



HERRON STATION AREA EAST BUSWAY PITTSBURGH

A ULI PITTSBURGH TECHNICAL ASSISTANCE PANEL



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Overview and Vision

On February 7-9, 2017, the Port Authority of Allegheny County (PAAC), Pittsburgh Community Reinvestment Group (PCRG), and Urban Redevelopment Authority of Pittsburgh (URA), sponsored an Urban Land Institute (ULI) Technical Advisory Panel (TAP) study to obtain expert advice on redevelopment potential for the Herron Station area as a transit-oriented development (TOD) site. This TAP report from the ULI-Pittsburgh District Council follows a 2014 ULI Advisory Services Panel report on the Greater Pittsburgh public transportation system. Having access to ULI's resources in various land-use and real estate disciplines to study a local issue, in depth and with fresh eyes, is a unique benefit to cities. By engaging ULI's Advisory Services, sponsors and

stakeholders reap the benefits of member panelists' breadth of knowledge in a unique forum. This report is intended to provide more comprehensive information and guidance helping position the sponsors to pursue site redevelopment.

Pittsburgh is evolving with additional businesses, population, transit connections, and transit-oriented development, all of which are important to the economic health and livability of the region and its ability to attract young professionals, offer amenities to an aging population, and provide adequate affordable housing. All three sponsors want to capitalize on the over \$2 billion invested in regional transit facilities—busways and light rail—by increasing ridership and reducing car dependence



Proposed Herron Station TOD Development | Rendering by Dan Anderton

via additional transit-oriented development. While population within the study area is increasing, Herron Station has the lowest ridership of the nine stations located along the Martin Luther King, Jr. East Busway. A low level of ridership in an area experiencing population increases represents a missed opportunity for healthy and sustainable urban growth. Ridership from Herron Station could increase significantly and build capacity for the public transit system, which will be needed to support sustainability efforts as Pittsburgh's population grows in the coming decades. The opportunity to redevelop the Herron Station site as a TOD offers many transportation advantages to the city and region, as well as the surrounding neighborhoods.

In 2016, PAAC published TOD guidelines that include planning and design principles for station areas and high-quality TODs in the region. As part of its TOD program, PAAC is investing in a

Station Improvement Program (SIP) focused on fixed-guideway stations. Following a data-driven evaluation of all fixed-guideway stations, Herron Station placed in the top nine stations for TOD investment. As part of this program, PAAC has allocated \$1 million in capital funds for planning and improvements, with more expected in FY 2018 to improve visibility, accessibility, and user experience and to enhance ridership and redevelopment of transit-station areas. From the agency perspective, joint TOD development is an ideal form of revenue.

For urban areas like Herron Station, the opportunity also exists to use TOD as a tool to create a dense, lively, walkable/bikable "18-hour" urban neighborhood that people will want to be in. The ULI panel found that Herron Station would be an ideal location for TOD, with housing, workplaces, convenient services, food and entertainment venues, and public open space, as well as safe and convenient links to transit.

Study Area Context



The ULI Herron Station TAP Study Area in Northeast Pittsburgh

Location: The study area is located about 2.3 miles northeast of Downtown Pittsburgh. Herron Station is a stop on the 9.1-mile Martin Luther King, Jr. East Busway, a two-lane bus rapid transit (BRT) roadway that links Downtown with Pittsburgh's East End neighborhoods and inner-ring eastern suburbs. This TAP study focuses on the industrial, mixed-ownership, and blighted/abandoned residential parcels surrounding the station area. These include the former Iron City Brewery, PAAC-owned properties adjacent to the station, other large parcels, and some smaller but consolidated parcels.

Site Content: The combined focus area is approximately 17 acres, not including brewery outbuildings farther back in the valley. The brewery, opened in 1861, is a designated historic facility that spans one block of Liberty Avenue east of the intersection with Herron Avenue. Additional industrial parcels are located on the southwest side of the Herron Avenue Bridge, which bisects a large portion of the study area. On the south side of the study area, the station area includes adjacent PAAC property and abandoned commercial and residential parcels. Two railroad own lines through the site: Norfolk Southern's tracks run adjacent to the busway, and Allegheny Valley Railroad owns raised tracks that cut through the northeast corner of site, isolating the brewery from the rest of the study area.

