



WESTERN PENNSYLVANIA
BROWNFIELDSCENTER

PITTSBURGH TECHNOLOGY CENTER (LTV)

LOCATION: Pittsburgh, PA

SIZE: 48 acres

FEATURES: Location, Accessibility,
Flat Land, and Riverfront

OWNER: Urban Redevelopment
Authority (URA)

CURRENT USE: High-tech Research
and Development

PAST USE: Iron Manufacturing

CONTAMINANTS: Tar Pits, Waste Oil,
Oily Water, and Ferrous Cyanide

TOTAL ACTUAL COST: \$104 million

TIMELINE

1849 The Pittsburgh and Boston Copper
Smelting Works occupies the site.

1853 Jones and Lauth Company forms.

1863 Site is renamed to the Jones and
Laughlin Company.

1887 The Hot Metal Bridge is constructed to
connect the hot pig iron from the north to
the processing facility from the south.

1968 J&L is sold out to LTV.

1981 The Park Corporation purchases the site.

1983 The Urban Redevelopment Authority of
Pittsburgh purchases the site.

1993 Date of groundbreaking.

2001 The site is completed.

HISTORY

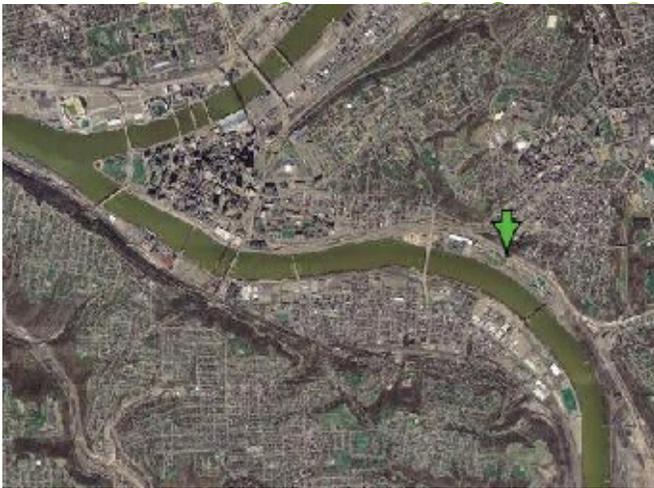
The steel production on the northern region was owned by Benjamin Franklin Jones. In 1853 Jones merged his operations with the South Side's American Iron Works, which was co-owned by the brothers Bernard and John Lauth. This resulted in the formation of the Jones and Lauth Company. When the Lauth brothers sold the corporation to a banker named James Laughlin in 1863, the company took the name Jones and Laughlin Company.

In 1887 a bridge connecting the north and south shores of the Monongahela River was constructed to transport the hot pig iron manufactured on the northern shore to the processing facility in the south. This bridge known as the Hot Metal Bridge has been renovated for vehicular traffic presently.

J&L was, by far, the major competitor to the Carnegie Steel, the top steel producer at the time. At its peak it produced almost 3.4 million tons of pig iron, steel and other products, while employing almost 22,000 people. The company employed about 10,000 personnel from in and around the Pittsburgh region.

Such tremendous growth made Pittsburgh an attractive target for immigrants from Europe, who





Picture courtesy of Google Maps

settled to take advantage of the labor needs of the steel industry and the broader economy.

The industry had severe denigrating impacts on the environment of Pittsburgh and especially the waterfront regions where most of the plants were located. The plants, apart from using the rivers as a means of transportation of raw materials and finished products, were also responsible for large-scale pollution of the rivers. More importantly, they cut off the river from the general public.

TOPOGRAPHY

J&L operations were concentrated mainly four kilometers upstream on the northern shore of the Monongahela River from downtown Pittsburgh. The site has riverfront access; however, an active railroad blocks public access to the water and occupies land that might be used as a riverfront park.

The site is less than two miles away from the city and two major universities, the University of Pittsburgh and Carnegie Mellon University.

MARKET CONDITIONS

Presently the site is successfully generates revenue for the area; however, the development for this site was slow as its first occupant, the University of Pittsburgh Center for Biotechnology, was not located until 1991.



SITE ASSEMBLY AND

CONTROL

The 1960s and 1970s saw the fall in demand for steel within the United States. Further rise in operational costs and cheaper steel imports began to cut into profit margins of the steel industry. This called for some kind of consolidation among the steel companies and some did respond to this. J&L was one of them. J&L agreed to sell out to Texas based Ling Temco Vought (LTV) works, in 1968.

