ED GAINEY MAYOR



JAMIL BEY DIRECTOR

#### CITY OF PITTSBURGH

#### DEPARTMENT OF CITY PLANNING

February 21, 2025

Honorable President and Members City Council City of Pittsburgh 510 City County Building Pittsburgh, Pennsylvania 15219

Re: Zoning Amendments - Council Bill 2024-1284

#### Dear President and Members:

Zoning legislation was introduced at City Council (Bill 2024-1284) regarding Inclusionary Housing. The City Council referred this legislation to the Planning Commission for report and recommendation.

The Planning Commission, at its meeting on January 28, 2025, made a negative recommendation to City Council. As per Zoning Code Section 922.05G, an amendment recommended for disapproval by the City Council shall require an affirmative vote of no fewer than seven (7) members.

In accordance with Section 922.05.E of the Zoning Code, City Council shall hold a public hearing on the Zoning Text or Map Amendment within one hundred twenty (120) days of the Planning Commission's action on the application. For reference, 120 days from January 28, 2025, will be May 28, 2025. After the public hearing, Council shall act to approve or deny the application, within ninety (90) days of the Council hearing.

The minutes of the hearing held on January 28, 2025 will be forwarded when they have been officially accepted by the Planning Commission.

Yours truly,

s/ Corey Layman

Corey Layman, AICP

Zoning Administrator

cc: Jamil Bey, Director

Andrew Dash, AICP, Deputy Director Kyle Chintalapalli, Mayor's Office Felicity Williams, Esq., Mayor's Office

Bob Charland, City Council

Bobby Wilson, City Council File



# CITY OF PITTSBURGH, DEPARTMENT OF CITY PLANNING PLANNING COMMISSION

**APPLICATION:** Council Bill 2024-1284 Regarding Inclusionary Zoning

**PROPERTY:** City-wide

**ZONING DISTRICT:** Multiple zoning districts

**PROPOSAL:** Amendment to the Zoning code regarding Inclusionary Zoning

**DECISION DATE:** January 28, 2025

#### **DECISION:**

The Planning Commission made a **negative** recommendation to City Council on the Zoning Code Text Amendment.

S/Lashawn Burton-Faulk
LASHAWN BURTON-FAULK, CHAIRPERSON

s/Jean Holland Dick
JEAN HOLLAND DICK, SECRETARY

Note: Decision issued with electronic signatures, with the Planning Commission review and approval.

LASHAWN BURTON-FAULK, CHAIRPERSON | RACHEL O'NEILL, VICE CHAIR

DINA BLACKWELL | JEAN HOLLAND DICK | MEL NGAMI

PETER QUINTANILLA | MONICA RUIZ | PHILIP WU

## **Zoning Text Amendment**

ZONING: Inclusionary Zoning Bill 2024-1284 amending Pittsburgh Code Title Nine,

**Zoning Section 907.04 IZ-O Inclusionary Housing Overlay District** 

**NEIGHBORHOODS:** City-wide (or select neighborhoods)

**DATE:** January 28, 2025

**SUBMITTED TO:** The Planning Commission of the City of Pittsburgh

FROM: The Zoning Administrator

#### **FINDINGS OF FACT**

1. On December 3, 2024, Councilmember Bob Charland introduced a new Inclusionary Housing Bill (Council Bill 2024-1284) at City Council. The bill was amended at City Council Standing Committee on December 18, 2024, and referred to the Planning Commission for report and recommendation.

- 2. The Council legislation directly amends the zoning code and is an alternative approach to inclusionary housing compared to the proposal presented by the Department of City Planning (DCP).
- 3. The DCP proposal was briefed several times at the Planning Commission, with the last briefing on November 26, 2024. The Inclusionary Housing zoning text amendment was part of a broader set of zoning updates recommended by DCP in response to the findings of the 2022 Housing Needs Assessment. The zoning text amendments proposed by DCP are scheduled for Hearing and Action at the Planning Commission on January 28, 2025.
- 4. DCP staff began engagement on their package of zoning amendments with Councilmembers and stakeholders in late 2023 and throughout 2024 and presented at or held over 25 public engagement meetings through the Summer and Fall in 2024. DCP's IZ draft has been on EngagePGH since September 5, 2024 and twenty-nine comments were submitted on IZ. Finally, staff provided public briefings to the Planning Commission discussing the Department's inclusionary zoning proposal in the Fall and Winter of 2024.
- 5. The Council legislation proposes to amend Title Nine: Zoning, Article III: Overlay Zoning Districts, Chapter 907: Development Overlay Districts, Section 907.04: IZ-O, Inclusionary Housing Overlay District. The amendment will make the program voluntary, applying to any neighborhood that chooses to participate. In its initial scope, the Overlay District applied only to the neighborhoods of Lawrenceville, Bloomfield, Polish Hill, and parts of Oakland.
- 6. **Affordability Terms.** The Bill revises and broadens the definition of eligible households. Originally, the zoning code Section 907.04 applied only to Very Low-Income Households (earning up to 50% of AMI). It adds the following categories:
  - Low-Income Household: A household earning between 51% and 80% of AMI with a household size 1.5 times the number of bedrooms in the unit.
  - Workforce Household: A household earning between 81% and 99% of AMI, with a household size 1.5 times the number of bedrooms in the unit.

This provision misses the original intent of creating deeply affordable housing. The Housing Needs Assessment identified the greatest need for housing among renters earning less than 30% of AMI,

#### **ZONING TEXT and MAP AMENDMENT**

with a supply gap of approximately 8,200 units affordable to this group. The gap narrows to about 3,000 units for renters earning less than 50% AMI, while a surplus of roughly 4,600 units exists for those earning less than 60% AMI.

- 7. **Owner Occupied Units.** For owner-occupied housing, eligible households will be workforce households (earning between 81% and 99% of AMI) with a household size 1.5 times the number of bedrooms in the unit.
- 8. **Adoption.** Neighborhoods seeking inclusion in the inclusionary zoning district will be required to conduct a Housing Needs Assessment. After adoption, DCP must perform a new Housing Needs Assessment every five years. Housing developments in districts eligible for any City-specific tax abatement programs (e.g., LERTA) will be exempt from these standards.

This section tasks DCP with developing rules and procedures for requiring neighborhoods to conduct a Housing Needs Assessment, but the specifics of how this process will be carried out are unclear. Additionally, the bill mandates the Department of City Planning (DCP) to perform a Housing Needs Assessment every five years after adoption. The scope, process, and responsibility for carrying out these assessments are undefined, which raises concerns about the feasibility and consistency of these requirements across neighborhoods which are bound to face challenges later, and the affiliated costs of these assessments.

9. **Applicability.** Section 907.04.A.5 specifies that new construction or substantial improvements of buildings primarily intended to house students (including dormitories and fraternity/sorority houses) will be exempt from the inclusionary zoning standards.

This exclusion seems difficult to enforce, as it would seemingly apply to multi-unit residential developments that are not defined as Dormitory and Fraternity/Sorority Uses. For instance, if a new apartment building is constructed, it is impossible for the zoning code to predict who will ultimately reside there, particularly given that Fair Housing laws require leasing to be open to all individuals. Moreover, the use of the term "primarily" creates further ambiguity, as it is difficult to effectively regulate or enforce.

10. **Existing IZ Neighborhoods.** The areas governed by Ordinance Number 28 of 2019, those of Lawrenceville, Bloomfield, Polish Hill, and parts of Oakland, as amended by subsequent ordinances through 2023, will continue to be regulated under the previous provisions of these ordinances.

The original ordinance was specifically designed for the neighborhoods of Lawrenceville, Bloomfield, Polish Hill, and parts of Oakland. However, this bill amends that section of the Zoning Code, while implying that these neighborhoods will continue to be governed by the provisions of the previous ordinances. This creates confusion, as it lacks clarity on which regulations will apply and how the transition will be managed.

- 11. **On Site Inclusionary Standards.** Section 907.04.A.6 mandates that for each new construction or substantial improvement project include:
  - A minimum of ten (10) percent of units shall be inclusionary units for Very Low-Income Households.
  - A minimum of fifteen (15) percent of units shall be inclusionary units for Low-Income Households.
  - A minimum of twenty (20) percent of units shall be inclusionary units for Workforce Households.