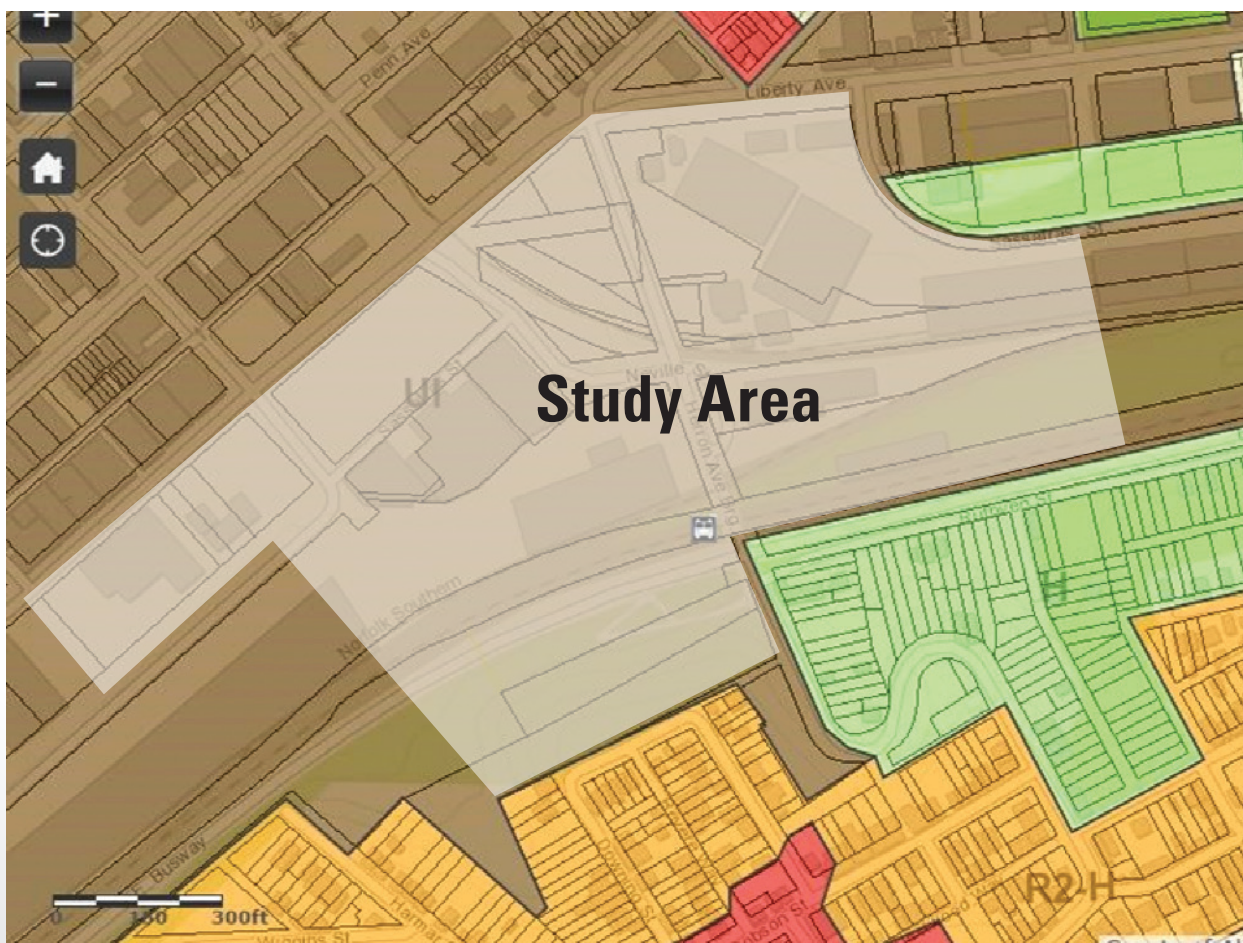
HERRON STATION AREA, EAST BUSWAY PITTSBURGH

A ULI PITTSBURGH TECHNICAL ASSISTANCE PANEL | FEBRUARY 7-9, 2017

Land Uses: The study area's land uses are predominantly industrial and residential. Between the busway and Liberty Avenue, most occupied parcels are used for storage/warehousing or shipping distribution. On the south side of the study area, the Port Authority of Allegheny County property includes Herron Station, adjacent parcels, and the steep wooded hillsides of Polish Hill, which is a predominantly single-family detached residential neighborhood. Southeast of Herron Avenue are vacant residential and commercial/retail buildings. On the northeast side of the site, the brewery comprises multiple brick buildings, some of which are vacant. Also on the north side of the site, Lower Lawrenceville contains retail stores, commercial spaces, distribution/warehousing,

and light assembly and manufacturing, as well as single-family detached homes. The Strip District to the west contains uses similar to those in Lower Lawrenceville, but is also growing with new businesses such as Apple and Uber, as well as market-rate housing to accommodate an influx of new residents.

Zoning: Most of the study area is zoned Urban Industrial (below in brown), Pittsburgh's most versatile zoning designation. However, a portion of the area – the small lots at the base of Herron Avenue (yellow) are zoned Hillside. This designation prohibits structures higher than 40 feet, and allows for a developer to build on not more than 50 percent of the lot area.



ULI TAP Study Area Zoning. Urban Industrial areas shown in brown and Hillside lots shown in yellow.

ULI Panel Focus

To understand the context, challenges, and opportunities for TOD along the East Busway, the ULI TAP panel took a tour with PAAC, PCRG, and URA staff of the Herron Station study area and the recently completed TOD at East Liberty, another East Busway station. The panel interviewed representatives of these agencies and other stakeholders and reviewed and discussed background on the site, including data on transportation, demographics, and economic development. The panel developed findings, recommendations, and a vision plan for transit-oriented development in the study area, and presented their work to TAP sponsors and the public on February 9, 2017.

