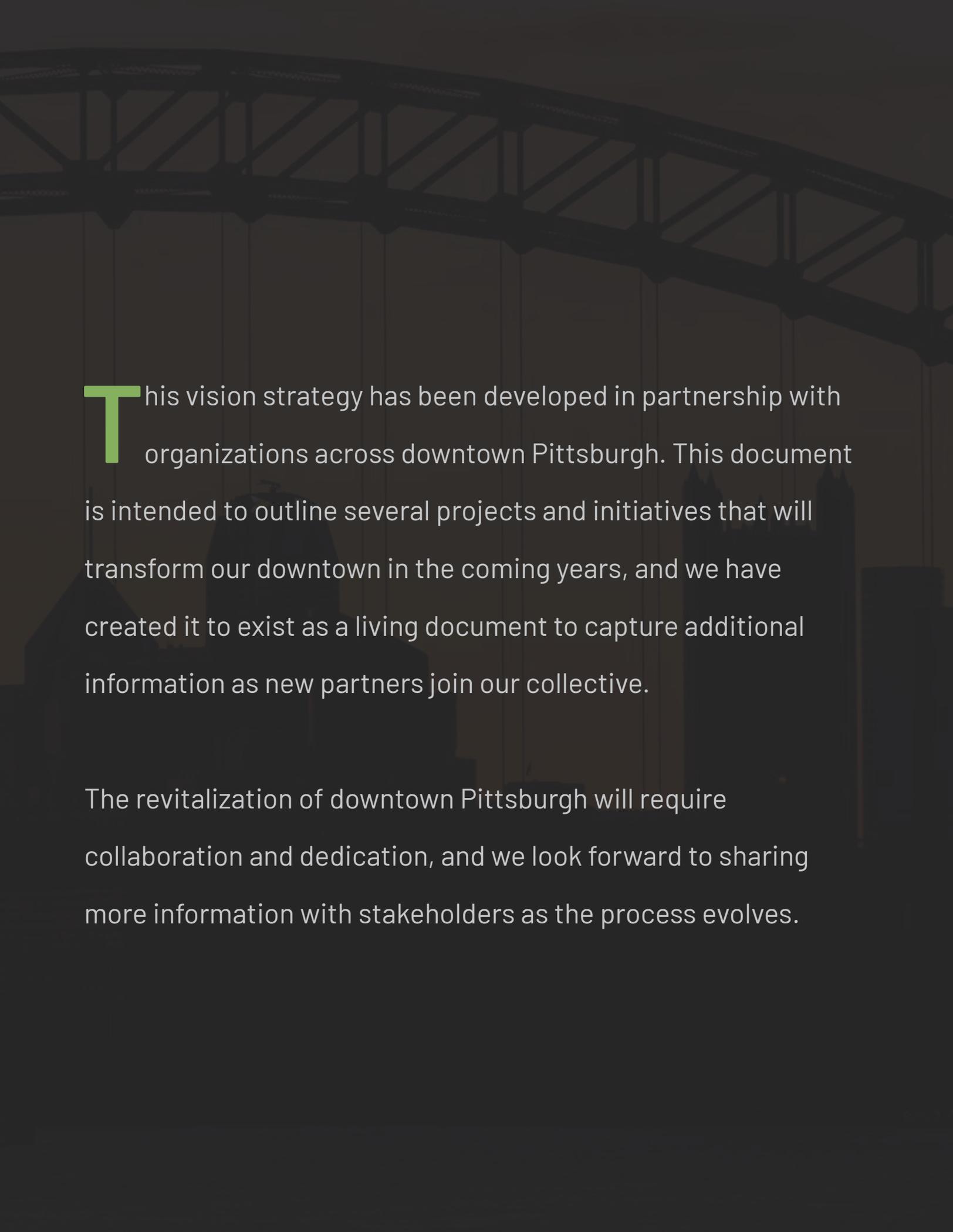




Downtown Revitalization Vision

Creating a Neighborhood for All in Downtown Pittsburgh





This vision strategy has been developed in partnership with organizations across downtown Pittsburgh. This document is intended to outline several projects and initiatives that will transform our downtown in the coming years, and we have created it to exist as a living document to capture additional information as new partners join our collective.

The revitalization of downtown Pittsburgh will require collaboration and dedication, and we look forward to sharing more information with stakeholders as the process evolves.

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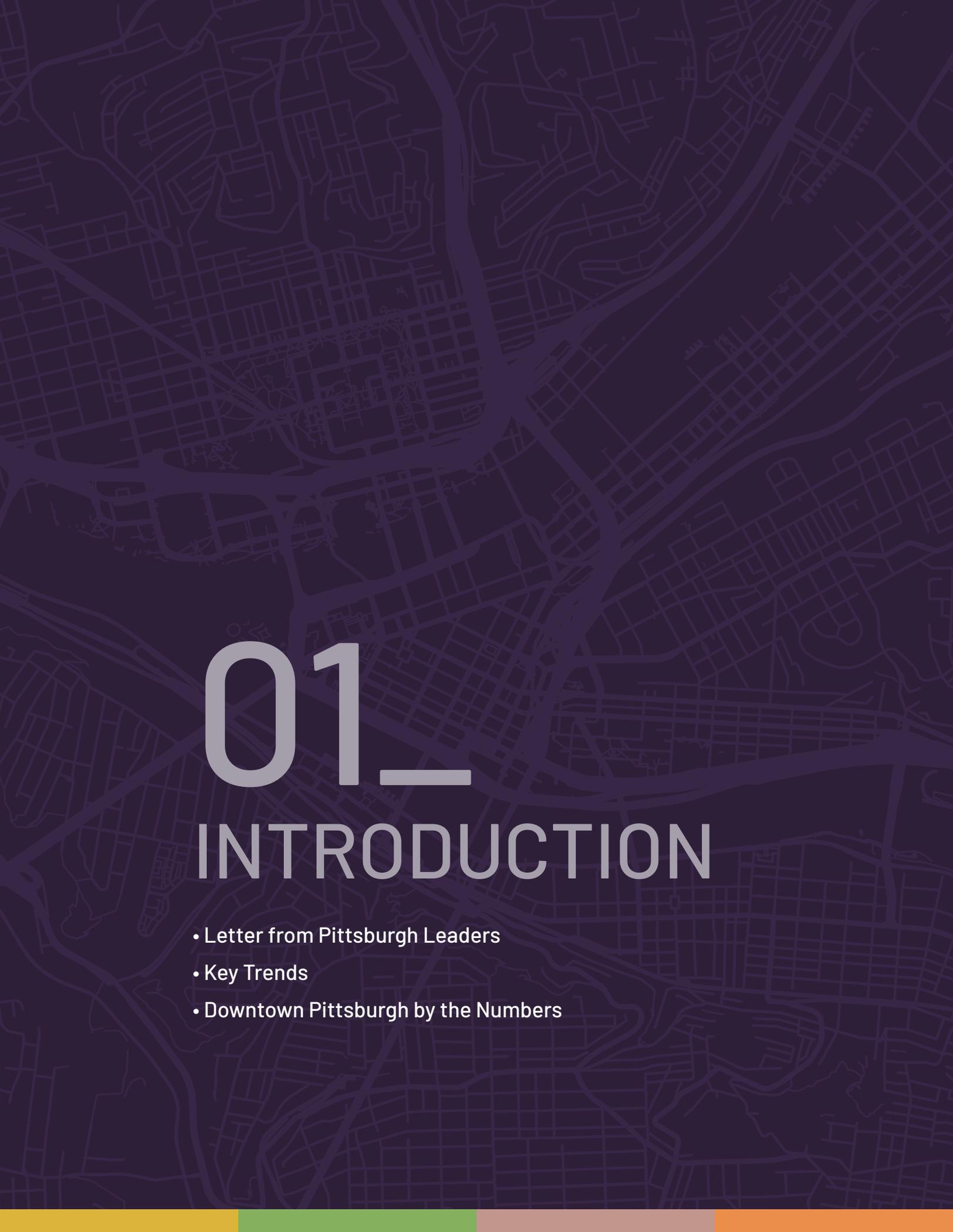
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01_

INTRODUCTION

- Letter from Pittsburgh Leaders
- Key Trends
- Downtown Pittsburgh by the Numbers



Sara Innamorato
Allegheny County Executive



Ed Gainey
City of Pittsburgh Mayor



Stefani Pashman
Allegheny Conference on Community Development CEO



Susheela Nemani-Stanger
Executive Director, Urban Redevelopment Authority of Pittsburgh

Letter from Allegheny County Executive Sara Innamorato, Pittsburgh Mayor Ed Gainey, Allegheny Conference on Community Development CEO Stefani Pashman, and the Urban Redevelopment Authority Executive Director Susheela Nemani-Stanger

Fellow Pittsburghers,

Once an office-centric downtown heavily utilized by large businesses and employees, Pittsburgh — like many cities across the country — has faltered post-pandemic. We must unite to rejuvenate our downtown to create public spaces and housing options that enhance the quality of life and boost economic opportunities, making downtown Pittsburgh relevant to all of southwestern Pennsylvania and drawing people from across the region and beyond to our vibrant neighborhood.

