

► 2021



PITTSBURGH
DOWNTOWN
PARTNERSHIP



State of
**DOWNTOWN
PITTSBURGH**

**PGH
2021**



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After a one-year hiatus, this marks the ninth year that the Pittsburgh Downtown Partnership presents the State of Downtown Pittsburgh Report. Last year, Pittsburgh — like the rest of the world — faced an unrelenting wave of challenges due to the COVID-19 pandemic. Everything changed practically overnight; and Downtown experienced a significant disruption with the pandemic deeply impacting the fundamentals of our economy.

Now, over a year into the pandemic with bright spots on the horizon, we see how Downtown continues to be a resilient community. Greater Downtown saw 20 major developments, representing over \$556M in investments, completed over the past year. These investments include new hotels, residential rentals, condos, office redevelopments; and even two new major mixed-use developments, the Strip District Produce Terminal and the Highline on the South Shore.

There’s still so much potential in both the short- and long-term. Looking forward in 2021, there will be even more outdoor dining opportunities, street-level activations, new restaurants, and public art, too. People returning to their offices and visitors returning to Downtown will see the transformation that continues to happen here. We will also continue to plan for capital projects, including the reimagination of the Smithfield Street corridor, which will lay the foundation to create a premier Downtown destination once again.

While 2020 was a year like no other, we still have a lot to look forward to. We are confident that Downtown will grow as a community to be even better than before the pandemic. Thoughtful, forward-thinking economic development strategies and leadership from the public and private sectors will support a strong recovery as the city continues to build economic vitality in Downtown. Together, we can create a community where businesses of all sizes can thrive as we continue to attract and retain innovative talent to drive our region forward.



■ Greater Downtown ■ Golden Triangle

Sincerely,
Jeremy Waldrup **Lucas Piatt**
President and CEO Chairperson

State of Downtown Pittsburgh is produced by the Pittsburgh Downtown Partnership. The data presented in the report is derived from numerous sources and showcases activity within the boundaries of the Business Improvement District and Greater Downtown. Some figures in this report are updated on a quarterly basis and can be found at DowntownPittsburgh.com/Research.

PITTSBURGH ACCOLADES 2020–2021

EMPLOYMENT, BUSINESS & ECONOMY

- **#5** best city for **STEM jobs** – Wallet Hub, 2020 (5/100)
- **#7** best city in the U.S. to **launch a career** – LinkedIn, 2020 (7/15)
- **#21** best **college towns & cities** – Wallet Hub, 2020 (21/415)
- Top city for **filmmakers** to live and work – *MovieMaker Magazine*, 2021 (3/10)
- **Top 3** **start-up city** in the Midwest – M25, 2020 (3/59)
- **#7** best city in the U.S. to **work remotely** – FinanceBuzz, 2020 (7/25)
- **#1** best city in the U.S. for **healthcare jobs** – Grand Canyon University, 2020 (1/50)
- Top ranking city in the Ohio River Corridor for **economic development** – *Site Selection Magazine*, 2020 (6/10)



525 William Penn Place, Lobby

SPORTS & RECREATION

- Pittsburgh is Pennsylvania's best **travel destination** – Travel Pulse, 2020
- Picklesburgh named **Best Specialty Food Festival** – *USA Today*, 2020 (1/10)
- Top city for **runners** – Smart Asset, 2020 (10/25)
- **#20** most **bike-friendly city** in U.S. – PeopleForBikes Foundation, 2020 (20/550)
- **#1** best city for **football fans** – Wallet Hub, 2020 (1/50)
- Pittsburgh is a **'must-see' destination** in 2020 – Hotwire, 2020 (8/10)
- **#5** best city in the nation for **beer drinkers** – Smart Asset, 2020 (5/50)
- The Peoples Gas Holiday Market voted **#1 Best Holiday Market** – *USA Today*, 2020 (1/10)



Picklesburgh, 2019

LIVABILITY

- Downtown Pittsburgh is the hottest neighborhood for **young professionals** – Niche, 2020 (1/20)
- **Top 100** cities **to live** in the U.S. – Livability, 2020 (51/100)
- Top city for **millennial homebuyers** – LendingTree, 2021 (9/50)
- **#11** best city in America for **young professionals** – Niche, 2021 (11/228)
- Among top cities for **LGBTQ inclusivity** – Human Rights Campaign, 2020
- **Top 25** **most livable** city in the U.S. – Smart Asset, 2020 (17/25)
- Best city to buy an **affordable family home** – Smart Asset, 2020 (20/25)
- Best metro in the U.S. for **first-time homebuyers** during COVID-19 – MoneyGeek, 2020 (7/15)



Commonwealth Building, Residential Unit

TRANSPORTATION

- **#1** Pittsburgh ranks as having one of the **shortest commutes** in the country, 2021 – Moovit (1/99)
- **7th** **least car-dependent** metro in the U.S. – CompareCarInsurance.com, 2020 (7/10)
- **#6** Pittsburgh International Airport (PIT) is ranked as one of the most **innovative travel** companies, the first time an airport has landed among the list of industry-changing firms – Fast Company, 2020 (6/10)



View of the Downtown Pittsburgh skyline from the North Side

BY THE NUMBERS

OFFICE & EMPLOYMENT



- **117,870** workers
- **35M SF** of rentable office space
- CBD Class A average asking rate = **\$29.86/SF** (Q1 2021, CBRE)
- CBD Class B average asking rate = **\$20.80/SF** (Q1 2021, CBRE)
- 9 Fortune 500 companies totaling **\$124.6B** in revenue
- Ranked **11th** in venture capital investment dollars per million residents nationwide in 2020
- **91,000** college students / **21,000** graduates
- **\$1.5B** in university R&D funding / **60%** federally funded

TRANSPORTATION & CONNECTIVITY



- **84%** of all Port Authority buses enter the Golden Triangle
- **51%** of residents walk to work or school
- **110,000** daily weekday commuters (2019)
- **42,000** parking spaces
- **\$16** average daily parking rate
- Walk Score: **99** — Daily errands do not require a car
- Transit Score: **100** — Convenient transit for most trips
- Bike Score: **83** — Biking convenient for most trips

RETAIL & HOSPITALITY



- **75** outdoor cafes with **1,600** dining chairs
- **64%** of restaurants and retailers are locally owned
- **29** new businesses
- **77** business closings
- **6,430** hotel rooms
- **219** hotel rooms in pipeline
- **13.8M** annual visitors (2019)

DOWNTOWN DEVELOPMENT



DOWNTOWN INVESTMENT (2011-2021)

Completed	\$4.1B
Active	\$1.7B
Announced	\$2.5B
Total Investment	\$8.3B

UNDER CONSTRUCTION

- **42** projects
- **1.8M SF** office space
- **1,516** residential units
- **219** hotel rooms
- **267,000 SF** retail and restaurant space
- **2,100** parking spaces

PROJECTS PLANNED

- **42** projects
- **2M SF** office space
- **2,464** residential units
- **560** hotel rooms
- **327,000 SF** retail and restaurant space
- **3,800** parking spaces

HOUSING & POPULATION



- **18,720** residents
- **8,265** residential units
- **3,980** residential units in pipeline
- Average monthly rents:
 - Studio: **\$1,283**
 - One-Bedroom: **\$1,693**
 - Two-Bedroom: **\$2,053**
- **47.25** acres of park space



► 1.



OFFICE & EMPLOYMENT

In 2020, Pittsburgh ranked as a top (#7) city in the nation to begin a career, as well as a top (#3) city in the Midwest for startups, among the nation's top place (#5) for STEM jobs, and one of the best cities in the U.S. to work remotely (#7).*

*See page 2 for ranking sources

OFFICE & EMPLOYMENT

CHANGING LANDSCAPES AND OPPORTUNITIES

The COVID-19 pandemic forced many state governments to impose stay-at-home orders which required office workers to work from home for most of 2020. Throughout 2020, Downtown's leasing and sales activity slowed as many employees transitioned to remote work. Companies are re-evaluating their real estate strategy to accommodate workforce safety and flexibility. Business leaders are also acknowledging that company culture, often established by in-person work, still remains a critical component to successful business operations. Connected teams drive collaboration, foster healthy working relationships and creativity, build trust, and promote a knowledge-sharing environment. The more connected teams are, the more efficient workplaces will be.

As a result of pandemic-related pressures, landlords have had to make concessions in the form of free rent and tenant improvement allowances in order to attract and retain tenants that are not reflected in direct asking rate figures. According to JLL, actual rents are down 5% to 15% compared to pre-COVID-19 levels as of March 2021. CBRE Research reported that the total amount of available sublease space that came on the market in 2020 was double the amount available at the end of 2019. The Golden Triangle saw two large subleasing opportunities in Q2 2020: EQT at 625 Liberty Avenue (146,948 SF) and UPMC at 600 Grant Street (90,827 SF). Despite large subleasing opportunities and increasing vacancies overall, the Golden Triangle saw some notable leasing announcements in 2020. Dollar Bank announced the move of their Gateway Center headquarters to a new 76,000 SF space on several floors of 20 Stanwix, including a build out of a rooftop outdoor area. Nearby, Whiteford Taylor Preston, a growing Baltimore-based law firm, inked a deal to take 16,000 SF at 11 Stanwix with the future option expand. PwC, one of the Pittsburgh region's largest accounting firms, leased 15,000 SF of new office space at One Oxford Centre.

In 2020, 300,000 SF of new office space was delivered; all new office properties are located in the Strip District—The Stacks at 3 Crossings, 3000 Smallman Street, and the Produce Terminal. With a limited number of construction starts in the office market in 2020, the delivery of new square footage will likely decrease in the coming years. A rebound in leasing activity will depend on optimism brought about from the COVID-19 vaccines. It is likely that employers will continue to utilize a hybrid work-from-home strategy throughout 2021.

