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STATE OF
DOWNTOWN
PITTSBURGH

19



PITTSBURGH
DOWNTOWN
PARTNERSHIP

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For the past eight years, the Pittsburgh Downtown Partnership has been pleased to produce the State of Downtown Pittsburgh Report. This annual compilation and data analysis allows us to benchmark our progress, both year over year and in comparison to peer cities. In this year's report, several significant trends came to light helping us identify unmet needs and better understand opportunities for developing programs and initiatives in direct response to those challenges.

Although improvements to the built environment are evident in nearly every corridor of the Golden Triangle, significant resources are also being channeled into office property interiors to meet the demands of 21st century companies and attract a talented workforce to Pittsburgh's urban core. More than \$300M has been invested in Downtown's commercial office stock over the last five years – a successful strategy drawing new tenants to Downtown and ensuring that our iconic buildings will continue to accommodate expanding businesses and emerging start-ups.

Downtown experienced a 31% growth in residential population over the last ten years, a trend that will continue with the opening of hundreds of new units over the next couple of years. Businesses, from small boutiques to Fortune 500 companies, continued to invest in the Golden Triangle in 2018 while Downtown welcomed a record number of visitors and new residents.

Development in Downtown is evolving and all of these investments combine to drive the economic vitality of the city, making Downtown's thriving renaissance even more robust.

Sincerely,

Jeremy Waldrup
President and CEO

Lucas Piatt
Chairperson



State of Downtown Pittsburgh is produced by the Pittsburgh Downtown Partnership. The data presented in the report is derived from many sources and covers activity within the boundaries of the Business Improvement District and Greater Downtown.

GREATER DOWNTOWN
GOLDEN TRIANGLE



BY THE ACCOLADES NUMBERS

PITTSBURGH IS THE

#1 CITY IN AMERICA FOR JOBS – GLASSDOOR, 2018 **ONE OF AMERICA'S MOST DIGITALLY INCLUSIVE TECH CITIES** (OUT OF 8) – BROOKINGS INSTITUTE, 2018

TOP TECH CITY HOTSPOT (OUT OF 15) – FORRESTER, 2018 **#8 BEST METRO AREA** IN THE COUNTRY FOR MINORITY ENTREPRENEURS – LENDINGTREE, 2019 **#20** (OUT OF 40) **MOST VIBRANT ARTS COMMUNITIES IN AMERICA** - SMU NATIONAL CENTER FOR ARTS RESEARCH, 2018 **#3 COOLEST CITY IN THE WORLD** – NATIONAL GEOGRAPHIC, 2019 **#2 MOST LIVABLE CITY** IN AMERICA - THE ECONOMIST, 2018

BEST U.S. CITY FOR MILLENNIALS - APARTMENTLIST.COM, 2018 **#2 SAFEST AND MOST AFFORDABLE PLACES TO LIVE** – REALTOR.COM, 2019 **PEOPLE STAY IN PITTSBURGH LONGER** THAN ANY OTHER U.S. CITY – LENDINGTREE, 2019

TOP AMERICAN FOOD CITY – AF&CO, 2019 **#7** (OUT OF 10) TOP FOOD CITIES TO VISIT – BBC, 2019 **#11 BEST CITY FOR RECREATION** – WALLETHUB, 2018 **#25** (OUT OF 182) **MOST FUN CITY IN AMERICA** – WALLETHUB, 2018 **PITTSBURGH INTERNATIONAL AIRPORT RANKS #5 TOP DOMESTIC AIRPORTS** – TRAVEL + LEISURE, 2018 **#4 MOST CARING CITY IN THE U.S.** – WALLETHUB, 2018

OFFICE, EMPLOYMENT & EDUCATION



113K workers

35M square feet of rentable office space

Golden Triangle Class A average asking rate = \$29.61 per square foot (1Q 2019)

Golden Triangle Class B average asking rate = \$20.95 per square foot (1Q 2019)

5 Fortune 500 Companies totaling \$87.8B in revenue

Ranked 13th in venture capital investment dollars per capita nationwide

95K college students within 10 miles of Downtown

TRANSPORTATION & CONNECTIVITY



12.8M weekday alightings (offs) at Golden Triangle bus stops in 2018

Walk Score: 99

Transit Score: 100

Bike Score: 87

HOUSING & POPULATION



15,860 residents

7K residential units

4K residential units in the pipeline

Average one-bedroom rent: \$1,627

Average two-bedroom rent: \$2,051

HOTEL, CULTURE & ENTERTAINMENT



6K hotel rooms

1,122 hotel rooms in the pipeline

3M arts and cultural events visitors

13.4M professional sports visitors

940K visitors to the David L. Lawrence Convention Center

RETAIL & RESTAURANTS



66 outdoor cafés with 1,360 dining chairs

64% of restaurants and 69% of retailers are locally owned

42 retail and restaurant openings in 2018-2019

PLACE & ENVIRONMENT



47.25 acres of park space

81% of all Energy Star certified space in Allegheny County is Downtown (8.6M square feet)

OFFICE, EMPLOYMENT, AND EDUCATION

GOLDEN TRIANGLE OFFICE MARKET

2018 started off with uncertainty in the Golden Triangle as several companies announced office consolidations including PNC vacating 120,000 square feet at recently renovated 20 Stanwix, BNY Mellon's move from 525 William Penn Place freeing up 300,000 square feet, and companies such as PricewaterhouseCoopers and 4moms advertising large subleasing opportunities. Corporate right-sizing has impacted the office market nationally resulting in increasing vacancies and smaller lease transitions. Fear of rising vacancies began to lessen throughout 2018 as the market gradually moved towards positive absorption. Companies expanding their footprint in the Golden Triangle, such as JP Morgan Chase's expansion at One Oxford Centre and First Commonwealth Bank at the Union Trust Building among other expansions and relocations, have helped to keep Class A vacancies from rising to excess, increasing just over 1% throughout 2018.

Despite a slight increase in vacancy in Class A office space, rental rates in the Golden Triangle have remained robust throughout 2018. Class A space reached record-level rates at \$30.35 per square foot in 4Q 2018 with Trophy Class A space in the Golden Triangle reaching over \$33 a square foot as reported by CBRE Research. Rents have remained strong as building owners continue to realize the benefit of investing in building amenities and tenant improvements in order to keep up with the demand for high-quality office product. Nearly \$300M has been invested into Golden Triangle existing office space over the past five years with at least \$140M of announced upgrades in the pipeline. Multi-million dollar tenant improvements in the Grant Street corridor, as well as 11 and 20 Stanwix, are recent examples of capital investment in older building stock paying off. The Golden Triangle office inventory will need to continue to invest in tenant amenities to remain competitive with several new construction projects developing in the Downtown Fringe, exceeding over 3.1M square feet in active and announced projects.

87.1%
CBD CLASS A DIRECT
OCCUPANCY RATE
(1Q19 CBRE)

\$29.61
CBD CLASS A
AVERAGE
LEASE RATE
(1Q19 CBRE)

1.2M SF
TOTAL GREATER
DOWNTOWN LEASE
TRANSACTIONS
IN 2018
(JLL)



TOP FIVE EMPLOYMENT SECTORS



Source: OnTheMap, 2015

640K SF
NEW LEASES
511K SF
RENEWALS/EXPANSIONS
35.5M
LEASABLE SQUARE
FEET IN GREATER
DOWNTOWN, 48%
OF THE PITTSBURGH
OFFICE MARKET
(JLL, CBRE)

LEASES, EXPANSIONS, AND PURCHASES

The City of Pittsburgh closed on purchasing the newly renovated office complex at 420 Boulevard of the Allies for \$174 per square foot. M&J Wilkow completed major renovations to the 155,500 square foot building including a roof-top deck, first floor tenant lounge, and fitness facility. In 4Q 2018, McKnight closed on purchasing the Bank Tower for \$60.32 per square foot and is planning to invest at least \$7M to renovate the building. Microsoft also recently expanded their footprint in the Golden Triangle by opening a new 10,000 square foot office at Liberty Center, another tower benefiting from investments by their owners, CBRE Global Investors.

2018 was nothing less than a banner-year for the Downtown Fringe in terms of new leases and development announcements. In 3Q 2018, Facebook announced that the company's Oculus division will lease the entirety of the 105,000 square foot District 15, one of the largest lease transactions in the past five years. Bombardier Transportation occupied 90,000 square feet in the former Seagate building at One Waterfront Place in the Strip District, having relocated many of their business divisions from their suburban office in West Mifflin. Limbach Holdings Inc. also announced plans to relocate their headquarters to One Waterfront Place. Both of these companies touted access to the Golden Triangle and the available talent pool from nearby universities as major reasons for their relocations.

One of the biggest announcements from 1Q 2019 was Fortune 500 Wabtec Corp's commitment to 80,000 square feet at 30 Isabella. The company has plans to bring 250 people to its new North Shore home joining fintech company Affirm who also announced leasing 20,000 square feet of space with options to expand as the company grows to add 500 employees over the next five years. 2018 was an active year for Nova Place as Databank Holdings renewed and expanded their lease to 38,000 square feet, Pittsburgh Technology Council moved from their South Oakland office occupying 9,000 square feet, and Oracle confirmed a commitment to take up to 10,000 square feet at Nova Place.

The Frick Building

SPOTLIGHT

GRANT STREET CORRIDOR UPDATES

Grant Street is the grand boulevard that serves as the hub of government and legal business in the heart of Downtown while also home to the headquarters of US Steel and one of the region's largest employers, BNY Mellon. In recent years, the architecturally significant buildings along the street and in surrounding blocks have seen significant investments in renovations and in what has been described as "an amenities arms race."

The most recent investments along the corridor include:

- \$50M by Shorenstein Realty to One Oxford Centre including common space upgrades featuring a conference center, collaboration areas, food hall, and organic juice bar.
- Rugby Realty invested \$1M in the Koppers Building to create their 29th floor "Attic Space" that includes games, an outdoor patio, and a spot to brew your own espresso. Rugby Realty also added a new Tenant Innovation Center and fitness facility in the Frick Building.
- The Davis Companies completed a \$100M restoration of the Union Trust Building which touched nearly every aspect of the property including tenant amenities such as a gym and collaboration space. Their careful attention to detail and strong design earned them a national preservation award through the American Architecture Awards in 2018.
- Just off of Grant Street, Pearson Partners, Inc. has undertaken a \$70M investment in the upgrade of 525 William Penn Place to include public areas as well as exterior improvements, the highlight of which is a glass cube fronting on Fifth Avenue.

All of this investment has led to significant leases in the area including Elite Transit Solutions, one of Pittsburgh's fastest growing companies. They will lease 31,500 square feet on the top two floors of the historic Frick Building with options for expansion.



Union Trust Building

One Oxford Centre attracted Chase Bank who announced their Pittsburgh flagship branch will be located on the ground level of the building (along with a beautiful loft space). Major co-working venture Spaces will lease 35,000 square feet in the newly renovated One Oxford Centre. In the last year, Union Trust has announced significant new tenants with Buchanan, Ingersoll and Rooney signing on for 140,000 square feet, First Commonwealth Bank, who already has a customer branch on the ground floor, will lease 22,625 square feet of office space and, most recently, Jackson Kelly PLLC signed a long-term lease for 12,000 square feet. Pearson Partners inked their first tenant at 525 William Penn Place, Pollock Begg will move into their newly renovated space from the Frick Building to take 12,000 square feet on the building's 35th floor.

MAJOR SALES TRANSACTIONS: 2018

420 Boulevard of the Allies to
City of Pittsburgh

\$27.5M
\$174/SF

FHL Bank Building at
601 Grant Street to RDC Inc.