We can't let this moment to reimagine our downtown pass by; we must act now so that it will be here for generations. Together, we will reinvent our downtown to be defined by vibrant neighborhoods, connected green spaces, a thriving business district for companies large, small, local, and global, inclusive entertaining, and to be connected to our beautiful rivers and nearby communities. The success of a new downtown will emanate throughout the 10-county region, offering other main streets enhanced opportunities to attract individuals and business investment. What happens downtown has ripple effects across the entire 10-county region, and revitalizing downtown Pittsburgh — and other main streets across southwestern Pennsylvania — will bolster our value proposition, creating opportunities to attract global business investment to our region.

Delivering on this promise requires us to align around a common vision and do what Pittsburghers have done for more than 80 years — come together as one for the greater good. Public and private sector leaders have joined forces to unlock opportunities that will make this vision a reality. Convening business, philanthropic, nonprofit, university, and community partners, we have worked diligently to reimagine Pittsburgh's future. Together, we have taken immediate action — stabilizing downtown through programmatic investments in health and public safety, identifying sustainable solutions to maintain those investments, and repositioning our real estate market for a new mix of residential and commercial uses.

In the following pages, we describe our current state challenges, collective goals, and, more importantly, what we are accomplishing together and with the 100+ stakeholders who have joined us. We hope the approach will yield positive and transformative outcomes and serve as a model for downtowns across the Commonwealth.

As elected officials and business leaders, we stand ready to support a comprehensive revitalization plan for downtown Pittsburgh. We are pleased to share this update with all stakeholders and look forward to working together to realize our vision and a bright future for downtown Pittsburgh.

Sincerely,

**Allegheny County Executive Sara Innamorato,
City of Pittsburgh Mayor Ed Gainey,
Allegheny Conference on Community Development CEO Stefani Pashman,
Urban Redevelopment Authority Executive Director Susheela Nemani-Stanger**

► Our Downtown Matters

While all downtowns have historically been, and continue to be, strong foundations for cities, the pandemic forced the world to adapt in countless ways. Urban cores are experiencing similar issues and are responding creatively to how they attract and retain investment and people.

WE'VE RECOGNIZED SIX KEY TRENDS DRIVING OUR DOWNTOWN TODAY

1 Commercial real estate needs were evolving, even prior to the pandemic

- Downtown employees have declined by 17% since 2002 due to the closure and/or relocation of call centers and other businesses. Our region's growing sectors (e.g., AI, advanced manufacturing, and energy) are not seeking traditional upper floor commercial office space.

2 Looming collapse ahead: real estate values and foreclosures threaten tax base

- As tenants of commercial properties optimize footprints or move to other submarkets, downtown is experiencing new, large blocks of availability from significant corporate tenants.
- According to a 2020 study by the International Downtowns Association, established downtowns like Pittsburgh account for approximately 25% of a city's assessed value and property tax revenue and more than 40% of the hotel tax revenue.



3 Downtown has not evolved from a business district to a true neighborhood

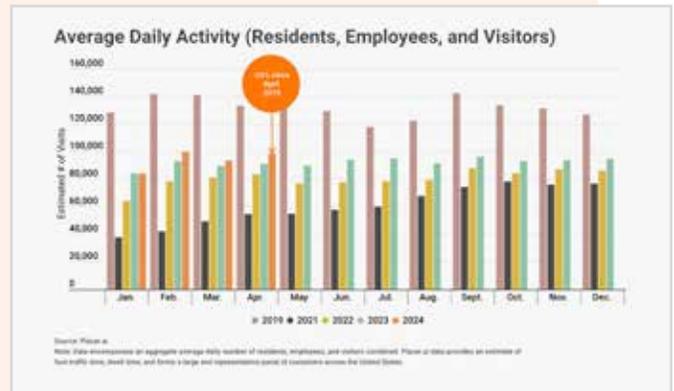
- Downtown Pittsburgh is far more dependent on the commercial real estate market than is the case in other metros. Pittsburgh is the 28th largest metro in the nation, yet we possess the fifth highest concentration of downtown office space. As tenants of these commercial properties adjust their footprints to accommodate fewer commuting workers or relocate to other submarkets, they pose a risk to building owners and taxing bodies as well.

4 Residential conversion is important, but only part of the solution

- More than 21,500 residents call Greater Downtown Pittsburgh home, with a more than 90% occupancy rate in about 9,000 residential units. There are more than 1,650 downtown units in the pipeline to come online in the coming years.
- People desire a true neighborhood with a walkable downtown with robust amenities, which has helped inform not only conversion projects, but also improvements in civic spaces and the public realm.

5 Downtown visitors have not reached pre-pandemic levels

- The average daily activity rate for residents, employees and visitors is still 26% below April 2019 as a benchmark month.



6 Demands for health and human services increased in a post-pandemic Pittsburgh

- Throughout the past few years, experts from city and county offices have come together to tackle one of the most pressing concerns downtown – the increased need for human services, as well as emergency and post-emergency response.
- Allegheny County and the City of Pittsburgh have worked to address longstanding health, safety and justice issues in our downtown. They continue to work hand-in-hand with police, emergency response crews, social and outreach workers, and program developers to assist community members with complex health and social needs. Through collaboration and public-private partnerships, human service programs continue to progress and evolve in downtown Pittsburgh.

Downtown Pittsburgh by the Numbers



Worker density:

74,000

workers representing nearly 7% of the region's workforce are employed downtown



2nd

largest employment center in Pennsylvania



1 square mile

physical footprint



100,000

people per square mile



7

out of the region's 10 largest employers maintain a primary office in the Golden Triangle





02.

PLANNING PROCESS

- Stakeholder Engagement
- Timeline

► **Purpose of the Vision: Reimagining Downtown Pittsburgh for the Future**

- **Create a dynamic, inclusive neighborhood** by intentionally investing in building downtown communities with the amenities to welcome diverse residents. This will create a future-focused, socially and economically vibrant downtown.
- **Adapt to a post-pandemic economy** by enhancing our existing assets, filling in where we are missing amenities and services, and providing for the health and safety of all residents and visitors.
- **Reposition our real estate market**, which supports the economic impact of the entire region and is the linchpin of our commercial real estate tax base.
- **Align priorities and leverage investments** by bringing key stakeholders together to provide a cohesive framework for catalytic investments.