LTV took control of all the plants and facilities of J&L along the Monongahela River including the Aliquippa facility, and soon the green and yellow colors of the J&L name was replaced forever with the red and blue colors of LTV. In later years the green and yellow colors of J&L employees came to the fore during protests and strikes against the LTV during the painful closure of the facilities.

In the case of J&L, the properties within Pittsburgh were bought up by Ohio-based Park Corporation in 1981. Unable to decide on the next course of action the site was left idle for the two years.

Sensing the Park Corporation's lack of ideas and motivation towards any serious redevelopment the

URA stepped in and bought up the vast strip of 48-acre site wedged between the 2nd Avenue and the Monongahela River in 1983. This action, while fully supported by the City of Pittsburgh, was also funded by numerous other public organizations.

Once the purchase was completed, various opportunities were investigated. This task was handed over to Urban Land Institute (ULI) with URA funding. The ULI, after detailed analysis of the site and its surroundings, noted the site's close proximity to downtown Pittsburgh as well as the hub for research and development – The Carnegie Mellon University and the University of Pittsburgh.

ENVIRONMENTAL PROBLEMS

Environmental inspections found tar pits, waste oil (2,000 gallons), oily water (420,000 gallons) and ferrous cyanide. The tar and water were discovered and dealt with initially, while ferrous cyanide was found much later. The ferrous cyanide was found in an underground pit in the middle of construction. For two months construction was halted while its origins were researched. It was discovered that a gas company left the ferrous cyanide in a pit for long-term disposal. It was deemed harmless, as it was sealed in a well-designed container, and construction began again. Apart from having to move Carnegie Mellon's research structure so that it would not be built above the pit, there were no other major issues with construction.

SOCIAL/COMMUNITY INFRASTRUCTURE

As for communities around this site, there weren't many. Most of the communities were either near Southside Works across the Monongahela River or near the Hazelwood facilities. The Urban Land Institute came up with the proposal of building a full fledged high-tech research center which could prove to be an incubator for companies and the universities to come together. This plan was approved and potential customers or tenants included were University of Pittsburgh and Carnegie Mellon University. The University of Pittsburgh's research facility eventually became the anchor tenant in 1993.

PHYSICAL INFRASTRUCTURE

The mill's Eliza Furnace, famous for its red glow, was one of the structures that had to be demolished. The only structure left above ground after the demolition was Soho Works. Old maps and records of the site aided underground clearing, leaving only the foundation of the Hot Street Mill untouched. Its thickness ranges from 6 to 34.75 inches.

Although the URA wanted to increase access to the riverfront in this area, the active railway line on the bank of the river prohibits access.



Existing infrastructure required renovations and some new infrastructure was required. None of the existing roads within the site were used. New sewer lines, electric lines, and a road system were constructed. The renovation of the Hot Metal Bridge was carried out in 2000.

COSTS & ECONOMIC INFRASTRUCTURE

This site used Tax Increment Financing (TIF) to fund the completion of the \$104 million development. Because of its almost immediate success, the \$7.5 million taken from TIF was repaid 12 years ahead of schedule.

CURRENT STATUS AND LESSONS LEARNED

The first two tenants, University of Pittsburgh's Center for Biology and Bioengineering and Carnegie Mellon University, led to other companies, including Union Switch & Signal, Aristech, and the Oakland Consortium.

Today the URA is considering the development of 1 million square feet for more office space on the vacant sites on this property because of its success and continued interest shown by private organizations. Also, by doing this, the URA realizes that the current research center landscape is a suburban use of land in an urban area. By making more land available for office space, the URA can use more smart growth practices.



ECONOMIC/COMMUNITY IMPACT

The Pittsburgh Technology Center successfully converted an industrial site into a hub for research. The site increases property values, employs about 1000 people in high-tech and research interests, and brings in about \$1 million yearly in taxes.

Source of Governmental Funding

\$10,000,000	PA Department of Commerce
\$8,300,000	PA Department of Community Affairs – Strategy 21 Plan
\$2,300,000	City of Pittsburgh
\$1,500,000	Urban Redevelopment Authority of Pittsburgh
\$2,900,000	Pittsburgh Water and Sewer Authority
\$300,000	Private Foundations
\$25,300,000	TOTAL

Case Study Completed Summer 2007

SOURCES

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