#### **ZONING TEXT and MAP AMENDMENT**

This section is poorly drafted, the percentages outlined suggest that each building must include a minimum of 10%, 15%, and 20% of units at different affordability levels, but without clear guidance on how these percentages apply. This language implies that a total of 45% of the units in each building must be affordable, which seems to be unintended and would make this requirement stricter than DCP's proposed inclusionary housing requirement.

For phased developments, for every ten (10) units constructed, a minimum of one (1) unit shall be an Inclusionary Unit.

12. **Off-site Inclusionary Standards.** A minimum of 12% of units in the subject application must be inclusionary units. These units must be located within one-half mile of the primary development site, within the City limits. The bill removes the requirement for off-site units to receive a Certificate of Occupancy before the main development and eliminates the need for an analysis of equal transit access to the new site.

By eliminating an analysis to demonstrate equal transit access to the new site, the bill encourages developers to choose off-site inclusionary units rather than integrating them within the market rate development. In practice, this means that a developer could build a luxury apartment complex in an affluent neighborhood, while moving their affordable housing units to a lower-demand area with fewer transit connections.

Furthermore, by eliminating the requirement that the off-site units must receive a Certificate of Occupancy before the final Certificate of Occupancy for the main development is issued, the bill removes any time constraints for ensuring that the off-site units are built concurrently with the market-rate units. This change could lead to delays or even avoidance of building the off-site units altogether.

13. **Funding Inclusionary Housing.** Section 907.01.A.8 stipulates that the financial gap for creating each inclusionary unit will be covered by the City of Pittsburgh, the Urban Redevelopment Authority, and/or the Housing Authority of the City of Pittsburgh. Developers also have the option to pay a fee in lieu of creating the required inclusionary units, with a fee of up to \$50,000 per unit.

This is an unfunded mandate and exceeds the regulatory scope of the Zoning Code by assigning funding obligations to other city agencies. Additionally, the section sets a cap on the fee-in-lieu at \$50,000 per inclusionary unit, which is much lower than the actual cost, making it an easy way for developers to avoid providing affordable housing and shift the financial burden to the city.

The financial models underpinning inclusionary housing, as demonstrated by other cities with similar policies, typically require developers to secure their own funding for affordable housing through grants or subsidies. In these models, the city often provides incentives, such as development bonuses, already covered under Section 907.04.A.9, to offset the costs developers incur in providing inclusionary units.

However, this proposal shifts the financial responsibility onto the city, effectively giving developers a financial advantage while passing on the cost of gap financing to taxpayers. This approach risks creating an unsustainable burden on public resources and is unlikely to be feasible in practice.

14. **Development Bonus.** The Bill includes development bonuses such as 20 feet of additional height or 1.5 FAR for each bonus point, removal of height-related residential compatibility standards, and compliance with National Pollutant Discharge Elimination System (NPDES) standards as incentives to offset the cost of providing inclusionary units.

NPDES generally regulates water pollution, including stormwater and erosion and it is not part of the

zoning code, it is regulated through Allegheny County Conservation District. As the legislation does not identify which local rules the NPDES would supersede, it is unclear in terms of its intent, scope, and potential unintended consequences. It is not clear whether the City has the legal authority to supersede these standards, and staff would not recommend passing a bill that includes this exception without a complete legal review, and without understanding the intended and unintended consequences.

15. **Approval Process.** All required hearings before the Zoning Board of Adjustment (ZBA) and the Planning Commission must be completed within 90 days of a submitted Building and Development Application (BDA). If these hearings are not completed within this timeframe, the application will be considered "accepted." Additionally, all required Development Activities Meetings must be completed within 30 days of the BDA submission. If these meetings are not held within the required timeframe, the requirement will be deemed satisfied.

This presumably overrides the current Zoning Code's Section 922, which lays out standard review and approval processes. The first issue with this provision is that the clock starts at time of application submission, not when a Complete Application is submitted. An application is complete when all documentation needed for Zoning review is submitted, such as site plans, elevations, stormwater management plans, transportation studies, etc. If this proposed change is enacted, projects could be "deemed accepted" at 90 days, even if the applicant has not provided the required submissions. In addition, "accepted" is not a term used in the Zoning Code, so it is unclear how this provision would be administered.

This section also requires the Registered Community Organization (RCO) Development Activity Meeting (DAM) within 30 days of an application. The same issue with Complete Application applies here —if the required information is missing, the DAM may not provide sufficient details, or the meeting might not take place at all, potentially undermining the quality of public participation.

The likely outcome of this type of standard would be that projects are rushed to ZBA and Planning Commission before the application is complete and/or before staff have had time to prepare a thorough review and report, and the deciding bodies would be inclined to table or continue these items until a time when a complete application and comprehensive code review can be completed. That would potentially double or more the number of hearings, slowing down the process for all applications, and disproportionately harming small-scale applications at ZBA and the good actors who have submitted everything comprehensively ahead of time.

#### 16. Additional amendments include:

- Chapter 910: Downtown Districts Section 910.01: GT, Golden Triangle District is amended to allow conversion of an existing structure to multi-unit residential in compliance with the Inclusionary Housing Requirements of Section 907.04.
- Chapter 911: Primary Uses Section 911.04: Use Standards is amended to align with the requirements of Section 907.04.
- Chapter 915: Environmental Performance Standards Section 915.07: Performance Points System 4.b is amended to meet the minimum threshold of 20 units, in compliance with Section 907.04.
- 17. Notice of the hearing on January 28, 2025 was completed and posted on the City website 21 days prior to the hearing.
- 18. In accordance with Section 922.05.F, the Planning Commission and City Council shall review Zoning Code text and map amendments based on the following criteria:
  - The consistency of the proposal with adopted plans and policies of the City:

#### **ZONING TEXT and MAP AMENDMENT**

- The convenience and welfare of the public:
- The intent and purpose of the Zoning Code;
- Compatibility of the proposal with the zoning, uses and character of the neighborhood;
- The suitability of the subject property for the uses to which it has been restricted without the proposed zoning map amendment;
- The extent to which approval of the proposed zoning map amendment will detrimentally affect nearby property;
- The length of time the subject property has remained vacant as zoned;
- Impact of the proposed development on community facilities and services; and
- The recommendations of staff.

Not all of the criteria must be given equal consideration by the Planning Commission or City Councilin reaching a decision.

#### RECOMMENDED MOTION

That the Planning Commission of the City of Pittsburgh makes a **negative recommendation** to City Council on Council Bill 2024-1284.

SUBMITTED BY:

Corey Layman, Chief Zoning Officer



## City of Pittsburgh

510 City-County Building 414 Grant Street Pittsburgh, PA 15219

#### **Text File**

Introduced: 12/3/2024 Bill No: 2024-1284, Version: 2

Committee: Commission - Planning Commission Status: Held in Standing Committee

Ordinance amending the Pittsburgh Code of Ordinances, Title Nine: Zoning, Article III: Overlay Zoning Districts, Chapter 907: Development Overlay Districts, to amend Section 907.04: IZ-O, Inclusionary Housing Overlay District; Article IV: Planning Districts, Chapter 910: Downtown Districts, to amend Section 910.01: GT, Golden Triangle District; Article V: Use Regulations, Chapter 911: Primary Uses, to amend Section 911.04: Use Standards; and Article VI: Development Standards, Chapter 915: Environmental Performance Standards, to amend Section 915.07: Performance Points System.

(Sent to the Planning Commission for a Report & Recommendation on 12/18/24)

## The Council of the City of Pittsburgh ordains as follows:

**Section 1.** The Pittsburgh Code of Ordinances, Title Nine: Zoning Code, Article III: Overlay Zoning Districts, Chapter 907: Development Overlay Districts, is hereby amended at Section 907.04: IZ-O, Inclusionary Housing Overlay District, as follows:

907.04. - IZ-O, Inclusionary Housing Overlay District.

#### 907.04.A IZ-O, Inclusionary Housing Overlay District

#### [907.04.A.1] General Boundaries

[The specific boundaries of the Inclusionary Housing Planning Overlay District (IZ-O) are mapped as a supplement to this Section and as an amendment to the City's Zoning District Map, in accordance with Section 902.03.]