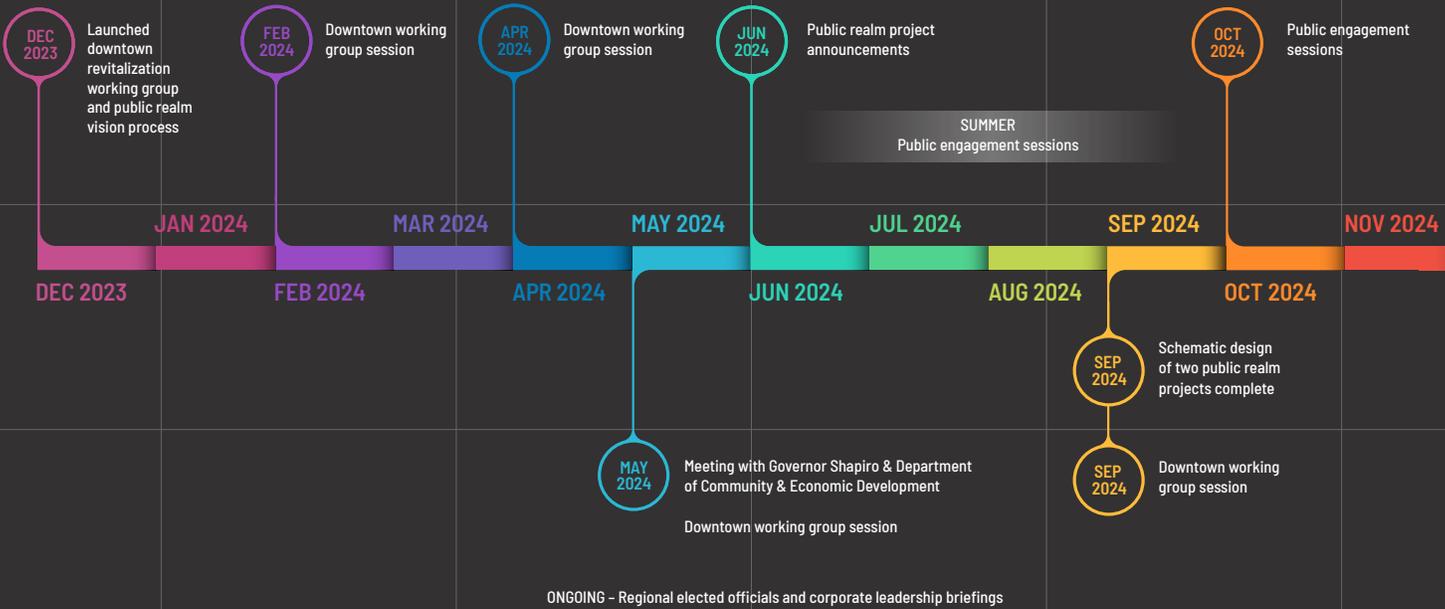


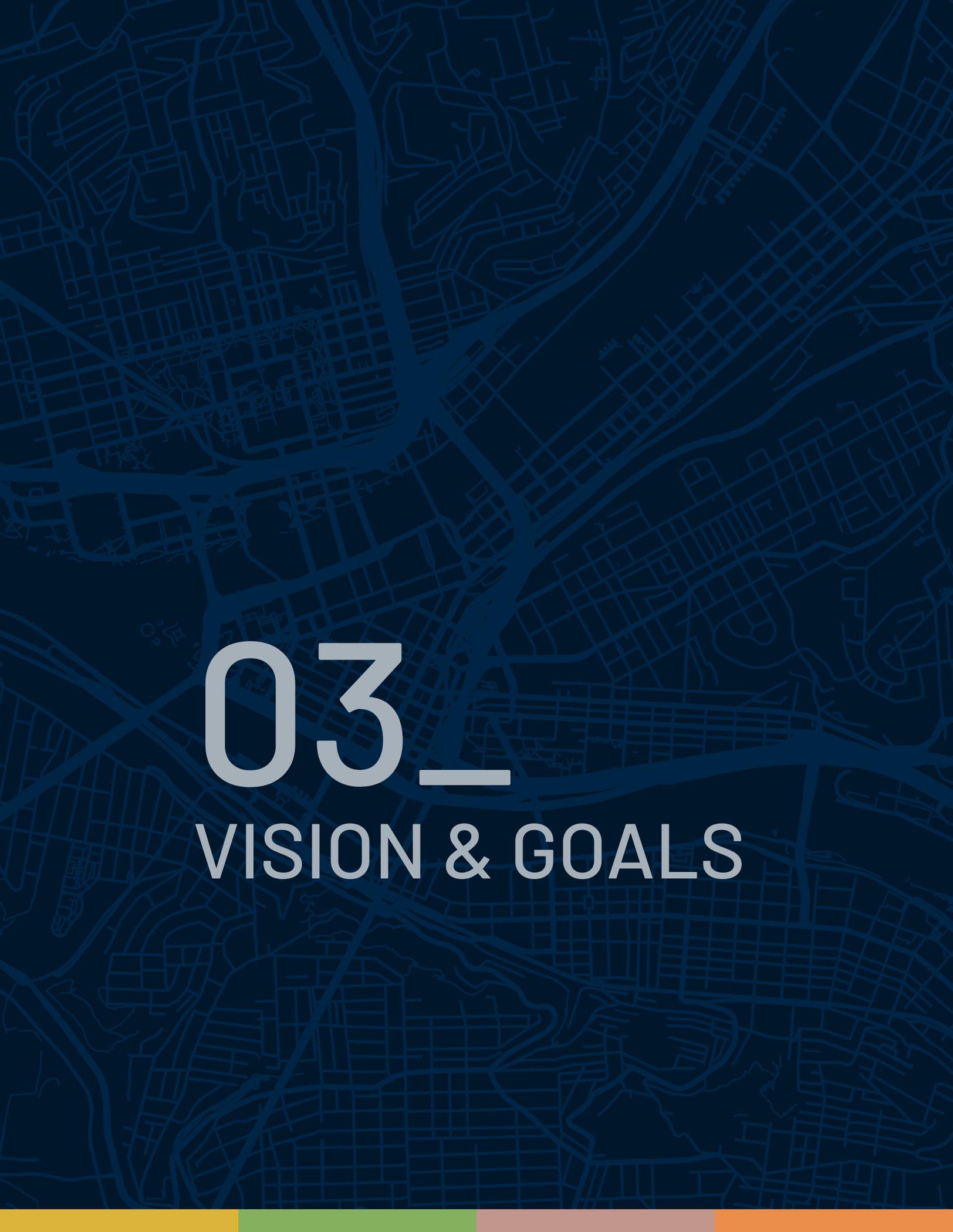
► **Stakeholder Engagement**

Throughout the past 10 months, 200+ downtown-focused stakeholders, including business, academia, labor, nonprofits, philanthropy, and elected officials at all levels of government have engaged in collective work sessions to identify the challenges and opportunities facing downtown Pittsburgh, developed a vision and goals for our future, and created a collaborative pathway to achieve results.

Through working sessions with leaders, planning sessions with local elected officials, steering committee and board of director meetings, public engagement sessions on projects, and briefings to the state and federal government, dozens of downtown-focused engagements have been made since December 2023.