\$10.1M
\$62/SF

Wholey Building at
1501 Penn Avenue to
JMC Holdings

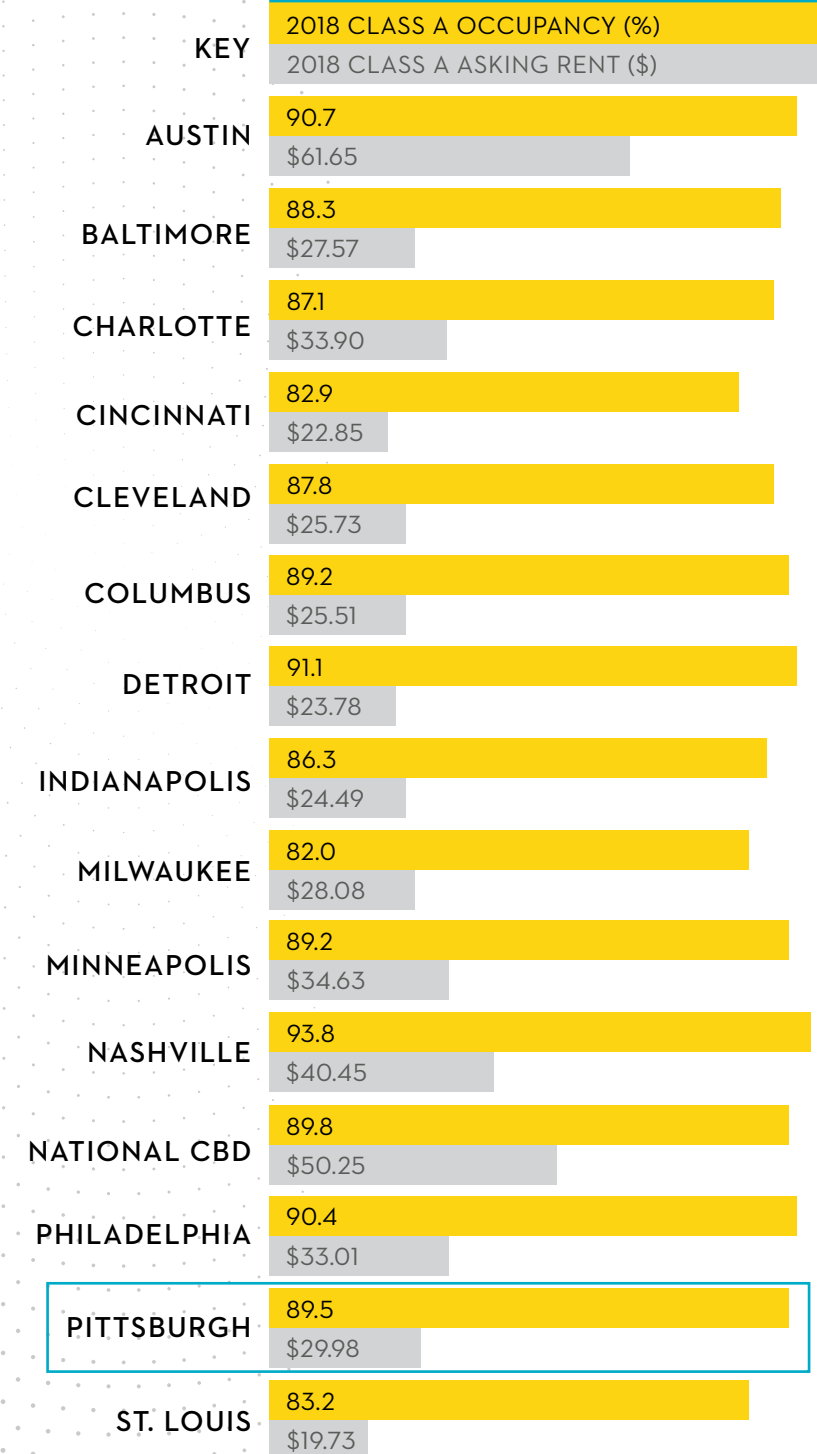
\$8.1M
\$24/SF

Manor Building at
564 Forbes Avenue to
Crescent Investment Group

\$6.2M
\$56/SF

Source: CBRE, JLL

OCCUPANCY AND RENTAL RATES IN PEER CBDS 4Q18



Source: JLL

CO-WORKING SHOWS NO SIGNS OF SLOWING

Co-working companies added 88,800 square feet of space in Greater Downtown in 2018 and into 1Q 2019 with at least 132,000 more in the pipeline expected to deliver within the next year. Pittsburgh-based Beauty Shoppe joined the Golden Triangle in the Pitt Building and recently celebrated the opening of their newest office located in the Highline, adding a combined 24,000 square feet of leasable space. Novel Co-working, formerly known as Level Office, is expanding their footprint at 606 Liberty Avenue to include roughly 4,500 square feet of additional office suites. Colab18 added 4,600 square feet at Nova Place and Serendipity Labs will be moving into their brand new 25,000 square foot office suite at 3 Crossings Riverfront West in April 2019.

National co-working company Industrious committed to creating a second location in the Golden Triangle with 38,000 square feet of space in Liberty Center and is expected to open by 3Q 2019. New York-based Bond Collective announced that they have been scouting for roughly 40,000 square feet of space in Greater Downtown and WeWork is looking for 30,000-50,000 square feet of space and planning at least one location in Pittsburgh in 2019.

REGIONAL FORTUNE 500 COMPANIES TOTALING \$87.8 BILLION IN REVENUE, 2018 BY RANK

- RANK
- 114

KRAFT HEINZ
- 165

PNC FINANCIAL SERVICES GROUP
- 191

PPG INDUSTRIES
- 246

US STEEL
- 340

DICK'S SPORTING GOODS
- 370

WESCO INTERNATIONAL

- Headquartered in Greater Downtown
- Co-Headquartered in Pittsburgh and Chicago
- Headquartered in Greater Pittsburgh Area

Source: Fortune.com

GREATER DOWNTOWN REGIONAL WAGE & SALARY JOBS & OFFICE INVENTORY		
	REGIONAL WAGE & SALARY JOBS	% OF TOTAL GREATER DOWNTOWN OFFICE SPACE
GOLDEN △	79,316	74%
NORTH SHORE	15,323	13%
STRIP DISTRICT	9,615	8%
SOUTH SHORE	3,224	5%
UPTOWN	6,912	1%

Source: OnTheMap (2015), JLL

\$1.3B

IN R&D EXPENDITURES BY PITT, CMU, AND DUQUESNE, OF WHICH \$813.6M (63%) WAS FEDERALLY FUNDED

IN 2018, PITTSBURGH RANKED 13TH

IN VENTURE CAPITAL INVESTMENT DOLLARS PER CAPITA

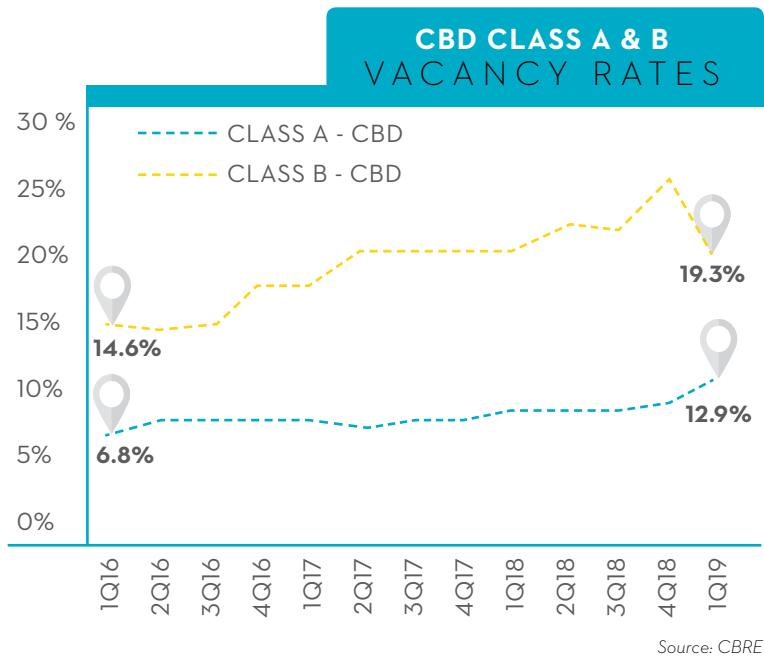
60 FIRMS

FROM AROUND THE WORLD INVESTED OVER \$550M IN PITTSBURGH TECH COMPANIES IN 2018.

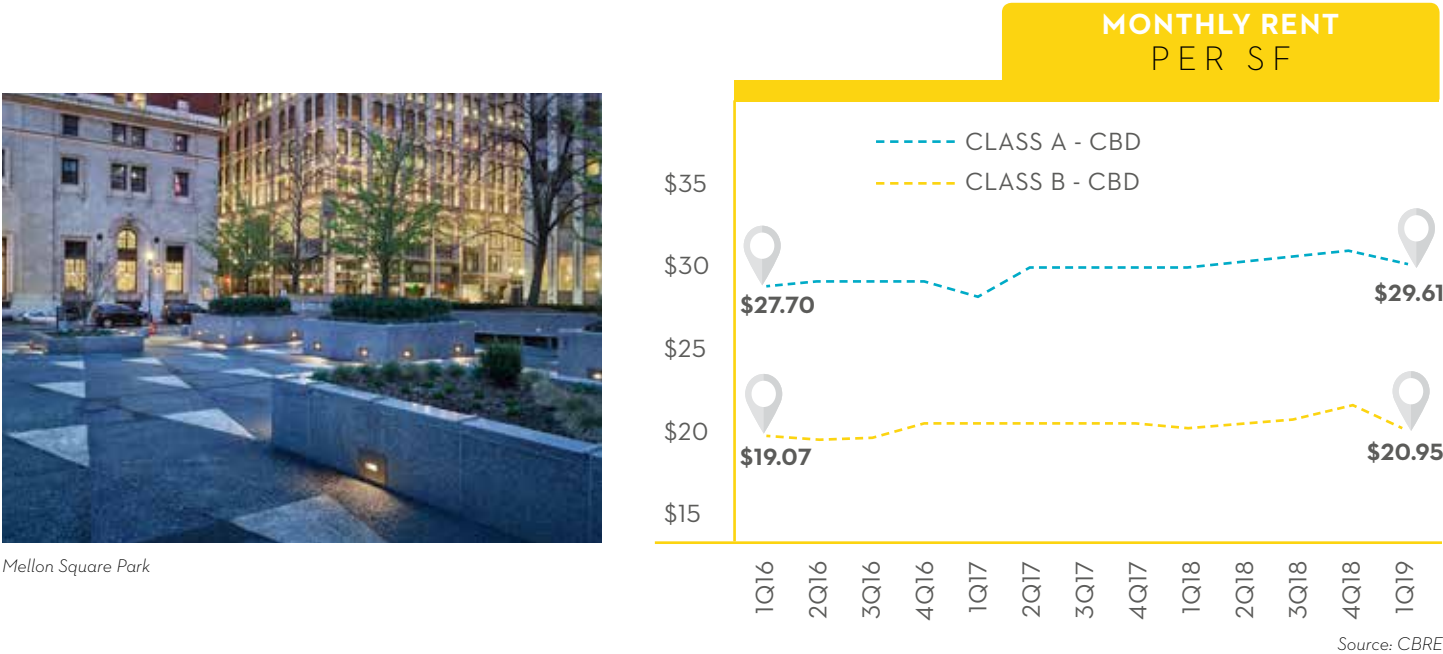
95K

STUDENTS ENROLLED IN HIGHER EDUCATION WITHIN 10 MILES OF DOWNTOWN; 23K GRADUATES FROM 2017-2018 ACADEMIC YEAR

Source: Ernst & Young LLP and Innovation Works, Investment in Pittsburgh's technology sector 2009-2018, PDP



One Oxford Centre and Pittsburgher Building



Mellon Square Park



The Beauty Shoppe, Pitt Building Downtown Pittsburgh

HOUSING AND POPULATION



RESIDENTIAL POPULATION

Greater Downtown's population has grown by more than 3,750 residents in the past ten years, representing a 31% increase in the residential population now reaching an estimated 15,860 residents. Signs of a steady residential upturn in Pittsburgh's urban core are indicative of a promising future for further growth as more people choose to live Downtown to be closer to employment opportunities, transportation, amenities, and entertainment. Since 2016, new residential developments in the Strip District and North Shore have contributed to 85% and 19% of the increase in the Greater Downtown population as units in large developments became available at the Yards @ 3 Crossings, Heinz at 950 North Shore, and the recently completed 364-unit Edge 1909. These large developments delivered a combined 815 units in just under three years. According to results from the 2018 Downtown Resident Survey, the top three reasons residents cited for choosing to live Downtown are proximity to work/school, desire to live in an urban environment, and walkability. Residents' desire to live in an urban environment increased by 21% compared to 2012 survey results.

AVERAGE 1 BEDROOM RENT:

↓ low \$1,290
↑ high \$1,912

\$1,627

AVERAGE 2 BEDROOM RENT:

↓ low \$1,895
↑ high \$2,458

\$2,051

RENTAL MARKET

Occupancy rates of Greater Downtown apartments have increased over the past five years. The residential market experienced an all-time high of 95% occupancy in 2Q 2018 and has since leveled out to 93% by 4Q 2018. Average monthly rents per square foot followed a similar trend throughout 2018 peaking at \$1.94 mid-year and settling at \$1.88 per square foot to end the year, a 6.3% growth over the last five years. Average monthly rent for a one bedroom apartment is \$1,627 while the average two-bedroom rent is \$2,051 per month. The Greater Downtown residential market absorbed 767 units, 11% of the current inventory, within the last two years signaling to developers the strength of the Downtown housing market for new residential development.

