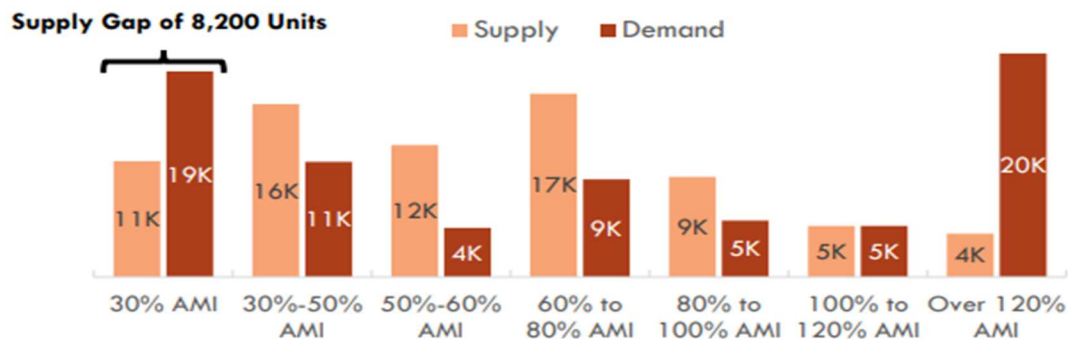
Pittsburgh's housing market is characterized by a shrinking supply of affordable housing for Pittsburgh's longtime residents. Census data shows a relatively stable overall population trend in Pittsburgh over the last 10-15 years. This stable overall number does not tell the full story of the

change taking place in Pittsburgh. A burgeoning “meds and eds” post-industrial economy in the City has provided an opportunity for Pittsburgh to serve as an example of what economic rebirth can look like for Rust Belt cities. This has attracted a sizable population of young, highly educated professionals to live and work in Pittsburgh. As these higher earning professionals move into the City and shift market dynamics, longtime residents are feeling the pressures of this change. Pittsburgh is losing Black residents to more affordable first-ring suburbs at an alarming pace, and one of the driving factors is a lack of long-term affordable housing options for these residents as the neighborhoods they live in continue to change. The URA and City of Pittsburgh aim to combat this by providing resources to development partners that are willing and able to include affordable housing in areas of greatest need throughout the City of Pittsburgh.

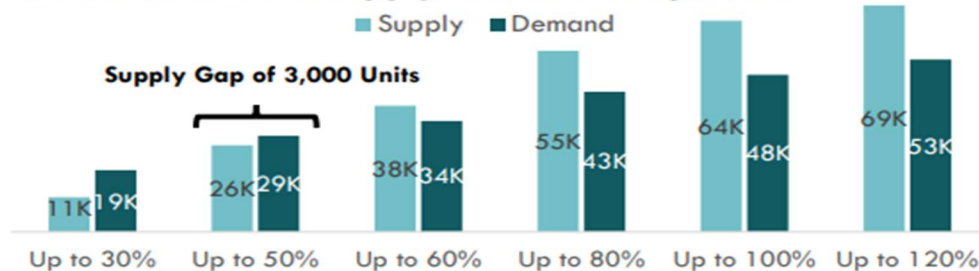
The City of Pittsburgh has produced a report called the “Pittsburgh Housing Needs Assessment” (“HNA”) to evaluate the housing needs of renters and homeowners living in the City. This report was initially created in 2016 using 2015 data, then updated in 2022, comparing the 2015 data to 2019 data. Using this data comparison, demographic and housing trends among City residents can be identified.

The supply gap between available affordable units and demand for these units is as follows: 8,200 housing units that are priced affordably to renters earning 30% or below and 2,900 units for renters earning less than 50% AMI.

### Rental Supply/Demand Gap by AMI Level, 2019



### Cumulative Rental Supply/Demand Gap, 2019



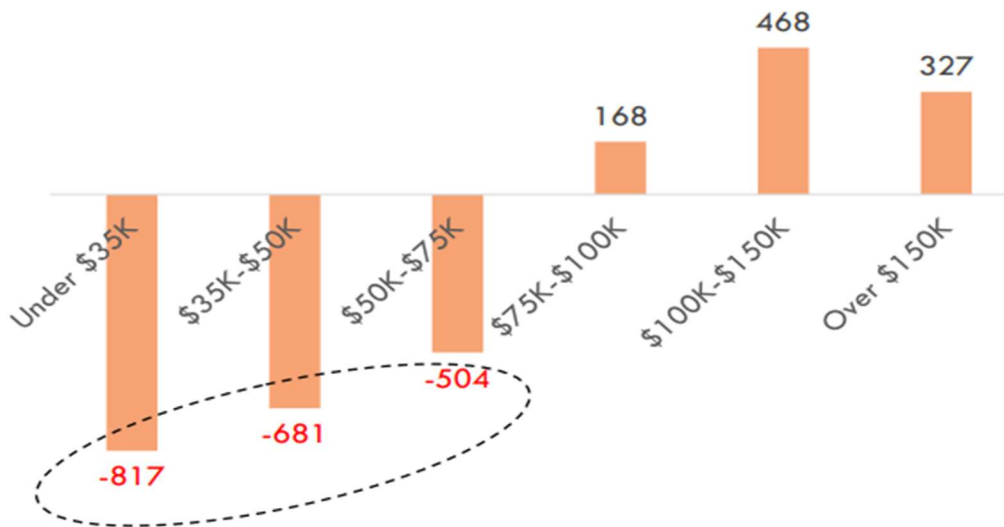
Gross rents increased by 16% during this period, which increased much more than low-income residents with no college degree, who only saw their income increase by 10% on average.

Over 2 in 5 renters in Pittsburgh are cost-burdened, defined as spending more than 30% of income on housing, while 1 in 4 renters are considered “extremely cost burdened,” as they spend

over 50% of their income on housing. More than 7 of 10 renter households earning less than \$35,000 annually are paying more than 30% of their annual income on rent. This group represents more than 4 out of every 5 cost-burdened renters in the City of Pittsburgh. There are currently more than 20,000 subsidized housing units in Pittsburgh, which is 2 units per 3 qualifying households. 11,000 households are currently on the Housing Authority of the City of Pittsburgh’s Housing Choice Voucher (HCV) waiting list. Only 3 out of every 10 residents who are eligible for the HCV can find a suitable rental unit within the allowed 120-day search period. This further illustrates the strong need for the creation and preservation of affordable housing units inside the City of Pittsburgh.

Housing needs in Pittsburgh are the greatest for Low-Income Renters. For renters earning less than 30% of Area Median Income (AMI), there is a supply gap of 8,200 residential units priced affordably for this segment of the population. Since 2015, the number of households earning less than 30% of AMI in Pittsburgh has decreased nearly 4% (from 22,000 to 19,000 in 2019). In this timeframe, Pittsburgh has lost nearly 350 Black renter households earning under \$35,000 and lost over 1,000 Black renters earning under \$50,000 annually. Meanwhile, Allegheny County gained over 2,000 Black renter households. This indicates that Black renters have left the City to live elsewhere in the County. Black residents were also found to account for 55% of the homeless population in the City.