TIMELINE



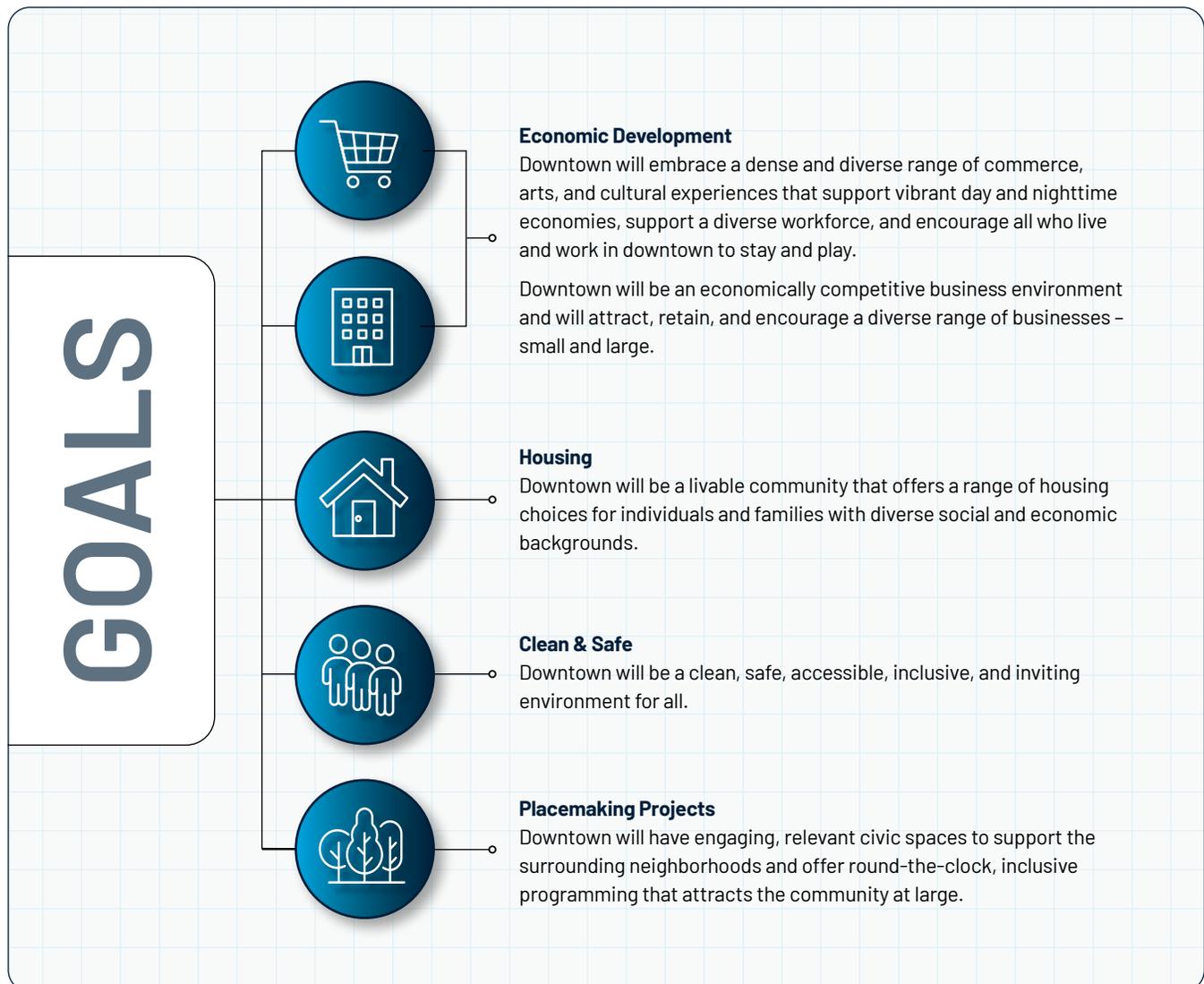


03_

VISION & GOALS

VISION

“Advance downtown Pittsburgh’s revitalization to create a future downtown that is vibrant, attractive, and welcoming to all residents, employees, and visitors.”



04.

ECONOMIC DEVELOPMENT

- Rationale & Impact
- Priority Goal Actions

GOALS

Downtown will embrace a dense and diverse range of commerce, arts, and cultural experiences that support vibrant day and nighttime economies, support a diverse workforce, and encourage all who live and work in downtown to stay and play.

Downtown will be an economically competitive business environment and will attract, retain, and encourage a diverse range of businesses – small and large.

► Rationale & Impact:

Downtown Pittsburgh can, and should be, uniquely attractive to many companies within certain high-growth sectors; efforts should be made to design pitches highlighting the value proposition to locate downtown. The work in this strategy will support efforts to secure business investment in the form of regional, national, and global headquarters for downtown.

Attracting and retaining a diverse mix of businesses, restaurants, and retailers will be key to the city's future vibrancy; job creation will produce sustained opportunities for residents downtown and across the region. One objective of reinventing downtown is to repurpose real estate and rethink the built environment to enable entrepreneurs, diverse start-ups, and growing businesses to locate and flourish in downtown Pittsburgh.

Public and private sector partners will be able to highlight our downtown to prospective out-of-market companies, diverse and local businesses, and entrepreneurs. Working collaboratively, we will seek to create a business engagement strategy to identify prime real estate and employ creative uses to attract entrepreneurs, diverse start-ups, and growing businesses. Advocating for business-friendly policies will help ensure a competitive environment and increase the benefits of locating downtown.

Economic development organizations operate numerous programs aimed at attracting and retaining main street businesses in downtown Pittsburgh. While simultaneously seeking to attract and retain company headquarters and commercial tenants to reside in traditional office spaces, it is imperative that we seek creative use of vacant spaces to help fulfill the development of a neighborhood.





► **Local Economic Revitalization Tax Assistance (LERTA)**

This program incentivizes investments in development that contribute to affordable housing unit or job creation within downtown Pittsburgh. The program, with a singular application portal, offers to abate the value of increased real estate taxes up to \$250,000 per year for 10 years for each taxing body.

► **Partners & Programs**



Project Pop-Up, an innovative initiative by the Pittsburgh Downtown Partnership (PDP), offers entrepreneurs, including diverse entrepreneurs who have not traditionally located downtown, the opportunity to launch a pop-up retail shop in a vacant storefront in downtown Pittsburgh. Selected participants can occupy and transform these spaces for up to 12 months, contributing to a more vibrant and dynamic street-level experience in the heart of the city. In partnership with downtown property owners and with generous support from the Hillman Foundation, Project Pop-Up aims to turn vacant storefronts into thriving, activated spaces, creating exciting new destinations.

The Downtown Rent Abatement Program, an initiative of the PDP, supports the growth of new businesses in downtown Pittsburgh by enhancing existing retail clusters and filling gaps in the market. The program offers a rent subsidy of up to 50% of the monthly rent, capped at \$2,000 per month for 12 months with a multi-year lease. Applications are accepted on a rolling basis, though funding is not guaranteed for all applicants. By easing the financial burden for qualified tenants, this program helps fill vacant storefronts, fosters business development, and strengthens the vitality of downtown Pittsburgh.

The Paris to Pittsburgh Grant Program, a flagship initiative of the PDP, provides matching grants to assist property and business owners with exterior enhancements that improve the public realm. The program offers two types of grants: one to encourage outdoor cafés and sidewalk activation, and another to improve or restore building façades. Inspired by the vibrant streets of Paris, the Sidewalk Activation Grant supports outdoor dining features such as retractable awnings, tables, chairs, lighting, and landscaping. The grant requires a 50% match and offers up to \$50,000 in funding. The Façade Grant, also a 50% matching grant, provides up to \$50,000 for businesses focused on façade improvements without the addition of outdoor dining or operable storefronts. Retail and service businesses are ideal candidates for both grants, helping to enhance the appeal and vitality of downtown Pittsburgh.

BEFORE



AFTER





► **Priority Goal Actions**

Reflecting on the current state of play and what is required to achieve these goals in the future, the following chart outlines the priority goal actions of the collaborative group to ensure future success for downtown Pittsburgh.

Completed & Ongoing	Immediate – 18 months	Mid-term – 36 months	Long-term – 3-10 years
<ul style="list-style-type: none"> • Enhanced outdoor dining, events, and programming • PDP and Urban Redevelopment Authority (URA) – grants and funding opportunities released • Conversion fund • City housing bonds • Façade and rent abatement programs • Local Economic Revitalization Tax Assistance (LERTA) – approved by three taxing bodies 	<ul style="list-style-type: none"> • Define strategic coalition and launch new business attraction/retention strategy • Develop retail business attraction strategies • Build a downtown small business support plan and structure pilot programs to both help existing businesses grow and new businesses locate in downtown • Continue grant and funding opportunities to support revitalization • Designation as a Creative Community 	<ul style="list-style-type: none"> • Employ creative uses for real estate to attract entrepreneurs, diverse start-ups, and growing businesses 	<ul style="list-style-type: none"> • Expand business attraction and retention by identifying existing businesses to support growth and bringing new business to the region via Pittsburgh Regional Alliance marketing and outreach efforts



05_

HOUSING

- Rationale & Impact
- Priority Goal Actions

GOALS

Downtown will be a livable community that offers a range of housing choices for individuals and families with diverse social and economic backgrounds.



► Rationale & Impact

Downtown office-to-residential conversions are a key piece of revitalizing downtown Pittsburgh. As an office-heavy area, our downtown has yet to evolve into a true neighborhood. Converting empty office spaces into residential units, many of them affordable, provides opportunities to attract residents to live in the downtown area, including employees who have never been able to do so before.

Through partnerships across the public and private sectors, we will work to evolve downtown to convert outdated spaces into new housing units that appeal to individuals and families of all kinds.

► Partners & Programs

The Urban Redevelopment Authority (URA) is committed to building a prosperous and equitable economy for all. Its Pittsburgh Downtown Conversion Program (PDCP) pilot is intended to stimulate the economic recovery of downtown Pittsburgh by creating new affordable housing development via the conversion of fallow and underutilized office buildings into housing.

PDCP further seeks to make the downtown residential community accessible to all downtown workers, specifically low-to-moderate income households. Under current conditions, many who work downtown cannot afford to live in the neighborhood or struggle to find available affordable units. PDCP looks to simultaneously address the lack of quality affordable housing options downtown and reduce underutilized office space.

Working hand-in-hand with developers across the city, the URA helps to bridge public and private interests to invest in meaningful equitable developments that promote housing affordability, economic mobility, entrepreneurship, and neighborhood revitalization.



