



MCKEES ROCKS (P&LE RAILROAD)

LOCATION: McKees Rocks, PA

SIZE: 104 acres

FEATURES: Accessible, Flat Land,
Significant Acreage

OWNER: PK Brown, Bill Meides
of Clifton Steel, Enterprise Bank,
Randy Castriota of Castriota Metals &
Recycling, John Krugle of JRR Rail,
LLC (A C Railroad Service Company)

CURRENT USE: Underutilized - Scrap
Yard and Storage

PAST USE: Railyard & Steel Mill

CONTAMINANTS: Petroleum & VOCs

TOTAL ACTUAL COST: n/a

TIMELINE

1879 P&LE Railroad begins business on the site.

1881 Iron City Bridge Works is housed by the
railroad.

1882 The land near the railroad houses
Pittsburgh Steel Works, Vulcan Forge and
Iron Works, Long & Co.

1888 P&LE builds a maintenance and repair
facility in McKees Rocks.

1992 CSX buys P&LE's tracks.

1996 P&LE files for bankruptcy.

1997 ARPI buys the southern part of the site.

1997 Environmental Site Assessment Phase II is
conducted.

1999 Ownership of the southern part of the site
is transferred to five tenants.

2005 McKees Rocks receives funding for rail
repair.

HISTORY

The industrialization of McKees Rocks started with the Pittsburgh & Lake Erie Railroad (P&LE) in 1888. P&LE built a maintenance and repair facility that housed a machine shop, repair shop, electric shop, paint shop, car erection shop, planning mill, and passenger station.

Three local steel mills that housed facilities on the site prospered once P&LE started operation – Iron City Bridge Works, Pittsburgh Steel Works, and Vulcan Forge.

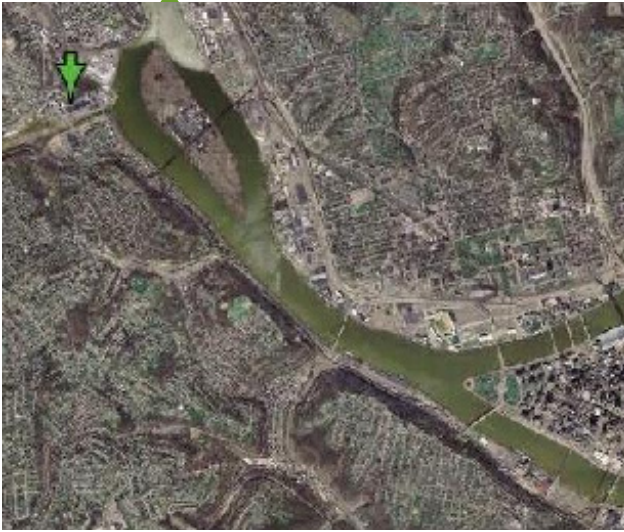
The railroad, which became a New York Central subsidiary in 1889, maintained its own identity when New York Central and the Pennsylvania Railroad merged to form Penn Central in 1968. When Penn Central went bankrupt in 1970, P&LE was on its way to independence. P&LE began to lose business in the 1980s because of the declining steel industry. P&LE sold its New Castle to McKeesport, PA line to CSX in 1991, and P&LE ended service the next year. Afterwards, CSX purchased what remained of Pittsburgh & Lake Erie's trackage – not including the McKees Rocks facility, locomotives, and rail cars.

TOPOGRAPHY

Less than five miles to the west of Pittsburgh, McKees Rocks is on the southern bank of the Ohio River. This particular site is located along the CSX lines crossing Stowe Township and McKees Rocks Borough. The site is divided into two parts by the McKees Rocks Bridge. The piece south of the bridge is about 30 acres and contains the old P&LE facilities. The northern piece is approximately 70 acres and contains the majority of the trackage. The site is relatively flat and accessible by the McKees Rocks Bridge and Pennsylvania Routes 65 & 51.



Photo courtesy of <http://www.kahndog.com>



Picture courtesy of Google Maps

● ● ● ● ● ● ● ● ● ● ● ●

MARKET CONDITIONS

Since the 1950s, McKees Rocks has been on the decline, physically and economically. There has been no groundbreaking for new development in the area since the turn of the century.

SITE ASSEMBLY AND CONTROL

In 1997 Allegheny Railroad Properties Inc. (ARPI) bought the McKees Rocks facility, locomotives, and rail cars. Two years later, ARPI breached its contract with P&LE Properties by missing a mortgage payment. Consequently, ownership of the site reverted back to P&LE. P&LE sold the land to five distinct tenants, including Pittsburgh Limosine Company, Proline, and Clifton Steel.

Since then, ownership has changed drastically. While Bill Meides of Clifton Steel still owns some of the site, the majority of the site is now

owned by PK Brown. Enterprise Bank, Randy Castriota of Castriota Metals & Recycling, and John Krugle of JRR Rail, LLC occupy the rest of the site.