CBD CLASS A

15.2%

DIRECT VACANCY RATE

\$29.86

AVERAGE LEASE RATE

Source: CBRE, Q1 2021

CBD CLASS B

17.5%

DIRECT VACANCY RATE

\$20.80

AVERAGE LEASE RATE

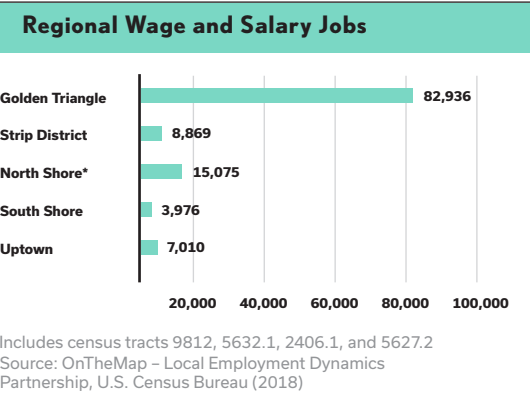
Source: CBRE, Q1 2021

- 35M leasable square feet in Greater Downtown, 47% of the Pittsburgh area office market
- Greater Downtown is home to 330,850 SF of co-working space



225 Boulevard of the Allies

Nearly \$1B was invested in Pittsburgh tech companies in 2020



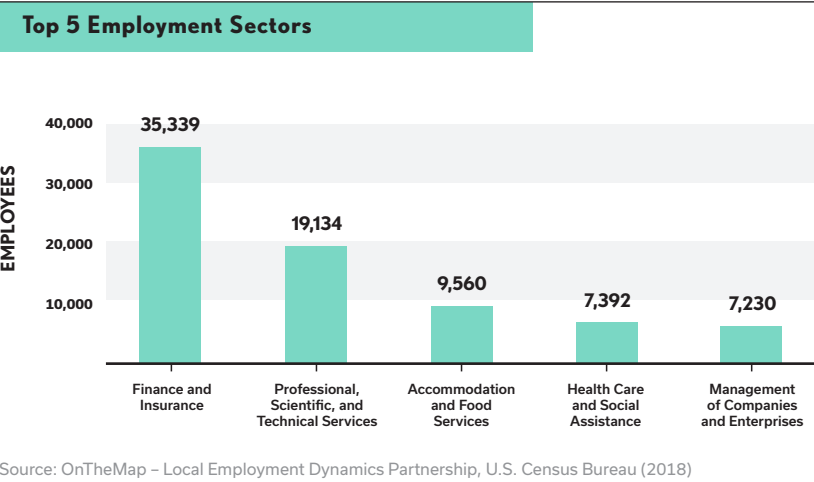
OFFICE PIPELINE

There has been a common trend of tech companies opting for new construction projects, locally and nationally. As a result of the pandemic, it is likely this trend will continue as tenants and property owners seek higher levels of safety such as touchless technologies, upgraded mechanicals, and air filtration systems. Building owners that are actively investing in these kinds of amenities and tenant improvements will reap the biggest benefits.

The Strip District has two speculative projects underway, 75 Hopper Place (145,867 SF) and the Vision on Fifteenth (265,000 SF), demonstrating a high level of developer confidence in the market. 1600 Smallman (110,000 SF) is expected to complete in early 2021 and will be fully leased by autonomous vehicle firm Aurora Innovation. Acram Group received City Planning Commission approval for a proposed 24-story tower at 1501 Penn Avenue, at the "Wholey Building" site, that will add an additional 525,000 SF of office space at the gateway to Pittsburgh's Strip District neighborhood. Demolition of the property is underway, and the ground-up construction will entail parking, outdoor terraces, and retail.

Major Sales Transactions, 2020			
	LOCATION	PRICE	\$/SF
ALLEGHENY BUILDING TO PMC PROPERTY GROUP	429 Forbes Avenue	\$10M	\$67/SF
GNC BUILDING TO HARBIN GROUP	300 6th Avenue	\$7.9M	\$33/SF
LIFE'S WORK BUILDING TO DUQUESNE UNIVERSITY	1323 Forbes Avenue	\$6.5M	\$71/SF

Source: JLL



117,866

JOBS IN GREATER DOWNTOWN

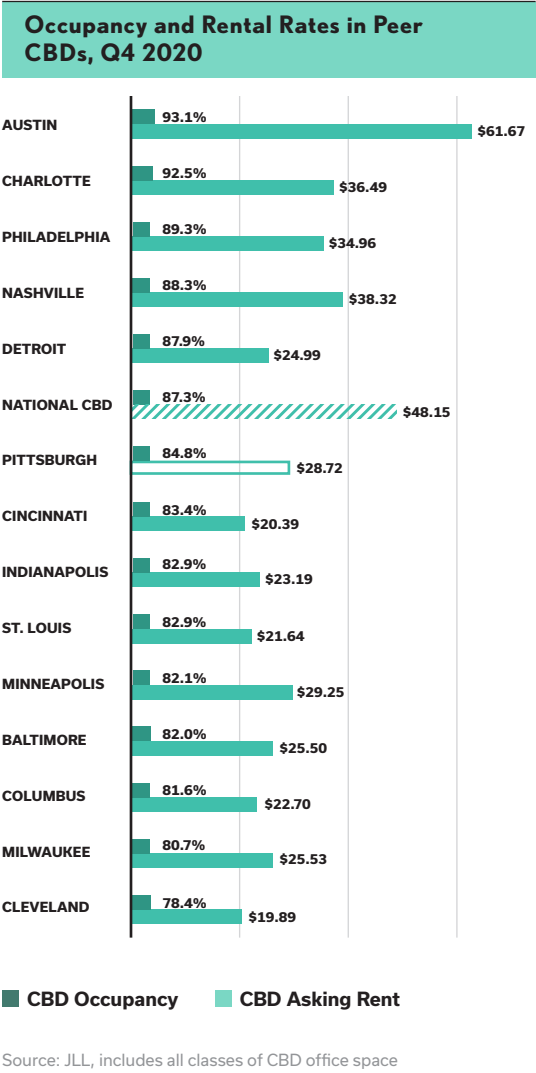
294,029

JOBS IN THE CITY OF PITTSBURGH

734,718

JOBS IN ALLEGHENY COUNTY

Source: OnTheMap - Local Employment Dynamics Partnership, U.S. Census Bureau (2018)





- **\$1.5B** in R&D expenditures by Pitt, CMU, and Duquesne U., of which **\$880.1M** (60%) was federally funded in 2020
- Local research universities deployed more than **\$11B** in research funding in the past decade
- **91,000** students are enrolled in higher education within 10 miles of Downtown; 21,000 graduates in 2019–2020 academic year



Regional Fortune 500 Companies by Rank

COMPANY	FORTUNE 500 RANK	REVENUE	AREA
KRAFT HEINZ**	122	\$25B	CBD
PNC FINANCIAL SERVICES GROUP*	151	\$21.6B	CBD
PPG INDUSTRIES*	209	\$15.1B	CBD
HOWMET AEROSPACE*	226	\$14.2B	North Shore
UNITED STATES STEEL*	247	\$12.9B	CBD
ALCOA*	302	\$10.4B	North Shore
DICK'S SPORTING GOODS	362	\$8.8B	Coraopolis
WESCO INTERNATIONAL*	379	\$8.4B	South Shore
WESTINGHOUSE AIR BRAKE*	388	\$8.2B	North Shore

TOTAL REVENUE **\$124.6B**

*Headquartered in Greater Downtown
**Co-headquartered in Downtown Pittsburgh and Chicago

Note: Howmet Aerospace spun off from Arconic Corporation and changed its name from Arconic Inc., April 1, 2020

Source: Fortune.com

Project Spotlights

FIFTH AVENUE PLACE RENOVATIONS

Highmark Health is undergoing a \$20M renovation of Fifth Avenue Place that will create a more inviting entrance at the street level while also renovating the existing Arcade Shops retail space, including the addition of a dining area with outdoor seating.



Image courtesy of Highmark Health with design by AE7.

525 WILLIAM PENN PLACE RENOVATIONS

Pearson Partners invested in a major lobby and common area renovation of 525 William Penn Place, including an expansive glass curtainwall and entry pavilion along the street level. The project also included a new tenant lounge and fitness center.