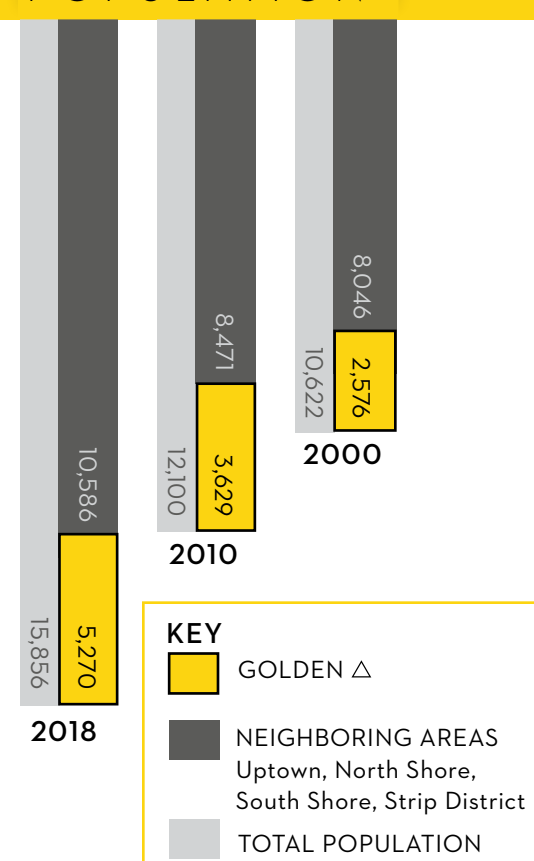
UP NEXT IN THE PIPELINE

Residential growth in Greater Downtown is not expected to slow as 2019 progresses with an additional 4,420 units already in the pipeline including 1,420 units anticipated for the 28-acre site in the Lower Hill. Several highly anticipated projects are being delivered in 2019, Core Realty's Kaufmann's Grand on Fifth project featuring 312 apartments which began occupancy in 1Q 2019 and TREK and Q Development's Eighth and Penn Project expected to wrap up construction in June 2019 adding 135 new units in the Cultural District and 12,000 square feet of street-level retail space. With more than half of the units pre-sold at Lumière, Millcraft Investment's 86-unit luxury condo project atop the Oliver Garage entered into the final construction phase in 1Q 2019 with plans to complete the project by the end of the year. Trammel Crow's Glasshouse at Station Square East is nearly finished with 319 units completing construction in 2019 as part of the larger multiphase development at Station Square East. Hardy World's Refinery project in the Strip District is anticipated to finish construction by 2019, adding 30 new condo units.

Pittsburgh-based Laurel Communities' 46 three-story Strip District Brownstones project has begun construction on the site behind the Produce Terminal Development. The developer announced in January 2019 that they will be expanding their project to include 21 additional townhomes which will be ready for occupancy by 2021. NRP Group expects to begin construction this spring on the second phase of Buncher Company's Riverfront Landing development to include 442 apartment units. Red Rocks Group began construction on two projects in the Cultural District in 1Q 2019 and expect to deliver a total of 86 units by early 2020. Construction began on the conversion of the Commonwealth Building on Fourth Avenue which will add 150 units to the Golden Triangle.

* The 2018 data are conservatively calculated by market growth and occupancy rate estimates. Sources: U.S. Census Bureau; Pittsburgh Downtown Partnership

GREATER DOWNTOWN POPULATION*



33,000
RESIDENTS IN A
1.25 MILE TRADE AREA

1,828
UNITS DELIVERED TO
GREATER DOWNTOWN
SINCE 2014

CONDOMINIUM SALES

There were 55 condominium sales in 2018 at an average of \$402,340 per unit and \$272 per square foot. There were 35% fewer units sold in Downtown when compared to 2017 numbers (84 vs. 55), but the average cost of units sold in 2018 was a 2% increase from 2017 sales and averaged \$7.00 more per square foot. Over the past five years, condo cost per square foot has increased 16%.

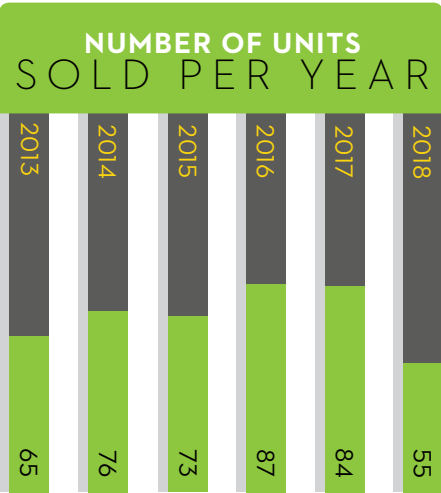
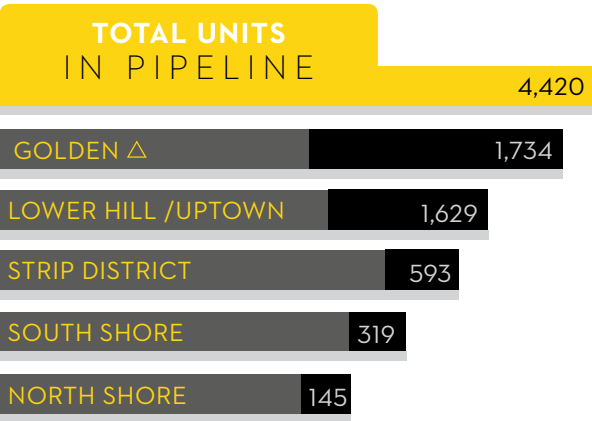


Lumière



Source: Allegheny County Real Estate Department; Western Pennsylvania Multi-List Service - Provided by Piatt Sotheby's International Realty

16% INCREASE IN CONDOMINIUM AVERAGE SALE PRICE PER SQUARE FOOT IN LAST FIVE YEARS (2013 VS. 2018)



HOME VALUE COMPARATIVE STATISTICS 1Q 2019	15222	15219	CITY OF PITTSBURGH	ALLEGHENY COUNTY
MEDIAN ESTIMATED HOME VALUE	\$452,000	\$141,000	\$190,000	\$195,000
12 MONTH CHANGE	+12.1%	+3.3%	+6.9%	+7.3%

Source: Realtors Property Resource - Provided by Piatt Sotheby's International Realty

SPOTLIGHT

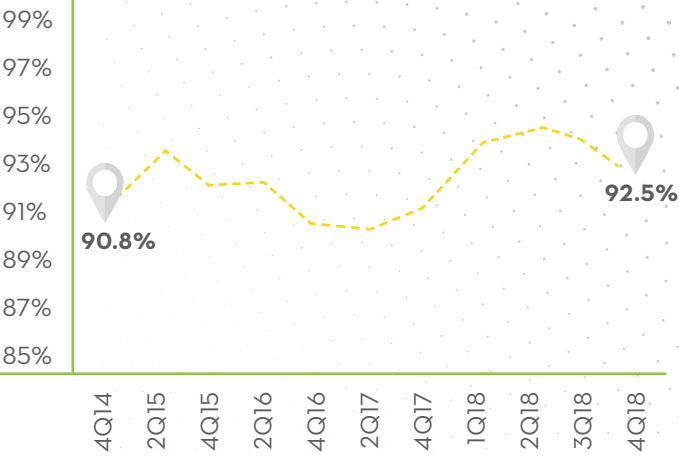
COMMONWEALTH BUILDING CONVERSION

Connecticut-based JCS Capital LLC is investing an estimated \$20M to convert the historic 21-story Commonwealth Building at 316 Fourth Avenue into 150 apartment units with ground floor retail space. Based on the current demand in the market, the new inventory of residential units will focus on studio and micro-sized units measuring roughly 400 square feet each. The long-vacant, 174,000 square foot property built in 1906 was formerly owned by Columbus-based E.V. Bishoff Co. who currently owns the neighboring Carlyle Building housing 60 condo units. JCS Capital gained approval to exceed the current zoning code of the building based on the size of its lot, which would permit only 75 units, by transferring the development rights for an additional 75 units from the Parking Authority's Grant Street Transportation Center.



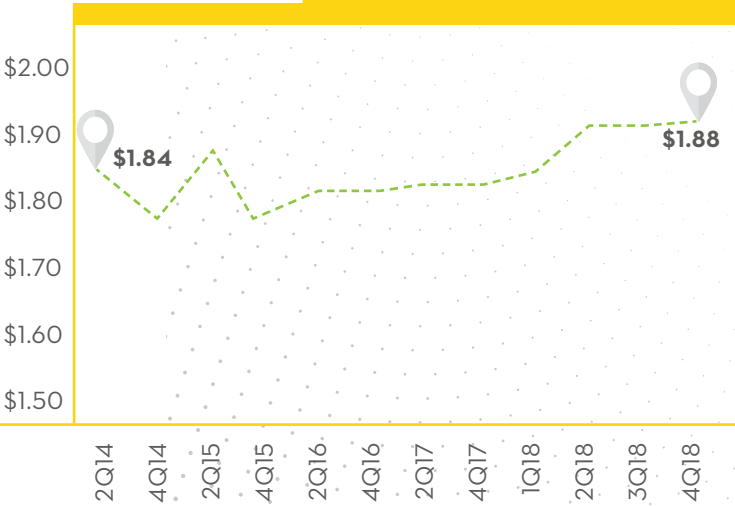
Eighth and Penn

GREATER DOWNTOWN APARTMENTS OCCUPANCY RATES



Source: Pittsburgh Downtown Partnership

MONTHLY RENT PER SF



Source: Pittsburgh Downtown Partnership

RETAIL AND RESTAURANTS

NEW RESTAURANTS AND RETAIL

As Greater Downtown's population keeps growing and more residents move into the urban core, Downtown's retail market strengthens. 42 new restaurants and retailers opened in Greater Downtown from 2018 through March 2019. 26 of those new businesses were restaurants and bars including Molinaro Ristorante, Forbes Tavern, and Waffles, INCaffeinated, the first retailer to open in the Kaufmann's Grand on Fifth development. Wolfie's Pub, which recently opened in the former Pirata space, is a Point Park University-themed eatery. Greater Downtown welcomed 16 new retailers and service providers including the long awaited Peter Lawrence Women's Apparel store from Chas Schaldenbrand, owner of men's fashion store Heinz Healey's, Dallas Beauty Lounge, and three new health and wellness businesses including Altus Human Performance Optimization (HPO), Town Place Fitness, and ILLUME Pittsburgh (formerly known as Exhale Yoga). 70% of new business openings in 2018-2019 are small businesses and 75% of that group is concentrated within the Golden Triangle.



CLOSINGS LEAD TO NEW OPPORTUNITIES

After serving the Golden Triangle's Cultural District for 13 years, Nine on Nine closed their doors shortly after Valentine's Day in February 2019. The Diamond Market Bar & Grill, which closed in July, 2018, was one of the first restaurants that helped lead to the revitalization of Market Square in 2011 and is now replaced by a Bank of America branch which opened earlier this year. Roughly 10,000 square feet of prime restaurant space was left vacant after Red, the Steakhouse closed at the US Steel Tower after being open for less than a year. The closing of the Tilted Kilt on the North Shore has made 10,000 square feet of space available for Shorty's Pins x Pints, a new entertainment complex from CBRE's Herky Pollock and Burgatory owners, Mike Hanley and Jerry Dilembo, expected to be unveiled by the end of 2019. After Panera Bread announced the purchase of the international restaurant chain Au Bon Pain in late 2017, three of four Golden Triangle locations closed within in the past several months leaving an opportunity to welcome new dining concepts into the market.

IN DOWNTOWN,
64%
OF RESTAURANTS &
69%
OF RETAILERS ARE
LOCALLY OWNED



PG&H AND REDHAWK COFFEE



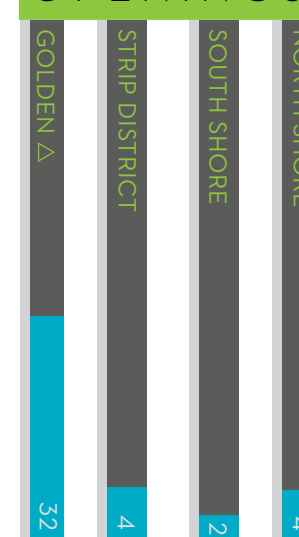
In October 2018, the PDP opened PG&H, a retail showroom located at 536 Smithfield Street below Mellon Square. PG&H features design-forward, high quality, locally produced home goods. The project is a collaboration of the PDP, Bridgeway Capital's Monmade initiative, and the Richard King Mellon Foundation. The shop features hand-crafted items made by more than 40 talented local and regional makers. The space is more than just a retail shop, it's a showroom where makers can meet with potential customers, designers, and those in the building trades to discuss custom pieces and scalable products. PG&H is also home to an exceptional local coffee roaster, Redhawk Coffee.



NOTABLE RETAIL AND SERVICE BUSINESS OPENINGS 2018-2019



2018-2019 OPENINGS





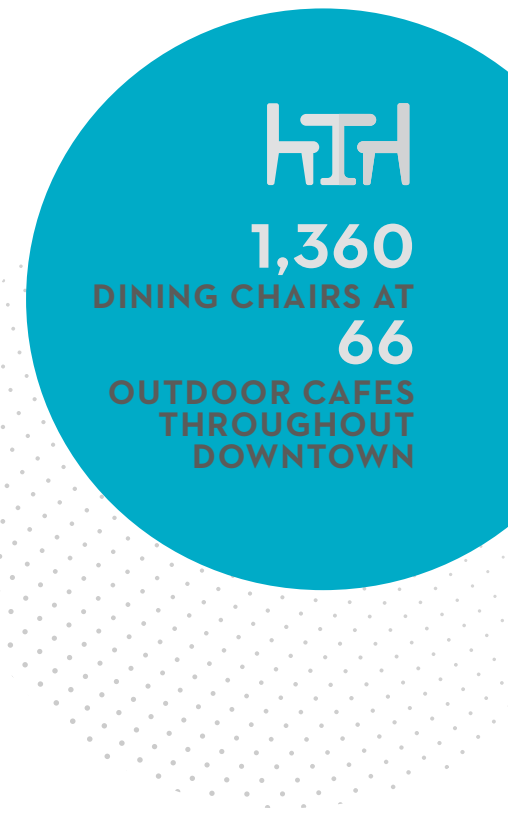
SPOTLIGHT

PENN BREWERY FIRST AVENUE TAPROOM

Downtown is catching up with the local brewery phenomenon with the opening of the first taproom in the neighborhood. Penn Brewery's Downtown Taproom is located on the ground floor of the new First Avenue Lofts. The space brings a highly sought-after amenity not only to Downtown but to the First Side neighborhood which is poised for programming and a ripe opportunity for investment. The taproom is a cozy 750 square feet and offers seating for 35 people. In addition to sampling a dozen beers brewed just across the river in Troy Hill, a limited food menu is available for light bites.



