

**INCLUSIONARY HOUSING INTERIM PLANNING OVERLAY DISTRICT  
LAND USE CONTROL FILE NO. CB 2019-1415  
ZONE CHANGE PETITION**

**PROPERTY:** 5,173 parcels in Lawrenceville  
**NEIGHBORHOODS:** Lawrenceville (Lower, Central, and Upper)  
**PROPOSED ZONING:** IPOD-6, Inclusionary Housing Interim Planning Overlay District  
**ACTION REQUIRED:** Public Hearing and Recommendation to City Council on the Proposed Zone Change  
**COUNCIL DISTRICTS:** 7, Councilperson Deborah Gross  
**DATE:** April 23, 2019  
**SUBMITTED TO:** The Planning Commission of the City of Pittsburgh  
**FROM:** The Zoning Administrator

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**FINDINGS OF FACT**

1. A Zoning Code text and map amendment is proposed to create a new Interim Planning Overlay District (IPOD), which is comprised of property within the Lawrenceville (Lower, Central, and Upper) neighborhood.
2. The new interim overlay zoning district meets the intent of Section 907.02.A of the Zoning Code, Interim Planning Overlay Districts, which is to “provide a mechanism for interim zoning controls in geographically defined areas of the City where current use, height, area or procedural controls are found to be deficient, when other code provisions do not address such deficiencies, and when ongoing planning studies may inform the preparation of permanent controls which would be appropriate for the area”.
3. The intent of the proposed overlay district is to promote the public health and welfare by increasing the supply of affordable housing for a range of family sizes and promoting economic integration within the District boundaries. The intent is to encourage quality, economically-balanced development in the Lawrenceville neighborhood by leveraging development pressure by connecting the production of affordable housing with the current market production of housing units; 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 utilizing sites in IPOD-6 as opportunities to build mixed income developments.
4. In accordance with Section 907.02.A of the Zoning Code, the Inclusionary Housing Interim Planning Overlay District (IPOD-6) will be in effect for no more than eighteen (18) months from its effective date, except that one (1) six-month extension may be granted by Council if requested by the City Planning Commission before the end of the 18-month period.
5. All existing underlying zoning districts shall remain in place throughout the existence of the IPOD-6 district, as prescribed in Section 907.02.B of the Zoning Code.
6. There is no specific development associated with this zone change proposal.
7. The Department of City Planning mailed 4,396 letters to property owners in, and within 150 ft. of, the proposed zone change area to notify them of the proposal and the Hearing. City Planning staff posted 27 notices in the area on March 14, 2019. The Department received more than 30 phone

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calls from property owners; and 326 written or emailed responses from property owners, a response rate of 7.4%. Of the written or emailed responses, 176 were opposed (54%), 146 were in favor of the proposal (44%), and 6 responses had no indication (2%).

8. In conjunction with Lawrenceville United, the Department of City Planning presented information about Inclusionary Housing as well as the proposed IPOD-6 at three public meetings, on September 25<sup>th</sup>, 2018; October 17<sup>th</sup>, 2018; and November 5<sup>th</sup>, 2018, with more than 70 people in attendance at each.
9. The Inclusionary Housing IPOD will apply to:
  - a. New construction, substantial improvement, or adaptive reuse of one or more buildings that collectively contain 20 or more dwelling units, one (1) or more zoning lots marketed as a single or unified project, sharing common elements or common financing, or comprising a part of a planned development;
  - b. New construction, substantial improvement, or adaptive reuse of one or more buildings that collectively contain 20 or more sleeping rooms within a Multi-Suite Residential use, one (1) or more zoning lots marketed as a single or unified project, sharing common elements or common financing, or comprising a part of a planned development;
  - c. New construction, substantial improvement, or adaptive reuse of one (1) or more buildings that collectively contain any combination of 20 or more dwelling units and sleeping rooms within a Multi-Suite residential use, one (1) or more zoning lots marketed as a single or unified project, sharing common elements or common financing, or comprising a part of a planned development.
10. The Inclusionary Housing IPOD creates the following standards for on-site units that will apply to all applicable development:
  - a. Only Eligible Households may qualify for initial occupancy in an inclusionary zoning unit;
    - (1) Households residing in Inclusionary Rental Units must provide annual documentation of income and household composition, and must vacate the unit in the event that household income exceeds 80% of Area Median Income.
  - b. Before an Inclusionary Rental Unit is issued a Certificate of Occupancy, it must either:
    - (1) Record a deed restriction allowing the City and Eligible Households to enforce on-site inclusionary standards and implementing regulations, or
    - (2) Enter into a master lease of the unit with an Affordable Housing Provider for the entire Affordability Term.
  - c. Before an Inclusionary Owner Occupied Unit is issued a Certificate of Occupancy, it must either:
    - (1) Record a deed restriction allowing the City and Eligible Households to enforce on-site inclusionary standards and implementing regulations, 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 907.02.K.4.
  - e. A minimum of 10% of units shall be inclusionary if they are provided on-site. When this yields a fraction, the number of units shall be rounded up to the nearest whole unit.