During the TAP process, the panel focused on three questions for the study area:

- 1) What would be the most suitable and economically resilient mix of uses to maximize near and long-term opportunity? What is needed to ensure that a shortsighted transactional mindset does not hinder the site's ability to realize these opportunities?
- 2) How should Herron Station and the existing street network be redesigned and/or repurposed so that it catalyzes the right development mix? What and where should on-site public space, community usage, and green areas be considered?
- 3) What incentives and financing opportunities, including zoning, would encourage and facilitate the desired development? How can the busway be an anchor for an infrastructure funding strategy? How could this development attract other federal and state funding sources?



Aerial View of Herron Station Site Bisected by Herron Avenue Bridge

Existing Site Conditions/Assets

The study area has numerous assets that could contribute to successful transit-oriented development:

The study area includes edges of three neighborhoods that are growing with new businesses, housing, and services, and market demand is growing as the region enjoys new investments. Residents in the Strip District, with employers located there including Apple, Microsoft, and Uber, had a median 2015 income of over \$95,000, while residents in Lower Lawrenceville and Polish Hill had median incomes of about \$37,000. Younger workers and families preferring an urban environment are moving to these neighborhoods, and there is a market for new mixed-use development that would enhance the study area and provide needed housing and services.

The study area offers direct rapid service to Downtown and multiple on-street connections to adjacent neighborhoods. The busway provides a direct connection to the central business district and major employment centers. Daily bus service is reliable, frequent, speedy, and runs late at night. Bus travel time from Herron Station to Downtown is six minutes and from Herron Station to the Swissvale terminus is 18

minutes. The northern part of the site has access to several popular bus routes on Liberty Avenue that also connect to Downtown, the Strip District, Lawrenceville, Bloomfield, and points east.

The busway works well and can accommodate more ridership. Built in 1983 and renovated and extended in 2003, the East Busway connecting Downtown and points east provides long-span BRT service on the P1 and P2 routes that allow many Pittsburghers to live in an urban environment without needing a car. The system reliably carries 21,000 riders daily to and from the central business district. The transit corridor can accommodate more buses with minimal impact to infrastructure.

The site has great potential in its historic buildings and vacant land. The site's assets include the iconic brewery, a 100,000-plus square-foot assemblage of brick buildings, listed as an historic landmark and possessing great character, parts of which could be redeveloped. With the exception of the southeast corner of the study area, parcels are large and more easily assembled. Most of the site is also relatively flat. Vacant or distressed parcels allow possibilities for new construction.

Existing Site Conditions/Challenges

The site also presents numerous challenges to successful transit-oriented development:

The site is a confluence of edges and needs community engagement in planning. Three neighborhoods—Lower Lawrenceville, the Strip District, and Polish Hill—meet at this site in a confluence of edges that create a kind of no-man’s land, or “nexus of barriers.” Adjacent neighborhoods have little interaction and don’t seem aware of their own boundaries. Polish Hill, for example, extends to the base of a steep hill that ends at Herron Avenue and the busway. The neighborhood has critical potential to activate the station and area, but currently is isolated on the hill. None of the neighborhoods are actively pursuing revitalization of the study area, though community representatives have expressed they’d like to see it improved. Redeveloping the study area would require active engagement in planning by all three neighborhoods.

Herron Station needs improvements in infrastructure, safety, visibility, and design. A PAAC survey of Herron station transit users indicated needed improvements, such as nicer design, better lighting, and amenities including benches and wayfinding information. The survey



A Nexus of Barriers and Unique Challenges

also indicated the need for pedestrian safety elements, such as sidewalks and better crosswalks for the street network around the station. The station is almost completely hidden, not just from the brewery end of the study area, but also from Polish Hill. The only indication that the station exists is a sign on Herron Avenue that is easy to miss.

The site infrastructure, including the brewery, is outdated and a barrier to redevelopment. Site infrastructure, part of a much larger railroad-centric manufacturing and distribution hub, was



Physical Disconnections around Herron Ave Bridge and 8 Acre Brewery Property

built for another time. Over a dozen rail lines once ran beneath the 900-foot-long Herron Avenue Bridge, delivering freight to the brewery and other facilities; only two original lines remain. Although an iconic brand and official city landmark, the large derelict brewery has limited repurposing potential, and its low-intensity current use inhibits density goals and street-level activity. Wholesale preservation of the brewery buildings would inhibit adaptive reuse of the highest-value historic and architectural assets.

The site has numerous land owners. The 17-acre study area has many property owners, especially in its southeast corner along the Herron Avenue hairpin turn that ascends to Polish Hill. Large parcels are in a few hands, and no consensus exists on how to redevelop for the good of the community. Current property owners may not share the redevelopment goals of the TAP sponsors or other community stakeholders.

The majority of land is underused or vacant. With the exception of the brewery and one large metal building, nearly all of the legacy buildings and rail infrastructure have been cleared away, and some of the remaining buildings are vacant. Large vacant or under-utilized properties inhibit connectivity and thwart investment.

