



PNC FIRTSIDE CENTER (B&O RAILROAD)

LOCATION: Pittsburgh, PA

SIZE: 4.5 acres

FEATURES: Location, Scenic,
Accessibility, and Public
Transportation

OWNER: PNC Financial Services
Group

CURRENT USE: Bank Operations

PAST USE: Passenger Train Station

CONTAMINANTS: Petroleum

TOTAL ACTUAL COST: \$120 million

TIMELINE

1871 B&O Railroad establishes tracks in Pittsburgh.

1980 CSX Corporation is established, consolidating all the major railroads.

1991 Part of the site is turned into the County Jail while the URA holds the remaining area.

1995 The site is restored and remediated under Land Recycling Program by CSX Real Property.

2000 Construction begins on the site.

2000 Construction of building is completed.

2001 Construction of a new rail station is completed.

HISTORY

The Baltimore and Ohio Railroad (B&O) was one of the oldest railroads in the United States, with an original line extending from the port of Baltimore, Maryland, west to the Ohio River at Wheeling and Parkersburg, West Virginia.

The site, during its use as a train station, supported an industrial city. But as the steel industry began to shut down, economics pushed this station out of use. CSX, the new owner of the property decided to remediate the site in order to be able to put it up on the market again.

TOPOGRAPHY

The 10th Grant Street Site, as it is referred to by the Land Recycling Program, competed well with various other sites that PNC considered for this project (17 other options considered).

The property offered great views, strategic location and an urban setting for the PNC Firstside Center. The linear shape of the site along the river allowed for elongated floor plans and worked well with the design requirement.



Photo courtesy of <http://www.10000friends.org/>



Picture courtesy of Google Maps

MARKET CONDITIONS

Their real estate department carried out an extensive cost benefit analysis based on liability, internal rate of return, percent increase in property value, and investor satisfaction in terms of meeting aspirations for green building. Easy access to public amenities such as the 1200 capacity parking garage transport infrastructure tipped the balance in favor of the brownfield site. As for the analysis done by PNC, a greenfield site would have required 20 acres more land to provide the same amount of facilities. For this particular site, no onsite parking was required as many employees use the public transport systems.

SITE ASSEMBLY AND CONTROL

When owned by the CSX Company, the site was a total of 18.5 acres. A 1991 Consent Order and Agreement between the URA and Department of Environmental Protection (DEP) was made regarding 13.9 acres of the original site. It eventually became the County Jail.

- CSX formerly owned all of the property at the Grant Street site. The land that did not become the County Jail was redeveloped into PNC Firstside Center. The site was remediated under the Land Recycling Program, Act 2, alleviating issues of liability on PNC as a future owner of the property. The site was remediated to meet the standards required for commercial development.

ENVIRONMENTAL PROBLEMS

- No extremely hazardous contaminants were found on site. Petroleum was found in the soil, excavated and disposed off site. No other chemical contamination was found.
- The site was remediated to the Statewide Health Standard.
- This might have been due to the future intended commercial use of the site. This standard is derived from medium-specific chemical concentrations that take into account use and non-use as well as residential and nonresidential exposure factors at a site. Under the Act 2 program the following documentation required the location of disposed hazardous substances, and the description of the type of hazardous substances disposed on the site.
- PNC also carried out the Hazmat hazardous materials abatement test prior to the construction of the building.

SOCIAL/COMMUNITY INFRASTRUCTURE

- The PNC building has helped reinforce the city's green building movement, which is one of the recent success stories for the city. As a commercial project in the commercial district with no public money involved, there is no direct involvement of the community in the project. However input drawn from local organizations such as the Green Building Alliance, and local architectural consultants, such as Astorino, informed the design decisions.

PHYSICAL INFRASTRUCTURE

- The Port Authority of Allegheny County agreed to build the First Side Light Rail Station based on anticipated ridership of PNC Firstside Center employees and surrounding business. The Pittsburgh Parking Authority also agreed to locate the municipal garage next to PNC Firstside at the edge of Pittsburgh downtown based on PNC's encouragement.

COSTS & ECONOMIC INFRASTRUCTURE

The site was restored and remediated in 1995 by CSX under the Land Recycling Program, Act 2 at private expense. Documentation, including a property description section concerning the hazardous substance disposal on the site and the description and location of the type of hazardous substances disposed on the site was submitted to meet the Act 2 requirements. It was approved on December 12, 1995 with the intent to remediate files in October 1995.

The total project cost of this development was \$108 million. Numerous decisions were made using a two-year payback cutoff.

The real payback is expected in the worker productivity and retention rates, the potential savings of which dwarf the construction costs.

CURRENT STATUS AND LESSONS LEARNED

The site now has one of the most progressive offices building in Pittsburgh built to LEED silver standards.

ECONOMIC/COMMUNITY IMPACT

Built adjacent to the structure, PNC Park provides outdoor space for the employees and serves as a public amenity. PNC is thus able to reach out to the city, extending the benefits beyond the site boundaries. This would not have been possible on a greenfield site which would have been out of reach of most of the city population.

PNC wanted this to be a destination spot for trail users, families, office workers and others, according to Steven Gillespie, one of the park's two designers.

PNC was able to reach out to its shareholders and contribute to the progress of the downtown area. Image building and exhibiting commitment to the development of the region's economy was

thus an important aspect of the objectives for the project.

The director of corporate real estate for PNC commended the property, saying, "These buildings are good for the employees, good for the customers and good for the community so, of course, they are good for PNC."

Case Study Completed Summer 2007

SOURCES

Agarwal, Minu. "A Healthy Workplace Built on a Brownfield Site: PNC Firstside Center" Apr. 2007. Student Work

Allegheny County, Southwest PA, PNC Firstside Center

http://www.pasitefinder.state.pa.us/docs/SS_new3.pdf

Pennsylvania's Land Recycling Program: 1996 Year End Progress Report

http://www.depweb.state.pa.us/landrecwaste/lib/landrecwaste/land_recycling/annual_reports/96yearendprogressreport.doc

GBA case studies http://www.gbapgh.org/casestudies_Firstside.asp

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"Final Report" at the SW Regional Manager Environmental
Cleanup Program Office [ECP File No. 5-2-1-367]

