



WESTERN PENNSYLVANIA  
**BROWNFIELDSCENTER**

**MCKEES ROCKS (P&LE RAILROAD)**  
**2013 Update**

**FAST FACTS**

LOCATION: McKees Rocks, PA

SIZE: 105 acres (52 in McKees Rocks)

FEATURES: Accessibility, Flat Land,  
Significant Acreage

OWNER: Trinity Commercial  
Development

INTENDED USE: Light Industrial and  
Offices

PAST USE: Rail Yard, Steel Mill

CONTAMINANTS: Petroleum & Volatile  
Organic Compounds (VOCs)

TOTAL PREDICTED COST: \$50 million

**TIMELINE**

1879 P&LE Railroad begins business on the site.

1882 Pittsburgh Steel Works, Vulcan Forge and Iron Works occupy nearby land.

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

1992 P&LE closes yard, sells tracks to CSX.

1996 P&LE files for bankruptcy.

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.

2011 US EPA announces redevelopment by Trinity Commercial Development.

2012 Borough approves redevelopment plans.

**HISTORY**

McKees Rocks remains in a state of economic and social blight. The current population is less than 7000, a 61% reduction from its peak at over 17,000 in the 1950s. 19.8% of the residential units are unoccupied, and the figure is expected to rise to 22.2% by 2014. The Pennsylvania & Lake Erie brownfield is located within a DEP Environmental Justice Area, an area with a half-mile radius in which more than 20% of the population reported low income and/or more than 30% reported racial minority status in the census.

On 21 June 2011, the US EPA announced the beginning of redevelopment of 31.5 acres of the P&LE site by Trinity Commercial Development, LLC.

## TOPOGRAPHY

The P&LE site's location in the geographical heart of McKees Rocks reflects the railroad's historic role as the major industry of the town. The brownfield is roughly equidistant between the industrialized McKees Rocks Bottoms to the northeast, residential Meyers Ridge to the west, and the commercial district along Chartiers Avenue to the south. There are residential buildings within thirty meters of the brownfield.

## MARKET CONDITIONS

The portion of the P&LE site being redeveloped by Trinity Commercial Development has been zoned Industrial (I-1), a versatile designation which permits use of the land for offices, retail, wholesale, and warehouses as well as manufacturing. The site is expected to attract light manufacturing and small-scale distribution.

In October 2013, CSX announced plans to build a \$50 million intermodal freight center beside the site. Part of CSX's National Gateway project, a \$850 million private-public partnership to create infrastructure for double-stack rail transport, the center will serve as a hub for transferring freight from trucks to rail cars, making the site increasingly desirable for industry.

The P&LE site's relative isolation from PA Route 51, which passes through McKees Rocks, and from public roads is a major obstacle to redevelopment, which the addition of new public roads is intended to overcome. Dispelling the stigma of the community as a blighted town remains a greater challenge.

## SITE ASSEMBLY AND CONTROL

The border between McKees Rocks and Stowe Township divides the P&LE site roughly in half. The half within McKees Rocks measures approximately 52 acres total and is owned by Trinity Commercial Development. Of this portion, 31.5 acres are marked for redevelopment and have been subdivided further into five side-by-side plots ranging from 4 to 7 acres in area.

## ENVIRONMENTAL PROBLEMS

The Phase II baseline environmental report was completed in 2010 with EPA funding. Contaminated soils at the site have been identified, excavated, and stockpiled, and will eventually be encapsulated under the public roads built on the site, to satisfy the DEP's Act 2 requirements. Because the site lies within the Ohio River Towns Enterprise Zone, it is eligible for the Special Industrial Area (SIA) provisions under the act.

## ● **SOCIAL/COMMUNITY INFRASTRUCTURE**

● Trinity is working in partnership with the Borough of McKees Rocks and a local 501(c)(3) nonprofit, the McKees Rocks Community Development Corporation (MRCDC). The P&LE Flex Business Park is considered a part of the MRCDC's strategic economic revitalization plan for the borough.

## ● **PHYSICAL INFRASTRUCTURE**

● Two rail lines cross the site—the CSX lines, which run along the side of the property nearest the Ohio River, and the Pittsburgh and Ohio Central line which crosses the property near the southern end of the site. Both lines are still in use; the Pittsburgh and Ohio Central line, owned by Genesee & Wyoming Inc., has been considered for possible rail access for future users of the site.

● Five brick buildings remaining from the original rail yard will be refurbished, providing 75,896 square feet of floor space. The construction of new buildings adding 385,474 square feet will bring the total floor space of the development to 461,370 square feet.

● Phase One of construction, approved by the Borough of McKees Rocks, includes the installation of utilities, several new public roads—including a western extension of Carson Street alongside the CSX tracks, which will be accessible by two other new roads, Angelina Avenue and an extension of Bradley Street—and the first vertical construction, a 81 thousand square foot Class A industrial building.

## ● **COSTS & ECONOMIC INFRASTRUCTURE**

● The project has received funding in the form of grants and loans from a number of sources. The Phase II Environmental Site Assessment, which cleared redevelopment for Act 2 consideration, was funded by a \$400,000 Brownfields Assessment Grant from the US EPA. The Borough of McKees Rocks received a \$150,221 Business in Our Site (BOS) grant and a \$1 million Industrial Site Reuse (ISR) Program grant from the Pennsylvania Department of Community and Economic Development (DCED) for planning and remediation, a \$250,000 Community Infrastructure & Tourism Fund (CITF) grant from the county for traffic modifications, a \$984,795 PennWorks (Waste Supply and Wastewater Infrastructure Program) grant to install sanitary sewer and water lines, and a \$1.1 million Redevelopment Assistance Capital Program release authorization from the Governor's Office to finance the construction of the first building. Greenville Commercial Properties, LP, responsible for the construction, received \$500,000 in Enterprise Zone tax credits and a \$3,159,500 BOS loan from the DCED. Allegheny County, McKees Rocks Borough and the Sto-Rox School District jointly approved Local Economic Revitalization Tax Abatement (LERTA) that will ease in real estate taxes on construction gradually, in annual 10% increments over a period of ten years.

## **CURRENT STATUS AND LESSONS LEARNED**

Craig Rippole, president of Trinity Commercial Development and a native of McKees Rocks, describes the P&LE site as the “heart” of the community, geographically and once economically central to the borough. The departure of the rail industry left not only a physical void in McKees Rocks in the form of the vacant brownfield, but an economic and social vacuum, which redevelopment has the potential to fill. Rippole believes that because the railroad built McKees Rocks, it is appropriate that the rail yard site should play a role in revitalizing the town.

## **ECONOMIC/COMMUNITY IMPACT**

Trinity predicts that public investment in the site will pay off with an estimated 1,172 permanent jobs (414 created directly and 758 indirectly) besides 642 temporary construction jobs, and will generate \$36 million in tax revenues over the course of the project. When complete, the development will generate an estimated \$9.8 million annually in state and local tax revenues. The CSX freight center that will accompany the redevelopment is expected to create 40 permanent jobs on-site, 40 jobs for short-distance haulers, and 360 temporary construction jobs, and support a \$2 million improvement of the business district on lower Chartiers Avenue.



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

## SOURCES

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