### Change in Black Households by Income, 2015-2019



Between 2015 and 2019, median household income has increased by 22.5%, while median home price has increased by 30.5%. In terms of dollar amount, the median household income has increased from \$40,000 to \$49,000, while median home price increased from \$167,000 to \$218,000. The cumulative effect of this disparity puts an ever-increasing strain on the ability of Pittsburghers to purchase a home, build equity, and create the generational wealth that homeownership provides. Homeownership for Black residents was impacted the hardest and saw



a 7% decline or 700 homeowners leaving the City during this time. This, along with other factors, caused the rate of owner occupancy to fall from 48.8% to 47%, as landlords and investors buy up properties in the City at an increasing rate.

From 2011 through 2019, homeowner households that earn less than \$50,000 have decreased by 10%. Homeowner households that earn between \$50,001 and \$99,000 have decreased by 7%. Meanwhile, homeownership among households that earn \$100,000 or more has increased by 8%. Renter households earning less than \$50,000 has decreased 4%, while renter households earning between \$50,001 and \$99,000 has increased 31%, and renter households earning \$100,000 or more has increased 98%. This has placed upward pressure on rental units in the City of Pittsburgh and contributes to the pricing out of lower-income residents.

Since 2011, the shift to more renter households has been concentrated in high-income households. The City has had a net loss in owner households.

**Change in Owners by Income in Pittsburgh, 2011 - 2019**



Source: American Community Survey

**Change in Renters by Income in Pittsburgh, 2011 - 2019**

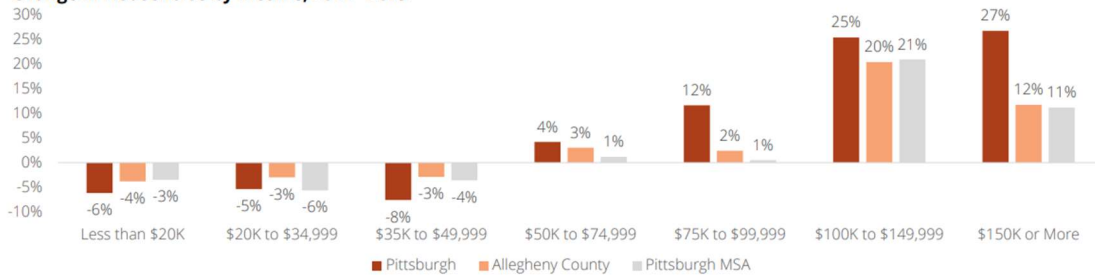


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Households earning between \$35,000 to \$50,000 have decreased by 8% in the City of Pittsburgh, while they have decreased by only 3% in the rest of Allegheny County. This further demonstrates that low-income residents are leaving the City to live in surrounding communities, as they become priced out of the rental or homeownership market within the City of Pittsburgh.

Between 2011 and 2019, household growth in Pittsburgh is concentrated in relatively high earners while the City has had a net decline in low-income households. Despite this shift in demographics, a quarter of households still earn less than \$20,000 annually.

**Change in Households by Income, 2011 - 2019**



**Share of Households by Income, Pittsburgh, 2019**

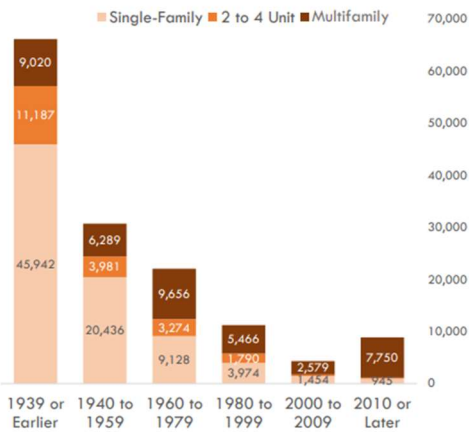


While some neighborhoods have been thriving, led by an influx of higher income, younger renter and homeowner households, other neighborhoods have seen deteriorating conditions and lower home values which do not allow lower-income households to borrow against the equity in their home value to make necessary repairs. City-wide indefinite vacancies have begun to decrease since 2015, following a 30-year increase, but the neighborhoods with the lowest median incomes have continued to worsen over time. The effect of this is to push lower-income families into finding housing in other parts of the region, outside of the City of Pittsburgh. The result of this becomes neighborhoods such as Hazelwood, Homewood, Marshall-Shadeland, and Allentown to find themselves in a desperate situation requiring an intervention to stop the cycle of deterioration of their housing stock.

Over the next decade, Pittsburgh is projected to add 9,700 households, with about 7,300 of these households as renters. This strong demand will continue to put upward pressure on the cost of rent in the City, which will negatively impact lower income household renters.

Pittsburgh has an older housing stock than much of the Country. The median year that housing units were built in the City is 1941. This means that 1 out of every 2 single family homes in the City of Pittsburgh is over 80 years old, with 2 out of every 5 homes more than 100 years old. Many of these older homes require significant investment into maintenance or have fallen into disrepair. Some neighborhoods have concentrations of houses that require the most work to keep them habitable, such as Homewood, Garfield, East Allegheny, Allentown, Hazelwood, and the Hill District. This has created a dynamic where even if a home appears to be affordable, often the cost to repair or modernize the home outpaces the property's assigned value depending on where the home is located. This has created a situation that is ideal for those with the liquid capital to invest in a property, but nearly impossible for a potential buyer reliant on financing to be able to borrow the funds needed to repair the home, even if they could comfortably afford the potential mortgage. Due to this phenomenon and need for home retrofits, Energy Burden (EB), the percentage of gross household income spent on energy costs is higher in Pittsburgh than most other cities in the United States. The American Council for an Energy Efficient Economy's (ACEEE) 2016 Report ranks Pittsburgh as 6th in the nation for resident households struggling with EB and 2<sup>nd</sup> in the nation among minority households struggling with EB.

**Housing Units By Type and Year Built**



The neighborhoods where these conditions are experienced most profoundly are also predominantly Black majority neighborhoods and at the lower end of the household income level distribution. Investment into the stabilization of the housing stocks in these neighborhoods can help keep homeowners in their homes, allow renters to live in higher quality units, improve health outcomes (due to improvements in indoor air quality and comfort), and can be used to leverage private investment to create affordable housing in the community.

### **3. Key barriers to the production and preservation of affordable housing access**

By targeting property stabilization and revising the current zoning code to allow for the proliferation of more affordable housing, this proposal supports planning initiatives created by the Department of City Planning with both housing advocacy groups and neighborhood organizations. The City has completed three major initiatives regarding affordable housing which include the Pittsburgh Land Bank (2014), the Affordable Housing Taskforce (2016), and the Housing Needs Assessment (2022). These initiatives identified the existing conditions of affordable housing such as barriers to affordable housing production and unmet housing needs. They also provided strategies to spur development city-wide.