► **Priority Goal Actions**

Reflecting on the current state of play and what is required to achieve these goals in the future, the following chart outlines the priority goal actions of the collaborative group to ensure future success for downtown Pittsburgh.

Completed & Ongoing	Immediate – 18 months	Mid-term – 36 months	Long-term – 3-10 years
<ul style="list-style-type: none"> • Strategic Investment Fund contributions • Local Economic Revitalization Tax Assistance (LERTA) – approved by three taxing bodies • Zoning amendments enacted to make downtown conversions entitled by-right 	<ul style="list-style-type: none"> • LERTA applications open • Make investments in high-impact, shovel-ready office-to-residential conversions and new residential construction • Identify and support down-pipeline office-to-residential conversion projects • Identify federal funding opportunities for future office-to-residential conversion projects 	<ul style="list-style-type: none"> • Advocate for new local funding tools for downtown at the state level • Secondary wave of conversion projects begin • Secure federal funds for office-to-residential conversion and other downtown housing projects • Advocate and support incentives and funding that assist in downtown revitalization/housing such as the historic preservation tax credit, federal tax credits for conversion projects, and other programs that make it easier and more economical to convert former office buildings 	<ul style="list-style-type: none"> • Advocate and fully deploy new local funding tools for downtown at the state level • Identify and support down-pipeline office-to-residential conversion projects • Secure federal funds to continue to identify and secure federal funding for office-to-residential projects



06_

CLEAN & SAFE

- Rationale & Impact
- Priority Goal Actions

GOALS

Downtown will be a clean, safe, accessible, inclusive, and inviting environment for all.

► Rationale & Impact

Cleanliness and safety are two of the most critical factors in revitalization efforts. Experiences can affect an individual's perception of downtown, but also their desire to return in the future. It is imperative that visitors, residents, and employees in downtown Pittsburgh feel safe from harm, experience a clean atmosphere, and feel welcomed as a member of the community.

Working collaboratively with public officials and organizations across downtown, we must ensure that our streets are safe, our residents are cared for, and that we build a downtown for the future, where everyone is welcome and people want to be.

► Partners & Programs

In June 2024, Allegheny County launched the 500 in 500 initiative to help people out of homelessness by making 500 affordable housing units available in Allegheny County in 500 days. The 500 in 500 initiative will engage people who have relatively low needs for social services and whose stay in shelter has been lengthened due to barriers in achieving stable housing, such as high rents, employment challenges, etc.

People who are described as low-risk/vulnerability have few to no interactions with the criminal justice system, homeless system, and emergency and intensive medical or behavioral health services and often have significant employment histories. These are the people we are identifying for 500 in 500. For people with high-risk/vulnerability, the Department of Human Services has extensive programming through Rapid Rehousing and Permanent Supportive Housing programs.

As part of this initiative, the county is:

- Prioritizing existing rental units for people exiting shelters as current tenants leave.
- Accelerating efforts to repair empty rental units so they can become available to new tenants.
- Converting facilities that do not require extensive modification (such as nursing homes or motels) to residential use for those exiting shelters.

As of September 30, 2024, there have been 112 housing units created and 99 people moved into housing.

The Pittsburgh Downtown Partnership operates many on-the-ground programs aimed at keeping downtown Pittsburgh clean and welcome. Its Clean Team, Outreach Team, and Golden Triangle Ambassador programs support on-street efforts and keep downtown Pittsburgh's sidewalks and streets free of litter and debris, greet pedestrians, and complement the presence of the Pittsburgh Police by being eyes and ears on the ground.





► **Priority Goal Actions**

Reflecting on the current state of play and what is required to achieve these goals in the future, the following chart outlines the priority goal actions of the collaborative group to ensure future success for downtown Pittsburgh.

Completed & Ongoing	Immediate – 18 months	Mid-term – 36 months	Long-term – 3-10 years
<ul style="list-style-type: none"> • Developed and deployed on-street service teams like the Clean Team and Outreach Team, that foster our ability to keep the city clean and welcoming • Identified and began to address priorities, policies, and plans for our city’s unhoused population • Work with community organizations and local high schools to keep youth safe and welcome downtown • Increased police presence and opened new station downtown 	<ul style="list-style-type: none"> • Identify and support 500 new affordable housing units in 500 days as a part of Allegheny County Executive Innamorato’s 500 in 500 initiative • Implementing parking enhancement district as a funding source • Parking fees for hours that are not currently enforced (after 5 p.m., weekends, etc.) • Evaluate revenue yield and put toward enhanced services 	<ul style="list-style-type: none"> • Fully implement parking enhancement district • Explore sustainable funding sources for clean and safe efforts, including homelessness supports, public safety initiatives, and trash removal along major commercial avenues 	<ul style="list-style-type: none"> • Entities evaluate and create self-sustained revenue to ensure funds are available for ongoing, long-term clean and safe initiatives



07_

PLACEMAKING PROJECTS

- Rationale & Impact
- Transformative Public Realm Projects
- Programming
- Priority Goal Actions

GOALS

Downtown will have engaging, relevant civic spaces to support the surrounding neighborhoods and offer round-the-clock, inclusive programming that attracts the community at large.

► Rationale & Impact

As downtown Pittsburgh evolves into a true neighborhood, reimagining civic spaces and the public realm will be critical in supporting residential conversions. Neighborhoods have something for everyone, and throughout the next few years, our updated spaces and enhanced programming will support vibrancy while providing amenities for residents, employees, and visitors downtown.

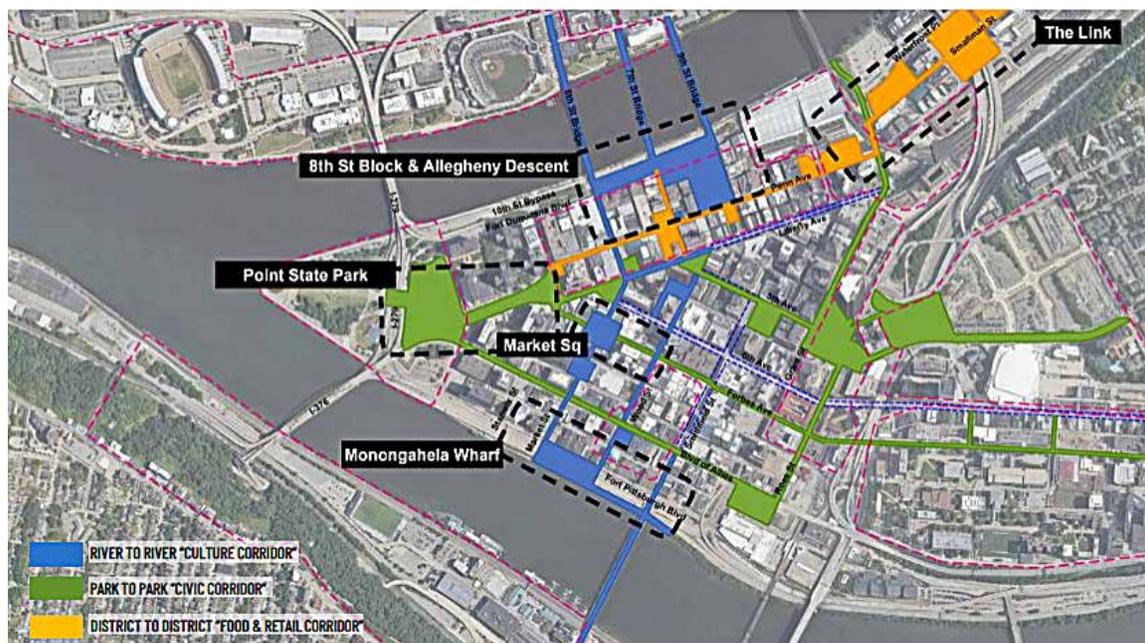
In recent months, we have partnered with experts to guide efforts to identify the assets that differentiate Pittsburgh and designed a framework, built from existing plans rooted in robust community engagement, to elevate these spaces into vibrant, inclusive areas that are available all year round, attracting people of all ages, backgrounds, and interests to live, work, and play.

With a broad range of community members - employees, residents, and visitors - these transformative public realm projects will seek to activate these spaces and engage people both day and night.