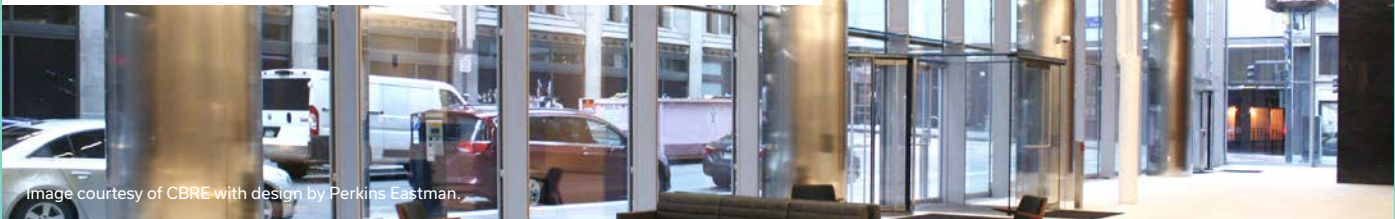


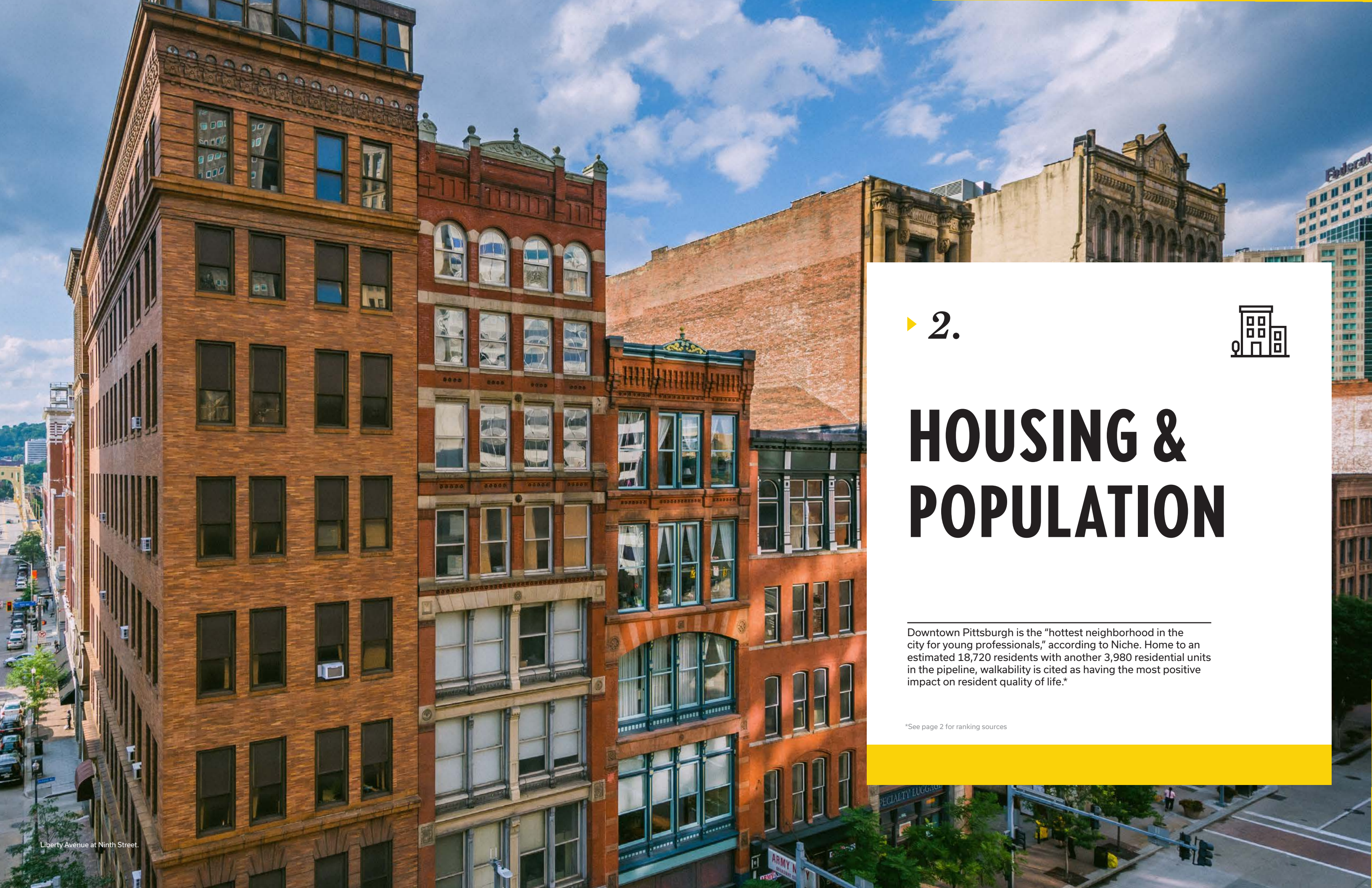
Image courtesy of CBRE with design by Perkins Eastman.

VISION ON FIFTEENTH

The Vision on Fifteenth is a joint venture with Burns Scalo Real Estate and RDC Inc. Once completed, the project will consist of 265,000 SF of office space, 5,000 SF of retail, 23,000 SF of R&D flex space, and a 384-space parking garage at 15th and Smallman Streets.



Image courtesy of Burns Scalo Real Estate with design by AE7.



▶ 2.



HOUSING & POPULATION

Downtown Pittsburgh is the “hottest neighborhood in the city for young professionals,” according to Niche. Home to an estimated 18,720 residents with another 3,980 residential units in the pipeline, walkability is cited as having the most positive impact on resident quality of life.*

*See page 2 for ranking sources

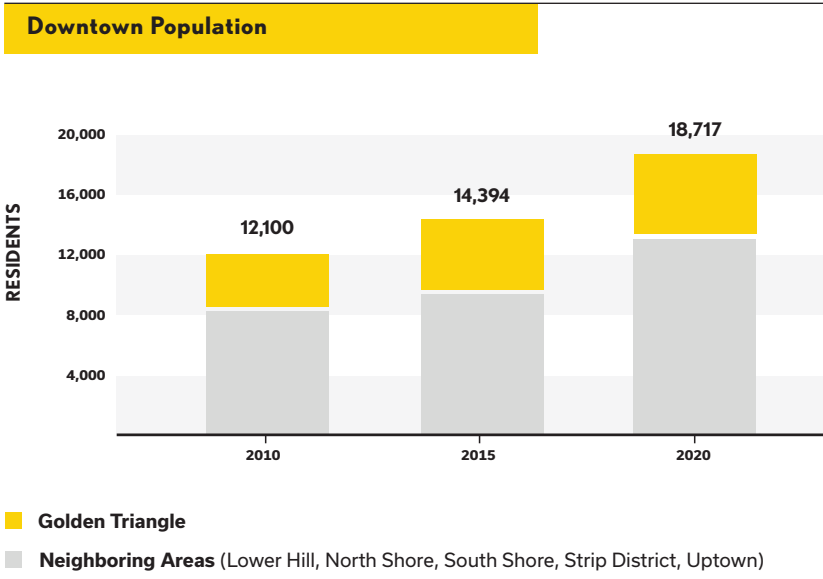
HOUSING & POPULATION

RESIDENTIAL GROWTH

Greater Downtown’s population has grown by more than 6,600 residents in the past 10 years, representing a 55% increase in the residential population which is now an estimated 18,720 residents.

Continued growth in Pittsburgh’s urban core is certain as there are currently 3,980 units in the pipeline. Forty percent of the units are actively under construction and projected to deliver within the next several months. According to a research brief published in March 2021 by CBRE, Pittsburgh ranks last among 53 major American markets for the number of apartments under construction. Similarly sized metros currently have three times as much multifamily construction activity occurring. According to one industry expert, absorbing all of the units being built will be a non-issue as there is a pent-up demand for new product.

While there was a softening in Downtown’s urban core real estate market as a result of the pandemic, the Golden Triangle is resilient and ready to welcome back residents and workers. Overall, the pandemic has spurred a pattern where young people are returning to Pittsburgh seeking to work remotely in a place that is smaller and less dense than other larger cities. This is expected to be a significant contributor to growing the Pittsburgh economy overall.

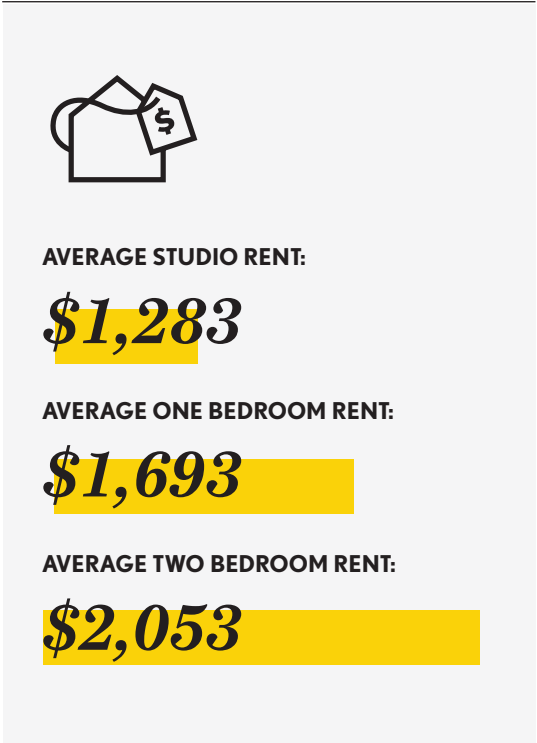


2020 data are conservatively calculated based on residential unit growth and occupancy rate estimates for residential properties. Sources: U.S. Census Bureau; Pittsburgh Downtown Partnership



- **“Walkability”** cited as residents’ #1 positive impact on quality of life
- **50%** of residents are under 35
- **86%** of residents have a college degree
- **21%** of residents own a dog

Source: Pittsburgh Downtown Partnership, 2020 Downtown Resident Survey



RENTAL MARKET

The current occupancy rate for Downtown rentals is 88.4% as of Q4 2020, almost 5% below the five-year average of 93%. The market absorbed 760 new rental units in 2020. Downtown began to see the most noticeable dip in residential occupancy in Q3 and into Q4, as the impacts of the pandemic worsened. Throughout the second half of 2020, many Downtown apartment buildings began offering concessions – from reduced rents and credits to new renters, helping to entice new tenants into the core.

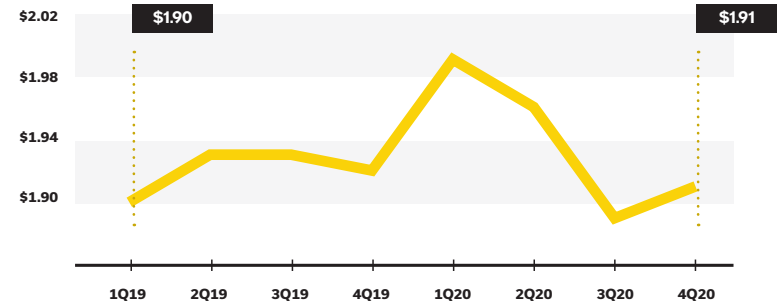
Despite a drop in occupancy levels, the average cost per square foot has remained fairly steady throughout 2020, ending Q4 2020 at \$1.91, a 5% increase compared to 2015 rates. Average monthly rent for a studio unit is \$1,283, a one-bedroom apartment is \$1,693, and the average two-bedroom rent is \$2,053 per month. During the past five years, the Downtown rental market absorbed 2,400 units, 40% of the current inventory.

Factors contributing to the decrease in residential rental occupancy include tenant uncertainty about employment, ubiquitous work-from-home policies, a national 50-year low home mortgage interest rate, and the temporary shuttering of Downtown amenities such as restaurants, sporting events, and cultural institutions. There is a growing sense of optimism that the Downtown rental market will begin to improve throughout 2021 and into 2022.

The growth in the region’s tech sector is expected to increase the demand for high-end living. With Pittsburgh being home to many colleges and universities, world-class talent continues to be developed here. This talent will develop an affinity for the city while appreciating its affordability. This, in turn, is expected to continue to accelerate the demand for higher-end apartments and Downtown is well positioned to meet these needs.