NOTABLE RESTAURANT OPENINGS 2018-2019



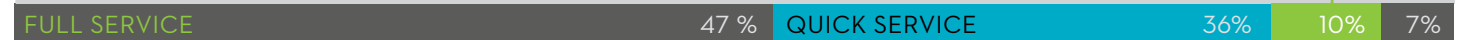
\$182M
IN ANNUAL
SPENDING IN
DOWNTOWN
PITTSBURGH

RETAIL PROSPECTS

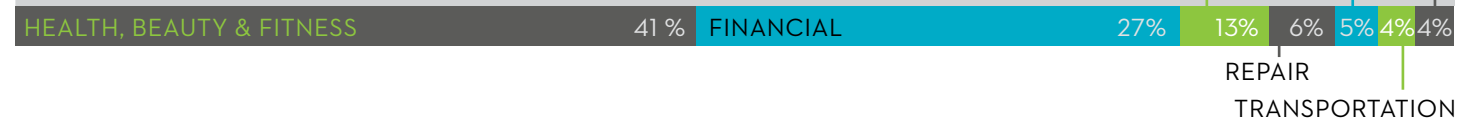
Several new mixed-use and office redevelopments will open up spaces for new retailers and restaurants to emerge. Several stores at Station Square's Freight Shops were forced to close or relocate in the wake of a \$30M renovation to the development. When completed, roughly 70,000 square feet of new retail space will be available to businesses and restaurants. The Cultural District remains a hub for creative eateries with Pittsburgh native David Keating and partners serving up modernist and small plates at Bridges & Bourbon at 930 Penn Avenue. In the same block, AMPD Group has plans to open The Standard, a new casual dining and quick service concept on the street level of the Courtyard Marriot at 947 Penn Avenue by summer 2019. Richard DeShantz Restaurant Group's Gi-Jin is anticipated to open on Sixth Street in the Cultural District in the coming months. Downtown is looking forward to its second brewery outpost at 300 Liberty Avenue as eastern Pennsylvania-based Slyfox Brewing Co. enters the market with plans to open a taproom in the former Stone Pizza space. This new location will complement their upcoming 6,000 square foot brewery lab at the South Shore's Highline development, coming fall 2019. Earth Inspired Salads will be opening a third location Downtown at EQT Plaza, replacing one of the former Au Bon Pain locations.

New retail spaces will emerge within mixed-use projects currently under development. The Eighth and Penn residential project will deliver 10,250 square feet and three retail bays in the heart of the Cultural District in June 2019. Ben Roethlisberger's North Shore Seven will open in April 2019 at SAP Center with roughly 14,000 square feet of retail space available for future tenants. The Pittsburgh Penguins landed Punch Bowl Social as the first announced tenant expected to take up two floors and 23,000 square feet of space on Center Avenue near PPG Paints Arena at the 28-acre site currently in planning stages. McCaffery Interest's Produce Terminal redevelopment in the Strip District between 16th and 21st Streets will add more than 65,000 square feet of new retail opportunities with a minimum of 40,000 square feet to be filled by locally owned businesses. 1600 Smallman will offer 35,000 square feet of ground floor retail to complement the diverse retail and restaurant uses in planning for the Produce Terminal.

2018-2019 GREATER DOWNTOWN DINING ESTABLISHMENTS



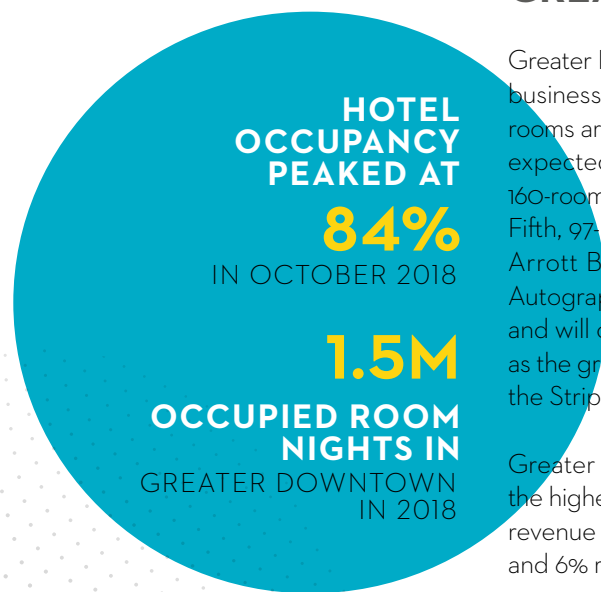
2018-2019 GREATER DOWNTOWN SERVICE ESTABLISHMENTS



2018-2019 GREATER DOWNTOWN RETAIL ESTABLISHMENTS



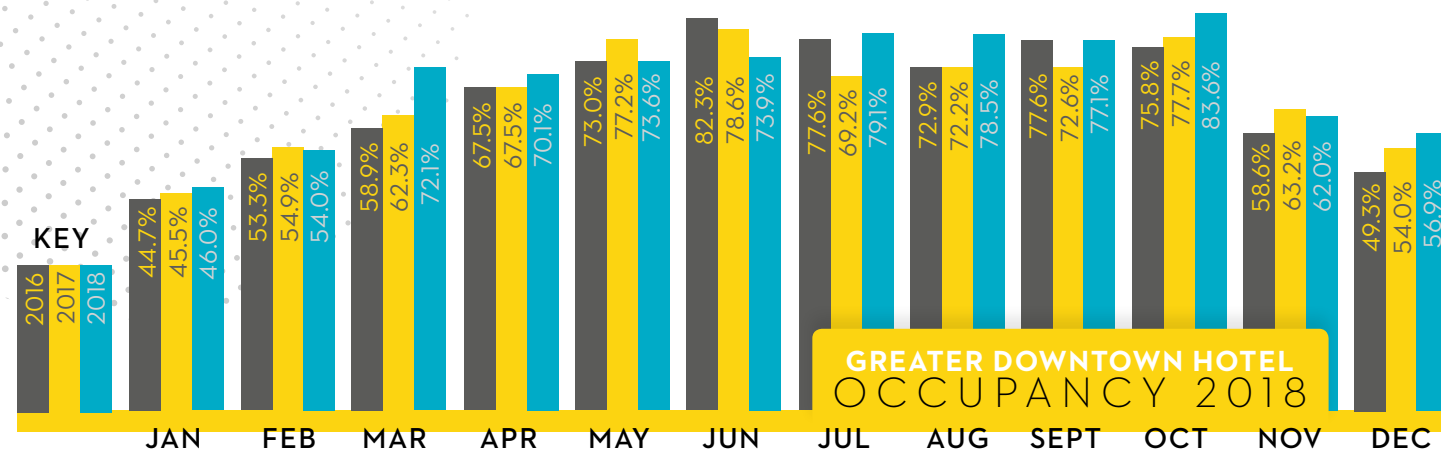
HOTEL, CULTURE, AND ENTERTAINMENT



GREATER DOWNTOWN HOTEL MARKET

Greater Downtown offers more than 6,000 guest rooms to visitors and business professionals with more than 1,100 rooms in the pipeline. 377 rooms are currently under construction in the Golden Triangle and are expected to deliver by the end of 2019 from the following projects: 160-room EVEN Hotel Pittsburgh Downtown in Kaufmann's Grand on Fifth, 97-room Fairfield Inn & Suites on Fort Pitt Boulevard, and the Arrott Building Conversion at 401 Wood Street which will be an Autograph hotel. The 18-story conversion is estimated to cost \$19M and will completely renovate the 78,000 square foot interior as well as the ground floor retail. As for 2018, one hotel project was delivered, the Strip District welcomed the 186-room AC Hotel by Marriott.

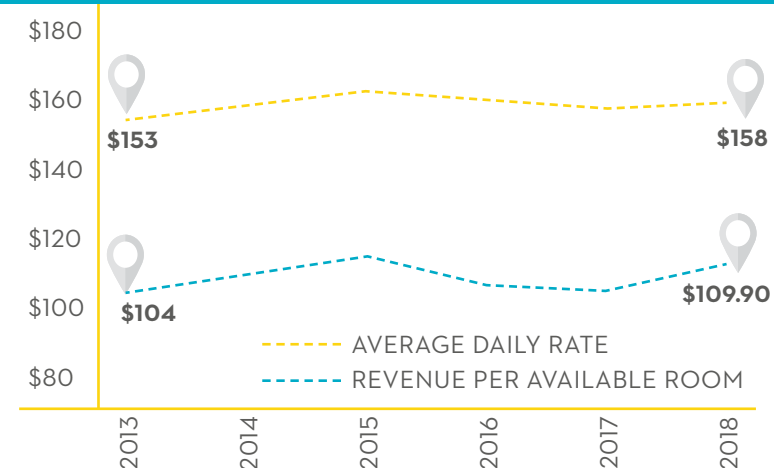
Greater Downtown Hotel occupancy in 2018 was 68% on average, the highest occupancy levels since 2015. Average daily rate (\$158) and revenue per available room (\$110) were also up from last year, by 2% and 6% respectively.



Source: STR, Inc. republication or other re-use of this data without the express written permission of STR is strictly prohibited. - Provided by VisitPITTSBURGH



AVERAGE DAILY ROOM RATE & REVENUE PER AVAILABLE ROOM 2018



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Senator John Heinz History Center's Destination Moon: The Apollo 11 Mission

6,052
EXISTING
HOTEL ROOMS

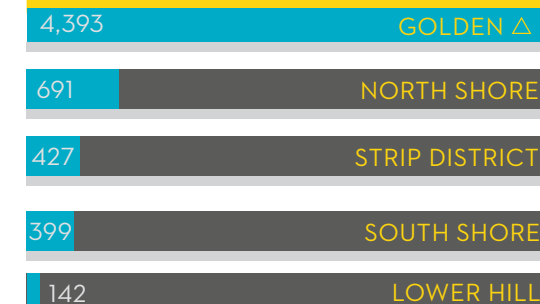
1,122
ROOMS IN
THE PIPELINE

13.2M
TOTAL VISITORS



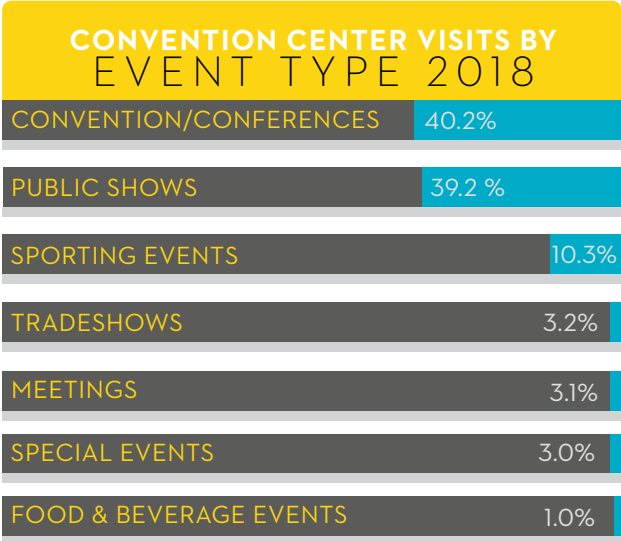
AC Hotel

GREATER DOWNTOWN HOTEL ROOM INVENTORY



CONVENTION CENTER

The David L. Lawrence Convention Center increased overall visitor count by 13% compared to 2017 numbers. While the Convention Center had fewer events in 2018, visitor count was maximized at large public shows (+30%), sporting events (+27%), and nearly doubled attendance at conventions/conferences (+46%) compared to 2017. Pittsburgh had only 18 months to prepare for the Professional Convention Management Association's (PCMA) Convening Leaders annual meeting, which took place in January, 2019. VisitPITTSBURGH and SMG staff at the Convention Center, in addition to dozens of partners throughout the region, worked tirelessly to prepare for what is commonly referred to as the “Super-Bowl of Conventions,” bringing together meeting planning leaders from around the world to discuss the latest trends while also showing off the venues and amenities offered in the Pittsburgh region. PCMA had an economic impact of \$4.9M in direct spending during the four-day convention and welcomed 3,704 attendees representing 39 countries. As of March 2019, 27 new leads in future meetings are anticipated to contribute \$39.4M in direct spending as a result of hosting the conference in Pittsburgh.