The site is not well-connected within its interior or with perimeter street networks. While a large flat development opportunity exists for much of the site, it lacks interior streets and is not well-connected to the surrounding street network, which limits walkability and access to the station. Herron Avenue is the sole street connection to the site from Polish Hill, which is a relatively isolated neighborhood without services. The booming Lawrenceville/Strip District real estate market extends to Liberty Avenue but does not enter the study site. City plans call for connecting the study area north to the Allegheny River.

Difficult topography and other physical barriers compound the disconnects.

Land on the north and west sides of the study area is located on a table 15 feet above Liberty Avenue, and land on the south and east sides is wedged against steep hillsides. Barriers also include a rise along the Herron Avenue Bridge and multiple rail access spurs. Additional parcels on the south side, in the Polish Hill neighborhood, are cut off horizontally and vertically from the main site by the remaining active railroad tracks, the East Busway, and the lack of vertical access from Herron Avenue to the site. Getting to Herron Avenue and the bus stop from Polish Hill requires descending a steep hillside on old concrete steps. This route is especially difficult and unsafe for residents with mobility needs, such as residents in the low-income senior housing facility located on top of Polish Hill. Ascending/descending Herron Avenue's steep grade and hairpin turn while walking, biking, pushing a stroller or in a wheelchair also presents safety risks.



The Herron Avenue Bridge requires a long and exposed walk, bike, or roll.

The bridge over the busway and railroad tracks requires extended exposure to inclement weather, and does not have midway stairs or ramps. A transit user must traverse the entire length of the bridge from Liberty Avenue to gain access to the station area. Bridge railings are reinforced with jersey barriers, guardrails, and razor wire, which are unsightly and create a feeling of being trapped on the bridge.





The ULI TAP Study Area Parcel Ownership Map

Parcel Ownership

The Pittsburgh Community Reinvestment Group mapped parcel ownership within one-half mile of the station area as part of its Better Busway project. While a large collection of small parcels exists, especially on the Polish Hill side of the study area, the parcels of primary concern in this TAP study are owned by Collier Development LP and Buncher Company (see above, B/orange), and the 6.36 acres owned by PAAC, which include the long busway parcel (F/blue). These constitute over

75 percent of study area parcel ownership. At the base of Herron Avenue across from Herron Station, parcels are owned by private individuals and the city. Almost all parcels on the Polish Hill side are currently vacant and may be cost-prohibitive to redevelop, due to the slope. PAAC has an express interest in determining the development feasibility – if any – of its holdings. The sponsors consider all parcels within the study area to be underused.

Transportation and Access

Liberty Avenue, a major urban arterial between downtown Pittsburgh and eastern neighborhoods, forms the northern boundary of the study area. It is also the only street adjacent to the study area that provides direct access to the area. Liberty Avenue provides quick vehicle access to Downtown, Polish Hill, Lawrenceville, the Strip District, and Bloomfield, as well as access to Oakland via Herron Avenue and the regional highway network on Route 28 via the 31st Street Bridge. Herron Avenue bisects the study area, providing direct access to Polish Hill parcels south of the busway, and continues past the station to Oakland. Norfolk Southern and Allegheny Valley Railroad (AVRR) both own tracks through the study area. Norfolk Southern's tracks run adjacent and parallel to the busway, while AVRR's tracks bisect the site at varying elevations above it.

The study area is served exclusively by PAAC transit services, on 18 bus routes, 13 on the East Busway and five within one-half mile of Herron Station. Two of PAAC's busway routes are considered rapid service, providing frequent, reliable rides almost exclusively on the dedicated right of way.

According to a Fall 2016 PAAC survey of 108 of an estimated 180 individuals who used the station, more than two-thirds (67.5 percent) of trips starting or ending at the station were between work and home. Three-quarters (75 percent) of bus riders reported walking to the station and to their destination at the other end. Nearly two-thirds (63 percent) were coming from within one-half mile, and another 19.4 percent were coming from within one-half to one mile of the station. In addition to the East Busway, five on-street routes are within the site's half-mile catchment area. Three of the five routes run adjacent to or north of the study area; only one, the 54, intersects with Herron Station.

Ridership from Herron Station, now 365 trips per day (equivalent to 182.5 riders), could increase significantly and build capacity for the public transit system. The opportunity to redevelop the Herron Station site as a TOD offers many transportation advantages to the city and region, as well as the surrounding neighborhoods.