#### 907.04.A.1[2] Need for [Zoning Overlay] Inclusionary Housing

[The] Inclusionary Housing [Planning Overlay District] is necessary to increase the production of affordable housing to meet existing and anticipated housing and employment needs and to provide a diverse range of housing choices within the [District boundaries] City of Pittsburgh. The [updated] zoning will provide adequate balances by ensuring that the neighborhoods can elect to encourage the creation of inclusionary housing within their boundaries and continue to offer new housing units at a variety of price points.

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## 907.04.A.2[3] Purpose and Intent

The intent of the Inclusionary Housing [Planning Overlay District] provisions is to promote the public health and welfare by empowering neighborhoods to encourage and evaluate the creation of inclusionary housing within their boundaries, thereby increasing the supply of affordable housing for a range of family sizes and promoting economic integration [within the District boundaries] throughout the City. [Due to the unique circumstances involved with development within this area, the existing zoning mechanisms do not serve to carry out the purpose and intent of Chapter 901 (General Provisions) and all provisions of this Zoning Ordinance. Specifically, t]The intent of the Inclusionary Housing provisions [IZ-O] is to encourage quality, economically-balanced, and neighborhood-appropriate development by:

- a) Leveraging development pressure by connecting the production of affordable housing with the current market production of housing units;
- b) Encouraging diverse and balanced housing available for households of all income levels and ensuring that when developing the limited supply of developable land, housing opportunities for persons of variety of income levels are provided; and
- c) [Utilizing sites in IZ-O as opportunities to build mixed income developments. Because remaining land appropriate for residential development within in the IZ-O is limited, it is essential that a reasonable proportion of such land be developed into housing units affordable to low and moderate-income people.

  ] Empowering neighborhoods to participate in the process of permitting creation of inclusionary housing within their boundaries.

## 907.04.A.<u>3[4]</u> Definitions

• Administrative Agent means with respect to Inclusionary Rental Housing, a person or entity such as the Housing Authority of the City of Pittsburgh or such other qualified entity, as determined by the Director of City Planning, or their designee, that enters into an agreement with the City to monitor and enforce compliance with the requirements of this Section and its regulations. With respect to Inclusionary Owner-Occupied Housing, the Administrative Agent will [Urban Redevelopment Authority of the City of Pittsburgh or such other qualified entity, as determined by the Director of City Planning, that] enter[s] into an agreement with the City to monitor and enforce compliance with the

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requirements of this Section and its regulations. These agreements shall be separate from other entitlements required to build a project and shall not delay the receipt of other required entitlements.

- Affordable Housing Provider means <u>a person or entity such as</u> the Housing Authority of the City of
  Pittsburgh or such other approved owner/manager of affordable housing, as approved by the Director of
  City Planning, <u>or their designee</u>, that enters into an agreement with the City to lease Inclusionary
  Rental Units exclusively to Eligible Households in compliance with this Section and its regulations.
- Affordability Term means [a minimum of thirty-five (35)] twenty (20) years from the date of initial occupancy of an Inclusionary Unit.
- Allowable Pricing means:
  - <u>W[w]</u>ith respect to Inclusionary Rental Units, the monthly rent paid by the Eligible Household, plus all mandatory or essential fees and charges and an approved Utility Allowance, shall not exceed thirty (30) percent of the monthly income <u>for the following household types:</u>
    - <u>Very Low-Income Household</u>: [of a h]Household earning fifty (50) percent or less of AMI with a household size one-and-a-half (1.5) times the bedroom count of the Dwelling Unit.
    - Low-Income Household: Household earning between fifty-one (51) and eighty (80) percent of AMI with a household size one-and-a-half (1.5) times the bedroom count of the Dwelling Unit.
    - Workforce Household: Household earning between eighty-one (81) and one-hundred twenty (120) ninety-nine (99) percent of AMI with a household size one-and-a-half (1.5) times the bedroom count of the Dwelling Unit.
  - Only tenant-paid costs are subject to the Allowable Pricing. If a rental subsidy is provided, the total of all monthly rent, fees, charges and approved Utility Allowance may exceed the Allowable Pricing so long as the portion paid by the household does not exceed the Allowable Pricing.
  - With respect to Inclusionary Owner-Occupied Units, the initial sale price shall be set <u>at</u> a level that ensures that a [household earning seventy (70) percent of AMI for a household size one-and

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-a-half (1.5) times the bedroom count of the Dwelling Unit] Workforce Household will spend no more than twenty-eight (28) percent of gross monthly income on their mortgage payment (principal and interest); taxes and insurance; and all mandatory or essential fees and charges (including condo/HOA dues), assuming a five-percent down payment and a thirty (30)-year fixed rate mortgage at the then current mortgage rate (determined as the National Average Contract Mortgage rate by the Federal Housing Finance Agency). For resale price, an increase in price of two (2) percent per year is permitted. It is calculated from the date of purchase to the date of Owner's notice of intent to sell (compounded annually and prorated at the rate of 0.25 percent per each whole month of any part of a year).

- Area Median Income (AMI) means the median household income for the Pittsburgh metropolitan area published annually by the U.S. Department of Housing and Urban Development ("HUD").
- Community Land Trust means a non-profit entity whose primary mission <u>is</u> to create or preserve permanently affordable housing, and approved by the Director of City Planning, and that enters into an agreement with the City to convey Inclusionary Owner-Occupied Units exclusively to Eligible Households for owner occupancy subject to a ground lease that requires compliance with this Section and implementing regulations.
- **Development Project** means one (1) or more Developments (as defined in Title IX, Ch. 926.67) that are located in whole or in part within IZ-O that meet the Applicability Requirements of Section 907.04.A.5.
- Eligible Household means:
  - o W[w]ith respect to Inclusionary Rental Units;
    - A Very Low-Income Household [a household that] earns no more than fifty (50) percent of AMI.
    - A Low-Income Household earns between fifty-one (51) and eighty (80) percent of AMI.
    - A Workforce Household earns between eighty-one (81) percent and one-hundred twenty (120) ninety-nine (99) percent of AMI.
  - With respect to Inclusionary Owner-Occupied Units, a household [that earns no more than

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eighty (80) percent of AMI] is a Workforce Household.

- Family-Sized Units means dwelling units that contain a minimum of two (2) bedrooms.
- Inclusionary Owner-Occupied Unit means an Inclusionary Unit that is both owned and occupied by one (1) or more persons as a primary residence. The term does not include a unit that is occupied pursuant to a lease-purchase agreement or contract of sale.
- Inclusionary Rental Unit means an Inclusionary Unit other than an Inclusionary Owner-Occupied Unit.
- Inclusionary Unit means a Dwelling Unit that satisfies the Inclusionary Standards set forth in Section 907.04.A.[6]5 or 907.04.A.[7]6.
- Market-Rate Unit means a Dwelling Unit in a Development Project that does not satisfy the Inclusionary Standards set forth in Section 907.04.A.[6]5 or 907.04.A.[7]6.
- **Networked Walkshed** means the land area within a defined walking range, traversable on established streets or pathways.
- Off-Site Units means inclusionary units constructed within one-[quarter]half [(1/4)](1/2) mile of the subject site, but not on a parcel adjacent to the subject site.
- Substantial Improvement means any reconstruction, rehabilitation, addition, or other improvement of a structure, of which the cost equals or exceeds one hundred (100) percent of the market value of the structure before the "start of construction" of the improvement, that occurs within a five (5)-year period. This term includes structures which have incurred "substantial damage" regardless of the actual repair worked performed. The term does not, however, include any project for improvement of a structure to correct existing violations of state or local health, sanitary, or safety code specifications which have been identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions.
- Utility Allowance means an allowance for tenant-paid utilities, updated annually and approved by the Director of City Planning or their designee. The term shall include the applicable utility allowance published annually by the Housing Authority of the City of Pittsburgh or a utility allowance prepared by the Owner using methodology approved by the Pennsylvania Housing Finance Agency. In either case, the Utility Allowance must be appropriate for the size and type of dwelling unit and the kind of heat and

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appliances used, and must be approved by the Administrative Agent.

#### 907.04.A.4 Adoption

Neighborhoods, as designated by the Department of City Planning and identified on the City Zoning Map, may elect to adopt inclusionary zoning within their boundaries to encourage the creation of housing subject to the standards of this Section.