Source: David L. Lawrence Convention Center



GREATER DOWNTOWN
ENTERTAINMENT,
CONVENTION, MUSEUM,
ARTS, AND SPORTS
VENUES COLLECTIVELY
ATTRACTED
9.2M
VISITORS IN 2018



AC Hotel



SPOTLIGHTS



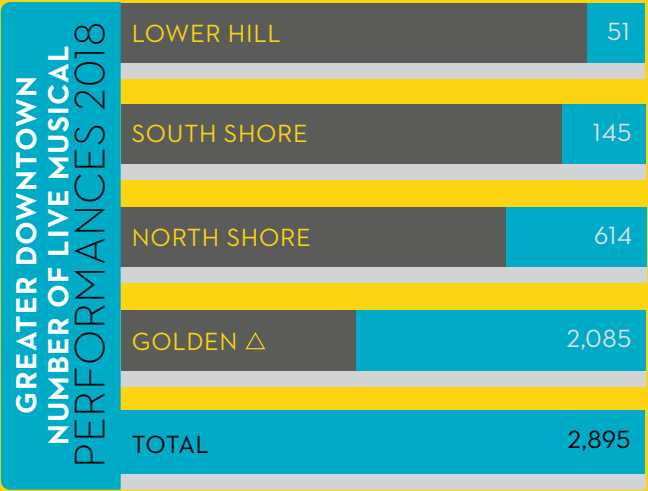
LIBERTY MAGIC

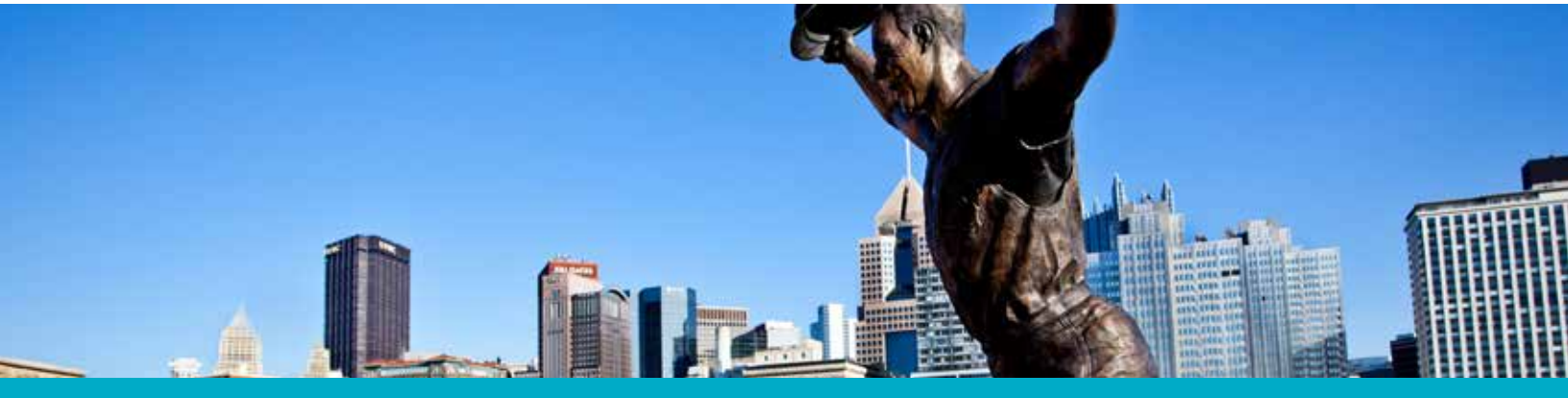
Abracadabra! Before our very eyes, the intimate theater that previously housed Arcade Comedy Theater transformed into Liberty Magic in February 2019. With a sleight of hand, the Pittsburgh Cultural Trust brought to Downtown one of the country's first spaces dedicated to presenting acts of magic in a cozy space. With only 66 seats in four rows, the audience has the chance to become immersed in the show. The theater, located at 811 Liberty Avenue, will host limited engagements by national and local magicians.

DOWNTOWN SOUND INITIATIVE

Did you know that there is more live music in Downtown Pittsburgh than any other neighborhood in the City?

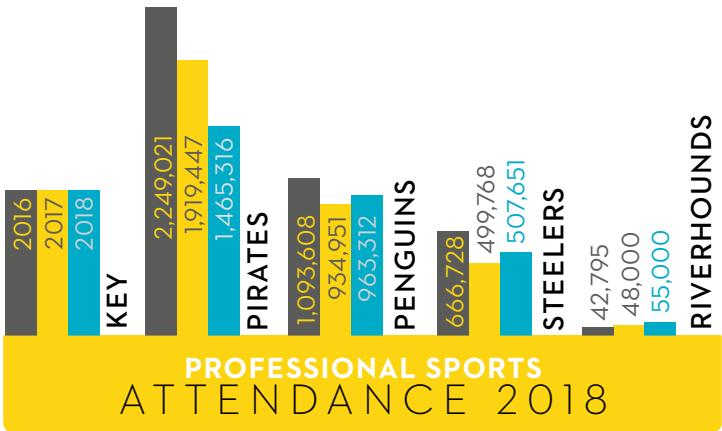
A thriving music scene is an economic engine and cultural platform, bringing people together, creating a sense of community, and enlivening the texture of any district. As part of the PDP's Downtown Sound Initiative, efforts have been dedicated to cultivating a more vibrant music scene in Downtown. As a key partner in the City-wide Music Ecosystem project, the PDP has tracked 2,895 live performances across Greater Downtown in 2018. Acknowledging the number of live musical performances not only provides a fuller picture of the work being done to promote a vibrant music scene but also provides a baseline to track progress as the PDP and other organizations expand their musical offerings across Pittsburgh's urban center. Live concerts/music was cited as the most popular event type that residents would like to see more of in Downtown (67% of respondents, 2018 Downtown Resident Survey).





PITTSBURGH SPORTS MAKING AN IMPACT

The Pittsburgh Steelers and Pittsburgh Penguins both had increases in fan attendance in 2018, hosting a combined total of 1.5M visitors. According to SportsPITTSBURGH, the sports division of VisitPITTSBURGH, the Penguins versus Washington Capitals two-game series in the second round of the NHL playoffs at PPG Paints Arena was expected to pull in \$4.4M in spending in Pittsburgh on lodging, food/beverage sales, and merchandise, up .5% from the second-round playoffs in 2017. Unfortunately, the Pittsburgh Pirates experienced their lowest attendance in 20 years, decreasing nearly 24% from 2017. Interestingly, nearly 35% of fans who attended Pirate home-games came from outside of Pennsylvania, according to the Sports & Exhibition Authority. Part of this can be explained by the vast numbers of out-of-state fans coming to the ballpark to root for opposing teams such as the Boston Red Sox, Chicago Cubs, and St. Louis Cardinals. Relative to other ballparks, attending a game at PNC park is very affordable with an average ticket cost of \$23 compared \$57 to attend a game at Fenway Park in Boston, according to Statista. The Riverhounds continue to increase their fan base, growing by more than 12% for the second year in a row. Non-soccer events held at Highmark Stadium also increased 150% from 2017 and served 345,000 attendees.



Source: Pittsburgh Penguins; Pittsburgh Pirates; Pittsburgh Riverhounds SC; Pittsburgh Steelers

PITTSBURGH IS #1
BEST FOOTBALL CITY FOR FANS
WALLETHUB, 2019



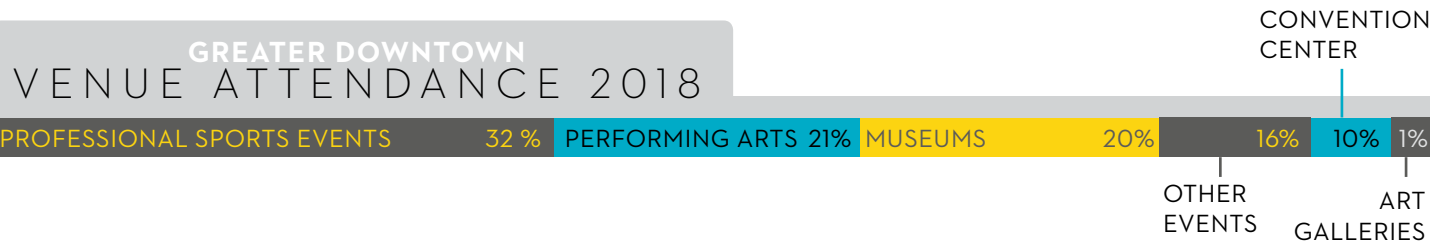
Pittsburgh CLO's production of Disney's Beauty and the Beast

THE ALLEGHENY REGIONAL ASSET DISTRICT (RAD) WILL ALLOCATE \$33.9M OF ANNUAL OPERATING AND CAPITAL GRANTS TO GREATER DOWNTOWN ASSETS IN 2019*

ARTS AND CULTURE VENUES

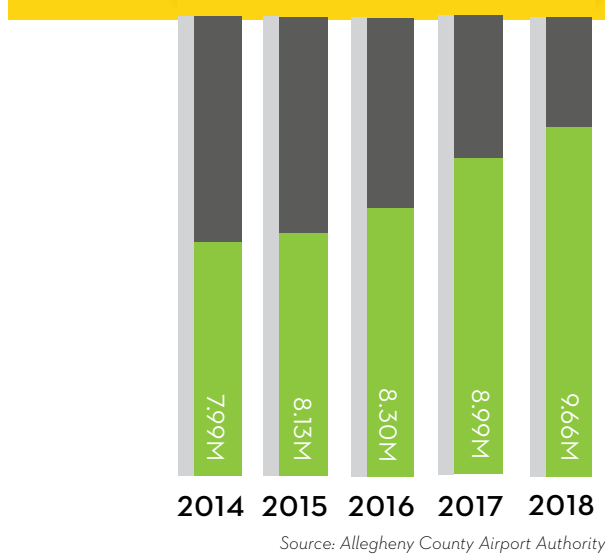
Increases in attendance were seen across Downtown's performing arts venues, museums, and art galleries in 2018. Overall attendance at performing arts centers increased 9.5%. Contributing to this increase were double-digit increases at both the Benedum Center and the August Wilson African American Cultural Center. The majority of Downtown museums increased their number of visitors with the Fort Pitt Museum experiencing the largest percentage of growth, 17%, and the Heinz History Center increasing growth by 9%, buoyed by Destination Moon: The Apollo 11 Mission which debuted in September 2018. Large capital investments were completed in 2018 at the Carnegie Science Center (\$33M) and National Aviary (\$1.2M). Both museums experienced increases in visitors in 2018 of 7% and 5% respectively. Overall museum attendance increased 6% in 2018 while art gallery patronage increased 16%.

The Pittsburgh Cultural Trust received approval to begin construction of the Golden Triangle's first cinema of its size in decades. The future first-run multiplex will take shape in the former Bally's Fitness Club on 6th Street, next to the Renaissance Hotel. There will be at least six screens and lounge chair seating among other modern amenities. The estimated \$11M project is expected to be delivered in 2021. A Downtown movie theater is an amenity that 56% of residents would like to see Downtown, according to 2018 Downtown Resident survey results.



*Excludes \$25.6M in funding to the Carnegie Library of Pittsburgh (CLP) which has several locations outside of Greater Downtown. Funding for the Greater Downtown branches is not included in figure above. Greater Downtown locations include: CLP Downtown & Business Branch and CLP Allegheny Branch.

TRANSPORTATION AND CONNECTIVITY



AIRPORT

Pittsburgh International Airport (PIT) has 66 current and announced nonstop routes, a 10.5% decrease from 2017. Despite this drop, PIT has increased passenger count by 7.5% from 2017's record-breaking numbers making 2018 the fifth consecutive year of passenger growth. New airlines, added seats, and direct flights to both national and international destinations contributed to this milestone. British Airway's year-round direct flight to London Heathrow started in April 2019 and has been highly sought after by the region's business community. The new service has the potential to support \$50M in annual new business to Western Pennsylvania, according to a study by EDR Group.

The conceptual design for a new \$1.1B terminal was unveiled in early 2019. The award-winning design team, Gensler and HDR in association with Luis Vidal + Architects, developed the terminal design theme, "NaTeCo" (Nature, Technology, and Community). The new terminal is expected to be operational by 2023.

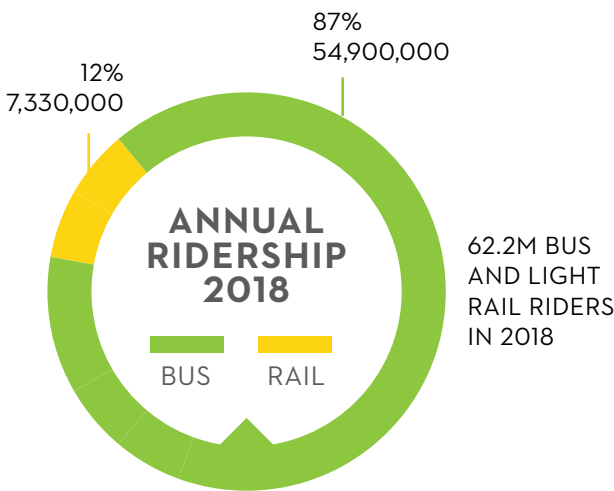
DOWNTOWN FREE-FARE T ZONE:
INCLUDES FIRST AVENUE, STEEL PLAZA, WOOD STREET, GATEWAY, NORTH SIDE, AND ALLEGHENY STATIONS

PUBLIC TRANSPORTATION

The Port Authority of Allegheny County increased ridership by nearly 2% in 2018, bucking the national trend which saw a decrease of 1.8% nationally, according to the American Transit Association. A total of 81 bus lines, 84% of all buses in the system, converge in the Golden Triangle. The increase in bus ridership system-wide is evidenced by the 3% increase in alightings (offs) at Golden Triangle bus stops in 2018 compared to 2017.

