

The Almono development's Mill 19 building may appear to be an empty hulking presence now, but plans all for a renovation that will rival the office buildings of Pittsburgh's Downtown skyline just a few miles in the distance.

Pieces are falling into place for the envisioned sustainable mixed-use community currently called Almono. With each step forward, from planning to construction, the development project that's been more than a decade in the making is becoming a reality. By Jeffery Fraser

GROUND WORK



PIGEONS COME TO ROOST INSIDE THE GHOSTLY MILL 19, A CAVERNOUS 180,000-SQUARE-FOOT FORMER BAR MILL, THE LARGEST REMNANT OF LTV STEEL'S HAZELWOOD WORKS THAT DOMINATED THE NEIGHBORHOOD'S RIVERFRONT WHEN STEEL STILL RULED THE REGIONAL ECONOMY. THE BIRDS' LODGING DAYS ARE NUMBERED.

Construction begins this year to transform the Industrial Age relic into a hub of the region's innovative economy, a center for research, robotics and other advanced technologies built to sustainable design standards on the City of Pittsburgh's last great brownfield known as Almono.

Just north of the future technology center, Uber recently subleased the historic roundhouse, transforming the place where rail cars that were the beasts of burden at the steel and coke operations were once serviced into a testing ground for self-driving vehicles guided by artificial intelligence. Nearly complete is the paving of the 1.5-mile-long Signature Boulevard, Almono's main thoroughfare, which is designed as a "complete street" with unusually wide rights of way to comfortably accommodate cars, buses, pedestrians, bicyclists, utilities and sustainable stormwater management infrastructure.

Realizing the vision of converting the former Hazelwood works from an industrial wasteland to a model of sustainable mixed-use community gained momentum last year. It has taken more than a decade of site remediation, planning and overcoming other challenges that tested the patience of the \$10 million in "patient money" The Heinz Endowments, Richard King Mellon Foundation, Benedum Foundation and McCune Foundation invested in 2002 to buy the 178-acre brownfield.

None of the recent developments are more influential to moving that vision forward than those that involve the renovation of Mill 19, which planners now call the Mill Building.

The first stage of the \$80 million repurposing of Mill 19 is the construction of a 65,000-square-foot net-zero-energy building within the steel shell of the former mill to retain a glimpse of Hazelwood's industrial past. Scheduled to open in 2018, it will be the first large-scale demonstration of the level of sustainable design Almono is expected to showcase.

The tattered mill roof is to be peeled off, and a canopy of solar panels will be attached to the industrial skeleton, fusing past and present while generating

some of the electricity used inside. The new steel-and-glass building nestled within the old mill will hold three floors for office, research and light manufacturing use. Plans for a plaza twice the size of Downtown's Market Square, include retail and the possibility of high-density housing nearby.

Developing the project is the Regional Industrial Development Corporation of Southwestern Pennsylvania, which shed its former position as Almono general partner last year to take on the new role. In October, RIDC paid a nominal fee to buy the Mill Building from the partnership of foundations that own Almono in exchange for its equity share in the project. This marked an important juncture in the project, how it is managed and the development strategies that will guide it.

"The site needed to be prepared, have basic infrastructure put in place, and it needed someone to go first," said Endowments President Grant Oliphant. "RIDC's willingness to be first to develop there and develop to a very high standard of sustainability on a very difficult parcel strikes the right tone for the rest of Almono and makes the site attractive to other developers."

Remake Group, a sustainable development and design consultant, has assumed much of RIDC's previous role of directing the broader Almono project. Rebecca Flora, Remake Group president and CEO, has considerable local sustainable development experience. She is a former executive director of the Green Building Alliance and has worked on signature projects in the city, such as the development of Washington's Landing. More recently, she led the development of the city's first set of sustainability metrics for guiding planning and development.

With the sale of the Mill Building property, the partnership has begun to explore the idea that rather than hold out for a master developer to emerge, the rest of the Almono site can evolve through the work of several local and national developers with the capacity to build out the site in harmony with the Almono master plan that is being developed and the sustainable design principles at the heart of it.

"We've realized that a place like Pittsburgh really does need both local and national developers driving an incremental development agenda," said Rob Stephany, director of the Endowments' Community & Economic Development Program. "We think that yields more authentic places. And our local developers are getting better at high-quality design and place-making."