The Pittsburgh Land Bank was created to return unproductive real estate property to the City of Pittsburgh's tax base by encouraging reuse and revitalization. However, the impact of the Land Bank has been limited and few properties have been cleared due to legal challenges. The Affordable Housing Taskforce consisted of four committees that created recommendations regarding the production of affordable housing and preservation of existing affordable housing. The taskforce identified strategies including establishing a Pittsburgh Housing Trust Fund, creating standard criteria for an Affordable Housing Opportunity Overlay, and preserving existing affordable housing. These recommendations have begun to be implemented at the city level by creating inclusionary zoning overlays in three neighborhoods and creating funding packages at the Urban Redevelopment Authority. The Housing Needs Assessment was created by a working group composed of housing finance agencies, community groups, housing authorities, financial institutions, developers, and nonprofits addressing housing needs in

Pittsburgh. The assessment identified challenges such as a need to expand investment in existing homes, a lack of public subsidy to make development and preservation affordable, deteriorating housing conditions, and a lack of income-restricted affordable housing. The Housing Needs Assessment also provided multiple recommendations. One strategy included a comprehensive review of land use tools and processes. Another strategy to address affordable housing was creating subsidies for owner-occupied rehabilitation of properties, rehabilitation programs, down payment assistance, heir title assistance, utilization of the Land Bank, establishing Community Land Trusts, housing preservation funding, and property tax abatements. This proposal provides solutions based on these recommendations including utilizing zoning code to address challenges to affordable housing and encouraging the production of affordable housing. Additionally, the proposed Housing Innovation Lab will support housing stabilization which is a key tenet of the majority of the City of Pittsburgh's affordable housing planning efforts.

The City has conducted extensive neighborhood planning efforts in seven different communities with various incomes and housing needs. Plans or visioning studies were completed for Uptown, the Hill District, Oakland, Homewood, Manchester-Chateau, Hazelwood, East Hills, and Lincoln-Lemington-Belmar. These efforts were the results of multiple years of community engagement and research. The feedback provided from this engagement identified specific barriers that implementation of the Housing Innovation Lab seeks to resolve which include:

- Permitting procedures and approval timing and predictability
- Fees and taxes (excluding impact and nexus fees for affordable housing)
- Zoning and land use controls
- Infrastructure constraints
- Prohibitive building codes
- Funding that allows for stabilization rather than favoring demolition
- Availability of financing and subsidies for affordable housing
  - Prohibitive cost of building & materials – sources haven't increased to reflect higher material costs
  - Interest rates from private sources
  - Prevailing wages make projects more expensive
- Capacity to conduct meaningful community engagement, procedural delays associated with soliciting engagement or community review, and/or opposition to new and or affordable housing
- Capacity of local affordable housing developers and managers
  - Limited number of qualified contractors that can do the work – we need more contractors.
  - Need more developers who can do the work as well
  - Need a way to hold developers, managers, renters, owners and landlords accountable for the current stat of available housing stock.

Housing affordability was a consistent goal in each plan. Community plans also prioritize renovation and preservation of existing housing over demolition and replacement, which due to the availability of federal funding has been the deployed as the primary strategy for resolving

issues with vacant homes that have fallen into a state of potentially hazardous disrepair. Challenges to affordable housing in these communities are multi-faceted and include high construction costs, low comparable values, aging and deteriorating housing stock, large concentrations of blight and vacant properties, and a lack of housing rehabilitation and maintenance funding. Our planning efforts have identified the following strategies to remedy affordability issues:

- o Reviewing the zoning code to encourage housing development
- o Rehabilitating vacant housing stock
- o Growing and funding homeowner stabilization programs
- o Promoting and facilitating home maintenance through rehab education programs
- o Reporting maintenance issues on vacant properties
- o Preserving historic homes and properties
- o Developing permanently affordable housing
- o Targeting displacement through programming

By using this funding to pursue a comprehensive review and update to the City's zoning code and the stabilization of housing, the city can address the challenges identified through community planning efforts with novel solutions.

I would also highlight that we're a city of 90 distinct neighborhoods, so while there's a lot of emergent literature and benchmark cities on novel zoning, we need a format by which to both engage the public and test these ideas to understand what's most applicable given the drastically different ways housing market dynamics work in Pittsburgh, how varied our existing and historic housing stock is, limitations on where density is feasible due to topography, undermining, etc.

**Pittsburgh Housing Innovation Lab**  
**Exhibit D Soundness of Approach**

## **Exhibit D Soundness of Approach**

### **1. Our Vision**

There are approximately 24,000 properties in the City of Pittsburgh that are vacant, of which about 14,000 are owned by the city. This scale of urban blight and disinvestment contributes to increased crime rates, negative health outcomes, adverse impacts to property values, and reduced city tax base revenues, among other destructive effects. However, these vacancy challenges serve as an incredible opportunity for the future development of affordable housing. It is our vision to utilize a stabilization intervention, the Pittsburgh Housing Innovation Lab, to trial the efficacy of proposed novel zoning code, investment, and stabilization strategies to preserve publicly owned vacant structures, prioritizing those in the best condition for affordable housing, which will enable us to address tax-delinquent properties citywide.

We seek to draft novel zoning code solutions to affordable housing barriers and produce housing units that demonstrate the new codes' effectiveness. This Housing Innovation Lab will guide Pittsburgh towards policy improvements that safeguard our needs for affordable and environmentally sound housing in the long term while stabilizing our existing housing stock in the short term. This vision aligns with the goals found in our existing community and comprehensive planning infrastructure. Ultimately, we want these solutions to be part of broader investment strategies for each of our 90 neighborhoods.

Our zoning changes must address the displacement of low-income households, particularly African Americans, by enabling innovative architectural and equity sharing solutions in our most afflicted neighborhoods. The changes must also relieve price pressure on multifamily rentals, as about half of all new Pittsburgh Rentals are looking to rent in this way. Pittsburgh must ensure that the robust multifamily development trends seen in the last five years continues, while additional single family & "plex" style rental housing is created to serve a diversity of needs.

Multifamily and "mixed-use" districts comprise only 23% of Pittsburgh's land area. Our zoning solutions seek to bolster this area throughout key points in the city. We will proliferate mixed use developments that can fit the scale of the neighborhood while increasing the supply and diversity of housing types. We will encourage development by reducing minimum lot size, set back, parking requirements, and height restrictions where appropriate.

Several areas of Pittsburgh allow Multifamily residential units but only after a lengthy application process that requires a public hearing and several meetings with neighborhood organizations and businesses. Our zoning code could be altered to remove or streamline some of these barriers to development while still delivering the community engagement intended by the current policy.

Pittsburgh is implementing a new Bus Rapid Transit Line, which is a good opportunity for our zoning code to enable Transit Oriented Development. Pittsburgh currently has no TOD zoning district and multi-unit residential buildings are only permitted on 37% of land area located within a half mile of a transit station. Our intervention would work to draft zoning changes that would permit and encourage the creation of high density walkable mixed-use development near transit

stations. Allegheny County's transit agency Pittsburgh Regional Transit (PRT) released a report on TOD opportunities that included the City of Pittsburgh. We envision following their recommendations for TOD implementation which include anti-displacement zoning strategies. They outlined examples of transit agencies like BART and LA Metro that discounted land for developments around stations if they were comprised of a significant percentage of affordable units.