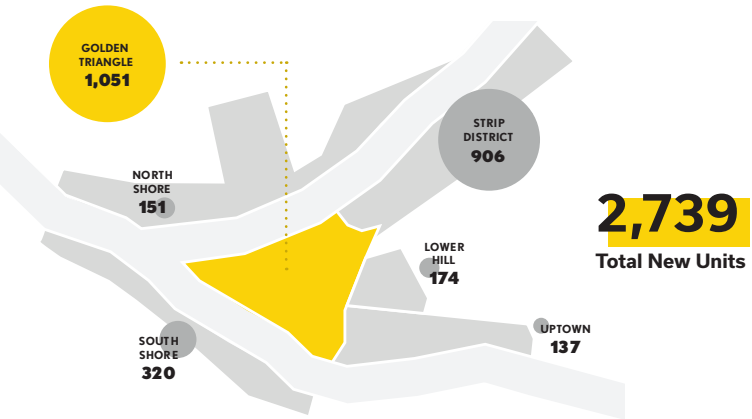


Monthly Rent per Square Foot, 2019-2020



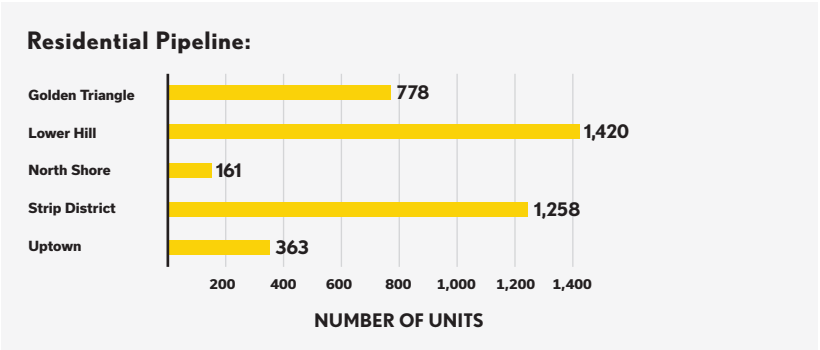
Source: Pittsburgh Downtown Partnership

New Units Added Since 2015



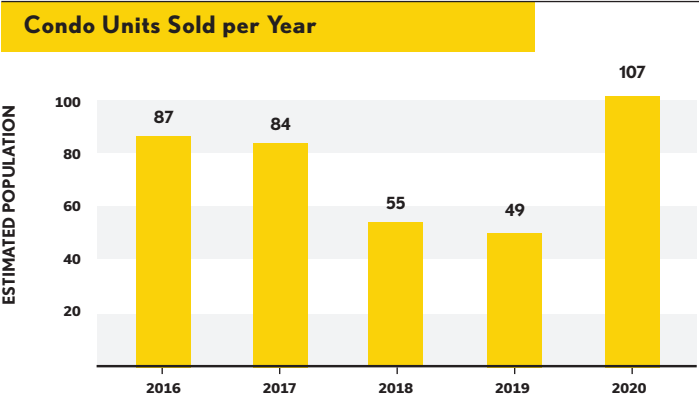
Source: Pittsburgh Downtown Partnership

- 8,265 existing residential units in Greater Downtown
- 3,980 units in the pipeline (under construction, planning, and conceptual)



Source: Pittsburgh Downtown Partnership

Condominium sales soared in 2020. The increase in sales is largely attributed to Hardy World’s Refinery project in the Strip District and Millcraft’s Lumière condo development at 350 Oliver Avenue in the Golden Triangle, which together made up 50% of all sales in 2020. The availability of new high-end product led to a dramatic 40% increase in cost per square foot compared to 2019. It is anticipated that condo sales will increase over the next few years as 190 condo units are currently under construction or have received approval from City Planning; about 50% of these units are located in the Strip District.



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

Condo Units Sold, 2020

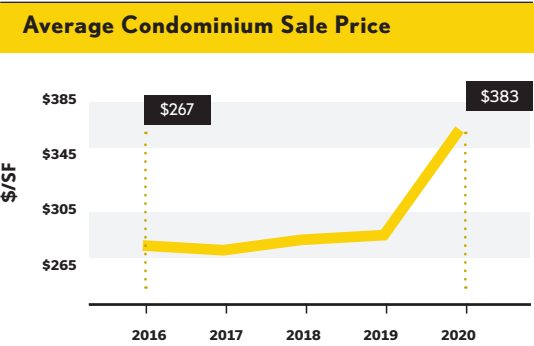
AREA	UNITS SOLD	AVERAGE SALE PRICE
Golden Triangle	59	\$448,981
Lower Hill	9	\$146,194
Strip District	44	\$553,353

Source: Realtors Property Resource – Provided by Piatt Sotheby’s International Realty, Pittsburgh Downtown Partnership

Home Value Comparative Statistics, 2020

	15222 ZIP CODE	15219 ZIP CODE	CITY OF PITTSBURGH	ALLEGHENY COUNTY	PA	US
MEDIAN ESTIMATED HOME VALUE	\$467,000	\$159,000	\$218,000	\$221,000	\$254,000	\$249,000
12-MONTH CHANGE	+5%	+12%	+3%	+3.9%	+2.8%	+2%
PERCENT OWNERS	17%	30%	48%	65%	69%	64%
PERCENT RENTERS	83%	70%	52%	35%	31%	36%

Source: Realtors Property Resource – Provided by Piatt Sotheby’s International Realty



Source: Realtors Property Resource – Provided by Piatt Sotheby’s International Realty, Pittsburgh Downtown Partnership



Washington at Chatham

Project Spotlights

WASHINGTON AT CHATHAM

Developed by Core Realty, the Washington at Chatham opened its 174 unit one- and two-bedroom apartment community in the Lower Hill in spring 2020.

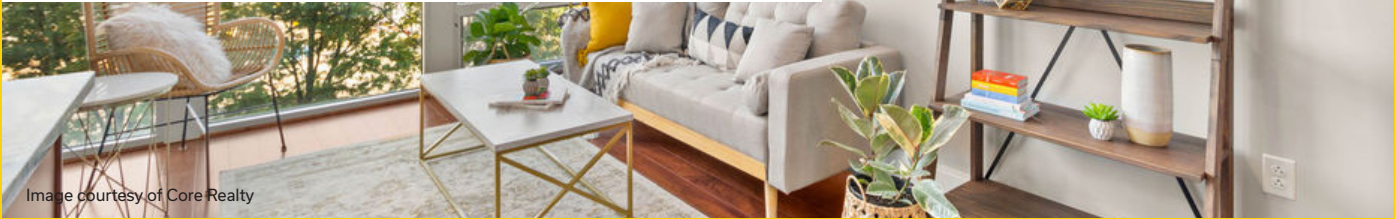


Image courtesy of Core Realty

COMMONWEALTH BUILDING

Originally known as the Commonwealth Trust Bank, The Commonwealth Building has been reimaged into the newest apartment project to deliver 120 units and state-of-the-art retail space in Pittsburgh’s Fourth Avenue Historic District in 2021.



Image courtesy of the Commonwealth Building

LUMIÈRE

Millcraft Investments delivered Lumière at 350 Oliver Avenue in early 2020. The 86-unit condo development spans 17 stories and includes one-, two-, and three-bedroom open floor plans, a rooftop deck, floor-to-ceiling windows, and high-tech security features.



Image courtesy of Millcraft Investments

A woman with dark hair, wearing glasses and a grey face mask, is handing a brown paper bag to a man. She is wearing a yellow ribbed sweater. The man is seen from the back, wearing a grey sweater. They are at a bar or cafe, with a beer tap visible on the counter. The background is blurred, showing shelves with various items.

▶ 3.



RETAIL & HOSPITALITY

Downtown welcomed 29 new restaurants and retailers with several new businesses in the pipeline, including a new urban format Target store. Downtown's entertainment venues typically host 13M visitors annually, and we're ready to welcome them back to this 'must-see' destination named the #1 best city for football fans.*

*See page 3 for ranking sources

RETAIL & HOSPITALITY

PIVOTING TO SURVIVE

The pandemic dealt a severe blow to the restaurant industry. Overall, Pennsylvania restaurant sales were down 38% between January 2020 and January 2021, according to the National Restaurant Association. Pennsylvania ordered restaurants and bars to shut down dine-in services on March 16, 2020. The subsequent shut down of all non-essential businesses soon followed on March 19, 2020; retailers were not allowed to reopen for in-person sales until May 15, 2020. As a result, activity in the Golden Triangle bottomed out in April 2020. Market Square, one of the most active areas in the CBD, showed a 94% decline in visitors compared to April 2019; similarly, Downtown’s Cultural District also experienced a 95% decline in visitor traffic.

The early months of the pandemic marked a critical time for retailers and restaurants. The most successful businesses implemented online shopping and ordering methods, employed contactless delivery, and provided curbside pickup. Restaurants streamlined menus and developed menu items that traveled well to keep up with evolving trends such as take-and-bake family meals, cocktails to go, and meal subscriptions. As indoor dining service was restricted, they pivoted by creating new or expanding existing outdoor eating areas.

Unfortunately, 77 restaurants and retailers in Greater Downtown permanently closed in 2020 and through the first quarter of 2021. Not surprising, the majority of these closures were pandemic related. Compared to a typical year, this marks a 74% increase in closures. As of April 2021, 15% of all businesses remain temporarily closed and are waiting for more workers and visitors to return to Downtown before reopening.



The Industrialist Hotel

The Allegheny Regional Asset District (RAD) will allocate **\$29.8M*** or **30%** of annual operating and capital grants to Greater Downtown assets in 2021.

*This excludes \$21.6M in funding to the Carnegie Library of Pittsburgh (CLP) which has numerous locations outside of Greater Downtown. Funding for the Greater Downtown branches (including CLP Downtown & Business Branch and CLP Allegheny Branch) is not included in figure above.

In 2020-2021

16 New Dining Options **13** New Shopping Opportunities

NEW RESTAURANTS AND RETAIL

Despite the tenuous restaurant and retail climate in 2020, there were still many notable openings with even more new offerings in the pipeline. Twenty-nine new restaurants and retailers opened from 2020 through April 2021. Sixteen of these new businesses are restaurants. In early 2020, Bae Bae’s Kitchen opened a sister location, Bae Bae’s Café, on Liberty Avenue. The Speckled Egg also opened pre-pandemic in a brand-new fit out on the first floor of the Union Trust Building. Gaucho Parrilla Argentina moved from the Strip District to 6th Street in the Cultural District. AMPD Group brought two new restaurant concepts to the 900 block of Penn Avenue in 2020: The Standard Market & Pint House and Scarpino. From the Richard DeShantz Restaurant Group, the long-anticipated gi-jin opened in early 2021 at 208 6th Street. In May 2021, The Eagle Food & Beer Hall, operated by Thunderdome, will open a new 6,000 SF space at Eighth and Penn and will feature live music and indoor-outdoor dining opportunities.