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- f. Rental and owner-occupied Inclusionary Units will remain affordable for a minimum of 35 years. This Term automatically renews for an additional 35 years if the Inclusionary Unit or any property containing an Inclusionary unit is sold during the Affordability term.
  - g. Inclusionary housing units must be integrated within, and distributed throughout, each building, except for:
    - (1) They 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, units are not required to be placed on the top three (3) floors.
  - h. On-site inclusionary units shall be equivalent to market-rate units within the building in all ways, including appliances, finishes, and square footage.
  - i. Core building amenities, such as a gym, pool or parking space, must be shared with residents of inclusionary housing units, with no additional charges unless any resident could subtract those charges from their rent.
  - j. The percentage of inclusionary units that are also family-sized shall be equal to or greater than the percentage of market-rate units that are family-sized.
11. The Inclusionary Housing IPOD allows inclusionary units to be constructed off-site as a Special Exception, if it is not feasible to provide them on-site.
12. The Inclusionary Housing IPOD creates the following standards for off-site units that will apply to all applicable development:
- a. A minimum of 12% of the subject property's number of units shall be Inclusionary Units.
  - b. The applicant must have site control or an agreement with an entity that has site control.
    - (1) With respect to rental housing, the applicant must own a controlling interest in the off-site development or provide evidence of an enforceable commitment to contribute \$200,000 or more per Inclusionary Unit.
    - (2) With respect to owner-occupied housing, the Applicant must either own the land and do the development, or provide evidence of an enforceable commitment to contribute \$200,000 or more per Inclusionary Unit.
  - c. The off-site units shall be located no more than one quarter (1/4) mile from the subject site, and within City limits.
  - d. The off-site property must have comparable transit service as the subject site, evaluated by distance from transit stop(s) via networked walkshed, number of routes available and frequency of service.
13. In accordance with Section 922.05.F, the Planning Commission shall review Zoning District Map or Zoning Code text amendments based on the following criteria:
- a. The consistency of the proposal with adopted plans and policies of the City;
  - b. The convenience and welfare of the public;
  - c. The intent and purpose of the Zoning Code;
  - d. Compatibility of the proposal with the zoning, uses and character of the neighborhood;
  - e. The suitability of the subject property for the uses to which it has been restricted without the proposed zoning map amendment;

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- f. The extent to which approval of the proposed zoning map amendment will detrimentally affect nearby property;
- g. The length of time the subject property has remained vacant as zoned;
- h. Impact of the proposed development on community facilities and services; and
- i. The recommendations of staff.

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

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### **RECOMMENDED MOTION**

That the Planning Commission of the City of Pittsburgh **Recommends Approval** to City to rezone Lawrenceville (Lower, Central, and Upper) as an Interim Planning Overlay District, with the following conditions:

- Amendment to the definition of “Administrative Agent” to clarify that DCP is the approval authority for its designation;
- Inclusion of a time limit to the “Substantial Improvement” definition;
- Edits to 907.02.K.7.(b) that ensure that the intent, which is that a development subject to these provisions that chooses to place the Inclusionary Units off-site is required to provide 12% of the total number of units to be developed as Inclusionary Units instead of 10%, is clearly stated in the Code;
- Edits to the Ordinance regarding capitalization and consistency of defined terms;

Planning staff shall be directed to create new overlay zoning line boundaries for IPOD-6 in accordance with the maps attached herein.

### **SUBMITTED BY:**

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Andrew Dash, Assistant Director

### **APPROVED BY:**

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Corey Layman, Zoning Administrator