

BROWNFIELDSCENTER

HAZELWOOD ALMONO (LTV) 2013 Update

FAST FACTS

LOCATION: Pittsburgh, PA

SIZE: 178 acres

FEATURES: High Traffic, Size, Location,

Accessibility, Riverfront
OWNER: Almono LP

INTENDED USE: Mixed Use

PAST USE: Iron & Steel Industries, Boatbuilding, and Transportation

CONTAMINANTS: Petroleum/Petroleum Products, Volatile Organic Compounds

(VOCs)

TOTAL PREDICTED COST: \$1 billion

TIMELINE

1884 First industrial plant at
Hazelwood built by JonesLaughlin-Cornelius (later J&L).

1906 J&L adds world's largest collection of beehive coke ovens to the Fliza Furnace.

1974 LTV acquires J&L and properties.

1981 Eliza Furnace closes.

1997 Hazelwood plant closes.

2002 Almono LP purchases site.

HISTORY

- Almono LP, the partnership of foundations that owns the
- former LTV property in Hazelwood, and its managing
- partner, the Regional Industrial
 Development Corporation
- (RIDC), announced that redevelopment would begin in
- August 2013, starting with
- regrading of the site.

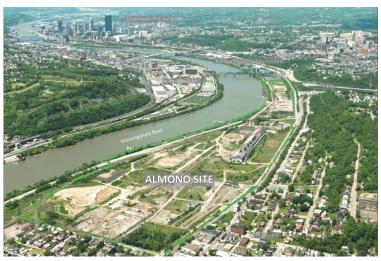


Photo Courtesy of RIDC

TOPOGRAPHY

 Approximately 650,000 cubic yards of fill material from projects throughout the region have been collected and stockpiled onsite for capping, in accordance with the site's Risk

- Assessment and Clean-Up plan, approved by the Pennsylvania Department of Environmental Protection (PA DEP). Regrading of the site using this material began in
- the fall of 2013.

MARKET CONDITIONS

- The Almono site is in close proximity to downtown Pittsburgh and Oakland, two of the largest employment centers in Pennsylvania. With the improvement of transportation
- networks, trails, and parking connections, this site will capitalize on this adjacency. The
- site will also build and expand upon the successful neighboring developments of the well-established Pittsburgh Technology Center and the South Side Works.
- In the fall of 2011, Almono and its partners began to pursue rezoning the Hazelwood site as a Special Planned (SP) district that would change its use from General Industrial to mixed-use.
- For several years there has been a proposal to add an extension from the Mon-Fayette Expressway that would connect it directly to Pittsburgh. The route would have followed the north shore of the Monongahela, cutting through the Hazelwood LTV site and significantly impacting its desirability and accessibility. The Record of Decision for the
- Mon-Fayette Expressway exceeded its limitations as of December 2011. This new condition allows investors to move forward confident in the future conditions of the
- site.

SITE ASSEMBLY AND CONTROL

- As of the summer of 2013 Almono LP, a partnership of southwestern Pennsylvania foundations retains ownership of the site, with RIDC as general partner. Almono seeks
- to attract private investment and ownership in different parcels of the site. Each district of the site will accommodate a different set of uses.
- Carnegie Mellon University's Field Robotics Center currently occupies the old roundhouse from the mill facilities and uses the site's roads for testing. GTECH
- Strategies, Inc., a startup company, used a portion of the vacant site for research into biofuel production and brownfield reclamation using plants to remove contamination,
- but has withdrawn from the site in anticipation of development.

ENVIRONMENTAL PROBLEMS

- The Almono site is a brownfield project undergoing redevelopment and remediation
- pursuant to Pennsylvania's Land Recycling and Environmental Remediation Standards Act (more commonly known as "Act 2"). Certain remedial measures, including
- institutional/engineering controls, are required as a prerequisite to reuse of the site. The site will be capped in accordance with Act 2 standards. Additional provisions

may be required for construction located within Area B, which includes the mill buildings and former coke ovens, where the most residual contamination is located.

SOCIAL/COMMUNITY INFRASTRUCTURE

Almono held over 50 meetings with leaders, community members, and service partners

since starting the vision process in 2010. Over 160 participants have attended the six public community meetings.

PHYSICAL INFRASTRUCTURE

Several rights-of-way from the site's industrial past converge and pass through it, including two rail lines. One belongs to CSX Corporation and is leased to the Allegheny Valley Railroad. The other, a connector from the former mills, belongs to Almono LP.

Located on the Monongahela River alongside the site are three functional and licensed docks. As of the summer of 2013 two of the docks are in use by Consol Energy, while

Almono owns and intends to lease the third.

Several foundations remain intact from buildings that were razed. The material from these foundations will be repurposed as engineering fill for construction or as sub-base for pavement on the site.

In July 2012, the Hazelwood Trail, a temporary bike path, was opened through the site as an extension of the Three Rivers Heritage Trail system. The bike trail will ultimately stretch from north to south along the river.

Almono's vision plan divides the site into four mixed-use sections, from north to south: Riverview, the Smart Site Central Green (incorporating the old roundhouse), the Eco-Tech Park (primarily industrial), and Hazelwood Flats (residential with retail and commercial, which will dovetail into Hazelwood's existing business district). The plan includes over two million square feet of space for offices and research and development, 1,300 housing units (such as townhouses, condominiums, and apartments), and about 26 acres of open space, including parks and trails.



Photo Courtesy of Rothschild Doyno Collaborative

COSTS & ECONOMIC INFRASTRUCTURE

The entire site represents a \$1 billion investment that will create 3500 permanent jobs on site and over \$10 million in additional annual property tax revenues. Public infrastructure are anticipated to cost \$133 million. Commonwealth grants and loans have already supplied \$5.5 million. RIDC is pursuing \$80 million in tax increment financing (TIF) for the project, under which a portion (65 percent) of the real estate tax revenues generated by the completed project will be set aside to offset the project's expenses until they are paid off. Because the project is self-financed, any setbacks will not incur public debt.

CURRENT STATUS AND LESSONS LEARNED

RIDC's goal for the LTV site is "Dirt in '13, vertical in '14"—completion of grading, fill, and infrastructure in 2013 and construction of first buildings in 2014. Almono exemplifies the successes of a cooperative development process that focuses on advancing the economic, social, and physical conditions of the development as well as its surrounding neighborhoods.

ECONOMIC/COMMUNITY IMPACT

Development will bring attention and opportunity to areas that have experienced substantial disinvestment. The project is anticipated to create 1000 construction jobs and 3500 permanent jobs, and could add over 1300 new residents to the neighborhood, creating demand for amenities and catalyzing investment in Hazelwood's main street.



Photo Courtesy of Rothschild Doyno Collaborative

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Case Study Updated Fall 2013 by Josh Andre (Chatham University, MSUS '14)

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