Fresh Nostalgia, a unique apparel and home goods boutique, moved into a new retail space at 143 6th Street in March 2020, more than doubling its footprint of its previous Market Square location. BLAQK House Collections, an art gallery and event space featuring local black artists, opened at 440 First Avenue in October 2020. The Golden Triangle also welcomed several national brands, including a Hand & Stone Massage and Facial Spa location at 936 Penn Avenue, and Dollar General, which introduced its new urban format concept, DGX to 610 Wood Street, conveniently located across from the Wood Street T station.



Jacqueline and Nate Schoedel, owners of The Speckled Egg located in the lobby of the Union Trust Building.

64%

OF RETAILERS AND RESTAURANTS ARE LOCALLY OWNED



RESTAURANTS, BARS, AND COFFEE SHOPS

282

RETAILERS

161

SERVICE ESTABLISHMENTS

131



gi-jin

INVESTMENT MAP

2021 | SECOND QUARTER

Investments from January 2011 - April 2021	
PROJECTS COMPLETED	\$4,112,966,277
PROJECTS ACTIVE	\$1,700,965,137
PROJECTS ANNOUNCED	\$2,530,395,000
TOTAL INVESTMENTS	\$8,344,326,414

OFFICE/RETAIL

- 2 South Shore Distillery *
- 16 Huntington National Bank
- 19 610 Wood Street Facade Renovation
- 26 Pro Bike + Run and Cadence Clubhouse
- 27 Factory 26 (Achieva Building)
- 30 Uptown Tech (304 Jumonville) *
- 51 Dollar Bank HQ at 20 Stanwix
- 52 Dollar Bank Liberty Commons Reno/Exp.
- 53 3 Crossings Phase 2: 75 Hopper Place
- 54 Gateway Center Amenity Upgrade
- 56 Vision on Fifteenth
- 60 Shorty's Pins x Pints
- 62 3 Crossings Phase 2: buildings B, F1, and F2 *
- 63 Tower 601 (FHL Bank Building) Renovations
- 65 Bank Tower Renovation
- 72 Station Square Freight House Shops Renovation
- 75 1600 Smallman Street
- 81 1501 Penn (Wohley Building)
- 92 Fifth Avenue Place Renovation
- 94 FNB Financial Center

MIXED USE

- 1 Lower Hill Redevelopment
- 4 Cultural District Riverfront Development *
- 5 909 Liberty Avenue Redevelopment
- 8 Fifth-Dinwiddie Redevelopment *
- 23 Post-Gazette Building Redevelopment
- 24 North Shore Lot 4 Development *
- 38 Station Square East *
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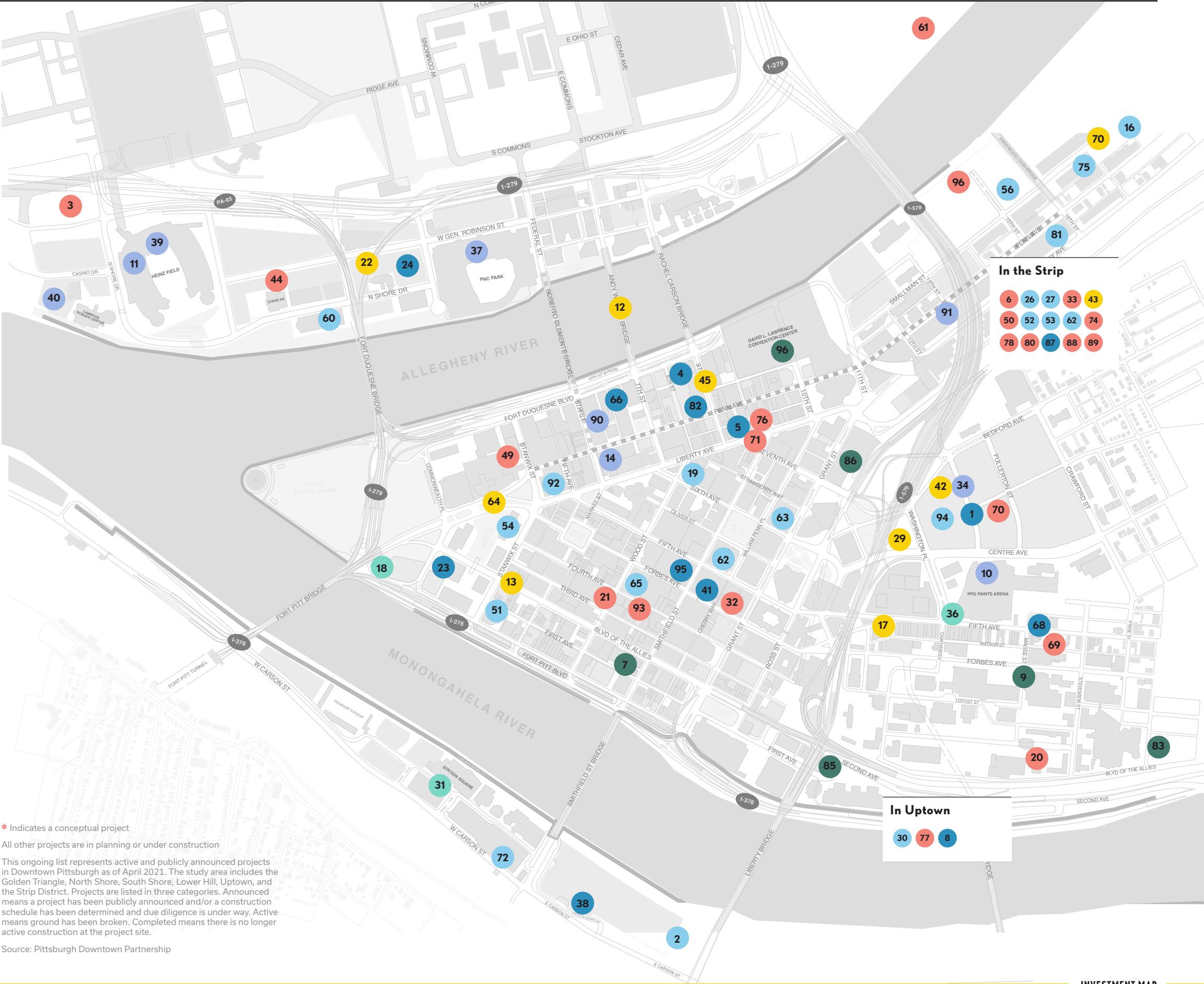
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* Indicates a conceptual project
All other projects are in planning or under construction

This ongoing list represents active and publicly announced projects in Downtown Pittsburgh as of April 2021. 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.

Source: Pittsburgh Downtown Partnership

In addition, there are a variety of new and exciting openings to look forward to in the Golden Triangle. Five Iron Golf Simulator is opening a 14,000 SF space at 2 PPG Place in 2021, which will be the company's second-largest location in the country. One of the larger retail wins in decades will be the introduction of a new urban format Target store in the center of the Golden Triangle, slated to open by the end of 2022. The 22,000 SF store is one of the most desired retail brands requested by Downtown residents since the PDP began issuing a bi-yearly residential survey in 2008. A local Pittsburgh favorite, Con Alma, a restaurant and jazz club, committed to a 2021 opening of a second location in the heart of the Cultural District, a 3,000 SF space at 613 Penn Avenue directly across from Heinz Hall.

In the Downtown fringe, several new tenants were announced for Produce Terminal redevelopment in the Strip District: City Grows, a Fine Wine & Good Spirits store, Envy Premier Nail Spa, Walk at Home, and OnPar Now, a locally owned golf instruction business. On the South Shore, Brookfield Properties has landed Tupelo Honey, the first new restaurant to commit to the Freight House Shops. This location will be the national brand's first location in Pennsylvania and will lease 5,000 SF. The new eatery is expected to open by the end of 2021 and will be joined by First Ascent, a Chicago-based climbing wall operation that will occupy 30,000 SF of space at the Freight House Shops. McKnight Realty welcomed Anytime Fitness Center to the Highline in 2020 and is anticipating the arrival of Sly Fox Brewing and Burgh'ers Brewing to the development in 2021.



Coop De Ville, Arcade Room



aither yoga opened at 339 Forbes Avenue in summer 2020. The 1,300 SF clean air studio includes a floor-to-ceiling, hand-painted mural by local artist Jeremy Raymer. The space was designed with a patent-pending combination of air cleaning technologies to maximize physical and psychological comfort.



75
outdoor cafes

WITH

1,600
dining chairs

THROUGHOUT
DOWNTOWN

Notable Retail & Restaurant Openings

2020-2021

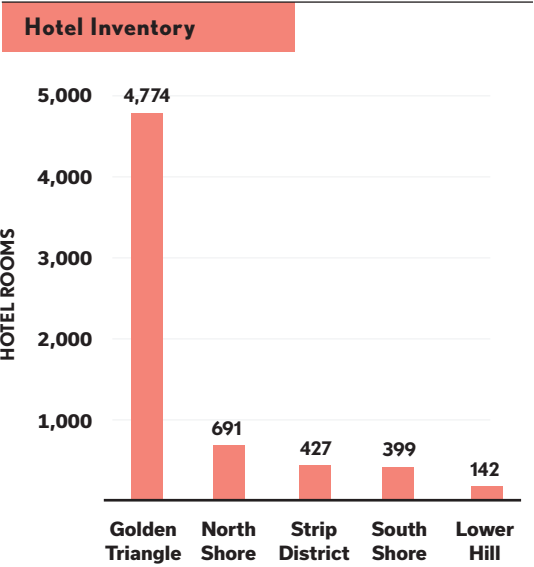
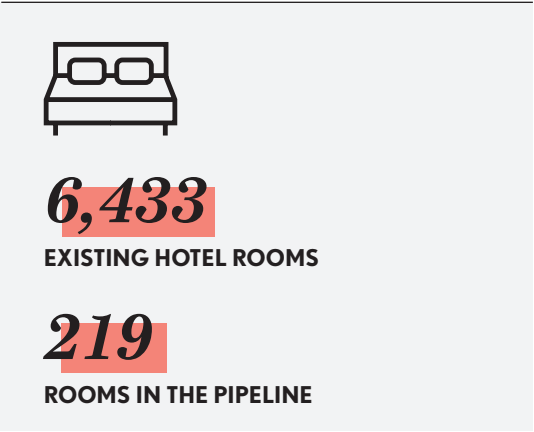


Greater Downtown offers more than 6,400 guest rooms to visitors and business professionals with an additional 219 rooms in the pipeline. Currently under construction is the Landing Hotel Pittsburgh which will connect to the Rivers Casino on the North Shore. The 78,000 SF Industrialist Hotel at 405 Wood Street was completed in 2021, delivering 124 more rooms to the Golden Triangle.