Our Climate Action Plan aims to ensure that all new buildings are carbon neutral by 2030. The CAP also identified that Pittsburgh is one of the top ten cities where energy burdens were found to be greatest for low-income households. Our aging housing stock often lacks the insulation of new buildings. Stabilizing properties, and updating our zoning code are important steps towards aligning ourselves with the goals in our CAP.

Pittsburgh's stock of poor quality or unsound buildings in neighborhoods like East Allegheny, Manchester, The Hill District, Garfield, Hazelwood, Uptown, and Homewood exacerbate the above displacement pressures. Zoning changes should enable development of deteriorating or vacant properties going forward. Our immediate intervention part of the "Housing Innovation Lab" would stabilize publicly owned vacant units using techniques intended to align with the new zoning code. The success of these properties will demonstrate the efficacy of our changes and lead to their widespread implementation.

Independent of this proposal, the City is seeking a stabilization consultant to develop a replicable strategy for the stabilization of vacant structures to be implemented in the Hill District. With the support of this stabilization consultant, the City of Pittsburgh will establish a methodology for identifying and determining how vacant properties, citywide, should be prioritized for stabilization and future rehabilitation to return them to productive reuse as affordable or cooperative housing. The consultant will also recommend methods of ensuring that stabilization of vacant properties leads to community ownership and will identify a pathway to prioritize the opportunity for residents and community groups to purchase stabilized properties, creating new housing opportunities without inviting displacement.

The development of a robust stabilization program through this consultant planning approach would directly guide and support the implementation of a stabilization effort in neighborhoods citywide; however, we currently lack the funds to execute on that vision ourselves. We envision that the stabilization and future rehabilitation of vacant properties throughout the City of Pittsburgh will transform our neighborhoods into vibrant and diverse communities, but the allocation of funding will be necessary to begin conducting property stabilization once this plan is complete. Funding from the Pro-Housing grant award would enable us to execute these stabilization strategies.

This vision directly addresses the barriers identified in a(iii), as the lack of an established stabilization process with established roles and partners will be addressed by this planning project, which aligns with implementation strategies outlined in the City's Housing Needs Assessment and advances community priorities surfaced as part of the update of the Greater Hill District Master Plan conducted in 2022.



Vacant property stabilization has the effect of directly addressing and relieving the acute demand for affordable housing identified in (a)ii, in addition to the benefits of reducing crime, improving public health and safety, increasing property tax revenues, encouraging development, and beautifying neighborhoods through greater land care and community stewardship. This vision of implementing robust city process improvements and a stabilization initiative will proactively and efficiently mitigate blight and vacancy in the City of Pittsburgh, contributing 80 additional units of affordable housing to the market, while preserving the existing housing stock for future generations. This plan also supports job creation, as the City of Pittsburgh intends to include a Section 3 employment opportunities component, as requested by the community groups, to create opportunities for employment for residents within the neighborhoods in which housing stabilization will occur.

Our stabilization proposal seeks to increase the availability of 80 currently vacant properties throughout the City of Pittsburgh to be used exclusively as affordable housing, all while eliminating blight, improving health and reduced crime outcomes, and preserving existing housing stock. By combining stabilization with creative zoning, the “Housing Innovation Lab” will build upon our existing planning infrastructure to further diversify our housing stock in both low-income and high opportunity areas.

We have experimented with zoning overlays in specific neighborhoods before, often associated with the completion of a neighborhood plan. In 2017, Pittsburgh adopted an EcoInnovation District plan in Uptown, which included several zoning changes that encouraged environmentally sound design and more mixed-use developments by permitting taller buildings through a points system. Experimental inclusionary zoning districts were first implemented in the higher opportunity neighborhood of Lawrenceville and then expanded to Bloomfield and Polish Hill. Several mixed-use developments have been planned since the changes with at least 10% of the units pledged to be affordable, that’s at least 72 affordable units proposed in high opportunity areas. Through these examples, we are confident that zoning can be an effective solution for the affordable housing barriers we are experiencing but might need expert refinement to fit the character of our neighborhoods and achieve optimal results. The pilot projects included in the Housing Innovation Lab can inspire that same confidence in our residents so that the success found in Lawrenceville and Bloomfield can be spread citywide.

Pittsburgh is a city of 90 distinct neighborhoods. Our ambition is to create citywide zoning solutions, but our implementation must address the unique needs of each one. These pilot projects and stabilization efforts can both engage the public and test these ideas to understand what solutions are most applicable to each neighborhood. Given our varied housing stock and geography, the consultants hired through this funding can guide us through the available best practices and customize these solutions for our mixture of needs.

## **2. Geographic scope**

The proposed funding will be utilized to develop a citywide zoning code that would encourage affordable housing development in underserved and high opportunity areas by removing legal

barriers to housing development. This will also alleviate the prevention of affordable housing development due to still present effects from redlining. Additionally, these funds will be used for investment in approximately 80 publicly owned properties citywide. The city will utilize these properties to demonstrate various affordable housing strategies. These demonstrations would be applicable in areas of various needs such as areas experiencing a large influx of market rate housing and other development pressures as well as historically disadvantaged communities as part of a larger neighborhood investment strategy.

Prioritization could be given to communities where stabilization and vacant property management efforts are already occurring as the City can leverage these existing resources. The City of Pittsburgh is currently piloting these programs in low-income, historically disadvantaged, majority minority communities. These programs are a multi-faceted approach to addressing a lack of affordable housing and stabilization of vacant property. They include reducing violence through blight remediation, creating mixed-used, transit-oriented commercial corridors in Black neighborhoods, and property stabilization in neighborhoods that were negatively affected by urban renewal and redlining. Communities participating in these programs include the Hill District, Homewood, Manchester, Chartiers, Hazelwood, Perry Hilltop, and Arlington. Other neighborhoods with similar characteristics that could be prioritized in the stabilization efforts include Larimer, East Hills, and Lincoln-Lemington- Belmar. A need for affordable housing was clearly indicated in the neighborhood plans and visioning studies for these communities. Displacement, particularly of Black residents, is also a prevalent concern and reality for these neighborhoods. Additionally, the City owns significant amounts of vacant properties in these communities. By stabilizing existing affordable housing in these underserved communities, the City could address the lack of affordable housing units, reduce the prevalence of blighted and vacant structures, and prevent displacement of vulnerable residents. Other areas that may be prioritized are communities that are experiencing large investments in market rate or higher cost housing and losing existing housing stock such as East Liberty and Larimer. The need in these areas is exemplified by mapping images from the Housing Needs Assessment and are included below.

As outlined in our vision above, the planning for a stabilization pilot will begin soon in the Hill District of the City of Pittsburgh as an implementation of the Hill District Vacant Property Strategy developed in 2013. Based on prior planning work, the City is currently seeking a consultant to develop a strategy for the stabilization of vacant structures to be implemented in the Hill, which will then be replicated in other neighborhoods throughout the City of Pittsburgh.