Uber's decision to use the roundhouse and the zone around it to test the self-driving vehicles it is developing brought Almono its first tenant and the cachet of having landed one of the most highly capitalized and growing young technology companies in the world. "It's one of the ways you gain visibility and change perceptions and generate interest," Ms. Flora said. "You get people looking at the site differently and seeing possibilities rather than just a landscape."

Numbers crunching: The ambitious vision for the Almono project in Pittsburgh's Hazelwood neighborhood calls for the creation of a sustainable development that integrates urban design, job creation, aspirational environmental standards, and community access and participation. Achieving these goals requires investments of time, energy and money that have already been significant.

THE POWER OF 32, A COALITION OF 32 COUNTIES IN WESTERN PENNSYLVANIA, WEST VIRGINIA, OHIO AND MARYLAND, HAS GIVEN THE PROJECT A \$9.5 MILLION LOAN FOR THE SIGNATURE BOULEVARD. THE MONEY IS FROM A FUND CREATED TO SUPPORT EXPANSION OF THE NUMBER OF PAD-READY COMMERCIAL AND INDUSTRIAL SITES IN THE REGION.

\$9.5



Martha Rial



1,000,000

ONE MILLION CUBIC FEET OF FILL AND GRADING FOR SITE

\$80,000,000

LARGEST TAX INCREMENT FINANCING DISTRICT APPROVED SO FAR IN THE CITY'S HISTORY

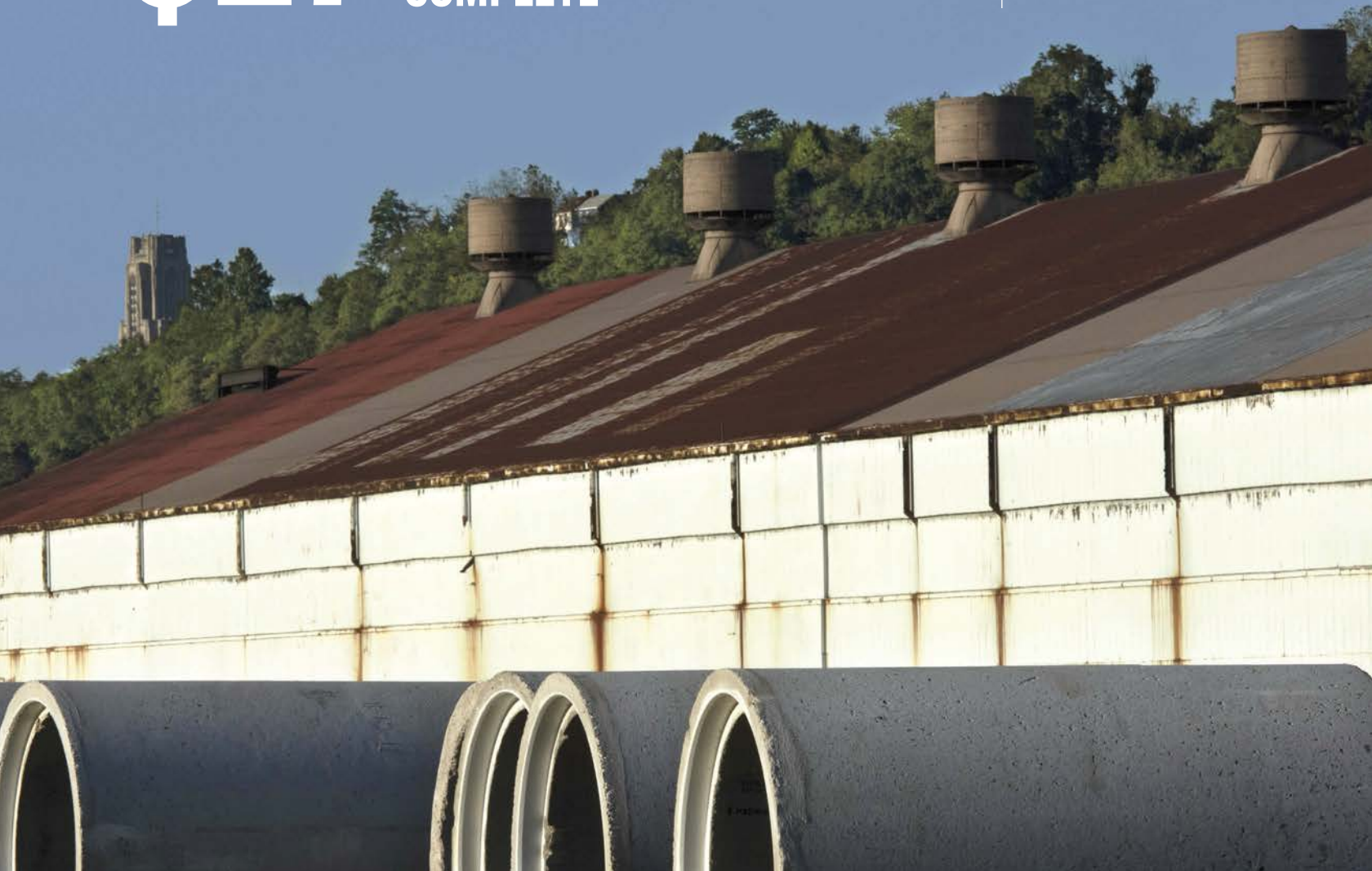
\$27

\$27 MILLION ONSITE ROAD AND UTILITY PACKAGE NEARLY COMPLETE

\$ 14

\$20

\$14 MILLION IN GRANTS, **\$20 MILLION** IN LOW-INTEREST LOANS SECURED IN ADDITION TO PARTNERSHIP FUNDING





Before Uber Technologies debuted its self-driving car in Pittsburgh last spring, the company sent out a fleet of its manned vehicles to map out the roads and topography. Uber is constructing test roadways for its driverless cars at the Almono site.

Jeff Swensen

Uber's decision to use the roundhouse and the zone around it to test the self-driving vehicles it is developing brought Almono its first tenant and the cachet of having landed one of the most highly capitalized and growing young technology companies in the world.

RIDC has announced that it will move its offices into the Mill Building. It also reports contact with other companies expressing interest in setting up shop there, particularly those that benefit from the major research universities just over the hill in the city's Oakland neighborhood, including technology, advanced manufacturing, robotics and information technology firms.

Challenges to Almono's marketability remain, however.

The large scale and complexity of the project makes it a difficult sell to developers without subsidies to lessen their costs and risk. Private and public money, including a tax increment financing plan approved by the city, are largely targeted at building out infrastructure, such as utilities, roads, geothermal wells and piping, parking, and grading and seeding of parks and plazas.