The Market for TOD

The panel researched market conditions for transit-oriented development, including the following:

National and regional trends show a market shift to walkable urban living, transit access, and social engagement, with those areas that offer entertainment and gathering spaces in central locations especially sought after for an enhanced quality of life. In Pittsburgh, the job market—especially with employers such as Apple, Google, Burns White LLC, Rycon Construction, and area hospitals and universities—has been driving local apartment growth in the northeast area from the Strip District into Lawrenceville and Bloomfield. In 2016, 1,806 units were constructed in the area, and an additional 1,741 units were projected to be built in 2017-18. Responding to a hot market, all of the housing built in the past several years and most of the projected housing is market-rate, according to Integra Realty Resources. Existing apartments in the three neighborhoods include approximately 1,837 market-rate and 274 affordable units. The 2016 study area population was 4,600 residents in



Activation of Herron Avenue w Retail, Bike Lanes
Brewery Site Redevelopment (Office / Entertainment)
Multi-Family Residential Integrated w Grocery & Parking
New Office Development
Green Space
Senior Housing
Polish Hill Incline/Funicular
Transit Center

Proposed Design and Development Interventions

2,482 households, and the median income within a half-mile radius was \$42,257, an increase of \$12,603 from 2010.

Housing and services as part of transit-oriented development in the study area could relieve gentrification and displacement pressures from the hot-market Strip District and Lawrenceville. Transit-oriented development could relieve pressure on the surrounding

East Liberty TOD

The ULI panel visited the new Eastside Bond and East Liberty Transit Center, a model TOD development for Pittsburgh. The project features 360 multi-family housing units, 43,000 square feet of retail and commercial space, a large public plaza, a semi-shared use parking garage, significantly upgraded Busway station platform, a new street, connections to on-street buses, 120-space sheltered bicycle storage, and a pedestrian bridge. Some \$50 million in federal, state, local, and private sources -- 20 in total, including developer equity -- paid for the infrastructure improvements and station maintenance of the \$150 million development. Since its 2016 completion, PAAC has experienced a 5.78% increase in ridership attributed to the new station, housing, and improved connections to East Liberty and its destinations. PAAC anticipates more riders with the 2017 completion of residential leasing and the opening of Eastside Bond's retail facilities. The Mosites Company led the development of the \$77 million TOD with the City of Pittsburgh/URA, PAAC, and East Liberty Development Incorporated. It was partially financed by a \$15 million federal TIGER grant and \$2.5 million from the Pennsylvania Commonwealth Financing Authority.

neighborhoods, which are growing rapidly and creating gentrification and displacement pressures and an increasing need for affordable housing in the area. The study area could become a relief valve and an important piece of connecting urban fabric for the three neighborhoods to access transit.

Residents in the study area have expressed interest in transit-oriented development. TOD typically includes housing, retail services, and other amenities of dense urban living that support transit riders within one quarter-mile of fixed-guideway stations. The 2011 Polish Hill Community Plan, for example, recommends transit-oriented development at the base of Herron Avenue, saying that residents were “looking for projects that would build upon the neighborhood’s proximity to the PAAC East Busway,” which links Polish Hill to Downtown and East End communities.

Major strategic issues related to the market include acquisition of the properties, a potential challenge for large-scale redevelopment. Some or all of the properties could be assembled for purchase by a master developer, or larger parcels could be redeveloped individually and incrementally according to a master plan. TOD best practices advise that public agencies would need to facilitate property assemblage and incentivize redevelopment, with public investment accelerating redevelopment. Incentives could also be needed for housing to make development costs feasible, particularly affordable housing for income-qualified residents.

Major tactical issues related to the market include zoning. The Urban Industrial classification requires special approval, including public hearings,

for all development proposals. Developers are attracted by permissive zoning and see risk in community and political processes. TOD best practices indicate that zoning changes that allow for redevelopment of large industrial sites into mixed-used neighborhoods pave the way for TOD. Development efforts would benefit by incorporating elements of the PAAC TOD Guidelines in future regulations for a transit-oriented zoning district. Support for TOD projects also would require engaging neighborhood stakeholders up front in planning for such zoning changes.

Some parking is needed to attract retail and entertainment tenants and to finance multi-family development, but parking generally should be limited, and pedestrian and bike infrastructure improved, to encourage transit ridership. Parking should be limited to conserve investment capital and encourage transit ridership and a car-free urban lifestyle. Developers should work with banks to obtain financing that supports TOD development, which requires significantly less parking. A parking district and shared parking facilities, in which parking is available during the day for office and retail uses and at night and on weekends for residential uses, can ensure efficient use of land. Parking garages could be included in mixed-use retail, office, and residential buildings, with podium construction to fill low lots to street-level height on the sloped site. To ensure connectivity within the study area and to transit on the edges, investments are needed to improve pedestrian and bike infrastructure, as well as other multimodal options such as bikes shares for first and last-mile transportation.

Redevelopment Incentives

With multiple landowners, land acquisition could proceed with a master developer assembling land parcels or an organic and more incremental land acquisition and redevelopment process. Incentives for the following are essential to help launch redevelopment:

Zoning: Developers will need incentives such as “enabling zoning”—for example, allowing by-right building of mixed uses and a variety of housing types—to assure a greater likelihood that projects will be approved, and to avoid an arduous zoning process with each project. The majority of the study area should be upzoned for transit-oriented development with density and density bonuses, mixed uses, pedestrian/bike infrastructure, affordable housing set-aside requirements, tax abatement incentives, and parking limits per housing unit or per square foot of commercial space.