Sustainability measures are being implemented into the Authority's transit system, offering an immense benefit to Downtown as well as Allegheny County. The Authority received a \$500K grant to assist with the electrification of its bus fleet. These funds will be used towards the \$2.3M purchase of two 40-foot electric buses which will be used as part of a pilot program to test their functionality. The initial cost of electric buses is twice as much as conventional buses; however, the Authority will save money over time on reduced maintenance and fuel costs while minimizing air pollution. The one-year pilot will occur at the East Liberty garage where two charging stations will be installed.

In addition, the Authority has incorporated future electrification of the fleet between Oakland and Downtown on the Bus Rapid Transit (BRT) corridor as part of their Federal Transit Administration's (FTA) Small Starts Program. The BRT project will have a total of 25 new electric buses. Currently, the Authority operates 32 hybrid diesel-electric buses in their efforts to modernize its existing fleet. Diesel-electric hybrid vehicles have approximately 25% greater fuel efficiency than standard diesel buses.



GREATER DOWNTOWN PARKING METERS COLLECTED
\$6.2M
REVENUE IN 2018,
4% INCREASE FROM 2017.

PARKING AUTHORITY GARAGES PARKED
2.3M
NON-LEASEHOLDER VEHICLES 2018
\$17
AVERAGE DAILY PARKING RATE
\$247
AVERAGE MONTHLY PARKING RATE

42,400

COST COMPARISON	BUS W/ CONNECTCARD	AVERAGE DAILY PARKING RATE	HEALTHY RIDE BIKESHARE RATE
	\$2.50/RIDE includes transfer within 3 hours of tapping card	\$17 for up to 12 hours	\$2/30 MINUTES No membership, pay as you go



SPOTLIGHT

BIKING

Healthy Ride doubled the number of stations in the Golden Triangle since launching in 2015, increasing from 10 to 20 stations, and added 10 stations in Greater Downtown including two on the North Shore, two in Uptown, and six in the Strip District. Healthy Ride users completed over 75,800 trips throughout the City, increasing trip count by 7% compared to 2017. The overall system expansion effort in 2018 resulted in 50 new stations and 200 new bikes, with an additional 75 stations to be in place by the end of 2Q 2019.

A partnership between the City of Pittsburgh's Department of Mobility & Infrastructure and Riverlife made it possible for the completion of the Mon Wharf switchback, a \$3.2M project connecting the Eliza Furnace Trail and the Three Rivers Heritage Trail with the wharf and leading to Point State Park. In keeping with the City's goals to provide safe routes for cyclists, all Port Authority vehicles are now bike-friendly, addressing first and last mile challenges for commuters. In 2018, the Port Authority and Healthy Ride established a partnership to offer unlimited free 15-minute bike-share rides to transit riders using their ConnectCard at any Healthy Ride station.

In 2018 there was a 17% and 18% decrease in bike counts in the 600 and 1200 block of Penn Avenue, respectively. Part of the decline in bike ridership could be attributed to having record-breaking rainfall of 57.8 inches (37% increase from 2017), the most rain that has been recorded in the region's history.



2,325
ACTIVE CONNECTCARD
HOLDERS USING
HEALTHY RIDE
BIKE SHARE

28,746
TRIPS TAKEN
USING A
CONNECTCARD

PEER CITY COMPARISON FOR DOWNTOWN MODE SPLITS

PUBLIC TRANSIT (BUS & LIGHT RAIL)	42%	39%	48%	24%
DRIVE	39%	39%	25%	39%
CARPPOOL/VANPOOL	6%	4%	10%	
WORK FROM HOME	6%	2%	5%	
WALK	3%	5%	8%	25%
BIKE	2%	8%	3%	6%
OTHER	2%	1%	6%	2%
DOWNTOWN PITTSBURGH 2018				
DOWNTOWN DENVER 2017				
DOWNTOWN SEATTLE 2017				
DOWNTOWN PHILADELPHIA 2014				

KEY

MAKE MY TRIP COUNT 2018

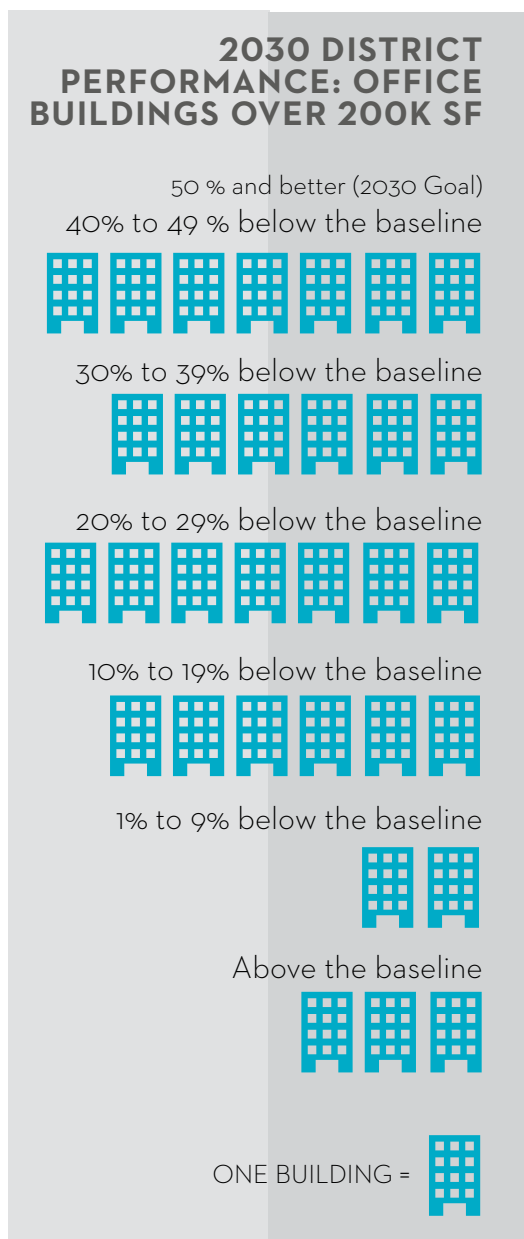
The Green Building Alliance led the effort to launch the 2018 Make My Trip Count (MMTC) survey which captured information on how commuters travel. There were roughly 20,000 people who completed the survey, similar to the number of responses when the survey was last completed in 2015. The goal of the survey was to capture residents' transportation choices and to help inform future transportation and infrastructure decision making. The survey results will help to better understand City of Pittsburgh residents' mode split. The report will also allow local government to better serve the public by evaluating short and long-term changes in energy use, emissions, and safety for each mode of commuting.

The effort of conducting the survey could not have been possible without the collaboration of a wide range of agencies and organizations including the Allegheny Conference on Community Development, Allegheny County, the City of Pittsburgh, Southwestern Pennsylvania Commission, Pittsburgh Downtown Partnership, Pittsburgh Community Reinvestment Group, Pittsburgh Parking Authority, Port Authority of Allegheny County, Sustainable Pittsburgh, Healthy Ride, Oakland Transportation Management Association, Duquesne Light Company, and Bike Pittsburgh.

Although cities such as Denver, Seattle, and Philadelphia, are larger than Pittsburgh, Downtown Pittsburgh's 2018 mode split demonstrates that a greater percentage of people are commuting via public transit than those commuting to larger city centers in Denver and Philadelphia. Comparing Pittsburgh to other cities can influence decision-makers to set citywide and neighborhood level mode shift goals to continue to reduce the percentage of commuting by single-occupancy vehicles.



PLACE AND ENVIRONMENT



Source: Pittsburgh 2030 District, 2017

SUSTAINABLE CITY, BUILDINGS, AND OPERATIONS

After a lengthy stakeholder engagement process, the City of Pittsburgh announced Climate Action Plan 3.0 which outlined sustainability goals for the City through 2030. The City is aiming to use 100% clean energy for City operations, including a fossil fuel free fleet and divestment from fossil fuel companies, and plans to reduce energy, water, and transportation emissions 50% by 2030, all while achieving zero waste. This ambitious yet achievable Climate Action Plan helped the City of Pittsburgh become a winning city in the Bloomberg American Cities Climate Challenge in October 2018. Pittsburgh was granted \$2.5M to join 25 other Leadership Cities across the U.S. in further advancing efforts to reduce carbon emissions. As of 1Q 2019, the Pittsburgh 2030 District, a public/private partnership facilitated by Green Building Alliance (GBA), has 83 committed Greater Downtown Property Partners representing 55.7M square feet across 245 buildings. The goal of the 2030 District is to support building owners and managers as they strive to reduce water, energy, and emissions 50% by 2030.

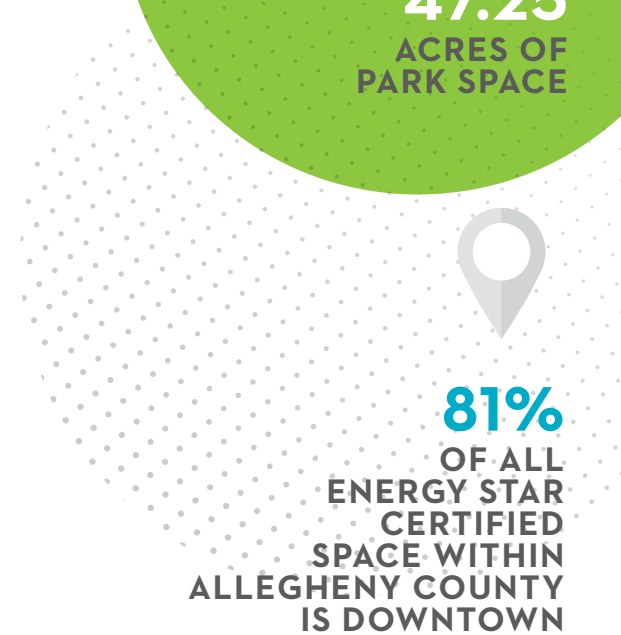
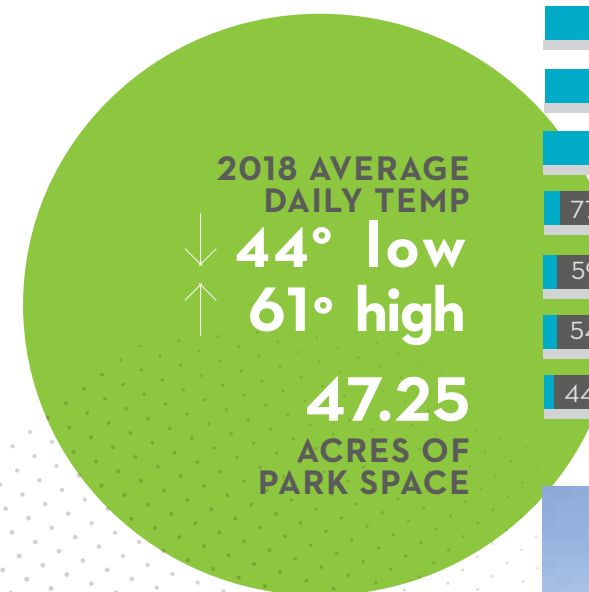
There are 8.6M square feet of Energy Star certified space in Greater Downtown which makes up 81% of all Energy Star certified space in Allegheny County (as of 1Q 2019). There are nearly 4M square feet of newly certified Leadership in Energy and Environmental Design (LEED) commercial space in Golden Triangle buildings including the U.S. Steel Tower, One Oxford Centre, and IKM's interior office space at 11 Stanwix. The US Steel Tower, the tallest building in Pittsburgh, earned a LEED Silver Certification for Building Operations and Maintenance in February 2019 and is the second largest building in the world to receive this level of LEED designation. Winthrop Management invested in major improvements to advance building operations and energy efficiency by installing LED lighting, bicycle parking and electric vehicle charging stations, and implementing a green cleaning program. Between The City of Pittsburgh's 2030 goals and investment in green buildings, the City remains a national leader in sustainability.



2018 ENERGY STAR CERTIFIED BUILDING SF

12.5M (35%)
Commercial Square Feet
Certified to LEED and Energy
Star Standards as of 1Q 2019

2,782,011	U.S. STEEL TOWER
1,632,511	BNY MELLON CENTER
1,012,685	ONE PPG PLACE
787,624	FIFTH AVENUE PLACE
754,442	BNY MELLON CLIENT SERVICES
746,954	EQT PLAZA
333,339	411 SEVENTH AVENUE
322,662	SIX PPG PLACE
77,281	FIVE PPG PLACE
59,658	FOUR PPG PLACE
54,429	2501 SMALLMAN
44,012	THREE PPG PLACE



Point State Park



SPOTLIGHT

DOWNTOWN PLACEMAKING

Making investments in public art and streetscaping initiatives often serves more than one purpose. While these types of projects beautify the Downtown environment, they can also provide amenities, improve safety, and establish a sense of place. 2018 saw several of these projects come to fruition in Downtown.

Life on Liberty was a series of pilot programs undertaken by the PDP in the 900 Block of Liberty Avenue designed to provide pedestrian and transit amenities. The improvements included the addition of a bus only lane and a large-scale streetscape installation which included lighting, planters, street graphics, and a sidewalk extension at a busy bus stop. Also included in the footprint of the Life on Liberty project is Bae Bae's Greenhouse, a pilot parklet selected as part of the City of Pittsburgh's 2018 Spark program. The Greenhouse is open to the public and provides a lush setting for seating and gathering.