When promulgating rules and procedures for the adoption of inclusionary zoning by neighborhoods, the Department of City Planning must require the performance of a Housing Needs Assessment for the neighborhood which is requesting to be included in the inclusionary zoning district. The Council of the City of Pittsburgh, based on recommendation from the Planning Commission, must ratify the applying neighborhood's adoption of inclusionary zoning within its boundaries and must hold public hearings in the manner prescribed for any amendment to the City Zoning Code and Map.

Once a neighborhood elects to adopt inclusionary zoning within its boundaries, the Department of Cit Planning must perform a Housing Needs Assessment every five years from the date of adoption. The performance of this assessment will occur in conformity with the same rules and procedures, including requirements for public hearing, promulgated by the Department for the initial adoption of inclusionary zoning in the affected neighborhood. The purpose of performing this assessment is to determine the amount of affordable housing created by the adoption of this zoning within the neighborhood's boundaries and consequent need for such housing in this neighborhood.

Housing developments in districts of the City of Pittsburgh subject to any City specialized tax abatement program (i.e., a targeted abatement program that is unique to a particular neighborhood or City area, as opposed to being available City-wide as authorized by the Local Economic Revitalization Tax Assistance Act or Transit Revitalization Investment District) are exempt from the standards of this Section.

Any projects being built outside of inclusionary zoning neighborhoods may elect to follow the standards, funding, and development bonuses set forth in this Section at their discretion.

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## 907.04.A.5 Applicability

[In the Inclusionary Housing IZ-O, a]All applications for the following shall be subject to the standards of this Section:

- a) New construction or Substantial Improvement, of one (1) or more buildings that collectively contain twenty (20) or more dwelling units either (i) on one (1) or more zoning lots marketed as a single or unified project, (ii) sharing common elements or common financing, or (iii) comprising a part of a planned development.
- b) New construction or Substantial Improvement of one (1) or more buildings that collectively contain twenty (20) or more sleeping rooms either: (i) within a Multi-Suite Residential use, (ii) one (1) or more zoning lots marketed as a single or unified project, (iii) sharing common elements or common financing, or (iv) comprising a part of a planned development. New construction or Substantial Improvement of one (1) or more such buildings that will primarily house students who are registered at a college, university, or other institution or higher learning, including Dormitory and Fraternity/Sorority Uses, shall be exempt from the standards of this Section.
- c) New construction or Substantial Improvement of one (1) or more buildings that collectively contain any combination of twenty (20) or more dwelling units and sleeping rooms either: (i) within a Multi-Suite Residential use, (ii) on one (1) or more zoning lots marketed as a single or unified project, (iii) sharing common elements or common financing, or (iv) comprising a part of a planned development. New construction or Substantial Improvement of one (1) or more such buildings that will primarily house students who are registered at a college, university, or other institution or higher learning, including Dormitory and Fraternity/Sorority Uses, shall be exempt from the standards of this Section.
- d) The areas subject to the provisions of Ordinance Number 28 of 2019, effective July 25, 2019, as amended by Ordinance Number 15 of 2021, effective May 12, 2021, as amended by Ordinance Number 17 of 2021, effective June 23, 2021, as amended by Ordinance Number 12 of 2022, as amended by Ordinance Number 1 of 2023, effective March 1, 2023, shall continue to be governed under the former provisions of the above-referenced Ordinances.

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## 907.04.A.6 On-Site Inclusionary Standards

- a) To qualify for initial occupancy in an Inclusionary Unit, a household must be an Eligible Household. With respect to an Inclusionary Rental Unit, the Eligible Household must provide annual documentation of income and household composition to the Administrative Agent. In the event that household income exceeds eighty (80) percent of AMI, [the household must vacate the unit by the later of either (i) the expiration of the next scheduled lease renewal or (ii) sixty (60) days after the household income exceeds eighty (80) percent of AMI] the allowable monthly rent for a subsequent renewal can be set at the lower of either (1) the prevailing market rate or (2) the monthly rent plus all mandatory or essential fees and charges and an approved Utility Allowance. The allowable monthly rent shall not exceed thirty (30) percent of the monthly income. With respect to an Inclusionary Owner-Occupied Unit, the Eligible Household must continue to reside in the unit as the household's primary residence.
- b) Prior to the issuance of a Certificate of Occupancy for an Inclusionary Rental Unit, the Applicant shall either:
  - Record a deed restriction allowing the City and Eligible Households to enforce these on-site
    inclusionary standards and related City regulations, such restriction to be prepared by the
    Director of City Planning or their designee, or
  - 2. Enter into a master lease of the unit with an Affordable Housing Provider for the entire Affordability Term.
- c) Prior to the issuance of a Certificate of Occupancy for an Inclusionary Owner-Occupied Unit, the Applicant shall either:
  - Record a deed restriction allowing the City and Eligible Households to enforce these on-site
    inclusionary standards and related City regulations, such to be prepared by Director of City
    Planning or their designee, obliging owner-occupancy of the unit and restricting additional debt
    that can be secured against the property, or
  - 2. Sell the unit to a Community Land Trust.
- d) Inclusionary Units must satisfy the Allowable Pricing criteria set forth in Section 907.04.A.[4]3.

#### e) In each building:

1. A minimum of ten (10) percent of units shall be Inclusionary Units that satisfy the Allowable

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Pricing set forth in 907.04.A.3 for Very Low-Income Households or an equal or greater number of bedrooms provided in Inclusionary Family-Sized Units. For the bedroom calculation, a studio shall be considered a one (1) bedroom unit. When [this] the number of Inclusionary Units yields a fraction, the number of units shall be rounded up to the nearest whole units.

- 2. A minimum of fifteen (15) percent of units shall be Inclusionary Units that satisfy the Allowable Pricing set forth in 907.04.A.3 for Low-Income Households, or an equal or greater number of bedrooms provided in Inclusionary Family-Sized Units. For the bedroom calculation, a studio shall be considered a one (1) bedroom unit. When the number of Inclusionary Units yields a fraction, the number of units shall be rounded up to the nearest whole units.
- 3. A minimum of twenty (20) percent of units shall be Inclusionary Units that satisfy the Allowable Pricing set forth in 907.04.A.3 for Workforce Households, or an equal or greater number of bedrooms provided in Inclusionary Family-Sized Units. For the bedroom calculation, a studio shall be considered a one (1) bedroom unit. When the number of Inclusionary Units yields a fraction, the number of units shall be rounded up to the nearest whole units.
- f) Inclusionary Rental [and Owner-Occupied Inclusionary Units will remain affordable for a minimum of thirty-five (35)] period of twenty (20) thirty-five (35) years. [If the Inclusionary Unit or any property containing an Inclusionary Unit is sold during the Affordability Term, the Affordability Term shall automatically renew for an additional thirty-five (35) years.]
- g) Inclusionary Units must be integrated within, and distributed throughout, each building, except for:
  - 1. Inclusionary Units are not required to be placed on the top floor in buildings of less than six (6) stories.
  - 2. In buildings of six (6) stories or more, Inclusionary Units are not required to be placed on the top three (3) floors.
- h) Except as provided in Section [902.04.A.5(j)] 907.04.A.6(g), on-site Inclusionary Units shall be equivalent to market-rate units within the building in all ways, including appliances, finishes, and square footage.

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i) Core building and Development Project amenities, such as a gym, pool or parking space, must be shared with no additional charges or restrictions to residents in Inclusionary Units unless those charges are subtracted from rent or HOA dues for all residents regardless of unit or rental price.

- j) The percentage of Inclusionary Units that are also Family-sized Units shall be equal or greater to the percentage of Market-Rate Units that are also Family-sized Units.
- k) For phased developments, for every ten (10) units constructed, a minimum of one (1) unit shall be an Inclusionary Unit.