Affordable Housing: With new market-rate housing in the hot markets of the Strip District and Lawrenceville creating affordable housing pressures in adjacent neighborhoods, and construction costs rising much faster than rents, affordable housing is greatly needed in the study area. However, affordable housing cannot be built unless the costs are offset by development incentives. Construction of new market-rate housing in the study area can offset the costs of building affordable rental or for-sale homes. However, other incentives may be needed, such as density bonuses, inclusionary zoning, community land trusts, and low-income housing tax credit deals through state housing finance agencies.

Parking: The study area should not be considered for Park-n-Ride facilities. Parking should be limited, in keeping with TOD best practices. A parking district and shared parking strategy that allows for daytime office and retail parking and night-time residential parking would allow for adequate parking without overbuilding garage structures.

Site Design Principles

The Herron Station study area has great potential for redevelopment to create a dense, walkable/bikable “18-hour” urban and transit-linked neighborhood—in other words, a successful TOD. With greater density, services, and connectivity, Herron Station, now considered a Transit Neighborhood in the PAAC TOD guidelines, could grow into an Urban Mixed-Use Neighborhood like Wilksburg by increasing jobs and population. Urban Mixed-Use Neighborhoods are high-density, highly mixed-use, and have an urban feel. Buildings should be three to nine stories, with 70 to 100 percent lot coverage; housing is typically multi-family apartments/condominiums or townhouses. Transit connections feature a high level of connectivity and walkability, a bike network, car and bike share, and low parking levels. Local examples include Negley Station in Pittsburgh and Carnegie Station in Carnegie.

Following the TOD guidelines, the panel created a vision for transit-oriented development with:

- a density of 20 to 40 dwelling units per acre;
- approximately 1,000 housing units in townhomes and mid-rise multi-family buildings, accommodating 1,500 residents;
- a minimum of 25 percent affordable housing;
- 100,000 to 120,000 square feet of local/convenience retail;
- a 35,000 square-foot grocery store;
- 250,000 to 300,000 square feet of office space; and
- a parking ratio of .25 space per residential unit and one space per 1,000 square feet of commercial space, with 30 percent of parking as shared spaces.

On the basis of interviews with stakeholders, the site visit, and experience planning and developing TODs, the panel determined four key design principles for placemaking in the TAP study area:

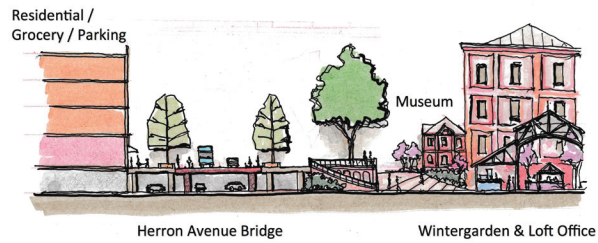
Improved Neighborhood Connectivity:

Placemaking should focus on creating unifying urban fabric for the three neighborhoods, rather than a separate neighborhood, with better connectivity to adjacent areas and the Allegheny River. Installing a block and street system with plazas and open spaces would help connect the study area and activate the site. The street grid should be raised out of flood plain, with parking designed at grade to be flush with the rail tracks. Herron Avenue should be retained as a usable connection from Polish Hill to Lawrenceville, and enhanced for pedestrians and cyclists. The bridge use, experience, and connectivity could be improved by adding bridge extensions, or “wings” on both sides to create space for pedestrians, bike lanes, seating, and landscaping, with stairways and elevators leading down into the site. Beneath the bridge, land could be developed for a linear park with outdoor cafés, restrooms, warehouse space, service access, and/or parking. The transit center could become a nodal point for the busway, with restrooms, showers, bicycle parking/storage, and a coffee shop. Polish Hill could be better connected to the station area with an incline or funicular and a safer staircase.

Equitable and Inclusive Housing: Development partners should make a commitment to building approximately 1,000 units of housing, including at least 25 percent affordable housing for workforce and low-income households, as affordable housing

is lagging behind market-rate housing in the area. Equitable and inclusive housing, under-served since the 1980s, will help avoid gentrification and displacement of current residents. Development should increase diversity of housing types for different lifestyles, such as townhomes for families, flats for seniors, and micro apartments for single people. Housing could be built with parking and/or services on the ground level.

Respect for Historic Assets: Select parts of the historic brewery block should be repurposed with mixed-use development to include more usable space and attractions such as a museum of beer, office lofts, a wintergarden with shopping and a food court, and public event space like an amphitheater. The brewery is a massive building, and “surgical preservation” is needed to retain significant landmark elements, such as the smokestack, center building, and the Liberty Avenue façade. Examples of adaptive re-use of historic breweries that could inform redevelopment include the Rhinegeist in Cincinnati and the Pearl District in San Antonio.