Greater Downtown Hotel occupancy plummeted to just 5% in April 2020 and then only slowly climbed to 28% in October. As a result of the pandemic, the hotel industry experienced the most devastating year on record in 2020, resulting in historically low occupancy, massive job loss and hotel closures across the country, according to the American Hotel & Lodging Association. Allegheny County’s tourism industry lost 24,540 jobs by the end of 2020, according to study by Tourism Economics.

Compared to Allegheny County, the Downtown hotel market had a much softer performance in 2020—hotel occupancy Downtown was down 24% compared to the overall county hotel occupancy. The total number of occupied rooms in 2020 Downtown was about 458,000, down 62% from 2019. Broadly speaking, budget and economy properties geared for leisure travelers fared better than upscale urban and luxury properties commonly equipped with large meeting, event space, and ballrooms tailored for business travel and conferences.

During the fall, from August–October 2020, the Downtown hotel market saw an uptick in travel; occupancy increased 87% compared to the onset of the COVID–19 pandemic in March–July 2020, but that hike still only represented a monthly average occupancy rate of 28%. The increase in occupancy in Fall 2020 is believed to be due to strengthening of consumer confidence, comfort level with travel, and relatively flat case counts. Throughout the pandemic, consumer confidence has ebbed and flowed along with associated COVID–19 case counts, hospitalization numbers, and reopening changes. While the vaccine rollout has begun, the American Hotel & Lodging Association estimates that travel is not expected to return to 2019 levels until at least 2023.



Source: Pittsburgh Downtown Partnership

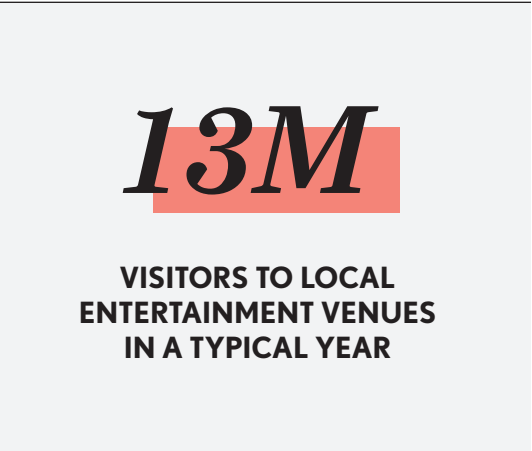


HRI Properties and Marriott International's Autograph Collection opened The Industrialist, a 124-room hotel in May 2021 at 405 Wood Street. The hotel features 28 suites, fitness center, lobby bar, 1,200 SF of event space, and The Rebel Room, a full-service modern

ENTERTAINMENT INDUSTRY

COVID–19 ravaged the local entertainment industry in Greater Downtown. Many prominent performing arts venues and art galleries remain closed. The professional sports stadiums and the David L. Lawrence Convention Center remain in limited capacity to serve the public under government guidelines. In a typical year, these venues combined with the Rivers Casino would welcome over 13M visitors.

A few bright spots looking ahead: The Pittsburgh Cultural Trust announced that the 2021 Dollar Bank Three Rivers Arts Festival is slated to return June 4–13. The event will offer a hybrid guest experience that combines enhanced virtual presentations with select in-person, limited-capacity attractions. In addition, PNC Broadway in Pittsburgh's production of the Tony Award-Winning—*The Band's Visit*—will reopen the Benedum Center for Broadway shows in October 2021.



Arcade Comedy Theater launched Arcade at the Oasis a brand new immersive outdoor comedy experience in the heart of the Cultural District Downtown as a response to the restrictions that the pandemic imposed on art and cultural institutions. Shows and comedy classes are located at the Trust Oasis at 133 Seventh Street. Image courtesy of Arcade Comedy Theater.



▶ 4.



TRANSPORTATION & CONNECTIVITY

Downtown historically welcomes 110,000+ weekday commuters on a daily basis. Pittsburgh ranks #1 for having one of the shortest commutes in the country. Downtown's compact footprint means less than a 25-minute walk to get from one side of town to the other.*

*See page 3 for ranking sources

Bikers using the Penn Avenue Bike lane located alongside Pittsburgh artist, Jayla Patton's *Colorful Growth/Soft Waves*, a 3,500 SF street mural located in Downtown's Cultural District.

TRANSPORTATION & CONNECTIVITY

PUBLIC TRANSIT

Due to the impacts of COVID-19, the Port Authority of Allegheny County's total ridership between April-December 2020 served only a total of 29M trips, representing more than a 60% drop compared to 2019 systemwide ridership. Despite the declines in systemwide ridership that most cities experienced in 2020, public transportation remains essential as families and individuals across the Pittsburgh region and beyond rely on these services.

In response to the pandemic, and to help riders better plan trips in light of the ongoing vehicle capacity limits, the Port Authority released Room2Ride. This online tool serves as a way for riders to better estimate how full their bus will be, allowing riders to make more informed trip decisions. The Port Authority continued to roll out technology upgrades to both bus and light rail vehicles, including Wi-Fi and USB port additions to improve each rider's onboard experience.

The Bus Rapid Transit (BRT) project continues to progress. The BRT will use buses to move thousands of people in dedicated bus lanes on Port Authority's busiest corridor, connecting Downtown to Oakland and the East End. In fall 2020, the project team released the 90% completed design package. As of April 2021, the Port Authority and the City of Pittsburgh are waiting for the Federal Transit Administration (FTA) to dispense the \$99.5M Small Starts award to finalize designs and begin pre-construction. Construction is slated to begin in Downtown by mid-2022, with service expected to start in late 2023.



Healthy Ride Trips, 2020

- **103,000** citywide Healthy Ride trips (8% decrease vs. 2019)
- **17,947** trips ending at Golden Triangle stations (20% decrease vs. 2019)

Source: Healthy Ride Bike Share

PDP Eco-Counter Bike Counts, 2020*

Total Penn Avenue counts: **144,929**

- 600 Penn Ave counts: **74,588** (28% increase vs. 2019), 349 average daily counts
- 1200 Penn Ave counts: **70,341** (44% decrease vs. 2019), 439 average daily counts

Source: Pittsburgh Downtown Partnership
*Bike counts are recorded from May - November.



Source: BikePGH, GAP to the Point Bike Lanes, 2020

DOWNTOWN MOBILITY PLAN

The development of the Downtown Mobility Plan has been led by the PDP, and guided by a management team comprised of leadership from key public agencies, including the City of Pittsburgh's Department of Mobility and Infrastructure and Department of City Planning, Port Authority of Allegheny County, and Southwestern Pennsylvania Commission. With multiple mobility planning efforts underway at the neighborhood, citywide, county, and regional levels, all agencies are closely coordinating planning efforts, goals and objectives, vision, and project outcomes.

Beginning in fall 2019, the PDP launched the development of a Downtown Mobility Plan (DMP), aimed at establishing a vision and decision-making framework to shape the Golden Triangle's street network, public realm, and infrastructure over the next decade and beyond. The DMP was developed through a five-phase planning process, considering the following: Issues and Opportunities, Guiding Principles and Goals, Street Management Framework, High Impact Priorities, and Plan Delivery and Implementation. It is supported by a range of stakeholders along with the general public.

The final Mobility Plan will be released to stakeholders and the public in spring 2021. Pittsburghers will have an opportunity to weigh in on the nine proposed "High Impact Priorities," as well as the implementation process, including a pedestrian wayfinding system, expansion of bus shelter availability, riverfront activations, and the reconnection of neighboring communities to Downtown.

GAP TO THE POINT BIKE CONNECTION

Completed in 2020, the GAP (Great Allegheny Passage) to the Point project filled in the final, crucial link that now enables the 334.5-mile Great Allegheny Passage regional multi-use trail system to connect directly to the heart of the Golden Triangle. The GAP to the Point bike connection project includes the creation of a two-way dedicated bicycle track along Stanwix Street, Penn Avenue Extension, and Liberty Avenue to Point State Park. This vital connection directly impacts Pittsburgh's core economic engine of Downtown, while creating a more complete, safe, and protected bike network across the Golden Triangle. It encourages recreational and commuter cyclists of all levels, ages, and abilities to feel comfortable and confident biking in urban environments. Construction of the GAP to the Point bike lanes was completed in October 2020, with the final infrastructure components, including bike signals and signage, being installed in spring 2021.



*Respondents in the Issues and Opportunities survey indicated the top three things they most enjoy about getting around Downtown: **easy to walk** (65%), **fun** and **interesting** (53%), and **easy to use bus and light rail** (32%).*

Source: Downtown Mobility Plan, Issues & Opportunities Survey Results and Guiding Principles & Goals Survey Results, 2020-2021.

SMITHFIELD STREET RECONSTRUCTION PROJECT

Smithfield Street is a vital connector in Downtown. It serves as a significant pedestrian, transit, and retail corridor with an emerging residential population and an array of transformational development projects in the pipeline. In fall 2020, the PDP began work alongside the City’s Department of Mobility and Infrastructure to engage businesses and property owners along the corridor to craft a long-term vision for Smithfield Street. This work will be used to guide improvements, help solicit funding, and allow prioritization and coordination with both public agencies and private businesses. The goal is to create a corridor that meets the dynamic needs of Downtown while acknowledging the street’s legacy as a prominent retail destination.

Smithfield Street will be fully reconstructed between Sixth Avenue and Forbes Avenue and will include the installation of new roadway, sidewalks, curb cuts, trees, and lights. Construction is slated to begin in early 2023. The PDP has completed initial visioning work for this corridor with the input from many stakeholders. Throughout 2021, the PDP will continue to work with the City and key stakeholders to help refine the project’s final design and material selections, and proactively identify and address stakeholders’ concerns. The total project cost is estimated to be \$9M.



