

Forging Our Future with Public-Private Partnerships



Hazlewood Green is now set to build upon successful public-private partnerships that have delivered results.

Credit: Depiction LLC 2018

by JIM FUTRELL

Vice President of Market Research, Allegheny Conference on Community Development

The Pittsburgh region has long sought to leverage public and private sector resources to face its challenges and transform its economy. It is a heritage that dates back 75 years and continues today. Here's a look at some of the partnerships driving the next era of the region's transformation.

Hazlewood Green

In 1998, LTV Steel's coke plant in Pittsburgh's Hazelwood neighborhood. It was the last big steel plant in the city and once shuttered, turned into the city's biggest brownfield. Located in a struggling city neighborhood and impacted by more than a century of heavy industrial use, the 178-acre parcel represented a daunting challenge to return to productive purposes. In the end, it represents one of the region's greatest examples of collaboration.

In 2002, Almono LP was formed by four Pittsburgh foundations to purchase the Hazelwood site from a bankrupt LTV for \$10 million to ensure that a thoughtful, deliberative development plan would be created that would provide maximum benefit. The Regional Industrial Development Corporation (RIDC) cleared and remediated the site, and in 2013 the Preliminary Land Development Plan (PLDP) was approved by the city.

Infrastructure development soon followed, and in 2017 construction began on the first building, a conversion of the former rolling mill building into Mill 19, a three-phase office development. The region's non-profit community stepped up to drive the first phase of Mill 19, a three-story, 94,000-square-foot first building. Carnegie Mellon leased two floors for the Advanced Robotics for Manufacturing Institute and the Manufacturing Futures Initiatives, while Catalyst Connection, which assists smaller and mid-sized



An illustrative vision for Hazelwood Green

manufacturing companies, committed to 8,000 square feet, leaving 24,000 square feet still to be leased. Throughout the process, nearly a dozen public sector entities provided financial assistance and support.

Now it's the private sector's turn with a private company linked to the region's autonomous vehicle industry considering leasing Mill 19's second phase. Meanwhile, an RFQ has been issued to developers to launch development of the next 27 acres.

Hazlewood Green is now set to build upon the successful public-private partnerships that created the Pittsburgh Technology Center and Southside Works and leverage the continuing growth in Oakland to revitalize Hazelwood.



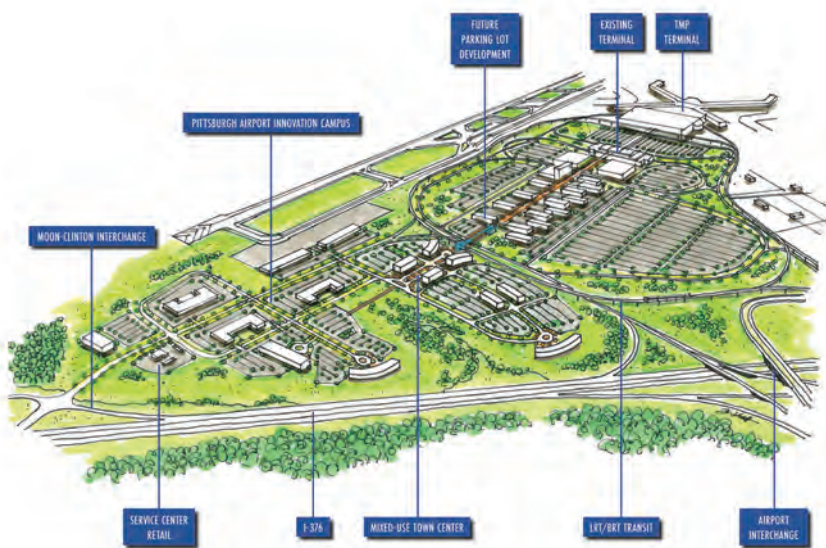
Credit: Richard Kelly / Rivers of Steel

Carrie Furnace

For decades following its 1978 closing, the Carrie Furnaces silently loomed over the Monongahela River. While its companion property across the river was redeveloped into the Waterfront, the 168-acre furnace parcel languished as accessibility was a challenge.

In 2005, the Redevelopment Authority of Allegheny County acquired the parcel from the Park Corp. and began making plans for its revitalization. A 20-acre portion containing the historic furnaces has been turned over to Rivers of Steel which transformed it into a historic attraction and event space. Meanwhile, the county has invested more than \$20 million to clear and remediate much of the remaining land. It was elevated above the 100-year floodplain and most critically a flyover ramp, funded with federal grant money, links the property directly to the Rankin Bridge and Braddock Avenue. Pennsylvania Act 2 clearance has been achieved for 65 acres on the north side of the Monongahela, and RAAC will continue activities on the remaining 15 acres of developable acreage in order to receive Act 2 clearance on all northern parcel this year.