► Partners & Programs

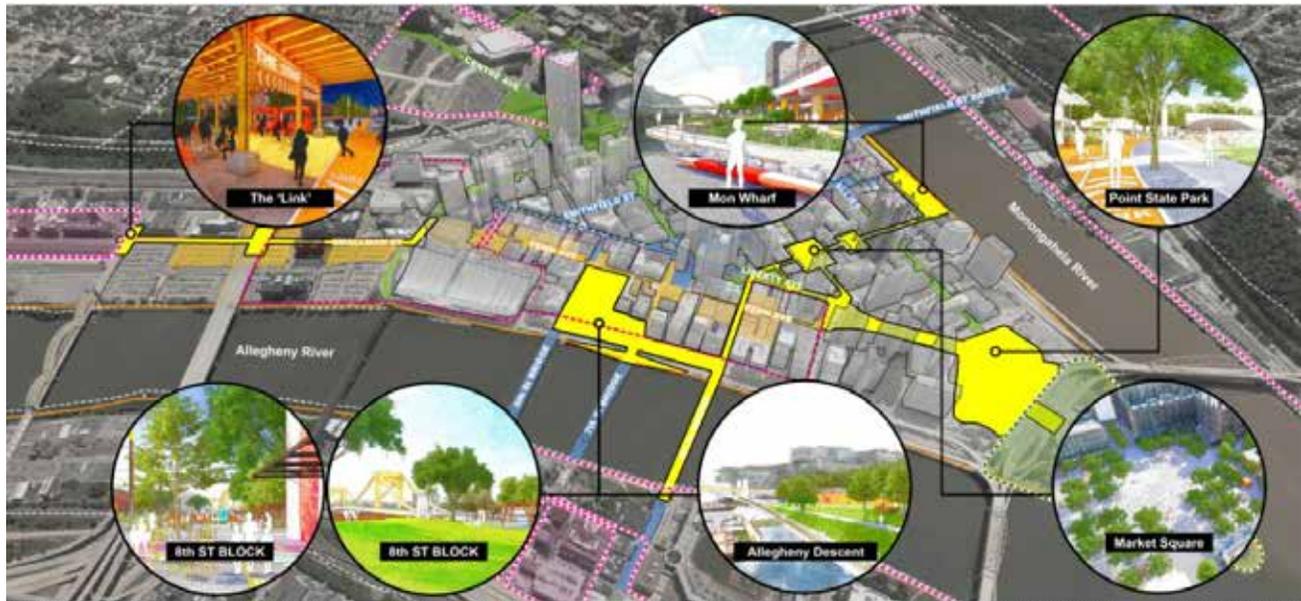
As part of this work, three proposed connective corridors have been developed to expand the downtown experience by:

- Creating thematic connections to successful civic anchors in adjacent neighborhoods.
- Embracing our rivers and reaching across them, as well as engaging the iconic bridges and finding ways to cross elevated highways, ramps, and railroads in ways that transform barriers into unifiers.
- Leveraging existing assets and amenities, along with new destinations to make a neighborhood that attracts residential growth.



► Transformative Public Realm Projects

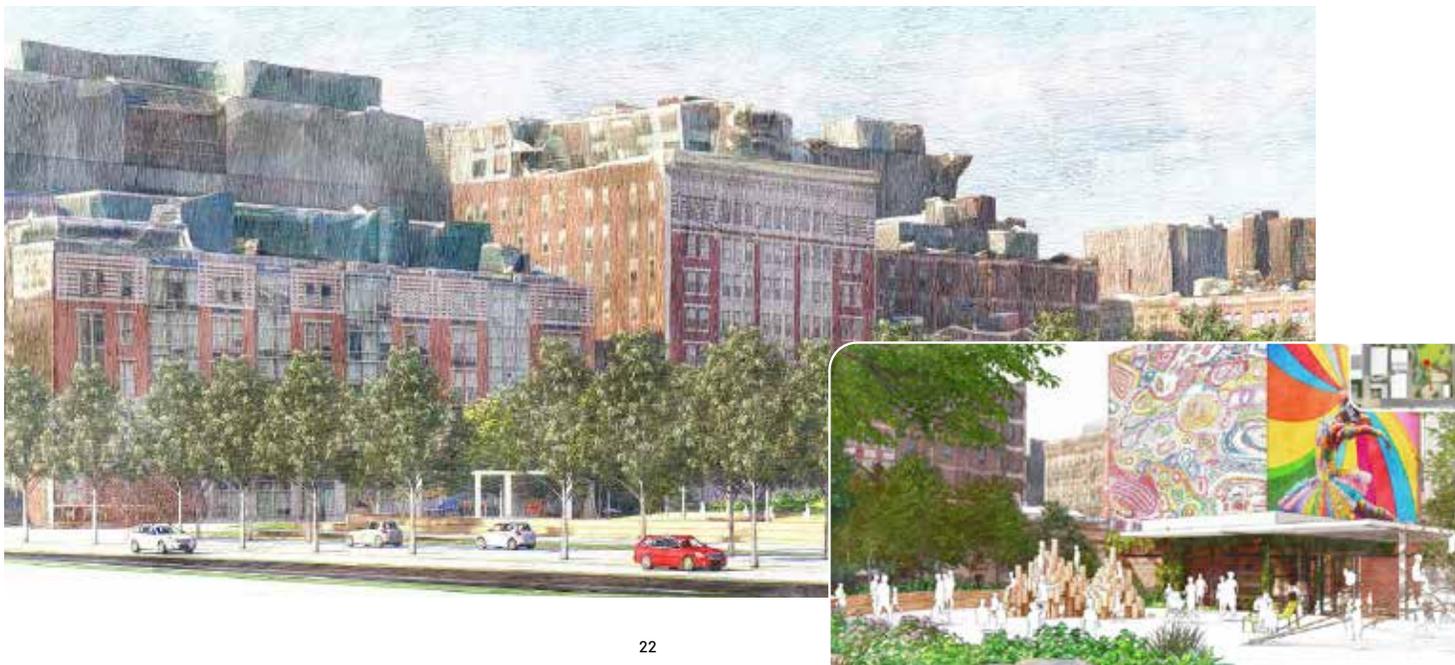
Through collaboration with downtown organizations and careful evaluation of current and proposed plans, Field Operations has built off existing plans, overlaying them with recommended projects to revitalize our downtown civic and public spaces. The interplay between public realm projects and real estate is essential – both need the other to succeed. For this reason, public realm projects have been developed in relation to proposed and anticipated commercial conversion projects to create a true neighborhood in downtown Pittsburgh. While five catalytic projects were identified throughout this process, leaders have chosen to focus on three initial projects to move public realm revitalization forward as part of Phase 1 development, and planned future phases to move the other projects forward.



► 8th Street Block

This proposed civic space can create a dramatic downtown destination energized by the Cultural District and the river and nestled among the Three Sister Bridges. With the ability to offer a variety of civic spaces and programs, the 8th Street Block could include a large, flexible lawn, cafe, outdoor amphitheater, water play, a backyard area with outdoor games, food trucks, and moveable furnishings. The Pittsburgh Cultural Trust manages this project and consultants are currently wrapping up the schematic design, which has included careful study of the property, traffic flow, and gathering public input.

In the future, this project could utilize Fort Duquesne Boulevard to create more activated civic space, including a balcony over the river, which could lead to the Allegheny Descent, a lush walkway to the water, creating a strong pedestrian connection to one of our beautiful rivers.



► Market Square & Liberty Avenue Medians

A renovated Market Square can include new paving, furnishing, lighting, and infrastructure that support everyday use and events, such as farmers markets and smaller gatherings to larger events like Light Up Night and the newest addition, Oktoberfest, reemphasizing it as downtown's civic heart and crossing. Reimagining the park will give Market Square more space for people, allowing it to expand and engage the restaurants and retailers and increase its use and capacity. Additionally, evaluating innovative approaches to better connect Point State Park to Market Square and the Cultural District could vastly enhance the experience for visitors and residents alike. "Rightsizing" the road could be implemented on Liberty Avenue, creating more space for active recreation and commercial activity, breathing new life, and directly connecting Point State Park to Market Square, the heart of downtown.

The Pittsburgh Downtown Partnership is managing these projects and has been regularly engaging with the merchants in Market Square to ensure they are involved and supportive of proposed updates to the site.