The McKees Rocks Community Development Corporation (MRCDC), formerly known as the McKees Rocks Planning Commission, is currently developing a plan for adaptive reuse of the site. All five of the buildings on the site are salvageable, and public transportation by bus or train is available in McKees Rocks and Stowe Township. However, future development of this site is restricted by railroad tracks on one side and sewer lines that run parallel to the McKees Rocks Bridge. The present use of the site is limited to a metal scrap yard (on six acres of the site) and storage of school buses and portajohns.

ENVIRONMENTAL PROBLEMS

A Phase II Environmental Site Assessment was performed in 1998. The Pennsylvania Department of Environmental Protection (DEP) reported that P&LE had produced or allowed petroleum contamination of the soils and nearby sewers in the late 1980s. Consequently, it issued a series of orders requiring P&LE to assess the property and to implement necessary remediation.

P&LE agreed to install monitoring wells and a recovery trench, sample the groundwater quarterly, remediate the soil, remove waste drums, and conduct Phase II prior to selling the land.

Phase II indicated that VOCs were in the groundwater and the soil. Pesticides, lead, and mercury were found in the soil, as well.

Major tanks, transformers, and drums have been removed; however, piles of debris and abandoned infrastructure are still present on the site. After P&LE went bankrupt, ARPI did not continue with the remediation of the site, and did not use the installed recovery trench.

The site may need a second Phase II Site Assessment before it is shovel-ready for future redevelopment.



SOCIAL/COMMUNITY INFRASTRUCTURE

The McKees Rocks Planning Commission was formed in order to attract development in the borough. In 1999, the group sent a conceptual plan for a high-tech industrial park to Allegheny County. Their plan included the renovation of two buildings on the site for office space. A year after, the Planning Commission reformed into the McKees Rocks Community Development Corporation (MRCDC). Their goal is the same – enacting a plan of an adaptive reuse of the site.

PHYSICAL INFRASTRUCTURE

There is no cable/DSL available on the site, and the majority of the public utilities, including water and sewage, are in disrepair. Water lines were increased to fix this inadequacy. Phone lines, however, are adequate.



Public transportation is good for the McKees Rocks and Stowe Area – a bus line runs parallel to the site. Also, plans for a new roadway will increase public accessibility into the site.

ARPI planned to tear down a footbridge spanning across the CSX tracks because of its condition. The community rallied against its demolition because it links the area to

Stowe Township, and the footbridge provides the only access outside of the isolated community in case of a flood. As of right now, the bridge is still in existence, but closed.

In 2005, Governor Rendell announced funding made available for infrastructure repair. Since the 2004 flooding by Hurricane Ivan, the Governor approved more money towards rail freight improvement projects. McKees Rocks received \$2.1 million for repair along 43 miles of rail.

Also, some of the buildings are eligible for listing in the National Registry of Historic Places – including the Diesel Shop.

COSTS & ECONOMIC INFRASTRUCTURE

The area received \$400,000 in EPA funding. This amount has not been distributed yet. The exact amount assigned to McKees Rocks will be known in Fall 2008.

CURRENT STATUS AND LESSONS LEARNED

Several of the plans for the site's growth fell through, including a \$15 million redevelopment plan in Stowe Township. This was due to an accumulation of factors, one being site assembly.

ECONOMIC/COMMUNITY IMPACT

The P&LE site is still idle and ripe for renewal.



Case Study Updated Summer 2008

SOURCES

Baron, Jennifer. "\$15M brownfield redevelopment planned for Stowe Twp." Pop City Media. 23 May 2007. <<http://www.popcitymedia.com/developmentnews/pittsburghplant.aspx>>

Erzi, Ipek and Priscila Vargas. "Old P&LE Railyard – McKees Rocks." Brownfields and Economic Revitalization of the Inner City. 8 Dec. 1999. <<http://www.ce.cmu.edu/Brownfields/Nsf/Sites/McKeesRocks.htm>>

"Governor Rendell Announces Funding for Rail Grants that Promote Jobs, Economic Development, Repair Flood Damage." PA PowerPort. Feb 2005. <<http://www.state.pa.us/papower/cwp/view.asp?A=11&Q=440884&pp=3>>

"McKees Rocks." 2005. <<http://www.coolspacelocator.com/csl/home/neighborhoods/McKeesRocks.htm>>

Reynolds, Dan. "County Plans Big Brownfield Redevelopment." 11 May 2007. <<http://pittsburgh.bizjournals.com/pittsburgh/stories/2007/05/14/story2.html>>

Spatter, Sam. "Steel Factory Corp. of McKees Rocks Plan Wins Tax Abatement." Pittsburgh Tribune-Review. 10 May 2007. <http://www.pittsburghlive.com/x/pittsburghtrib/news/rss/s_506895.html>

Vrcek, Taris. Phone interview. 19 June 2008.

Wereschagin, Mike. "Onorato Vows to Keep Talks Going." Pittsburgh Tribune-Review. 11 Nov. 2005. <http://www.pittsburghlive.com/x/pittsburghtrib/s_393420.html>