## 907.04.A.7 Off-Site Inclusionary Standards

Where provision of Inclusionary Units on-site is determined not to be feasible, inclusionary units constructed off-site may be permitted as a Special Exception in accordance with [Section 922.07] **by right**, subject to the following standards:

- a) Off-site Units shall be subject to the standards of Section 907.04.A.[6]5 except for Section 907.04.A.[6]5 (e).
- b) A minimum of twelve (12) percent of the subject application's number of units shall be in Inclusionary Units. When this yields a fraction, the number of units shall be rounded up to the nearest whole number.
- c) The applicant shall identify an alternative site suitable for residential housing which the applicant owns, has site control (e.g., purchase agreement, option to purchase, lease), or is otherwise available for the development of Inclusionary Units pursuant to an agreement between the applicant and a developer who owns the site or has site control. **Developments providing rental units may provide Owner-Occupied off-site units.** With respect to Rental Inclusionary Units, the Applicant must either:
  - 1. Own a controlling interest in the off-site development; or
  - 2. Provide evidence of an enforceable commitment to contribute [two hundred thousand dollars (\$200,000.00) or greater per Inclusionary Unit to the off-site development] to the per unit costs necessary to fund the off-site inclusionary units through an agreement with a developer who owns the site or has site control.

With respect to Owner-Occupied Inclusionary Units, the Applicant must either:

- 1. Own the land and develop the off-site housing, or
- 2. Provide evidence of an enforceable commitment to contribute [two hundred thousand dollars

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(\$200,000.00) or greater per Inclusionary Unit to the off-site development] the per unit costs necessary to fund the off-site inclusionary units through an agreement with a developer who owns the site or has site control.

- d) [The Certificate of Occupancy for off-site Inclusionary Units must be obtained prior to the issuance of the final Certificate of Occupancy for the subject property.]
- e) The off-site units shall be located no more than one-[quarter]half [(1/4)](1/2) mile of the subject site, within City limits.
- f) [The applicant must submit analysis to establish that the off-site property has comparable public transit service as the subject site, evaluated by distance from transit stop(s) via Networked Walkshed, number of routes available, and frequency of service.]

## 907.04.A.8 Funding Inclusionary Housing

The financial gap burdening the creation of each Inclusionary Unit will be fully funded by the City of Pittsburgh, the Urban Redevelopment Authority, and/or the Housing Authority of the City of Pittsburgh.

A developer may choose to pay a fee in lieu of creating the required number of Inclusionary Units. This fee, not to exceed fifty thousand dollars (\$50,000) per Inclusionary Unit which would have been required, will be assessed per Inclusionary Unit as required by the standards of this Section. This fee will be paid to the City of Pittsburgh and deposited in the Housing Opportunity Fund at the time of issuance of the building permit for the proposed development.

#### 907.04.A.9 Development Bonus

Developments satisfying this ordinance may avail themselves of the following development bonuses:

- a) Developments not otherwise permitted to utilize the Performance Points System in 915.07 shall be eligible for 915.07.D4.b. Each bonus point is worth 20 feet of additional height and 1.5 FAR. This shall supersede any applicable maximum building height requirement based on the number of stories or any applicable requirement for a Special Exception to exceed the maximum height or FAR.
- b) The height limits of the Residential Compatibility Standards of 916.01.B.1 shall not apply for

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these developments.

- c) <u>Developments eligible for bonuses under 915.07 Performance Points System are not eligible for further density incentives but shall be exempt from any applicable upper story step-back requirement.</u>
- d) <u>Developments shall comply with federal National Pollutant Discharge Elimination System</u>
  (NPDES) standards. These standards shall supersede any applicable local rules.
- e) All required hearings before the Planning Commission must be completed within ninety (90) days of a submitted Building and Development Application (BDA). If such hearings have not been completed within this timeframe, the application shall be deemed accepted.
- f) All required hearings before the Zoning Board of Adjustment (ZBA) must be completed within ninety (90) days of a submitted Building and Development Application (BDA). If such hearings have not been completed within this timeframe, the application shall be deemed accepted.

All required Development Activities Meetings must be completed within thirty (30) days of a submitted Building and Development Application (BDA). If such meetings have not been completed within this timeframe, the requirement shall be deemed satisfied.

**Section 2.** The Pittsburgh Code of Ordinances, Title Nine: Zoning Code, Article IV: Planning Districts, Chapter 910: Downtown Districts, is hereby amended at Section 910.01: GT, Golden Triangle District, as follows:

#### 910.01.C General Provisions

The provisions in this section apply to all GT Districts, unless otherwise stated.

## 910.01.C.1 Use Regulations

(a) Primary Uses

Primary uses shall be allowed in the GT District in accordance with the Use Table of Sec. 911.02.

(b) General Limitations

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(1) All merchandise and products shall be sold only at retail, unless otherwise stated.

- (2) There may be manufacture, compounding, processing or treatment of products that is clearly incidental and essential to a retail store or business, only when the major portion of such products is to be sold at retail on the premises.
- (3) Uses, operations, or products shall not be noxious or offensive by reason of the emission of odor, dust, smoke, gas, vibration, noise, or other similar causes. See Chapter 917 for additional regulations regarding Operational Performance Standards.
- (4) Unit group development shall be permitted.
- (c) Project Development Plan Review

Developments in the GT district that are subject to Project Development Plan review and approval shall comply with the review process and criteria specified in Sec. 922.10 and all applicable standards of this Code. Developments that do not require Project Development Plan Review are:

- (1) Structures involving exterior alterations not in excess of two hundred fifty thousand dollars (\$250,000.00); [and/or]
- (2) Interior renovations only[.]; and/or
- (3) <u>Conversion of an existing structure to multi-unit residential in compliance with the</u> Inclusionary Housing requirements of Section 907.04.
- (d) Site Plan Review

The following development actions are subject to Design Review, and Site Plan Review and approval per Section 922.04:

- (1) Structures involving exterior alterations not in excess of two hundred fifty thousand dollars (\$250,000.00)[-]; or
- (2) <u>Conversion of an existing structure to multi-unit residential in compliance with the Inclusionary Housing requirements of Section 907.04 where exterior alteration exceeds two hundred fifty thousand dollars (\$250,000).</u>

## 910.01.C.2 General Open Space Requirements

(a) Location

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Open space required by the GT District regulations may be located on the same zoning lot as the principal use or on an adjacent zoning lot.

(b) Funds In-Lieu

The Planning Commission may approve the payment of funds in-lieu of the provision of open space in the following cases:

- (1) On small sites where required open space would result in areas of limited public usefulness;
- (2) In locations where required open space would be adjacent to existing large open spaces; and
- (3) In specific locations such as historic districts or other areas where the adopted plans and policy documents applicable to the district indicate that open space is not desirable.

The funds from any approved, in-lieu payments shall be used by the City for the acquisition and development of open space elsewhere in the GT District. The amount of such payment shall be based upon the value of the land that would otherwise be required to be devoted to open space on the development site, plus the cost that would otherwise be incurred by the applicant for development of that space in accordance with the provisions of this section.

## 910.01.C.3 Urban Open Space Requirements

Urban Open Space shall be provided in accordance with GT subdistrict requirements and shall be located, developed, and maintained in accordance with the following standards.

#### (a) Components

The particular functions and kinds of Urban Open Space to be provided at a development site shall be based upon consideration of existing and projected pedestrian volumes and circulation patterns; the location, size and character of existing Urban Open Space in the vicinity of the development site; existing and proposed land use patterns; relation to public transportation; and objectives contained in the adopted plan and policy documents pertaining to the GT District.

#### (b) Development Standards

(1) Urban Open Space designed to facilitate pedestrian circulation or relieve pedestrian congestion

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shall be at the same level as abutting public sidewalks, shall provide a clear path or area for movement, and shall be accessible to persons with disabilities throughout the entire area.