► Point State Park

The eastern portion of Point State Park, the area before the underpass walkway, can be transformed into a welcoming gateway to downtown and a park for the neighborhood, with strategic upgrades and amenities concentrated along its perimeter to attract more residential growth. The conceptual design and a more in-depth design phase have been and will continue to be thoughtful so as not to disturb the historic site or native species near the Point. We will work with the Commonwealth of Pennsylvania, which owns and manages the property, on updates as work progresses.

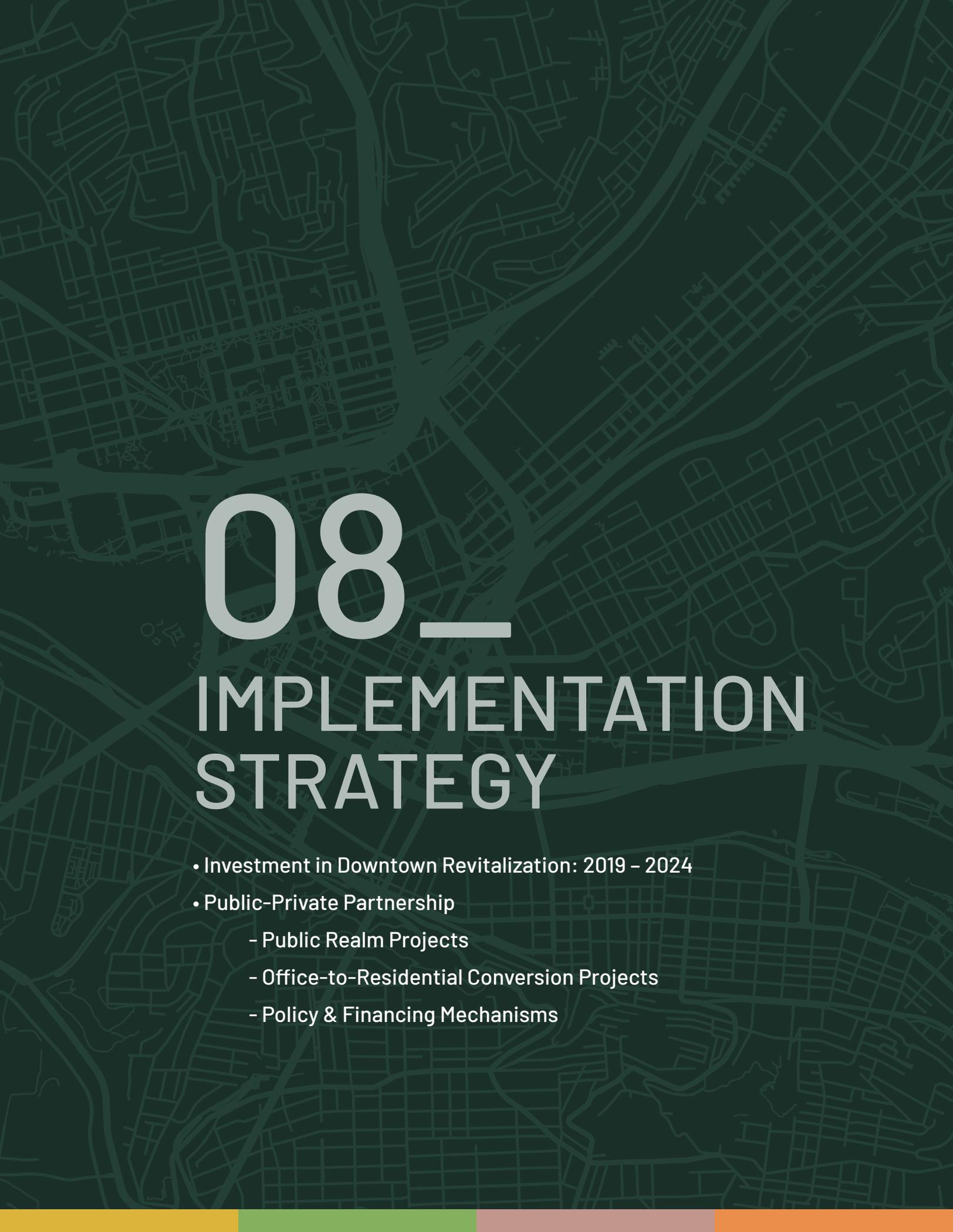




► **Priority Goal Actions**

Reflecting on the current state of play and what is required to achieve these goals in the future, the following chart outlines the priority goal actions of the collaborative group to ensure future success for downtown Pittsburgh.

Completed & Ongoing	Immediate – 18 months	Mid-term – 36 months	Long-term – 3-10 years
<ul style="list-style-type: none"> • Infrastructure enhancements: - Roadway - Transit - Bridges 	<ul style="list-style-type: none"> • Public realm projects - Complete schematic design - Employ robust public input process - Studies and planning - Begin construction: <ul style="list-style-type: none"> ~ 8th Street Block ~ Market Square ~ Liberty Avenue medians ~ Point State Park • Pursuing federal funding opportunities for public realm projects 	<ul style="list-style-type: none"> • Establish public art activity downtown • Deploy Creative Communities funding to support local artists and creative placemaking • Advocate for new local funding tools for downtown at the state level • Begin design of the second phase of civic space and public realm projects - Allegheny Descent - Fort Duquesne Overlook - Smithfield Street – Streetscape Phase 2 - Sixth Street Cultural District 	<ul style="list-style-type: none"> • Advanced catalytic art and streetscape • Art installations among major corridors • Art galleries in the Cultural District • Entities evaluate and create self-sustained revenue to ensure funds are available for ongoing, long-term clean and safe initiatives



08 — IMPLEMENTATION STRATEGY

- Investment in Downtown Revitalization: 2019 - 2024
- Public-Private Partnership
 - Public Realm Projects
 - Office-to-Residential Conversion Projects
 - Policy & Financing Mechanisms

► Investment in Downtown Revitalization: 2019 – 2024

Private and philanthropic organizations have invested nearly \$680 million over the last five years. When public dollars are added to that total, there has been nearly \$800 million contributed to support economic development, community health and safety, marketing, events, and more. These investments demonstrate the dedication of Pittsburgh’s leaders in the past, and reaffirms their commitment to future endeavors.

Through enhanced collaboration, leaders across downtown will align to find sustainable funding solutions and revenue sources to execute the projects and plans outlined in this strategy.

► Public-Private Partnership

Partner organizations have been working aggressively to develop a diverse capital stack to support the projects and programs outlined in this vision.

By working hand-in-hand with local, state, and federal elected officials, we have identified multiple sources of funding from the public sector to support both public realm and conversion projects. Private and philanthropic organizations have also been engaged and are allocating funds to the revitalization efforts across downtown.

Public Realm Projects

The three projects outlined in this vision – 8th Street Block, Market Square, and the Liberty Avenue medians – have an estimated total cost of nearly \$60 million.

- 8th Street Block - \$30 million
- Market Square & Liberty Avenue Medians - \$30 million

We anticipate the Commonwealth of Pennsylvania supporting these projects, in addition to updates to Point State Park, with \$25 million of support across various initiatives throughout the design and implementation phases of the projects. We are working with private and philanthropic organizations to identify and secure the remaining funds needed to support these projects.

Office-to-Residential Conversion Projects

In partnership with the state, through recently announced state investments funds for office-to-residential conversions to create a livable community downtown, the Commonwealth of Pennsylvania plans to support this development with a \$22 million in state investments. Additionally, \$22 million in local funds, \$48 million via the Low-Income Housing Tax Credit (LIHTC) program, and \$12 million in PA Housing Finance Agency (PHFA) loans will help move these projects forward. These investments create or preserve nearly 1,000 residential units, with nearly a third of those units being affordable for residents with low-to-moderate incomes.

Gulf Tower – \$10 million in state investment allocated over multiple years to this project

Gulf Tower is being developed by Left Lane/Rugby Realty and will create **225 total units**, including **24** affordable units.

933 Penn Avenue – \$2.5 million in state investment and \$1.6 million in local funds

This project is being developed by Rugby Realty/Hullett and will create **70 total units**, including **7** affordable units.

City Club Apartments – \$5.5 million in state investment and \$3.5 million in local investment

City Club Apartments are being developed by Holtzman/City Club and will create **294 total units**, with **33** affordable units.

The Porter – \$3 million in state investment and \$1 million in local funds

601 Grant is being developed by Oxford and RDC Design and Build and will create **165 total units**, including **32** affordable units.