Residents of the Hill District have been involved in planning their community as part of the Greater Hill District Master Plan in which they established fundamental values and development principles central to development activities and the neighborhood ecosystem. The Hill District Vacant Property Strategy (2013) built upon the Master Plan, and recommended rehabilitation rather than demolition for a majority of vacant structures in the Hill as a key area of focus. In this neighborhood, it is clear that a legacy of disinvestment in the neighborhood has resulted in the loss of historic fabric and integrity, and potential affordable housing opportunities through vacant structure demolitions. In part, due to these losses, the deep and broad cultural and historic

nature of the neighborhood needs to be preserved and protected wherever possible. Adaptive reuse is an integral part of building a strong community by eliminating blight to create safer neighborhoods in which to live, connecting to the history around us, and can work in partnership with new investment and development in the Hill District.

The City will pull from existing planning efforts and data and use community engagement and input to identify properties in Pittsburgh's Hill District neighborhood. Lessons learned will help the City create a holistic and human-scale planning approach that can be deployed citywide. It is our vision to utilize a stabilization pilot to stabilize and preserve publicly owned vacant structures, prioritizing those in the best condition for affordable housing, which will allow for us to then begin to address tax-delinquent properties citywide.

### **3. Key stakeholders**

This proposal is strongly supported by the City of Pittsburgh's Housing Needs Assessment. This assessment is one of the primary sources of existing conditions, needs, and opportunities regarding affordable housing in Pittsburgh. Concluded in 2022, the report is the result of work conducted by a working group composed of representatives from housing finance agencies, community groups, housing authorities, financial institutions, developers, and nonprofits addressing housing needs in Pittsburgh. In addition to the Housing Needs Assessment, this proposal incorporates visions, goals, and strategies around affordable housing that stem from multiple years of public engagement and neighborhood level planning. Lastly, the proposal will contain letters of support solicited from partnerships with existing housing organizations and community groups that have been engaged in housing planning efforts.

To create a comprehensive City-wide public participation strategy, the City of Pittsburgh will utilize multiple engagement methods while leveraging community groups that are already working to address the need for affordable housing. In addition, the City will utilize its various engagement platforms and high-level resources to create a broad method of engagement. These methods will be used to engage both residents with unmet housing needs and those with already present development pressures. These engagement strategies include:

- o Capitalize on engagement for the upcoming city-wide Comprehensive Plan. Housing is a key issue of the Pittsburgh Comprehensive Plan. The City has hired a public engagement consultant to ensure marginalized residents and community members who have not been previously engaged, are able to participate in this process. In addition, the City is hiring a technical services consultant knowledgeable in housing strategies, among other issues, to understand how to address the housing needs of future and current residents. As the consultants engage residents, they can provide information about the Housing Innovation Lab and engage residents about the zoning issues they would like addressed and the types of projects they would like to see demonstrated through housing stabilization.

- o Outreach through public meetings with Registered Community Organizations: Registered Community Organizations are community organizations that have a formal role in the development process in their neighborhoods. RCOs are instrumental in City functions including Development Activity Meetings, public engagement, and neighborhood planning efforts.
- o Participation at existing community events: The City will regularly attend community events to provide information and resources about stabilization efforts within the community. For example, Lincoln-Lemington-Belmar has a resource fair.
- o Leverage partnerships with housing advocacy groups: The City will coordinate with advocacy groups that are already working to stabilize and increase the supply of affordable housing in the City of Pittsburgh. This could include the Pittsburgh Community Reinvestment Group, Fair Housing Partnership of Greater Pittsburgh, Action Housing, Housing Alliance of Pittsburgh, and other community groups that are supporting affordable housing development and working to address the unhoused. The City will work with these groups to prioritize stabilization efforts and engage the community. These groups will also be consulted during Housing Lab efforts.
- o Utilization of EngagePGH: EngagePGH is the City of Pittsburgh’s primary platform for online community engagement. Applications, relevant information, community engagement, and results of the Stabilization Program can be hosted on EngagePGH throughout the process. EngagePGH can also be used to solicit comments throughout the program process.
- o Housing Engagement with Neighborhood Services: Neighborhood Services is the dedicated community engagement arm of the Mayor’s Office. Neighborhood Services will coordinate engagement with community groups and housing stakeholders in order to maximize outreach to underserved populations.

#### **4. Alignment with requirements to further fair housing**

As noted in an earlier section, the most recent Analysis of Impediments to Fair Housing Choice identifies seven impediments. These are: 1. A continuing need for fair housing education and outreach; 2. A continuing need for development of affordable rental housing; 3. A continuing need for the development of affordable housing for sale; 4. Increased accessible housing options for people with disabilities and senior residents; 5. Issues with private lending practices; 6. An “approach to affirmatively furthering fair housing” – essentially that there continues to be concentrations of low- to moderate-income persons in certain parts of the City; and 7. A lack of economic opportunities in the City to improve household incomes.

We believe through the strategies we will employ through the Housing Innovation Lab, that our work will actively address Impediments 2, 3, 4, and 6. These Impediments are more directly impacted by potential changes that will come from a comprehensive review of land use tools and processes, novel zoning that promotes the production of housing generally and affordable

housing specifically, and demonstration projects that showcase how projects can stabilize vacant properties while creating affordable and accessible housing.

The Urban Redevelopment Authority (URA), which will be doing the housing stabilization work for this project, already requires that all projects in excess of \$250,000 to submit a Minority and Women-Owned Business Enterprise (MWBE) Plan. The URA expects all contracts of this size and greater to achieve or exceed the goal of awarding 18% of the total project costs to MBEs and 7% of total project costs to WBEs. For the City's portion of the project, all professional services contracts over \$50,000 must be submitted to the Equal Opportunity Review Commission (EORC). The EORC has the authority to approve or deny the selected vendor based on their submission. This would apply to the zoning consultants as well as the community outreach consultants, ensuring that an equitable process has been followed.

Along with MWBE participation in our housing stabilization projects, we will utilize community engagement efforts to build awareness of these housing opportunities with populations that have been difficult to reach. Engagement will happen not only with this grant's scope, but also with our Comprehensive Plan. Residents will be able to give their input on these zoning changes while simultaneously learning about the availability of affordable housing units.

## **5. Budget and timeline proposals**

Our attached budget for the Housing Innovation Lab is \$7,707,514.59 in total, with \$5,032,613 contributed from ProHousing funds. The City of Pittsburgh and the Urban Redevelopment Authority will contribute 34.8% of the total budget in applicant match funding.

Thirteen staff at the Department of City Planning, the Office of Management and Budget, and the Urban Redevelopment Authority will work to execute the goals of this grant. City matched funds from their salaries (and fringe benefits) were included as applicant match based on their estimated time commitment to ProHousing grant activities.