Work is nearly complete on the \$27 million Signature Boulevard to make it a greater "pad-ready" attraction. Estimates for infrastructure exceed \$100 million with \$43 million already invested

The Endowments and Richard King Mellon Foundation have approved further investments in the site to help pay for infrastructure in and around the Mill Building. Other recent infrastructure funding includes a \$9.5 million loan for the Signature Boulevard from a fund that was created by the Power of 32, a coalition of



32 counties in western Pennsylvania, West Virginia, Ohio and Maryland, and dedicated to expanding the regional inventory of pad-ready commercial and industrial sites.

The limited inventory of move-in-ready sites is a disadvantage when competing for companies looking to expand or relocate, said Dennis Yablonsky, executive director of the Allegheny Conference on Community Development. “For the last seven years in a row, the number one overwhelming reason we lose is that we don’t have available pad-ready sites or buildings for people to move into very quickly. Our competitors have more.”

The need for off-site improvements has concerned some developers who’ve otherwise been impressed by Almono’s proximity to university talent and its sustainability ambitions. Some \$7 million in transportation improvements have been made, but there is consensus among public- and private-sector officials that much more is necessary. In fact, road, public transit and other transportation connections to Downtown and Oakland remain a challenge in and around Hazelwood despite \$1 billion invested in the neighboring Southside Works and Pittsburgh Technology Center, two earlier brownfield redevelopments in the city.

“How many people got lost coming here?” Pittsburgh Mayor Bill Peduto asked those attending an October press conference at Almono, receiving more than a few laughs. “We have 19th-century roadways going into a model of 21st-century development. This is a place where people from around the world will come to study how we created the highest level of sustainability on a site that was heavy industry. But

we have to directly connect it to Oakland—make sure that the connection to the University of Pittsburgh, Carnegie Mellon [University] and UPMC is an easy one and that we connect that to the Allegheny River to make sure that from river to river there is the opportunity for new economy jobs.”

Although still a work in progress, there is evidence Almono and the experience gained over its 14-year development history is lending momentum to sustainable development throughout the city and region. RIDC, for example, is employing sustainable design and practices as it converts the former Heppenstall Steel Company site to a new urban technology park in Lawrenceville. “We are using a lot of things we’ve learned along the way [at Almono]. Anytime you push the envelope, you learn more about what is possible,” said RIDC President Don Smith.