Enlivening Downtown alleyways with lighting, artwork, and pedestrian enhancements brings interesting and stunning elements to areas that are considered mundane. When *Energy Flow* was decommissioned from the Rachel Carson Bridge in April 2018, lighted elements of the original artwork were repurposed to create **Garrison Canal**, a dynamic new piece which debuted in May 2018. Andrea Polli, the artist who created the original work, turned the Garrison Place alleyway into an imaginary underwater future world of big data. Visitors to the Canal 'swim' below a wave of thousands of shimmering lights that transform color and animate in response to real time changes in local weather conditions communicated from a Downtown weather station. The artwork brings light into an alleyway shared by vehicles and a steady stream of pedestrian traffic, and provides safety enhancements in addition to artistic beauty.

In the summer of 2018, **Strawberry Way**, the busiest pedestrian walkway in the Golden Triangle, received a creative makeover featuring a large-scale mural, *Who Gets To Eat The Most Fruit?* by Pittsburgh-based artist Julie Mallis. Not only is the mural interactive and helps to brighten the alleyway, it provides an opportunity to engage in deeper philosophical questions. At one end of the mural, toward Grant Street, the mural reads: "Who's missing from your table," a nod to the physical tables which are set up from April through October along the alley. Toward Liberty Avenue, "Who gets to eat the most fruit?" is asked, positing a question about equity and power.

Both alleyway enhancement projects were initiatives of the PDP.



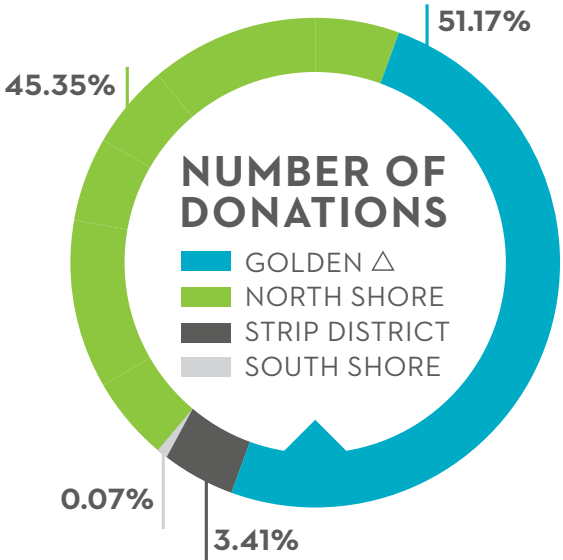
412 Food Rescue



412 FOOD RESCUE

412 Food Rescue is a Pittsburgh-based non-profit that works with local food businesses and retailers by rescuing their surplus food and transporting it directly to nonprofit and community based organizations (shelters, family support centers, housing authority sites, etc.). Once delivered by Food Rescue Heroes (volunteers), the food is provided to individuals and families experiencing food insecurity. Since the organization was incorporated in 2015, 412 Food Rescue has rescued over 5.6M pounds of food equating to a \$14M retail value.

412 Food Rescue had a total of 1,409 rescues from 42 unique donors at Greater Downtown establishments in 2018 with 40% of these donations totaling more than 500 pounds each. Total food rescued in 2018 equated to 236,585 meals, \$591,467 retail value, and 236,585 pounds of food saved from going to landfill. The environmental impact of food rescued from Greater Downtown locations was 128,463 pounds of CO2 emissions avoided, the equivalent of planting 964 trees.



128,463 LBS
OF CO2 EMISSIONS AVOIDED
FROM GREATER DOWNTOWN
FOOD RESCUES, EQUIVALENT
TO PLANTING
964 TREES

40% OF DONORS RESCUE MORE THAN
500 LBS EACH

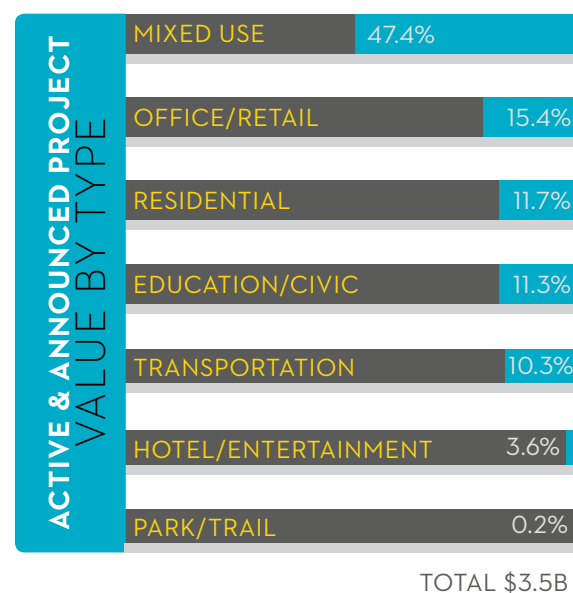
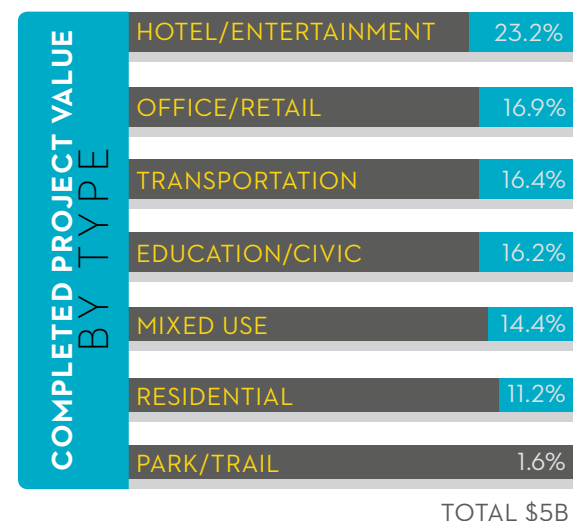
DOWNTOWN DEVELOPMENT



DEVELOPMENT

Downtown has seen a tremendous amount of public and private investment in the past decade. Total investment has exceeded \$8.7B in Greater Downtown; \$5.2B of this figure is from completed projects and \$3.5B can be attributed to announced projects and projects that are currently under construction. The numbers reported as “completed investment” in the Golden Triangle, Lower Hill/Uptown, South Shore, Strip District, and North Shore are values of projects that were completed from 2009-2019. Project values reported per area as “in the pipeline” are projects that are either under construction or have been announced.

The number of building permits issued in the Golden Triangle decreased by 34% from 348 in 2017 to 228 in 2018. The recorded permit value decreased from \$227M to \$136M during the same time period. In the Strip District, the number of permits decreased by 43% from 77 in 2017 to 44 in 2018, while the recorded permit value increased 9%. The North Shore had a 12% decrease in number of permits and a 4% decrease in permit value. The South Shore increased permit count by 18%, but decreased in recorded project value by 25% from 2017 to 2018. In total, building permits issued in Greater Downtown decreased by 34% from 2017 to 2018, and also decreased 26% in total cost compared to 2017 numbers.



GOLDEN TRIANGLE

\$1.9B COMPLETED INVESTMENT; \$970M IN THE PIPELINE

In addition to the Golden Triangle's \$76M in completed office renovations over the past year, October 2018 marked the long-awaited unveiling of Point Park University's \$60M Pittsburgh Playhouse on Forbes Avenue. Development plans for several neighboring projects are also moving forward including the \$20M Commonwealth Building residential conversion on Fourth Avenue which broke ground in 1Q 2019 and will deliver 150 market-rate units. The Arrott Building, on Wood Street and just steps away from the Commonwealth Building, will deliver a new 120-room Autograph boutique hotel. With renovations underway, the project will preserve many of the historic elements of the building. This hotel will join the nearly completed 160-room Even Hotel in the Kaufmann's Grand on Fifth Avenue development and 97-room Fairfield Inn and Suites on Fort Pitt Boulevard.

Stark Enterprises' \$63M Icon on Smithfield mixed-use project received final approval for historic tax credits in October, 2018. The development will include 40 apartment units and 25,000 square feet of retail. Nearby at 350 Oliver, Lumière topped off in January and is expected to be complete by late summer 2019. Also to be completed in summer 2019 is TREK and Q Development's Eighth and Penn residential project which will deliver 135 units and over 10,000 square feet of retail in the heart of the Cultural District.

**POINT PARK
UNIVERSITY
UNVEILED THE NEW
\$60M
PITTSBURGH
PLAYHOUSE**



Former Civic Arena Site Redevelopment, Gensler Architects



Station Square Redevelopment, RDL Architects

LOWER HILL AND UPTOWN

\$635.1M COMPLETED INVESTMENT; \$1.3B IN THE PIPELINE

In 1Q 2019, the new 410,000-square foot UPMC Vision and Rehabilitation Tower broke ground in Uptown. Construction of the new medical tower is estimated to be \$360M and is anticipated to open in late 2022. Official plans have been announced for the 28-acre site in the Lower Hill District next to PPG Paints Arena. The Penguins will be partnering with Buccini/Pollin Group to develop the office and retail components, while InterGen will lead the residential development. Anticipated to attract an estimated \$750M in investment, the completed master plan will include a mix of 1,420 market-rate and affordable units, 190,000 square feet of retail, and over 800,000 square feet of office space along with a hotel and large entertainment complex. The first phase of development will focus on construction of the first 250 residential units and the \$26.4M Cap Connection Park, connecting the Lower Hill to Downtown and slated to begin by summer 2019.



UPMC Vision and Rehabilitation Tower at UPMC Mercy, HOK and IKM Inc.

UPMC BROKE
GROUND ON
THEIR NEW
\$360M
VISION AND
REHABILITATION
TOWER

SOUTH SHORE

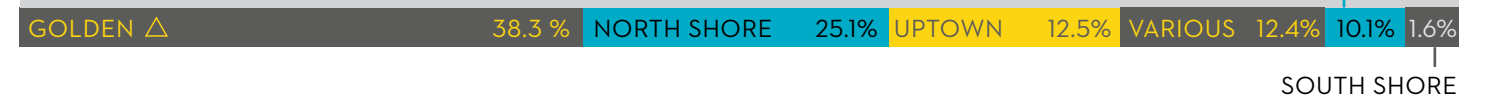
\$80.1M COMPLETED INVESTMENT; \$411M IN THE PIPELINE

McKnight Realty Partners' purchase and \$110M renovation of the former Terminal Building, called the Highline, is anticipating completion in 2019 and will deliver 600,000 square feet of office and retail space, a 521-space parking garage, and over an acre of public green space.

Forest City Realty Trust's renovation announcement of the South Shore's Freight House Shops helped solidify UPMC's decision to house a new 36,500 square foot training facility which will take a significant portion of the rentable building area. Dallas developer Trammell Crow Co. recently announced Glassworks, a new 122,000 Square foot office development. This announcement will be the first new office development to be built in the South Shore since the early 1980s.

Glassworks will be joining the nearly completed 319-unit Glasshouse apartment complex on the other side of the Smithfield Street Bridge to open this summer. Trammell Crow intends for the office development to be the first phase of a larger \$200M development that could include two additional office towers, parking garage, and boutique hotel. Although an anchor tenant has not been selected for the new development, proximity to the light rail station and the Golden Triangle gives the overall development the potential to attract businesses, residents, and visitors. Forest City Realty Trust began construction on the \$30M rehab of Station Square's Freight House Shops in 2018 and will include new restaurants, retail shops, office space, and entertainment. Additionally, there are plans to make the area more pedestrian friendly by reconfiguring the streetscape to make the area more walkable.

COMPLETED PROJECT VALUE BY AREA



ACTIVE & ANNOUNCED PROJECT VALUE BY AREA



STRIP DISTRICT

\$514.3M COMPLETED INVESTMENT; \$338.5M IN THE PIPELINE

The adoption of the new Riverfront Zoning Ordinance (RIV) in 3Q 2018 has given developers a clear path forward for designing new projects along the city’s riverfronts, the primary objective of the ordinance imposed height restrictions on riverfront properties. Rugby Realty plans to erect two new office buildings at the corner of Smallman and 21st Street with ground breaking expected in 2019. This project will total 400,000 square feet of office space, a 400-space parking garage, and 35,000 square feet of ground-floor retail. RDC Design + Build is partnering with Orangestar Properties on District 15 Beta Version, a nine-story development featuring 205,000 square feet of office space and a 380-space parking garage. Construction is expected to begin in summer 2019. Oxford Development revealed details of the second phase of the Stacks at 3 Crossings in late 4Q 2018. Two additional three-story buildings will offer 110,000 square feet of commercial space at 28th and Railroad Streets. Long-term plans for this project include up to six office buildings totaling a half a million square feet.

McCaffery Interests’ redevelopment of the former manufacturing facility at 1600 Smallman Street will break ground in 2019 and is slated to offer 148,000 additional square feet of office space, 45,000 square feet of ground floor retail, and internal parking spaces for tenants. The project is anticipated to be completed by 2020. New York Developer JMC Holdings closed on purchasing the iconic New Federal Cold Storage site at 1501 Penn Avenue, famously known as the Wholey Building, in 2018 for \$24.11 per square foot. The owner has not officially announced plans for the future use of the building but may be considering proposals for a new office high rise that could be as tall as 17-stories and include 500,000 square feet of office space.