Carrie Furnace, at long last, is ready for private development and is currently going through an RFP process. It promises new opportunities to some of the Mon Valley's most depressed communities.



The Innovation Campus at Pittsburgh International

Visitors to Amsterdam's Schiphol airport can't help but notice the series of high-rise buildings adjacent to the terminals containing hotels and offices of companies such as Microsoft, Danone, Citibank, Reckitt Benckiser, Cargill and Samsung. With a wealth of undeveloped land near southwestern Pennsylvania's premier international airport, a similar concept at PIT seems logical.

In December 2018, ground was broken for the Pittsburgh Airport Innovation Campus (PAIC). The 195-acre site has long been targeted for development, and the Allegheny County Airport Authority plans to

have the first sites prepped by 2020. In all, the authority hopes to have 16 shovel-ready parcels available to developers or possible tenants by 2023 to accommodate 1.4 million square feet in a mix of office space, research and development laboratories and industrial manufacturing, as well as a "town center" with restaurants, retail and other commercial businesses. Future phases will occur on the airport's current parking lots as the development of a new terminal is completed.



Credit: Credit: PIT Airport Flickr

In addition to outstanding highway access, the PAIC will be licensed as a World Trade Center site and located within a foreign-trade zone. That means companies that locate there can import goods, manufacture products and resell them outside the United States while also having relief or exemptions from certain duties and tariffs.

As sites become available, the PAIC will present a unique product that will appeal to private sector developers and tenants competing in the global economy.

The Produce Terminal

Pittsburgh's Strip District can be regarded as a firsthand witness to the transformation of southwestern Pennsylvania. Once a hub of the region's wholesale produce business, the Strip and its old industrial buildings, in recent years, have captured the imagination of developers who moved in with upscale housing developments. What's more, Pittsburgh's growing IT and robotics sector has been smitten by the Strip and its ideal location – a stone's throw away from Oakland and universities like CMU and Pitt. More than 50 IT and robotics companies now call a three-mile stretch of the Strip (a.k.a. "Robotics Row"), home. However, the Strip is best known for its eclectic street market along Penn Avenue, which in the last couple of decades has grown from a Saturday morning diversion into an any-day-of-the-week destination.



Through all this, the 1,500-foot long terminal building has stood guard, defining the north side of Smallman Street. Built in 1929, it was acquired by the city in the early 1980s to preserve the remaining produce wholesalers. But now the building is largely vacant and awaiting its turn to play a role in the ongoing evolution of the Strip District.



When Mayor Bill Peduto took office in 2014, an RFP process was launched to identify a private developer who could preserve and transform this aging structure. Chicago-based McCaffery Interests, which had already made its mark in the Strip District by revitalizing the long-vacant Armstrong Cork Factory, was awarded a lease to redevelop the Produce Terminal.

A \$49.5 million project will transform this building into a mixed-use destination to feature a "food-centric" market, offices, restaurants and other retail. The project's impact will extend well beyond the terminal. Pedestrian pass-throughs will provide direct access to the Allegheny River, and McCaffery has also acquired the 1600 Smallman building across the street and plans to transform it into offices. In the center of it all will be a reconstruction of Smallman Street which will not only improve traffic flow but create a space for public gatherings.

2018-19 Rankings and Accolades

1. Pittsburgh named Top 10 Best Places to Live in U.S. – *Livability*
2. Pittsburgh ranked #2 Safest and Most Affordable City to Live In – *Realtor*
3. Pittsburgh Ranked Among Top Three Best Cities in the U.S. for First-Time Homebuyers – *LendingTree*
4. Pittsburgh Ranked One of the Best Cities for Jobs – *WalletHub*
5. Pittsburgh Ranked #3 Coolest City to Visit – *National Geographic Traveller*
6. Pittsburgh Named Food City of 2019 – *Af&co*
7. Pittsburgh is One of Eight Most Digitally Inclusive Tech Cities – *Brookings Institution*
8. Pittsburgh Named Best City for Jobs – *Glassdoor*
9. Pittsburgh International Airport Ranked #7 best medium-sized airport in North America for passenger satisfaction – *JD Power*
10. Pittsburgh is ranked as the 2nd most livable city in the U.S., 1st in the continental U.S. and 32nd in the world – *Economic Intelligence Unit*
11. Pittsburgh Ranked as One of the Best Cities to Start a Business – *Inc. Magazine*

CREATING

Working with partners across the
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A NEXT GENERATION ECONOMY

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established and emerging economies

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