Creating an 18-hour Development: Activation of the site could include a shopping street along Liberty, redevelopment of select brewery buildings, a small grocery store with parking below and housing above, offices adjacent to the bridge and the busway, a community center and pool, and open play areas. Within the interior and on the edges of the study area, new pocket parks and open spaces could be created, such as on top of Polish Hill, adjacent to a new staircase or funicular, and in a triangular parcel on Liberty Avenue whose existing commercial business could be moved to new retail space in the site.



Proposed Herron Station TOD Development | Rendering by Dan Anderton

Key Recommendations:

- Create a working group that includes representatives of the City/URA, PAAC, PCRG, and the three neighborhoods to develop political and community support and a vision for transit-oriented development in the station area.
- Create a structure that allows the City/URA to move forward to control the site and its redevelopment to support Herron Station transit services and adjacent neighborhoods, and to introduce new housing, services, and employment opportunities.
- Work with public agencies to facilitate property assemblage and to incentivize redevelopment, and work to secure public investment to accelerate implementation of a plan.
- Rezone the study area to allow for the development of a sustainable mixed-use urban district with housing, workplaces, neighborhood services, and public open space.
- Use PAAC's TOD guidelines to plan for a dense urban mixed-use district that supports transit use and provides a focus for the surrounding neighborhoods.
- Create a connected street network within the district that establishes the bones of a livable urban fabric of blocks, streets, and pedestrian and bike access to transit, housing, services, and public spaces.
- Provide diverse, inclusive, and dense housing options, including apartments, townhomes, micro-units, senior facilities, and live-work studios, with a goal of at least 25 percent affordable housing options districtwide.
- Provide opportunities for a variety of jobs, including high-tech, healthcare, light industrial-maker, and service jobs, through construction of offices and other workplaces.
- Provide a parking district and shared parking facilities for office/retail services and residents.
- Provide parks, plazas, and other public gathering spaces to create a sense of place and encourage healthy and active living within the district.
- Study strategies for financing transit-oriented development through a transportation revitalization investment district study and analysis of other financing tools.
- Seek public-private development partnerships to help finance redevelopment of the site.
- Identify singular lead organization to steward the vision - Panel suggests PCRG to facilitate this role.

Financing Redevelopment

The panel recommended several approaches to financing transit-oriented development:

Transportation Revitalization Investment

District (TRID): The Herron Station TOD working group should study how a tax increment financing district focused on transportation-supportive infrastructure could finance the TOD. Questions to pursue: What are appropriate boundaries for a Herron Station TRID? How much revenue would the TRID generate? What restrictions would a TRID put on other incentives, abatements, or contracts? The city and county should begin conversations about establishing a Herron Station TRID, using the East Liberty TOD, Pennsylvania's first TRID, as a model.

Southwest Pennsylvania Commission (SPC):

SPC administers over \$1 billion annually in federal and state transportation funds. Its short-term Transportation Program (TIP) includes \$1.6 billion for roads and \$450 million for transit capital projects by 2020. Most transit funding is awarded directly to PAAC. SPC's next call for projects will open in summer 2017 for implementation years 2021 and 2022. The Herron Station TOD working group should work with the City and PAAC to outline the Herron Station infrastructure program. The working group, PAAC, and the City should identify major projects to propose for the 2021/2022 call, and identify the 20 percent required local match. SPC will begin updating its long-range plan in 2018 and 2019. Any priority transportation projects that will seek federal funding must be in the SPC long-range transportation plan. The working group should work with SPC to incorporate the Herron Station infrastructure program into the SPC TIP long-range transportation plans.

Commonwealth Finance Authority (CFA)

Gaming & Economic Development Fund (GEDF):

This grant is flexible and could be used for planning and design work, cost estimates, and many other eligible uses. The CFA makes statewide awards, with a maximum of \$500,000. The working group should investigate the GEDF, but be aware that the statewide nature of this fund makes it difficult to secure. The working group should also explore other CFA funding programs.

Community Infrastructure & Tourism Fund

(CITF) through Allegheny County Economic Development: This is another flexible grant that could be used for design work, cost estimates, infrastructure planning, and many other eligible uses. The Allegheny County Economic Development office makes awards locally, awarding approximately \$4 million to \$6 million in grants annually, with a maximum award of \$250,000. Applying for the maximum amount is not recommended. The working group should apply for CITF to cover design and engineering services for the station area.

PennDOT and DCED Multimodal Funds:

Split between PennDOT and the Department of Community of Economic Development, Pennsylvania's Multimodal Transportation Fund is a competitive grant program from a pool of over \$100 million annual. PennDOT's priorities are to provide financial assistance to projects that improve transportation assets that enhance communities, pedestrian safety, and transit revitalization. DCED's are for the development, rehabilitation and enhancement of transportation assets to existing communities, streetscape, lighting, sidewalk enhancement, pedestrian safety, connectivity of transportation assets and transit-oriented

development. While administered and awarded independent of each other, both programs are open to municipalities, councils of governments, businesses, economic development organizations, public transportation agencies, rail freight, passenger rail, and ports. A 30% local match is necessary.