During the grant period, the city will be completing their Comprehensive Plan. We estimated roughly \$125,000 of the funding the city has already allocated towards the Comprehensive Plan can be attributed towards ProHousing grant activities that overlap in scope like Community Engagement. Specifically, the City plans to hire community engagement consultants to support a robust community outreach, engagement, and feedback for the Comprehensive Plan. We split the costs of our entire community engagement strategy for the Housing Innovation Lab between those City funds and funding from the ProHousing award.

One of the most important aims of the grant proposal is to establish novel zoning solutions. To that end we budgeted \$832,000 of ProHousing funding towards the hiring of expert zoning consultants over a two-year period.

The URA has already been developing a housing stabilization strategy before applying for ProHousing funds. They expected to stabilize 30 properties at this time and had budgeted for the site work and construction costs required. Our Site Work and Construction budgets include those initial 30 properties and a breakdown of costs for an additional 50 that would use Proousing funding.

We have budgeted for one year of community engagement consultants and two years of zoning consultation. We hope to complete our Comprehensive Plan by 2026. The community engagement portion of this proposal would happen simultaneously to the Comprehensive Plan's engagement strategy, which is planned for 2024 and 2025. The Zoning work can start in 2024 and finish in 2026. As the team completes work on those policies, we would expect to be hold requisite public hearings prior to implementation and any expansion.

The stabilization work is the most urgent, and preparations for construction will begin as soon as practicable. As mentioned earlier, the City is already seeking a consultant independent of this grant to create a comprehensive stabilization strategy for the Hill District. Through this effort, we hope to start stabilization in 2024 in the areas with the highest need, then work with our zoning consultants and the Department of City Planning to craft stabilization strategies that are responsive to different neighborhood conditions and that would showcase our zoning changes. We believe we will be able to start this process in 2025.

If we weren't awarded the full requested funds, we would attempt to focus and phase our zoning changes based upon existing resources and staff time, extend our target timelines, and/or pursue additional funding. We would also likely need to limit our stabilization work to those already planned by the URA, which, while still impactful, would create greater benefit with additional investment through ProHousing.

**Pittsburgh Housing Innovation Lab**  
**Exhibit E Capacity**

## Exhibit E Capacity

### **1. City of Pittsburgh and partner, Urban Redevelopment Authority, capacity**

Combined, the City of Pittsburgh and Urban Redevelopment Authority manage an annual capital budget of well over one hundred million dollars. Of that budget, at least 12% can be attributed to CDBG funding to support low to moderate income families and areas struggling with social and environmental vulnerabilities. As entities familiar with the level of commitment needed to manage HUD funding, we will be able to dedicate staff from multiple internal departments including Public Works (land maintenance), Permits Licenses and Inspection (infrastructure evaluation and building code enforcement), Finance (property taxation and land acquisition), Operations Management and Budget (budget allocation and grant management), Law (regulations and protocol), Mayor's Office (communications, outreach and executive oversight), and City Council (community outreach, communication and regulatory adjustments).

In addition to our internal capacity, we will rely on the support of our community partners, dedicating a \$208,000 of the proposed budget to further develop our capacity through the hiring of consultants to manage the aspects of the program we are unable to handle in house.

As a Municipality, we have the authority to leverage public funding, approve budgets, distribute funding, amend regulations, allocate land, and oversee local planning and zoning, enforce building code, and develop infrastructure, all of which will be critical to the implementation of our Pro Housing, Housing Lab proposal.

The one aspect we, as a city, are lacking is the authority to issue loans and grants for real-estate development or focus solely on land use planning. The URA, acting as the City's key developmental agency is able and regularly does issue millions of dollars in loans and grants for development of commercial and residential projects in the City. These loans utilize funding from federal sources such as CDBG, HOME, ARPA funds, as well as an annual contribution of \$10 million dollars from City tax dollars to the URA's Housing Opportunity Fund. The URA is currently working with the City of Pittsburgh to issue a \$25-\$40-million-dollar Housing Bond to contribute additional funding to the City's housing needs. Lastly, the URA owns many underdeveloped or abandoned properties throughout the City, which allows for the sale to developers at extremely low costs to encourage their development. The URA applies for Redevelopment Assistance Capital Program (RACP) grants on behalf of projects. The URA is also able to issue loans and package them with other financial resources as well as offer technical assistance to help advance homeownership. With a major function of our proposal focused around housing stabilization and facilitating the connection of prospective buyers to contractors, funding and affordable housing options, the URA is the critical partner that will make our proposed program possible.

A number of departments internal to the City and URA assisted with drafting this proposal and will continue to provide support throughout the administration of this grant. Their roles will continue as follows:

#### City of Pittsburgh

- Department of City Planning (DCP). City Planning works to create and maintain an orderly, timely, environmentally-sustainable, and consistent approach to land use and development within the City. To achieve this end, Planning works with communities,



civic organizations and public entities to develop long-term plans to sustain and revitalize a thriving city of neighborhoods for the people who live, work, learn and visit Pittsburgh.

DCP has elected to coordinate and submit this application with the assistance of the City's dedicated OMB Grants staff and our partner organization, the Urban Redevelopment Authority, on behalf of the City.

Due to City Planning's role in community development and the intimate relationships they maintain with Pittsburgh neighbors, they will continue to lead the administration of the grant should funds be received.

The department of City Planning consist of five divisions:

- Integrated Planning – a newly-created long-range planning division that focuses on topics related to an understanding of people's daily lives in order to eliminate inequities among Pittsburgh residents around access to affordable housing, transportation options, healthy food and economic opportunity, food and transit deserts, and perpetuations the proliferation of vacant land and develop new pathways to create opportunities for residents.
- Public History, Art, and Design – a division which ensures that art, culture, and history have a place in public spaces, and that the design of public spaces and civic structures has a positive impact on the City's public realm. Our architecture, landmarks, historic districts, monuments, and artworks uplift community identity, public history, and evolving culture in Pittsburgh. We care for and commission the physical representations of the stories that comprise our public narrative.
- Strategic Planning – a long-range planning division empowering communities to plan their future, providing a key link to city government and resources through development and implementation of the City's Comprehensive Plan and Neighborhood Planning Program.
- Sustainability & Resilience – a division which partners to protect and improve the environment for present and future generations by imparting leadership for the integration of sustainability and resilience into the City's operations, policies, and investments, and implementation of Pittsburgh's climate planning and resilience strategies.
- Zoning & Development Review – a current planning division that staffs the Planning Commission, Zoning Board of Adjustment, and Contextual Design Advisory Panel with a focus on implementing the vision and plans for the City and its neighborhoods through administration of the City's Zoning Code.

DCP's departmental director, Karen Abrams, is committed to the oversight and administration of the City's Pro HOUSING, Affordable Housing Lab grant. In addition to providing her direct

input in the drafting of this application, she has dedicated six staff members from the DCP department to serve as grant administrators, those individuals are as follows:

- Aftyn Giles, Principal Planner. Ms. Giles is the acting Project Manager for the delivery of the Pro Housing grant. If the funding is received, she will continue to serve as the grant's Project Manager and will be the day-to-day point person, coordinating the activities of the grant between City departments, consultants, and partner organizations.