Meanwhile, several trends suggest that conditions are more favorable than ever before for developing sustainable communities around Pittsburgh’s innovation economy. Advanced industries are increasingly seeking to be in close proximity to networks of researchers and entrepreneurs found at research universities, such as Carnegie Mellon and Pitt. Local evidence of the trend includes Google’s arrival in 2006 and the 2015 opening of Uber’s Advanced Technologies Group in the city’s Strip District neighborhood. The region’s recovery from the traumatic collapse of steel and other heavy manufacturing led to a highly diverse economy strong in science, technology, health care and other industries at the core of an innovation economy. And investors, when choosing companies, are increasingly considering measures of sustainability performance.

Development of the former Hazelwood steel mill as a sustainable mixed-use community mindful of elevating the quality of life of its neighbors also comes as the city has turned to the principles of sustainability to guide the drafting of a comprehensive plan and development metrics. At the same time, market dynamics that are key considerations of developers are improving in the region, particularly in the city, which is experiencing a surge in neighborhood revitalization, as well as in new residential units and hotels.

Recent progress at Almono, said Mayor Peduto, “is a huge step for the region, not just the city or county. It shows other areas that haven’t yet felt the effects of the new economy what can happen in their town with their old industrial sites. It has the potential to extend far beyond the borders of the City of Pittsburgh.” **h**

CHALLENGES

WHILE THE POTENTIAL BENEFITS OF THE ALMONO PROJECT TO THE HAZELWOOD NEIGHBORHOOD AND THE PITTSBURGH REGION ARE CONSIDERABLE, THERE ARE CHALLENGES TO PREPARING THE SITE AND ATTRACTING DEVELOPERS.

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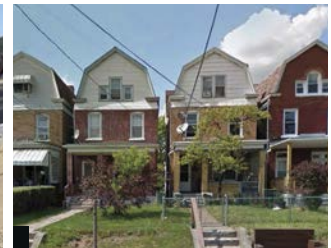
MASS TRANSIT

Connections to the business sector in Downtown Pittsburgh and university talent in the Oakland community are critical to drawing developers to the site. But road, public transit and other transportation avenues remain a challenge in and around Hazelwood, despite \$1 billion invested in neighboring developments that were former brownfield sites.



INFRASTRUCTURE

Infrastructure costs are significant to ensure that the Almono site is an attractive development site. The Signature Boulevard expenses are expected to total \$27 million, while the remaining on-site infrastructure costs would add an additional \$42 million.



NEIGHBORHOOD

Efforts are being made to be mindful of elevating the quality of life of Almono’s Hazelwood neighbors as the site is being developed in a sustainable mixed-use community. Maintaining that connection to the existing community will be important, especially as market dynamics are improving the region and Pittsburgh is experiencing a surge in neighborhood revitalization.

CENTER OF ATTENTION

The vision for the Mill 19 building is that the 180,000-square-foot structure will be transformed into a local amenity and a regional destination that exemplifies the type of sustainable design the Almono project will showcase. While the steel shell will be reminiscent of Hazelwood's industrial past, proposals call for constructing within the walls offices, research and development spaces, and areas for small-scale production, which together will maintain net-zero energy use.

Paving of the Almono site's main thoroughfare, the 1.5-mile-long Signature Boulevard, is almost complete. The road is designed as a "complete street" with unusually wide rights of way that can accommodate cars, buses, pedestrians, bicyclists, utilities and sustainable stormwater management infrastructure.

Mill 19



Perkins+Will



A steel bridge will stretch over the Mill 19 channel to the building's south porch. The channel will be a public rain garden designed to handle on-site stormwater. Its landscaping design includes the use of recycled concrete, steel and stone from the Mill 19 site to create terraces and seating areas among vegetation that is native to Pennsylvania.



The \$80 million renovation of Mill 19 includes in its first phase the construction of a 65,000-square-foot, net-zero energy building within the steel shell of the former mill. The interior building will hold three floors for office, research and light manufacturing use, while the shell's roof will be peeled off and replaced with a canopy of solar panels to generate some of the electricity used inside.

This rendering of a Mill 19 section shows how the new three-story research-and-development building, illustrated in white, will be situated within the steel shell of the larger structure. Overhead will be a solar panel array, to the left will be the rain garden channel and a public, open-air walkway, and on the right will be the "ruin garden."

Tentatively called the "ruin garden," the space on the east side of Mill 19 once contained sets of motor generators. All the generators were removed long ago, but the massive concrete foundations remain and will be incorporated into a new contemplative landscaped area.