BUILDING PERMIT ISSUANCES IN GREATER DOWNTOWN									
	CENTRAL BUSINESS DISTRICT		NORTH SHORE		STRIP DISTRICT		SOUTH SHORE		UPTOWN
2015	162	\$30.1M	11	\$2.6M	51	\$64.4M	8	\$0.8M	25 \$3.9M
2016	169	\$135.7M	29	\$27.5M	57	\$47.9M	6	\$0.5M	27 \$5.8M
2017	348	\$227.2M	43	\$46.8M	77	\$66.6M	11	\$1.2M	72 \$21.1M
2018	228	\$135.6M	38	\$45.2M	44	\$72.3M	13	\$9.3M	38 \$13.5M

Source: Departments of City Planning and Permits, Licenses, and Inspections, City of Pittsburgh

NORTH SHORE

\$1.4B COMPLETED INVESTMENT; \$287.6M IN THE PIPELINE

The Carnegie Science Center unveiled its \$33M PPG Science Pavilion project in June, 2018. The state-of-the-art facility features PointView Hall, a 9,800 square foot event space, STEM learning labs, and the 14,000 square foot Scaife Exhibition Gallery. The completed investment added 40% more capacity to the museum. The 179,000 square foot SAP Center office tower broke ground in 1Q 2018 and is expected to be completed in April 2019. Joining the new development in the spring will be Ben Roethlisberger’s 7,100 square foot North Shore Seven bar and grill. Approximately 7,000 square feet of retail is still available for lease.

In 1Q 2019, Reedsdale Associates announced plans for a \$12M new mixed-use development at 1106 Reedsdale Street between Heinz Field and the Rivers Casino after plans for a 129-room North Bank hotel fell through. The firm is planning to convert the five-story warehouse building into 33,000 square feet of spec office space, 20 upscale apartment units, and 3,000 square feet of street-level retail. The Pittsburgh Stadium Authority granted Columbus-based Continental Real Estate Companies their second six-month extension, expiring in August 2019, to begin development on lot four between PNC Park and the Hyatt Place Hotel. Continental is planning a mixed-use development for the site to include office, residential, and retail; details of plans and project costs have not been announced.

BEN ROETHLISBERGER
IS OPENING A NEW
RESTAURANT,
NORTH
SHORE
SEVEN
AT SAP CENTER

SAP Center, photo courtesy of JLL

Produce Terminal Redevelopment, McCaffery Interests

1106 Reedsdale Street, Jaimeson Ellis Architects, Inc.

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39

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*Emeritus

SOURCES

412 Food Rescue

AF&CO

ALCO Parking

Allegheny County Airport Authority

Allegheny County Real Estate

Allegheny Regional Asset District

Amtrak

Andy Warhol Museum

Apartment List

Arcade Comedy Theater

Art Institute of Pittsburgh

Artists Image Resource

BBC

Bricolage Production Company

Brookings Institute

Carlow University

Carnegie Mellon University

Carnegie Science Center

CBRE

Center City District & Central Philadelphia Development Corporation

Chatham University

Children's Museum of Pittsburgh

City of Asylum

City of Pittsburgh Bureau of Police

City of Pittsburgh Department of City Planning

City of Pittsburgh Department of Permits, Licenses, and Inspections

Community College of Allegheny County

Commute Seattle

Contemporary Craft

David L. Lawrence Convention Center

Downtown Denver Partnership

Duquesne University

EDR Group

Energy Star

Envision Downtown

EPA

EY

Forrester

Fort Pitt Museum

Fortune.com

Glassdoor

Grant Street Associates - Cushman & Wakefield

Greater Pittsburgh Arts Council

Green Building Alliance

Greyhound

Highmark Stadium

Innovation Works

JLL

LendingTree

Mattress Factory

Megabus

National Aviary

National Center for Science and Engineering Statistics

National Geographic

National Oceanic and Atmospheric Administration

National Weather Service

New Hazlett Theater

OnTheMap

Penn State University

Piatt Sotheby's International Realty

Pittsburgh 2030 District

Pittsburgh Ballet Theatre

Pittsburgh Bike Share

Pittsburgh Business Times

Pittsburgh CLO

Pittsburgh Cultural Trust

Pittsburgh Downtown Partnership

Pittsburgh Filmmakers/ Pittsburgh Center for the Arts

Pittsburgh Opera

Pittsburgh Parking Authority

Pittsburgh Penguins

Pittsburgh Pirates

Pittsburgh Playwrights Theatre

Pittsburgh Post-Gazette

Pittsburgh Public Theater

Pittsburgh Regional Alliance

Pittsburgh Riverhounds SC

Pittsburgh Steelers

Pittsburgh Symphony Orchestra

PMC Property Group

PNC Financial Services Group

Point Park University

Port Authority of Allegheny County

PPG Paints Arena

Realtor.com

Realtors Property Resource

Riverlife

Rivers Casino

Robert Morris University

Seattle Department of Transportation

Senator John Heinz History Center

Smith Travel Research

SMU National Center for Arts Research

Sports and Exhibition Authority of Pittsburgh and Allegheny County

SportsPITTSBURGH

Stadium Authority

Stage AE/PromoWest North Shore

Statista

The Economist

Travel & Leisure

U.S. Census Bureau

U.S. Environmental Protection Agency

U.S. Green Building Council

University of Pittsburgh

Urban Redevelopment Authority

VisitPITTSBURGH

Walk Score

WalletHub

Western Pennsylvania Conservancy

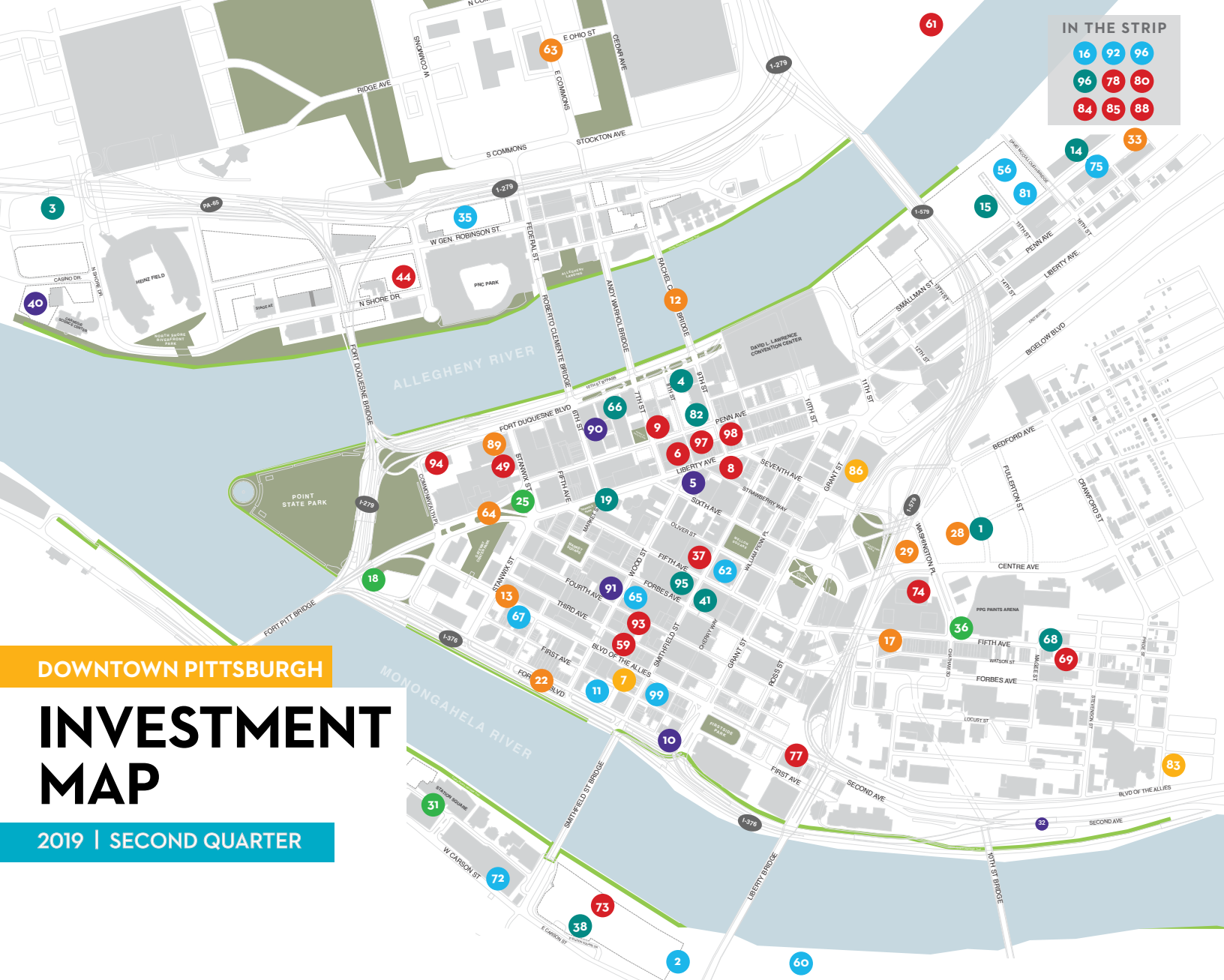
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CREDITS:
Report Design - Elisco's Creative Café

INTERIOR PHOTOGRAPHY AND IMAGES:

412 Food Rescue
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Pittsburgh Cultural Trust
RDL Architects
Renee Rosensteel
Senator John Heinz History Center



DOWNTOWN PITTSBURGH

INVESTMENT MAP

2019 | SECOND QUARTER

OFFICE/RETAIL

- 2 South Shore Distillery
- 11 Burns and Scalo Ft. Pitt Blvd Tower*
- 16 3 Crossings 2.0: The Stacks
- 35 North Shore Tower*
- 56 District 15 Beta Version
- 60 The Highline
- 62 525 William Penn Place Renovation
- 65 Bank Tower Renovation
- 67 225 Boulevard of the Allies
- 72 Station Square Freight House Shops Renovation
- 75 1600 Smallman
- 81 District 15
- 92 3000 Smallman
- 96 2225 Smallman
- 99 420 Boulevard of the Allies Renovation

EDUCATION/CIVIC

- 7 Point Park University: Student Center*
- 83 UPMC Vision and Rehabilitation Hospital
- 86 Weis Courthouse Renovation

RESIDENTIAL

- 9 Eighth and Penn
- 8 820 Liberty Avenue Lofts
- 6 Clark Building Unit Addition
- 20 955 Liberty Avenue Condos
- 37 350 Oliver: Phase 2 Lumière
- 44 Continental Residential Development*
- 49 625 Stanwix Unit Addition
- 59 319 Third Avenue
- 61 Heinz Research Building Apartments*
- 69 1430 Fifth Avenue Apartments*
- 73 Glasshouse (Station Square East)
- 74 One Chatham Center Apartments
- 77 Try Street Terminal Apartments
- 78 2330 Penn Avenue
- 80 Strip District Brownstones
- 84 2554 Smallman Street
- 85 The Refinery
- 88 23rd and Railroad Street
- 93 Commonwealth Building Conversion
- 94 Gateway Towers Facade Renovation
- 97 800 Penn Avenue Apartments
- 98 209 Ninth Street Apartments

PARKS/TRAILS

- 18 Point State Park Connector
- 25 Gateway Island Project
- 31 Josh Gibson Park
- 36 Curtain Call/Pittsburgh Garden Passage

MIXED USE

- 1 Civic Arena: Site Redevelopment
- 3 1106 Reedsdale
- 4 Cultural District Riverfront Development*
- 14 Strip Produce Terminal Redevelopment
- 15 Riverfront Landing
- 19 604 Liberty Avenue*
- 38 Station Square East*
- 41 Kaufmann's Grand on Fifth
- 66 632-642 Ft Duquesne Redevelopment*
- 68 City's Edge
- 82 9th and Penn*
- 95 Icon on Smithfield

HOTEL/ ENTERTAINMENT

- 5 Forbes Hotel (Granite Building)*
- 10 Fairfield Inn & Suites
- 40 Rivers Casino Hotel*
- 90 Cultural Trust Movie Theater
- 91 Arrott Building Hotel Conversion

TRANSPORTATION

- 12 Sister Bridges Rehabilitation
- 13 Traffic Signalization Upgrade
- 17 Bus Rapid Transit Corridor
- 22 GAP to the Point Bike Track
- 28 Civic Arena: Road Infrastructure
- 29 I-579 Cap
- 33 Smallman Street Pedestrian Improvements
- 63 Allegheny Commons Road Improvements
- 64 Liberty Avenue Pedestrian Improvements
- 89 Stanwix St and Ft Duquesne Blvd Garage Banners

*Indicates a Conceptual Project
All other projects are in Planning or Under Construction

This ongoing list represents active and publicly announced projects in Downtown Pittsburgh as of 4/19. The study area includes the Golden Triangle, North Shore, South Shore, Lower Hill/Uptown, and the Strip District. Projects are listed in three categories. Announced means a project has been publicly announced and/or a construction schedule has been determined and due diligence is under way. Active means ground has been broken. Completed means there is no longer active construction at the project site.

Visit DowntownPittsburgh.com/Investment for more information.



PROJECTS COMPLETED	\$5,154,208,246	TOTAL INVESTMENTS
PROJECTS ACTIVE	\$1,217,559,617	JANUARY 2009 THROUGH APRIL 2019
PROJECTS ANNOUNCED	\$2,325,463,261	\$8,697,231,124

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