- (2) Urban Open Space designed to provide passive recreation space or informal activity areas shall abut and be accessible from a public sidewalk. A plaza or park may be located above or below the level of the abutting sidewalk or open space provided it is accessible to the handicapped. A plaza or park shall contain seating, permanent landscaping and lighting for night time illumination. The Urban Open Space shall be open without restriction to the general public at least during business hours normal to the area in which it is located and during periods of heavy pedestrian movement in the area.
- (3) When a development site is adjacent to a bus stop or transit station, the required Urban Open Space shall be designed to provide access to and waiting areas for transit riders.
- (4) Additional Urban Open Space required for developments which utilize the floor area bonus provisions of Sec. 910.01.C.4 may be provided as interior (urban open) space rather than as outdoor space. Interior Urban Open Space shall comply with the following standards:
  - (i) Entrances shall be clearly visible from adjacent sidewalks or Urban Open Space and shall be at least twenty (20) feet wide including doorways and glassed walls.
  - (ii) There shall be a sufficiently high level of natural illumination either through walls or glazed roof or ceiling areas to permit the maintenance of plants without additional light sources.
  - (iii) An interior space which functions as a building lobby shall not be used to fulfill an Urban Open Space requirement unless it also functions as a through-block passage accessible to the general public and contains seating available for use by the general public.
  - (iv)An interior Urban Open Space shall be accessible to persons with disabilities.
  - (v) An interior Urban Open Space shall be open without restriction to the general public at least during normal business hours in the area in which it is located and during periods of heavy pedestrian movement in the area.
  - (vi)An observation deck or viewing area located on the top floor or roof of a building and designed to provide a panoramic view may be used to fulfill the additional Urban Open

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Space requirements, provided it is open and accessible to the general public during business hours normal to the area in which it is located.

- (vii) A permanent gallery for the purpose of the display of works of fine art, available to the public without an admission fee, may be used to fulfill the additional Urban Open Space requirements, provided it is open to the general public during hours normal to museums and galleries, is easily accessible from the public sidewalk or Urban Open Space, and is operated by a not-for-profit institution.
- (viii) Every Urban Open Space provided under the requirements of this Code shall be located and developed to relate harmoniously with development on adjacent sites and to contribute to the attractiveness and efficient functioning of the overall environment of the district.

#### 910.01.C.4 Floor Area Bonuses

## (a) Urban Open Space

In the event that additional Urban Open Space is provided in the proportions indicated below, maximum building floor area may exceed the floor area ratios specified for the applicable GT subdistrict but shall not exceed the applicable floor area ratio when calculated on the basis of gross lot area. Additional Urban Open Space shall be provided in proportion to the total increase in floor area resulting from the application of gross lot area, and shall be calculated as follows:

(1) In the GT-A, GT-B, GT-C and GT-E Districts:

Total required Urban Open Space = lot area  $\times 20\% \times (\text{total floor area/base floor area})$ , where base floor area = maximum allowable floor area based on lot area.

(2) In the GT-D District:

Total required Urban Open Space = lot area  $\times$  60%  $\times$  (total floor area/base floor area), where base floor area

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= maximum allowable floor area based on lot area.

## (b) Transportation Facilities

In the event that transportation facilities as described below are provided and have the effect of reducing the use of automobiles in the GT District, maximum building floor area may exceed the floor area ratios specified for the applicable GT subdistrict by a maximum of twenty (20) percent, provided the transportation facilities and all improvements associated therewith shall be designed, located, developed and maintained as follows:

- (1) Designed and developed as an integral part of the total development project and not as mere connections;
- (2) Engineered and completed to accommodate a projected peak hour travel of at least four thousand (4,000) persons per weekday in all directions;
- (3) Utilize separate or partially separate rights-of-way that use boarding areas engineered and completed to accommodate a projected peak hour travel of at least four thousand (4,000) persons per weekday in all directions;
- (4) In addition the applicant must submit a duly executed agreement, in a form satisfactory to the City Solicitor, assuring that the facilities and improvements shall be operated and maintained for the life of the development for which this bonus is allowed.

## (c) Ground Floor Retail

Affording a structure a floor area bonus equal to the floor area of retail commercial uses permitted within the district, provided that the uses are at street level, that entrance to each individual establishment is directly from the public sidewalks or Urban Open Spaces, that at least seventy-five (75) percent of the perimeter wall of such uses is glazed, and when it is demonstrated that the location of such uses strengthens retail patterns in the downtown.

#### 910.01.C.5 **Light Access**

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Buildings shall be designed to provide at least five (5) feet from the zoning lot line to a proposed affected window except when the zoning lot line is contiguous to a public right-of-way of ten (10) or more feet in width. An affected window is defined as a window that provides light, air and visibility to the outdoors not including glazing for architectural design. The five-foot space may be waived when a similar amount of open space is provided on the adjacent property with a recorded easement or similar type of document.

**Section 3.** The Pittsburgh Code of Ordinances, Title Nine: Zoning Code, Article V: Use Regulations, Chapter 911: Primary Uses, is hereby amended at Section 911.04: Use Standards, as follows:

#### 911.04.A.41 Multi-Suite Residential

Multi-Suite Residential (Limited and General) uses shall be subject to the following standards:

#### (a) Multi-Suite Residential (Limited)

- (1) In the RM and Grandview Public Realm Districts
  - a. The Approving Body shall determine that the proposed use will not create detrimental impacts on the surrounding properties, taking into consideration probable traffic generation, the physical relationship of the proposed use and structure to surrounding uses and structures, the hours of operation, the impacts of parking on surrounding residential uses, and the size and bulk of the building;
  - b. The building shall be designed to be in keeping with the residential character of the surrounding area;
  - c. Certain special features shall be permitted, usually associated with shared living arrangements, such as common dining facilities, shared laundry facilities, lounge areas and similar or related facilities;
  - d. Parking will be provided at a minimum of one (1) space per two (2) sleeping rooms;
  - e. The Approving Body may require additional parking beyond that required in Chapter 914, if it determines that the particular use of the facility will require such additional parking.

#### (2) In the LNC District

Multi-Suite Residential (Limited and General) uses shall be subject to the following standards:

- a. The proposed use shall be subject to the Site Plan Review procedures of Section 922.04;
- b. The building shall be designed to be in keeping with the character of the surrounding area;
- c. Certain special features shall be permitted, usually associated with shared living arrangements, such as common dining facilities, shared laundry facilities, lounge areas and similar or related facilities; and
- d. Parking will be provided at a minimum of one (1) space per two (2) sleeping rooms.
- (3) In EMI Districts

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Multi-Suite Residential (Limited) shall be subject to the following standards:

- a. The building shall be designed to be in keeping with the character of the surrounding area;
- b. Certain special features shall be permitted, usually associated with shared living arrangements, such as common dining facilities, shared laundry facilities, lounge areas and similar or related facilities;
- c. The Approving Body may require additional parking beyond that required in Chapter 914, if it determines that the particular use of the facility will require such additional parking;
- d. The Approving Body shall determine that the proposed use will not create detrimental impacts on the surrounding properties, taking into consideration probable traffic generation, the physical relationship of the proposed use and structure to surrounding uses and structures, the hours of operation, the impacts of parking on surrounding residential uses, and the size and bulk of the building;
- e. Parking will be provided at a minimum of one (1) space per two (2) sleeping rooms; and
- f. The proposed use shall be subject to the Project Development Plan procedures of Section 922.10.

#### (b) Multi-Suite Residential (General)

#### (1) In the LNC District

- a. The building shall be designed to be in keeping with the character of the surrounding area;
- b. Certain special features shall be permitted, usually associated with shared living arrangements, such as common dining facilities, shared laundry facilities, lounge areas and similar or related facilities;
- c. Parking will be provided at a minimum of one (1) space per two (2) sleeping rooms;
- d. The Approving Body may require additional parking beyond that required in Chapter 914, if it determines that the particular use of the facility will require such additional parking;
- e. The Approving Body shall determine that the proposed use will not create detrimental impacts on the surrounding properties, taking into consideration probable traffic generation, the physical relationship of the proposed use and structure to surrounding uses and structures, the hours of operation, the impacts of parking on surrounding residential uses, and the size and bulk of the building.

#### (2) In the UI District

- a. The proposed use shall be subject to Site Plan Review;
- b. The building shall be designed to be in keeping with the character of the surrounding area;
- c. Certain special features shall be permitted, usually associated with shared living arrangements, such as common dining facilities, shared laundry facilities, lounge areas and similar or related facilities; and
- d. Parking will be provided at a minimum of one (1) space per two (2) sleeping rooms.

#### (3) In Grandview Public Realm Districts

a. The Approving Body shall determine that the proposed use will not create detrimental impacts on the surrounding properties, taking into consideration probable traffic generation, the physical relationship of the proposed use and structure to surrounding uses and structures, the hours of operation, the impacts of parking

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on surrounding residential uses, and the size and bulk of the building;

- b. The building shall be designed to be in keeping with the residential character of the surrounding area;
- c. Certain special features shall be permitted, usually associated with shared living arrangements, such as common dining facilities, shared laundry facilities, lounge areas and similar or related facilities;
- d. Parking will be provided at a minimum of one (1) space per two (2) sleeping rooms;
- e. The Approving Body may require additional parking beyond that required in Chapter 914, if it determines that the particular use of the facility will require such additional parking.