Source: Pittsburgh Downtown Partnership & SmithGroup, Downtown Mobility Plan, Revisioning Smithfield Street Rendering, 2020

GETTING AROUND DOWNTOWN MADE EASY



BY FOOT

- Takes less than 25 minutes to walk across Downtown by foot
- The Three Rivers Heritage Trail is a multi-use, 24-mile riverfront trail system with segments on all three rivers providing access to city neighborhoods, business districts, and local attractions



BY BIKE

- Downtown has 3.7 miles of bike infrastructure, including trails and bike lanes
- 20 Healthy Ride Bike Share Stations in Greater Downtown for cyclists



BY PUBLIC TRANSIT

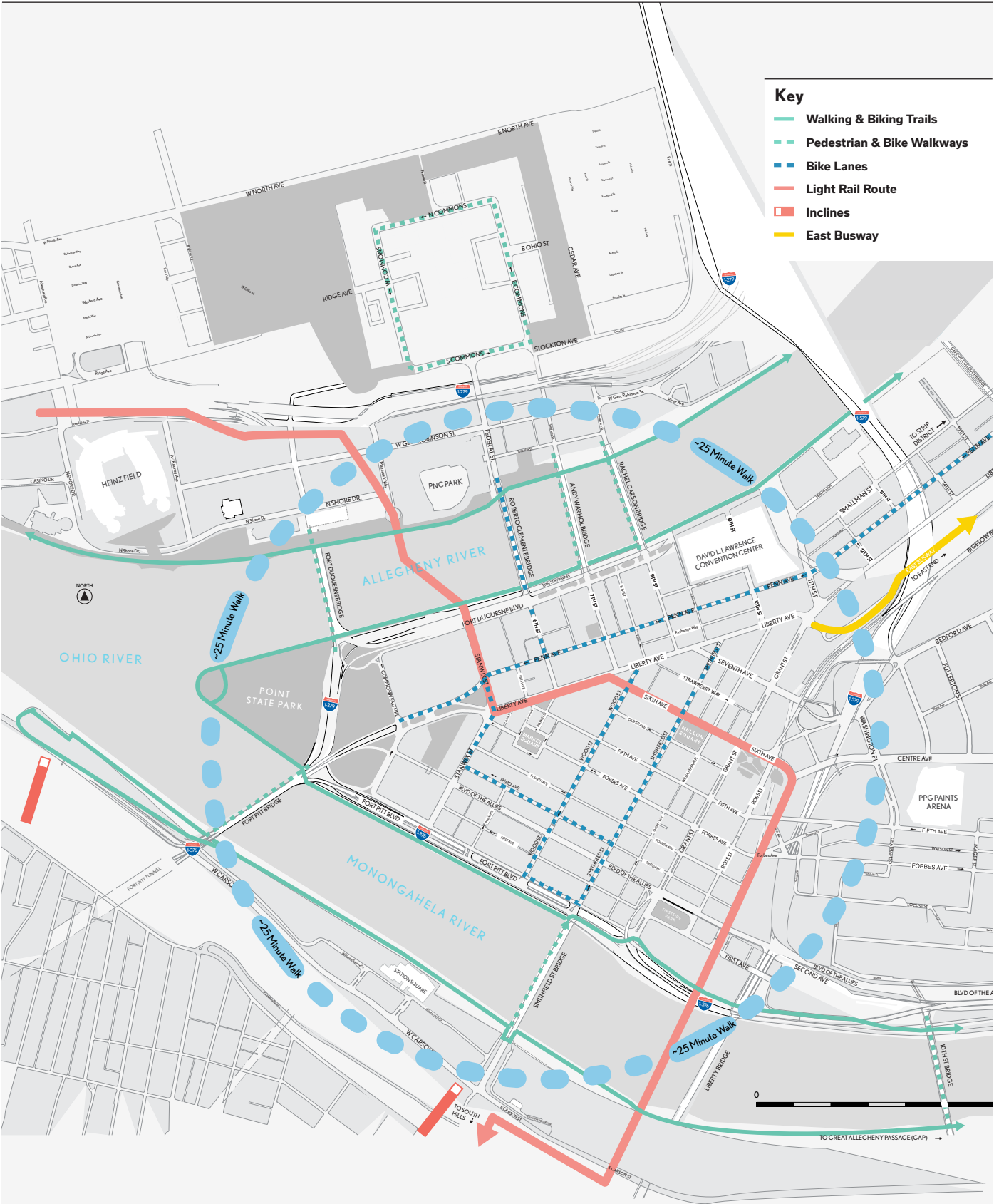
- Free-Fare Light Rail zone includes the First Avenue, Steel Plaza, Wood Street, and Gateway stations Downtown, and the North Side and Allegheny stations on the North Shore
- 81 bus lines (84%) across the system converge in the Golden Triangle
- Daily bus service is available to the Pittsburgh International Airport via the 28X, Airport Flyer

Cost Comparison Between Transportation Modes

	COST
ConnectCard via Port Authority	\$2.50/full-fare ride (includes transfer within 3 hours of tapping card)
Average Daily Parking Rate	\$16 (up to 12 hours)
Healthy Ride Bike Share	\$2.00/30 minutes
Scoobi Rental Cost	\$2.00 to unlock, \$0.30/minute and \$0.15/minute when ride is paused

Downtown Parking at a Glance

- 1.2M cars parked at Pittsburgh Parking Authority garages in 2020
- \$16 average daily parking rate
- \$247 average monthly parking rate
- 42,000 parking spaces available in Greater Downtown
- \$6.2M total revenue from parking meters collected in 2020



Source: Pittsburgh Downtown Partnership

► 5.



DOWNTOWN DEVELOPMENT

Over the past decade (2011–2021), total investment in Greater Downtown exceeded \$8.3B in project costs; \$4.1B of this amount comes from completed projects, \$1.7B is in active projects, and \$2.5B is attributed to upcoming projects that have been publicly announced.

DOWNTOWN DEVELOPMENT

DOWNTOWN BUILDING ACTIVITY

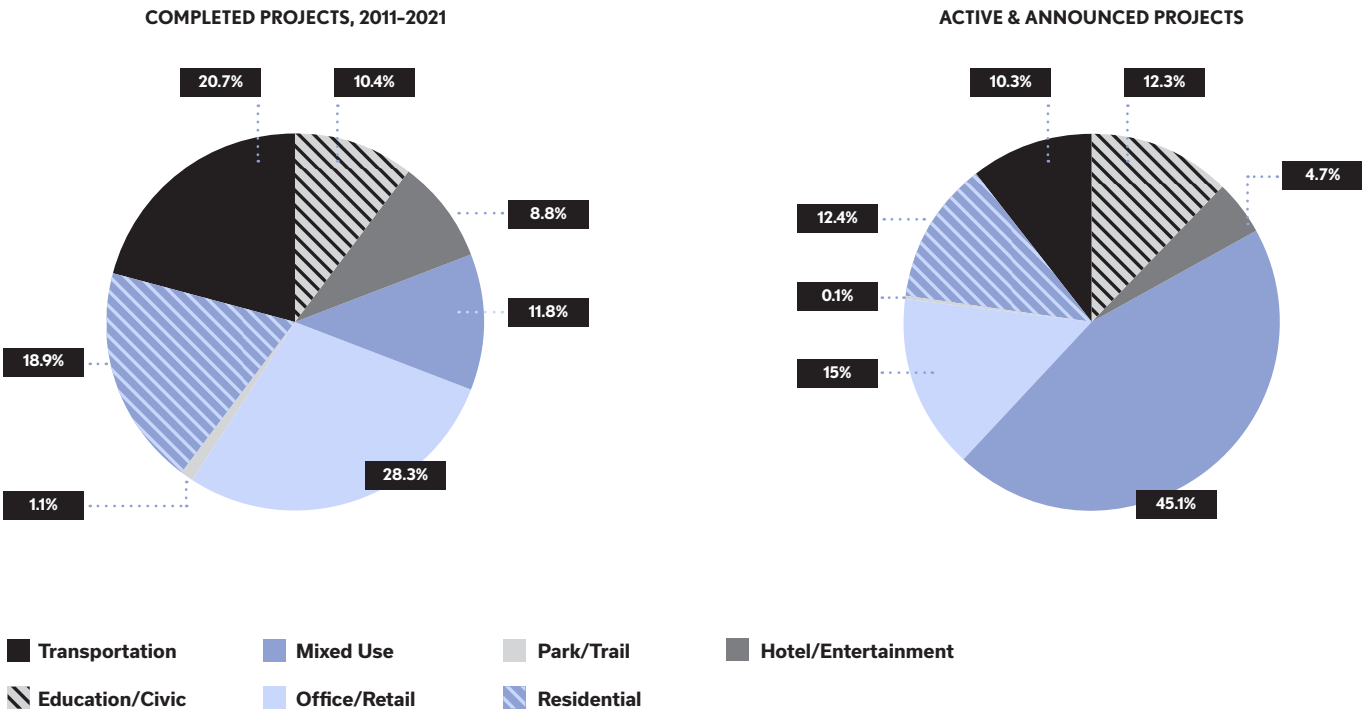
The government-ordered shut down of all construction activity (unless otherwise deemed as essential operations) had a significant impact on 2020 building permit activity. The total number of permits issued for Greater Downtown was down 20% compared to 2019. The number of new permits plummeted in April and then spiked back up in May once construction was able to resume. Despite fewer new permits, total estimated project costs were 4% higher in 2020 compared to 2019. This increase is due to the high value of active projects currently in development in both the Strip District and Uptown. The Strip nearly doubled the project value in 2020 compared to 2019, while Uptown saw a 76% increase in active project value.

Over the past decade (2011–2021), total investment in Greater Downtown exceeded \$8.3B in project costs; \$4.1B of this amount comes from completed projects, \$1.7B is in active projects, and \$2.5B is attributed to upcoming projects that have been publicly announced.