Aftyn has worked with the City of Pittsburgh for thirteen years in the Division of Sustainability and Resilience. She serves as a Principal Planner in the Department in the Division of Sustainability and Resilience. Ms. Giles has overseen the successful delivery of numerous externally funded initiatives including the Rockefeller 100 Resilient Cities, American Astronomers Association of Pittsburgh Dark Skies, Bloomberg Mayor's Challenge, City Energy Project, and USDA Composting and Food Waste Reduction grant. She has a Bachelor of Architecture, Bachelor of International Relations, Master of Science in Sustainable Design, Graduate Certificate in Project Management, Master of Project Management, U.S. Green Building Council Green Professional certification, LUMA Institute Human Centered Design facilitator certification, Six Sigma Gold Belt, and Teacher of English as a Foreign Language certification.

- Andrew Dash, Deputy Director. Andrew will ensure the Affordable Housing Lab grant receives executive level oversight ensuring the efficient progress. He has over 20 years of governmental planning experience, working for municipal governments in Ohio and Pennsylvania before spending the last 15 years with the City of Pittsburgh. In his time with the City, Andrew has managed large zoning and planning programs and projects at both a neighborhood and city-wide scale. He is a Certified Planner through the American Planning Association and has a Bachelor of Arts in Geography & Planning.
- Mackenzie Pleskovic is a Community Planner in the Division of Integrated Planning. She has five years of experience in the affordable housing industry, having worked as a Development Manager for the Housing Authority of the City of Pittsburgh (HACP). In the role of Community Planner, her focus is on land use and vacant property. She has a Bachelor of Arts in Urban Planning, Art History, and Environmental Studies. She is certified by the American Planning Association with the American Institute of Certified Planners and holds a Rental Housing Development Finance Professional certification from the National Development Council.
- Rey H. Sosa is a Community Planner in the Division of Integrated Planning. He has four years of experience in transportation planning and community engagement, having worked at the Denver Department of Transportation and Infrastructure prior to working at the City of Pittsburgh. In his role as a Community Planner, he focuses on transportation and economic development. He has a Bachelor of Arts in Sociology and Master of Urban and Regional Planning.
- Adriana Bowman is a Neighborhood Planner in the Division of Strategic Planning. She has worked with various community groups on issues of public participation as well as community and economic development. She has also completed multiple borough and

multi-municipal plans. In her role as a neighborhood planner, she is responsible for completing and implementing neighborhood plans as well as serving as a liaison between communities and their local government. She has a Bachelor of Arts in Economics and a Master of Public Administration in Urban Affairs and Planning.

- Keith Portugal is a Neighborhood Planner in the Strategic Planning Division. Before working for DCP, Keith worked with clients throughout Pennsylvania, West Virginia, and Ohio in their Community Development Block Grant programs, writing Annual Action Plans and Analysis of Impediments to Fair Housing Choice. He also worked with the City of Pittsburgh's Office of Management and Budget, primarily completing environmental review records (ERRs) for City of Pittsburgh, URA, and HACP projects. He has a Bachelor of Science in History, a Master of Public Administration in Urban Affairs and Planning, and certification with the American Institute of Certified Planners.

#### Mayor's Office

- David Maynard is a Management Analyst in the Office of Management and Budget. He assists the Chief Economic Development Officer and the Chief Operating and Administrative Officer with project management in their respective departments. He has almost completed a Master's in Public Administration at the University of Pittsburgh. Before working in City Government he had a five-year career in Pittsburgh nonprofits, notably in Athletics and Public Health.
- Stephanie Gagne is a Management Analyst in the Office of Management and Budget. She assists the Chief Economic and Development Officer and the Chief Operating and Administrative Officer with project management in their respective departments. She works closely with the Mayor's office to ensure projects are aligned with the Mayor's vision. She has a Bachelor of Arts in Political Science.
- Kyle Chintalapalli serves as Chief Economic Development Officer within the administration of Pittsburgh Mayor Ed Gainey. In this role Chintalapalli guides the City's economic development efforts, coordinating key City and City-affiliated entities, and providing an integral point of contact between the Mayor and agency leadership. Chintalapalli previously served as vice president of business and economic development for the Pittsburgh Regional Alliance (PRA). In that role, he led business investment and attraction activities for the PRA across the technology, innovation, life sciences, and real estate sectors. Before joining PRA in 2019, Chintalapalli spent seven years in Pittsburgh city government in a number of economic development positions. He was most recently the Chief Strategy Officer for the Urban Redevelopment Authority of Pittsburgh (URA) where he served as senior advisor to the executive director and department directors for major projects and initiatives, including the initial implementation of the Housing Opportunity Fund.

Before moving to Pittsburgh in 2010, Kyle worked in the private sector for nearly six years at a commercial-industrial contractor in his hometown of Erie, PA. Kyle holds a bachelor's degree in Architecture from Pennsylvania State University and his Master of Science degree in Public Policy and Management from Carnegie Mellon University.

## Urban Redevelopment Authority

The URA is the City of Pittsburgh's economic development enterprise.

The URA is committed to building a prosperous and equitable economy for all of Pittsburgh. They help bridge public and private interests to invest in meaningful equitable developments that promote housing affordability, economic mobility, entrepreneurship and neighborhood revitalization.

The URA will assist the City with the components of creating and executing a strategy for development, stabilization, and transacting real estate. The URA team assisting with grant administration is as follows:

- Susheela Nemani-Stanger is the Urban Redevelopment Authority of Pittsburgh's (URA) Executive Director. Before the URA, she served as Allegheny County Economic Development's Deputy Director. While there, she managed the project-related divisions including development, business expansion and attraction, affordable housing development and planning, in addition to providing oversight over the tax diversion and abatement program unit.

During a previous 13-year tenure with the URA, she directed the overall planning, financing, and implementation of significant mixed-use, transportation, infrastructure, and public space projects within the City of Pittsburgh. As the URA's Director of Economic Development, she formulated public-private partnerships related to the City's Tax Increment Financing and Parking Taxing Diversion programs and was instrumental in creating and financing the first Transit Revitalization Investment District in the Commonwealth of Pennsylvania. For a short time after the URA, Susheela led an effort for WQED's partnership with the Black Equity Coalition and POISE Foundation to produce a COVID-19 vaccine hesitation public health campaign. Nemani-Stanger has a Master of Public Administration degree from the University of Pittsburgh's Graduate School of Public and International Affairs with a focus on urban and regional affairs after working in Philadelphia and Baltimore. She also holds a Bachelor of Arts from Mercyhurst University in Erie, PA.