Federal Transportation Alternatives Program

(TAP): TAP provides funding for programs and projects defined as transportation alternatives, including on- and off-road pedestrian and bicycle facilities, infrastructure projects for improving non-driver access to public transportation and enhanced mobility, community improvement activities, and environmental mitigation, trails that serve a transportation purpose, and safe routes to school projects. Construction projects must have a construction cost of at least \$50,000, but may not exceed \$1 million, unless the project is of exceptional regional or statewide significance. Preliminary engineering costs can be included as part of the match for this program. The Pittsburgh regional pool of funds is administered by SPC, though PennDOT has its own pool. Projects of regional significance often have funding from both the regional and state pools.

Congestion Mitigation and Air Quality

(CMAQ): CMAQ funds transportation projects designed to improve air quality and reduce traffic congestion. Bicycle and Pedestrian projects are explicitly recognized at the federal level as eligible. Eligible projects include new bike and walking facilities and promotion projects. As with other federal funding sources, states and Metropolitan Planning Organizations (MPO) that have made cycling and walking priorities in their planning will have an easier time using CMAQ funds on bike/ped projects. Pennsylvania disperses the funds to SPC, and awarded projects are then reimbursed by the FHWA after the work is complete. CMAQ typically covers 80 percent of the project cost, with the remaining 20 percent coming from the state, MPO or public/private partners. Approved CMAQ projects are included in SPC's TIP.

Other Potential Financial Tools: The working group also should look into financing through the Foreign Investment Program (EB-5), New Market Tax Credits, Industrial Revenue Bonds, Historic Tax Credits, Low-Income Housing Tax Credits, Green Bonds, Property Assessed Clean Energy (PACE) Financing, and the Allegheny Conference on Community Development's Strengthening Communities Partnership Tax Credit.

Implementation/Next Steps

The Herron Station TAP study area shows great potential for redevelopment as a successful TOD. The ULI panel recommends prompt action to seize this opportunity, supported by the near-future possibility of funding for station and transit improvements, and move forward with redevelopment. The panel recommends creating a Herron Station TOD multi-stakeholder planning and development working group to create a shared vision and an implementation and development plan. The group would benefit from PCRG's leadership, and should include representatives and staff support from PAAC, URA, the Mayor's Office, surrounding neighborhood organizations, local business leaders, residents, nonprofits, foundations, and faith leaders.

The working group should focus on gaining site control, addressing potential environmental concerns, establishing an overlay district, and identifying public and private funding mechanisms and/or incentives. The group should also focus on creation of an equitable development plan for housing, transportation access, health, manufacturing, and other key elements, and a coordinated parking plan for surrounding neighborhoods. The group should work to make Herron Station a model TOD site.

Key Stakeholders

ACTION Housing, Lena Andrews
Allegheny County Economic Development, Ann Ogoreuc
Allen & Shariff, Paul Messineo
Alphabet City, Tony Dolan
BikePGH, Scott Bricker
City Council District 7, Councilwoman Deb Gross
City Dept. of Planning, Ray Gastil
City Office of the Mayor, Kevin Acklin
Delta Development Group, Lynn Colosi
EvolveEA, Elijah Hughes
Lawrenceville United, Dave Breingan
LISC/Neighborhood Allies, Zak Thomas and Kate Tunney
Mosites, Mark Minnerly
Oxford Development, Ben Kelley
PA Housing Finance Agency, Carla Falkenstein
Pittsburgh Community Reinvestment Group (PCRG), Ernie Hogan
Pittsburgh for Public Transit, Molly Nichols
Polish Hill Civic Association, John Rhoades
Riverlife, Vivian Li
Southwestern Pennsylvania Commission, Andy Waple
Urban Redevelopment Authority (URA), Susheela Nemani-Stanger

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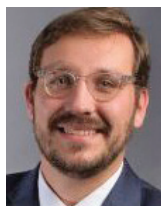
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About ULI-Pittsburgh TAPS and ULI Advisory Services

While the local District Council (ULI Pittsburgh) will organize a local or regional review with creative problem-solving, using volunteer member panels in a 2-3 day format, issues requiring extensive review may consider a week-long opportunity to work with a national panel under the guidance of Advisory Services.

Advisory Services offers creative, practical solutions for the most challenging issues facing today's urban, suburban, and rural communities.

Advisory Services panels work together with communities around the world to:

- Deliver fresh insights and discover innovative solutions to complex real estate development and land use challenges.
- Provide candid and unbiased input from expert land use professionals who volunteer their time and expertise to serve as panelists.
- Kick-start critical conversations and deliver results, all in a concentrated one-week effort.

Since 1947, the Advisory Services program has worked with local governments, private developers, communities, community development corporations, and many other organizations to address challenging real estate and land use issues facing communities today.

Should you have interest in TAPs or Advisory Services, please contact Holly Muchnok of the local district council at holly.muchnok@uli.org or explore the ULI National Advisory Services at <https://americas.uli.org/programs/advisory-services/>. You can also email beth.silverman@uli.org or Paul. Angelone@uli.org for more information.



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