#### (4) In EMI Districts

Multi-Suite Residential uses shall be subject to the following standards:

- a. The building shall be designed to be in keeping with the character of the surrounding area;
- b. Certain special features shall be permitted, usually associated with shared living arrangements, such as common dining facilities, shared laundry facilities, lounge areas and similar or related facilities;
- c. The Approving Body may require additional parking beyond that required in Chapter 914, if it determines that the particular use of the facility will require such additional parking;
- d. The Approving Body shall determine that the proposed use will not create detrimental impacts on the surrounding properties, taking into consideration probable traffic generation, the physical relationship of the proposed use and structure to surrounding uses and structures, the hours of operation, the impacts of parking on surrounding residential uses, and the size and bulk of the building;
- e. Parking will be provided at a minimum of one (1) space per two (2) sleeping rooms; and
- f. The proposed use shall be subject to the Project Development Plan procedures of Section 922.10.

#### (5) In the UC-E, UC-MU and R-MU

- Parking shall be provided in accordance with the Parking Demand Analysis provisions of Section 914.02.B;
   and
- b. The Approving Body shall determine that the proposed use will not create detrimental impacts on the surrounding properties, taking into consideration probable traffic generation, the physical relationship of the proposed use and structure to surrounding uses and structures, the hours of operation, the impacts of parking on surrounding residential uses, and the size and bulk of the building.

#### (6) In the UC-E District

Multi-suite residential uses shall meet one (1) of the following standards in the UC-E District:

- a. All the residential [shall units] units shall meet the requirements of 907.04.A.6 and shall otherwise follow the processes and procedures of 907.04.A, excluding [907.04.A.4] 907.04.A.5 Applicability and 907.04.A.7 [ and] Off-Site Inclusionary Standards. One hundred (100) percent of the units shall be affordable and located on site. Or
- b. Residential housing shall be less than fifty (50) percent of the Gross Floor Area in a mixed-use structure.

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For purposes of this calculation, shared spaces between residential uses and commercial shall be excluded from the calculation of Gross Floor Area.

#### 911.04.A.85 Multi-Unit Residential

(a) In the UI District

Multi-Unit Residential uses in the UI District shall be subject to the following standards:

(1) All residential units may be limited to floors above the ground floor of the building when residential uses are not desirable on the ground floor.

(b) In the EMI District

Multi-Unit Residential uses shall be subject to the following standards in the EMI District:

- (1) The proposed use shall be subject to the Residential Compatibility Standards of Chapter 916; and
- (2) The Approving Body shall determine that the proposed use will not create detrimental impacts on surrounding residential properties, taking into consideration the compatibility of the proposed use with the surrounding and adjacent properties; the generation of light and noise from the proposed use; parking, loading and access.
- (c) In the UC-E District

Multi-Unit Residential uses shall meet one (1) of the following standards in the UC-E District:

- (1) All the residential [shall units] units shall meet the requirements of 907.04.A.6 and shall otherwise follow the processes and procedures of 907.04.A, excluding 907.04.A.5 Applicability and 907.04.A.7 and Off-Site Inclusionary Standards. One hundred (100) percent of the units shall be affordable and shall be located on site. Or
- (2) Residential housing shall be less than fifty (50) percent of the Gross Floor Area in a mixed-use structure. For purposes of this calculation, shared spaces between residential uses and commercial shall be excluded from the calculation of Gross Floor Area.

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**Section 4.** The Pittsburgh Code, Title Nine: Zoning Code, Article VI: Development Standards, Chapter 915: Environmental Performance Standards, is hereby amended at Section 915.07: Performance Points System, as follows:

915.07. Performance Points System.

#### 915.07.A Purpose

The City of Pittsburgh recognizes that communities that embrace innovation and livability while remaining affordable to all citizens will be more sustainable both in their demands on the environment and their ability to continue to grow and succeed over time. This set of incentives for development seeks to increase the provision of affordable housing, increase the number of green buildings constructed, and incent the retention of existing structures that represent the city's built heritage.

#### 915.07.B Applicability

The following incentives are available within designated zoning districts that include the following elements:

- 1. Provision enabling use of this bonus system;
- 2. Bonus Goals and Points section specifying the points awarded for each option; and
- 3. Bonus section specifying how points earned through the incentives can be used.

#### 915.07.C Definitions

- 1. Reserved.
- 2. 95th Percentile Rain Event shall mean the measured precipitation depth accumulated over a 24-hour period for the period of record that ranks in the 95th percentile rainfall depth based on the range of all daily event occurrences during this period.
- 3. Affordable Housing shall mean housing with a gross cost, including utilities, that does not exceed thirty (30) percent of the occupant's income.
- 4. Area Median Income (AMI) shall mean the average medium income of the metropolitan area (MSA) or Non-Metropolitan areas (counties) as established annually by the U.S. Department of Housing and Urban Development (HUD).
- 5. Building Energy Model (BEM) shall mean the use of a physics-based software simulation of building energy use. A BEM program takes as input a description of a building form and materials, the building's use and operation including schedules for occupancy, lighting, plug-loads, and thermostat settings, and combines these inputs with information about local weather and uses physics equations to calculate thermal loads, system response to those loads, and resulting energy

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use, along with related metrics like occupant comfort and energy costs.

6. Distributed Energy Systems shall mean a range of smaller-scale technologies designed to provide electricity and thermal energy closer to consumers. These approaches include fossil and renewable energy technologies, micro-grids, onsite energy storage, and combined heat and power systems. Technologies could include: existing district energy facilities combined heat and power systems, microgrids, fuel cells, and batteries.

- 7. Fresh Food Market shall mean an establishment (under Grocery Store General) primarily engage in the sale of grocery products and that provides all of the following:
  - i. At least five thousand (5,000) sq. ft. of customer-accessible floor area use for display and sales of a general line of food and nonfood grocery products such as dairy, canned and frozen foods, fresh fruits and vegetables, and fresh and prepared meats, fish, and poultry, intended for home preparation, consumption, and use;
  - ii. At least fifty (50) percent of such customer-accessible sales and display area is used for the sale of general line of food products intended for home preparation and consumption;
  - iii. At least twenty-five (25) percent of retail inventory by volume is in the form of perishable goods, which must include dairy, fresh fruits and vegetables, and frozen foods that may include fresh meats, poultry and fish; and
  - iv. At least twenty-five (25) percent of such customer-accessible sales and display area is used for the sale of fresh fruits and vegetables.
- 8. Green Infrastructure shall mean systems and practices that use or mimic natural processes to infiltrate, evapotranspire, or reuse stormwater on the site where it is generated.
- 9. On-Site Renewable Energy shall mean renewable sources, such as wind, solar, and co-generation, that are generated on the project site, thereby relieving reliance on the grid and providing alternative sources of electricity.
- 10. Native Plants shall mean plants indigenous to Western Pennsylvania. This includes plants that have developed or occurred naturally, excluding invasive species.
- 11. Networked Walkshed shall mean the land area within a defined walking range, traversable on established streets or pathways.
- 12. Rapid Services shall mean all modes of transit which use an exclusive right-of-way or have at least seventy-five (75) percent of route miles along a fixed guideway.
- 13. Preferred Stormwater Management Technologies shall mean stormwater management practices that can provide additional co-benefits, increased reliability, or better performance than other technologies. Preferred Stormwater Management Technologies must be in accordance with the City of Pittsburgh Stormwater Design Manual.
- 14. Local Workforce Group shall mean an organization that provides publicly available workforce development services, career training services, entrepreneurial services, or business incubation and startup services or a local, non-franchise business owned and operated by City of Pittsburgh resident.
- 15. Underrepresented Groups shall mean existing residents of the Pittsburgh Metropolitan Statistical Area with incomes

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at or below eighty (80) percent AMI; or lack a four-year degree; or reside in a City of Pittsburgh neighborhood with an unemployment rate that is more than double the City of Pittsburgh average.