Smithfield Lofts – \$1 million in state funds, \$5.8 in local funds, \$15.3 in LIHTC funds, and \$2.6 in PHFA funds

This project is being developed by Woda Cooper and will create **46 total units**, including **39** affordable units

First & Market – \$8.6 million local funds and \$17.7 million LIHTC ; no additional state funding required.

First & Market is being developed by Beacon Communities and there will be **93 total units**, all of which are affordable units.

May Building – \$1.5 million in local funds, \$15.3 LIHTC, and \$9.3 million in PHFA loans; no additional state funding required

The May Building is a Beacon Communities project and there will be **86 total units**, including **54** affordable units.

► Policy & Financing Mechanisms

To achieve the goals laid out by the collective group, there are multiple policies and proposed financing mechanisms that need to be evaluated and implemented in the coming months and years in partnership with local, state, and federal elected officials and organizations.

The following information identifies potential opportunities to enhance existing or develop new policies to support sustained funds for the programs and projects outlined in this strategy. These are all under evaluation and are subject to change as we progress.



Pittsburgh Downtown Conversion Program

Managed by the Urban Redevelopment Authority of Pittsburgh (URA), the Pittsburgh Downtown Conversion Program (PDCP) is intended to stimulate the economic recovery of downtown Pittsburgh by creating new affordable housing development through the conversion of fallow and underutilized office buildings into housing.

The URA is seeking \$100 million in federal funding from the Build America Bureau to provide direct investment in downtown office-to-residential conversion real estate development projects.

The URA intends to enter into a letter of intent with Build America to receive \$100 million in multiple financing tranches, which the URA will invest as low-cost, patient capital in downtown office conversions. The URA intends to structure its PDCP similar to the HUD Section 108 Loan Guarantee Program by bundling its financing to projects from the portions of related payments received from the Department of Transportation. The URA will utilize a form of its existing pre-application process for housing financing to identify potential projects to be recipients.



Three Taxing Body By-Right LERTA

By early 2024, Allegheny County, the City of Pittsburgh, and Pittsburgh Public Schools all approved a uniform, by-right Downtown Local Economic Revitalization Tax Assistance (LERTA) program, solidifying the commitment of all three taxing bodies to incentivize investments in development that contribute to affordable housing unit or job creation within downtown Pittsburgh. The program, with a singular application portal, offers to abate the value of increased real estate taxes up to \$250,000 per year for 10 years for each taxing body. The application window will be open for three years as a way to incentivize developers to act now.



City-specific Downtown Enhanced LERTA

Building on momentum of the three Taxing Body uniform LERTA, the City of Pittsburgh created an enhanced, by-right LERTA for downtown that uncaps, and institutes a sliding scale, for the City's downtown tax abatement, in an effort to potentially attract more interest and development. Abatement value is tied to the project's ability to create varying levels of affordable housing units or quality jobs.



Parking Enhancement District

Presently, the City does not charge for on-street parking in downtown or on the North Shore after 6 p.m. or on the weekends. There are hundreds of spaces that could be generating revenue during those time periods. A program to initiate evening and weekend parking fees could generate incremental revenues that could be dedicated to downtown redevelopment and improvements.



Lengthen LERTA

Over the years, the Commonwealth has enabled the creation of several different local tax abatement programs. Two of significant importance to this group include the "Improvement of Deteriorating Real Property or Areas Tax Exemption Act" ("Act 42") and "Local Economic Revitalization Tax Assistance Act (LERTA)." Both the residential-focused Act 42 and commercial-focused LERTA include a maximum exemption schedule of 10 years. The legislation lengthens the exemption scheduled to last up to 30 years for projects that provide public benefits. This would allow, not mandate, a municipality to provide a larger benefit over a greater period of time. Municipalities may want to provide a larger benefit to recognize that projects costs have increased. Municipalities may want to provide a benefit over a longer period of time to allow enforcement of an associated public benefit, like affordable housing or job creation, for the useful life of the asset.



Increase State Historic Tax Credit

The State Historic Preservation Tax Credit (HPTC) provides tax credits to qualified taxpayers who will be completing the restoration of a qualified historic structure into an income-producing property. All projects must include a qualified rehabilitation plan that is approved by the Pennsylvania Historical and Museum Commission (PHMC) as being consistent with the standards for rehabilitation of historic buildings as adopted by the United States secretary of the interior. Legislation would increase the annual cap allowed for this tax credit. Annual Cap: \$5 million (raised from \$3 million to \$5 million in 2021-2022), Cap per transaction: \$500 (competitive). Comparative: Ohio is capped at \$60 million.



U.S. Department of Transportation - Transportation Infrastructure Finance & Innovation Act (TIFIA) Program

The URA is seeking \$100 million in federal TIFIA funds from the Build America Bureau to provide direct investment in downtown office-to-residential conversion projects. This financing could come in multiple tranches, which the URA will invest as low cost, patient capital in specific downtown office-to-residential conversion projects. The URA believes that this TIFIA investment could be structured similarly to other federal models, like the HUD Section 108 Loan Guarantee Program. The URA can source bundles of eligible projects for each tranche of funding by adapting our existing pre-application processes for similar housing finance programs.



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ACKNOWLEDGMENT

- Key Partners

We want to express our deepest gratitude to the many organizations whose contributions were not just essential but truly transformative to the development and success of the Downtown Vision and Revitalization Strategy of Pittsburgh. This initiative, which has reshaped the landscape of downtown Pittsburgh, would not have been possible without your collaborative efforts and unwavering commitment.

Thank you to the following organizations**:

- Action Housing
- Allegheny Conference on Community Development
- Allegheny County
- Allegheny/Fayette Central Labor Council, AFL-CIO
- August Wilson African American Cultural Center
- Beacon Communities
- Benter Foundation*
- BikePGH
- BNY*
- Boys and Girls Club of Western PA
- Bridge to the Mountains
- Buhl Foundation*
- Buncher Company
- Burns Scalo
- Café Momentum PGH
- CBRE
- City Charter High School
- City Club Apartments
- City of Pittsburgh
- Claude Worthington Benedum Foundation*
- Colcom Foundation*
- Colliers International
- Community Human Services
- Dollar Bank*
- Downtown Neighbors Alliance
- Duquesne Light Company*
- Eastern Atlantic States Regional Council of Carpenters
- Eden Hall Foundation*
- Family Links
- Federated Hermes*
- First National Bank*
- Friends of the Riverfront
- Giant Eagle, Inc.*
- Greater Pittsburgh Arts Council
- Greenwood Plan
- Heinz Endowments*
- Highmark*
- Hillman Family Foundations*
- Housing Authority of City of Pittsburgh
- Hullett Properties
- Huntington Bank
- JLL
- Jewish Healthcare Foundation*
- Jones Day
- Left Lane Development
- NAIOP
- PA House of Representative delegates across the region, especially Representative Aerion Abney and Representative Lindsay Powell
- PA Senate delegation across the region, especially Senator Jay Costa, Senator Wayne Fontana, and Senator Devlin Robinson
- Peoples Natural Gas*
- PITT OHIO*
- Piatt Companies
- Pittsburgh City Council members, especially Councilman Bobby Wilson, Councilman Daniel Lavelle, and Councilwoman Erika Strassburger
- Pittsburgh Cultural Trust
- Pittsburgh Downtown Partnership
- Pittsburgh Foundation*
- Pittsburgh Parking Authority
- Pittsburgh Parks Conservancy
- Pittsburgh Penguins*
- Pittsburgh Pirates*
- Pittsburgh Public Schools
- Pittsburgh Regional Building and Construction Trades Council
- Pittsburgh Regional Transit
- Pittsburgh Steelers*
- PNC*
- Point Park University
- PPG*
- PUMP
- Reed Smith*
- Resolve Crisis Center
- Richard King Mellon Foundation*
- RIDC
- Riverlife
- Rugby Realty
- SEIU 32BJ
- Senator Robert P. Casey and Senator John Fetterman
- Senator John Heinz History Center
- Shiftworks
- Southwestern Pennsylvania Commission
- Sports and Exhibition Authority
- Strategic Investment Fund*
- Totum Realty Advisors
- Trek Development
- University of Pittsburgh
- UPMC*
- Urban Redevelopment Authority*
- Vibrant Pittsburgh
- VisitPITTSBURGH

*Includes financial investments as of October 23, 2024.

** List in alphabetical order

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