- Kimberly Reding is a Grants Analyst with has 7+ years of experience in grants management, project management, and compliance in the non-profit and government sectors. In Kimberly's current role, she collaborates with project managers from funding application to grant closeout to promote compliance and efficient use of the grant.
- David DiBernardo is a Residential Lending Analyst at the Urban Redevelopment Authority of Pittsburgh. David performs underwriting for loan and grant applications to construct, renovate, and preserve affordable housing in the City of Pittsburgh. David has a Bachelor of Science in Business Administration from the University of Pittsburgh and is currently enrolled in Duquesne University's Professional Master of Business Administration program.
- Shantalaya Mathews is a Project Manager at the Urban Redevelopment Authority of Pittsburgh. Ms. Mathews has managed various grant awards, programs, and initiatives City and County-wide including the URA Centre Avenue Revitalization initiative,

various RACPs county-wide, and a Hill District focused Predevelopment and Infrastructure grant program. Ms. Mathews has a Bachelor of Science in Economics and Business Administration, a Masters in Political and International Economics, as well as a Project Management Professional Certification.

**Pittsburgh Housing Innovation Lab**  
**Exhibit F Leverage**

### **Exhibit F Leverage**

The City has already begun to craft a stabilization strategy in the Hill District independent of ProHousing. The Department of City Planning is seeking a consultant specific to this neighborhood-based strategy who will identify the needs and possible solutions for the development of a stabilization initiative and recommend potential legal methods of providing access to community groups and other partners to allow for the assessment and stabilization of city-owned and URA-owned vacant structures. As community groups in the Hill District have requested for the City to develop an equitable model for partnering with community groups for property stabilization, it is the City's intent to create a stabilization access agreement as a mechanism to allow community groups and partners to obtain access to publicly owned property to conduct stabilization. This access agreement would leverage the non-financial contribution of capacity from community groups and non-profit organizations to conduct the stabilization and facilitate the rehabilitation of vacant properties into new affordable housing opportunities.

The city will also leverage significant funding and non-financial contributions from the formation of its Comprehensive Plan. The aforementioned outreach from community groups can be combined with the insight gleaned from our Comprehensive Plan outreach to help determine our overall investment, stabilization, and zoning strategies.

**Pittsburgh Housing Innovation Lab**  
**Exhibit G Long-term Effect**



## **Exhibit G Long-term Effect**

This proposal will not only create housing stability and affordable housing opportunities in the short-term, but also allows us to preserve affordable housing in the long-term. Upon completion of the novel zoning code and Housing Innovation Lab collaboration, we will have stabilized 80 properties in multiple neighborhoods across the city, including high opportunity areas. With further implementation projects and solidification of the zoning code, we can continue the work on increasing our affordable housing supply and ensuring that it is accessible to residents in each one of Pittsburgh's 90 neighborhoods. This grant would fund the stabilization of a limited number of publicly owned vacant parcels, but by testing and implementing a new zoning code, we will be able to encourage development in the private sector as well as continue our work in the public sector for years to come.

Since this proposal would essentially rework the zoning code to allow for more widespread accessibility to affordable housing across the city, there may be pushback from certain communities that do not want affordable housing in their neighborhoods. To combat that sentiment, we will have a strong community partnership component to this work that includes foundations, nonprofits, and more to act as advocates for affordable housing and an updated zoning code. We have also engaged communities through our 2022 Housing Needs Assessment which took neighborhood level planning into account. Community support is important, and we are confident we can resolve opposition to any single affordable housing project. Additionally, Pittsburgh has a limited number of local affordable housing developers and contractors. We need more developers who can do the work well. Through our proposal, we can show the development community how to be successful in this work and attract new developers who can do this crucial work well.

It's important that the creation and stabilization of affordable housing intersects with transit, schools, and other amenities. Right now, Pittsburgh does not have a Transit Oriented Development (TOD) zoning district. Through the reworking of our zoning code, we can create a TOD overlay to encourage and permit the construction of affordable housing near transit hubs. Additionally, by following the lead of other cities and reducing parking requirements for new construction around transit hubs, we can encourage lower cost housing and the use of public transit by those who live there. Pittsburgh is also in the process of creating a new Bus Rapid Transit line. This will give us an opportunity to see how impactful a TOD district can be. Also, many of the properties we will be stabilizing are in areas close to parks, libraries, and other community amenities. Placing affordable housing where residents can truly thrive will help to reduce their overall cost burden.

It is also necessary to focus on mitigating future environmental impacts for residents. The highest environmental risks for Pittsburgh are landslides, flooding, and extreme heat. Some of these, like flooding and landslides, are already acknowledged in the zoning code as overlay districts. Currently, Pittsburgh's code also grants performance points in certain areas of the city based on the sustainability of proposed construction. One of the biggest issues for Pittsburghers is affordability of energy prices. Preserving affordability and allowing residents to offset such high energy prices will require the stabilization of our current, aging housing stock. One potential solution, outlined in our Climate Action Plan (Version 3.0), is to create a location efficiency overlay and use transfer of development rights to encourage density while protecting

open space. Altering the zoning code with ideas like the one previously mentioned could be piloted through this project to reduce the energy burden of residents.

Short-term, success will be measured by the stabilization of 80 properties across the city, with a new zoning code implemented by the end of the grant. The new zoning code will help to spur affordable housing developments, such as multi-family residential units, that have historically been difficult to get approved through the current code. By updating areas of the code to support more types of housing, we can begin to incentivize privately owned affordable developments as well as continue the work on own publicly owned vacant parcels. In the longer term, some of the metrics we will use are:

- The number of permitting applications annually for novel zoning code (controlled for interest rates/construction costs)
- The number of new affordable housing units for 30 and 50% AMI annually
- The growth rate of Black homeownership annually
- The number of new affordable housing units constructed/stabilized in high opportunity neighborhoods annually

The target outcomes in the long-term will be:

- 50 annual permitting applications for projects that advance concepts introduced through novel zoning code
- 500 new or preserved affordable housing units for 30 and 50% AMI annually
- 1.5% growth rate of Black homeownership annually
- 250 new or preserved affordable housing units constructed or stabilized in high opportunity neighborhoods annually

Since Pittsburgh is so unique in that it has 90 distinct neighborhoods, the Housing Innovation Lab and novel zoning code can be a model for other similar jurisdictions. Other areas that have a similar topography, historic housing stock, and/or community dynamics will likely be able to pull from our successes with a new zoning code and implementation project.

By creating novel zoning code to encourage new development for multi-family residential units across the city, residents that need affordable housing can access it in every neighborhood, including those that are well-resourced. If the Housing Innovation Lab is successful, we can continue our work and stabilize even more publicly owned vacant properties. Focusing on stabilization in both underserved and well-resourced neighborhoods will help to prevent displacement, reduce the number of blighted and vacant structures, and increase the overall supply of affordable housing units. Additionally, doing this work in tandem with our comprehensive plan will allow us to prepare for a citywide expansion, which would create greater access to affordable housing in any one of our 90 neighborhoods. An updated zoning code would have lasting effects on the state of affordable housing in Pittsburgh for years to come. By leading the work and starting this project with only publicly owned vacant parcels, we can act as a test case and show the larger development community that creating new affordable housing will benefit everyone in our city.

**(3) Attachments.**

Attachment A Summary of comments received on published Application and list of commenters by name/organization