#### 915.07.D Bonus Goals and Points

Zero Energy or Zero     Carbon Buildings	
1.a	Demonstrate compliance with Irl Section C407 Total Building Per 2019 Appendix G Building Perf
1.b	Demonstrate compliance with In2 Section C407 Total Building Per 2019 Appendix G Building Perf designed and constructed with n described in Zero Code 2.0.
1.c	Demonstrate compliance with Ir3 Appendix CC: Zero Energy Con
2. Reserved	
3. On-Site Energy Generation	
At least one (1) point from Zero Energy or Zero Carbon Buildings required prior to using the On-Site Energy Generation points below.	
3.a	At least 25% of energy use is ge 1
3.b	At least 50% of energy use is ge 2
	Connecting to distributed energy
3.c	75% or more of energy use is ge3
4. Affordable Housing	

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Available only to		
projects where at least		
50% of the gross floor		
area is used for		
residential units.		
Points for options 4.c		
and 4.d below will only		
be awarded to		
development projects		
providing at least 20		
housing units.		
4.a	At least 5-14.9% of units for ren1	
	below 80% AMI.	
4.b	Meets the requirements of 9072	
	minimum unit threshold of 20.	
	affordable housing for persons a	
	At least 5-14.9% of units for rei	
	below 60% AMI; or]	
	[At least 15-19.9% of units for re	
	below 80% AMI.]	
4.c	At least 15-19.9% of units for sa3	
	below 80% AMI; or	
	At least 15-19.9% of units for re	
	below 60% AMI; or	
	-	
	IAt least 20% or more of units tol	
	At least 20% or more of units fo below 80% AMI.	

915.07.E Compliance and Enforcement

- 1. If a project is awarded a height or riparian buffer bonus pursuant to this subsection, the Developer shall provide the Department of City Planning with satisfactory evidence of having completed the procedures as developed by the Department of City Planning and the following steps in the process toward achieving the requirements of the bonus:
- a. Zero Energy or Zero Carbon Buildings:

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(1) Application and predesign phase: Submission of intent to comply with International Energy Conservation Code Section C407 Total Building Performance criteria or ASHRAE Standard 90.1-2019 Appendix G Building Performance Rating Method and how the project intends to meet this requirement.

- (2) Design completion and prior to construction: Provide design narrative and construction documents. A BEM will be required showing that the building is designed to comply with International Energy Conservation Code Section C407 Total Building Performance criteria or ASHRAE Standard 90.1-2019 Appendix G Building Performance Rating Method.
- (3) Construction completion and building occupancy: Provide final performance-based commissioning report and/or a building energy model reflecting the as-built condition showing International Energy Conservation Code Section C407 Total Building Performance criteria or ASHRAE Standard 90.1- 2019 Appendix G Building Performance Rating Method.
- (4) Following first-year operations completion: Provide proof of whole building energy consumption, verified with utility invoices or digital meter data for energy consumed and produced or third party verified by Professional Engineer or equivalent. t.

#### b. Affordable housing

- (1) All projects shall comply with On-Site Inclusionary Standards 907.04.A. [5]6 [(e) through (k)].
- (2) Application and predesign phase: Provide a matrix that documents the unit count and includes AMI of occupants. Identify in writing all subsidies and/or financing programs the project will utilize in the provision of affordable housing. Provide letters of commitment for any subsidies and/or financing secured.
- ([2]3) Design completion and prior to construction: Provide floor plans that identify housing unit types and location of amenities, entrances, and lobbies with American Disabilities Act (ADA) accessibility, and documenting compliance with On-Site Inclusionary Standards 907.04.A.6[(e)]. Provide letters of commitment for any subsidies and/or financing secured. Where letters of commitment are forthcoming, this requirement can be met by submitting the project for review by the Housing Department of the Urban Redevelopment Authority which will provide a memo to the Department of City Planning.

#### c. Rainwater

(1) Application and predesign phase: Provide a conceptual stormwater management plan in accordance

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with Title Thirteen: Stormwater Management and clearly identifying how the project will satisfy the bonus.

- (2) Design completion and prior to construction: Provide a Stormwater Management Site Plan in accordance with Title Thirteen: Stormwater Management and clearly identifying how the project will satisfy the bonus.
- (3) Construction completion and building occupancy: Provide documentation of completion of all Record Drawings, Completion Certificate, and Final Inspection requirements in accordance with Title Thirteen: Stormwater Management.
- (4) Following first-year operations completion: Provide a performance-based report following one (1) year of operation that shows stormwater management installations are performing as specified in the project's Stormwater Management Site Plan and in accordance with Title Thirteen: Stormwater Management requirements.

#### d. On-Site Public Art:

- (1) Application and predesign phase: Provide a preliminary public art plan that clearly identifies how the project will satisfy the bonus, including estimated gross construction cost, opportunities for inclusion of public art, and a plan for artist engagement.
- (2) Design completion and prior to construction: The Department of City Planning will approve final plan for public art including a final budget, design of public art element(s), and proof of establishment of fund for ongoing maintenance.
- (3) Construction completion and building occupancy: Provide Department of City Planning with verification that art was installed as designed along with breakdowns and receipts of final project costs. If art was not installed as designed, provide narrative explanation of what alterations were made and why.

#### e. Equitable Development

(1) For projects providing the percentage employment from Underrepresented Groups, initial compliance report shall be submitted to the Department of City Planning no later than three (3) years following issuance of the Certificate of Occupancy and shall meet standards set by the Department of City Planning at the time of reporting. After that time, compliance reports must be submitted every two (2) years through the first ten (10) years the building is operational.

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(2) For projects contributing to the City's Equitable Development Trust Fund per Rentable commercial square foot (RCSF), seventy-five (75) percent of the structure's Gross Floor Area must contain commercial, non-residential uses. For purposes of this calculation, shared spaces shall be excluded from Gross Floor Area.

(3) If a building should be found at any point out of compliance with this Performance Point, the property owner shall beginning that year pay the fee per rentable commercial square foot (RCSF) option for the remainder of the ten (10) years from the date construction was completed. This bonus point shall be exempt from 915.07.E.2, however, the first payment shall be made to the Equitable Development Trust Fund within thirty (30) days of the documentation of non-compliance or the City shall have the authority to revoke the certificate of occupancy for the building.

#### f. Food Access

- (1) A project which receives bonus points for the presence of a Fresh Food Market pursuant to Subparagraph 13(a) shall maintain such tenant or use for a period of at least ten (10) years from the issuance of a Certificate of Occupancy. The Fresh Food Market must be located on the ground floor of the structure and accessible through a separate entrance that must be located on the primary street frontage. At the time of application, no Fresh Food Market may be in operation within a 2,640-foot radius of the proposed project, as determined by the Department of City Planning.
- 2. If the project does not provide satisfactory evidence of achieving the performance standards of each used bonus within three (3) years of receiving its initial certificate of occupancy, then unless otherwise noted in this section, the property owner shall be subject to a fine equal to one (1) percent of the construction costs and shall provide a plan for compliance with the bonus point. If the plan is not submitted and the fine is not paid within thirty (30) days of the date it is imposed, then the City shall have the authority to revoke the certificate of occupancy for the building. If the project is not brought into compliance within one (1) year, then the City shall have the authority to revoke the certificate of occupancy for the building.

The following Performance Points shall have the compliance path as provided, if projects do not provide satisfactory evidence of achieving the performance standards of each used bonus at time of final inspection.

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For 3.b, Connecting to distributed energy systems only, the property owner shall be subject to a fine of two (2) percent of construction cost. If the fine is not paid within thirty (30) days of the date it is imposed, then the City shall have the authority to revoke the certificate of occupancy for the building.

## **Building Reuse**

For 6.b and 6c., the property owner shall be subject to a fine of two (2) percent of construction cost. If the fine is not paid within thirty (30) days of the date it is imposed, then the City shall have the authority to revoke the certificate of occupancy for the building.

#### Urban Fabric

For 10a., the property owner shall be subject to a fine of two (2) percent of construction cost. If the fine is not paid within thirty (30) days of the date it is imposed, then the City shall have the authority to revoke the certificate of occupancy for the building.

Transit Oriented Development

(1) For 11.a, no fine shall be imposed, nor compliance required, under section 915.07.E.2 if rapid service routes are discontinued through no fault of the property owner.