Over the past decade, total investment in Greater Downtown exceeded \$8.3B

Projects by Type



Source: Pittsburgh Downtown Partnership

Downtown Investment		
	UNDER CONSTRUCTION	PROJECTS PLANNED
PROJECTS	42	42
OFFICE SPACE	1.8M SF	2M SF
RESIDENTIAL UNITS	1,516	2,464
HOTEL ROOMS	219	360
RETAIL & RESTAURANT SPACE	267,000 SF	327,000 SF
PARKING SPACES	2,100	3,800

Source: Pittsburgh Downtown Partnership (accurate as of April 2021)

\$4.1B
COMPLETED

\$1.7B
ACTIVE

\$2.5B
ANNOUNCED

\$8.3B
TOTAL

The area of investment tracking includes the Golden Triangle, Lower Hill, North Shore, South Shore, Strip District, and Uptown.



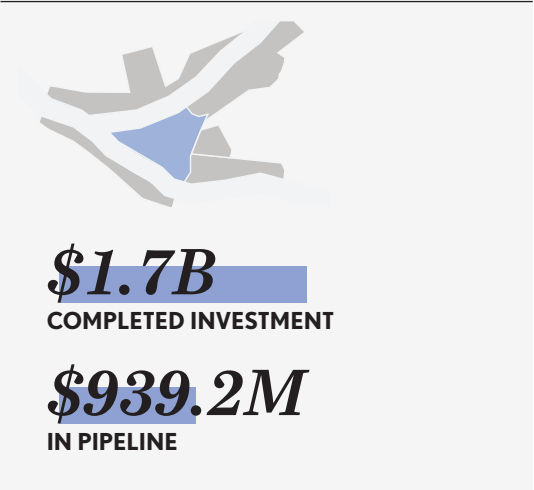
The Golden Triangle had 17 projects deliver in 2020 through the first quarter of 2021 totaling more than \$212M in investment. The biggest project delivery of 2020 was Pearson Partners' \$70M renovation of 525 William Penn Place, the fourth-largest building in the Central Business District at over 942,000 SF and 41 stories tall. Other major projects include Millcraft Investments' Lumière luxury 86-unit condo project, and the opening of the 124-room Industrialist Hotel in the Arrott Building on Wood Street. The Carnegie Library of Pittsburgh completed a \$5.3M renovation of its Downtown branch located at 612 Smithfield Street. The renovation reimagined the first floor of the property, which now features an open two-story foyer, as well as a welcoming window seating area. The library's second floor was refinished to include additional meeting spaces for both small and large groups as well as shared workspaces.

Over the next few months, expect to see the \$20M Commonwealth Building residential conversion on Fourth Avenue deliver 150 market-rate units. The last phases of construction will be completed at the Kaufmann's Grand on Fifth mixed-use development, now under new ownership by Philadelphia-based Lubert Adler. In addition to restoring the landmark building to its original splendor, the new owners plan to add a rooftop outdoor ice-skating rink along with a swimming pool and garden. The 13-story building will be home to 312 apartments and will feature two levels of parking. Target will occupy 22,000 SF of space near the famed Kaufmann's Department Store clock. Across the street, we expect that ground will be broken on Smith & Fifth within the next year which will include 40 apartments units, three floors of office space, and 25,000 SF of retail. PMC Property Group acquired the Allegheny Building at 429 Forbes Avenue in fall 2020 with plans to convert the former office building into 190 apartments. Construction on the conversion began in late 2020.

Through an unprecedented public-private collaboration, plans are in the works for Second Avenue Commons, a 45,000 SF facility in Downtown Pittsburgh that will provide shelter and comprehensive wrap-around services for homeless adults. The five-story facility, which will be located on Second Avenue, adjacent to the Liberty Bridge, is the first-of-its-kind in Allegheny County and will operate as a year-round, low-barrier shelter for adults. Its wrap-around services will aim to address the complex issues confronting people experiencing homelessness, including addiction, unemployment, and physical and behavioral health. This \$21M project was made possible by contributions of Highmark, PNC Foundation, UPMC, and ongoing fundraising efforts from local foundations. Other partners include Action Housing, Allegheny Conference, Allegheny County, Allegheny Health Network, Pittsburgh Mercy, and Operation Safety Net. Land for the facility was donated by the City of Pittsburgh and the Urban Redevelopment Authority. Organizers say that key to the success of the project will be the ongoing support services at the shelter run by Allegheny County. Completion is anticipated for 2022.



The historic Kaufmann's Clock located at 5th Avenue and Smithfield Street.

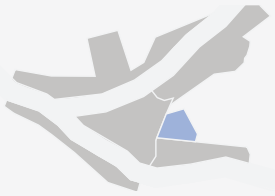


Collaborative project in works for 45,000 SF facility to provide shelter and services for homeless adults

LOWER HILL

The Pittsburgh Penguins in partnership with Buccini/Pollin Group are in final planning for phase one of the 28-acre site in the Lower Hill District. This new development is expected to attract an estimated \$1B in investment when completed. The master plan will include a mix of 1,420 market-rate and affordable units, 190,000 SF of retail, and over 800,000 SF of office space, along with a 220-room hotel. The project has seen many successes over the past year, including a commitment from First National Bank (FNB), which plans to move its headquarters to a yet-to-be-built \$230M tower. FNB will anchor the new 387,000 SF, 24-story flagship tower and will occupy 160,000 SF of space. The tower design received approval by the City of Pittsburgh Planning Commission in May 2021. The first 288 residential units have received approval to move forward at a cost of \$82.3M. This first phase will be spread over two buildings and includes a 221-space underground parking garage. Twenty percent of the units will be below market-rate for residents earning 50% or less of the area medium income. Live Nation Entertainment also agreed to anchor a new 90,000 SF indoor-outdoor live music venue with integral parking for 800 cars. The new entertainment complex is anticipated to bring in an investment of \$127.5M.

The \$32M Cap Urban Connector Project, connecting the Lower Hill to the Golden Triangle, broke ground in summer 2019 and is expected to be completed by Q4 2021. This project will add three acres of public green space and will include accessible pedestrian pathways, outdoor classroom space and amphitheater, as well as public art from local artisans. The Cap will also enable new options to connect to the Port Authority's Steel Plaza Light Rail Station, and the BRT route, providing commuters with a quick connection to Oakland from Downtown.

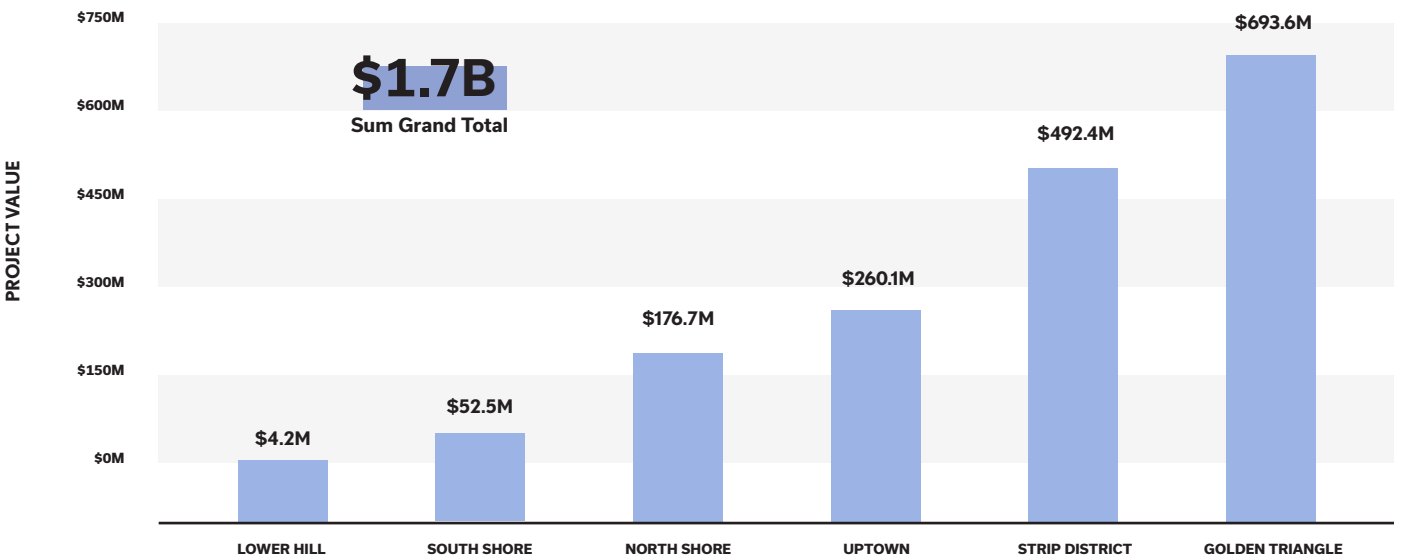


\$129.5M
COMPLETED INVESTMENT

\$1B
IN PIPELINE

The Cap Urban Connector Project will add 3 acres of public green space

Greater Downtown Building Permit Project Value, 2016-2020



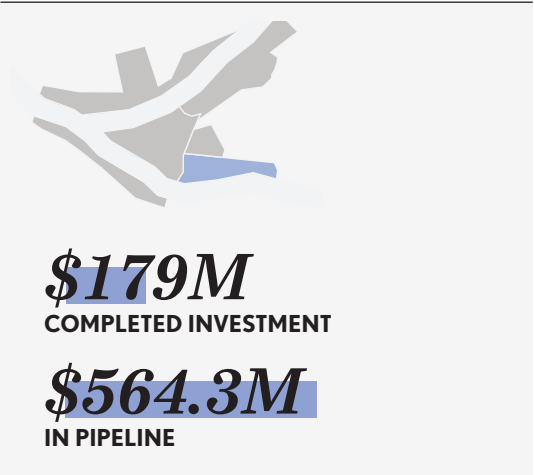
Source: Pittsburgh Downtown Partnership, City of Pittsburgh Department of Permits, Licenses, and Inspections

With its prime location between Duquesne University and the University of Pittsburgh in Oakland, Uptown has garnered a lot of development buzz over the past few years. The Uptown neighborhood is uniquely located within a federally designated Opportunity Zone, part of the Tax Cuts and Jobs Act of 2017. The designation allows developers to defer capital gains tax-free for up to 10 years. The neighborhood’s Opportunity Zone status made for an attractive incentive to prospective developers.

The 410,000 SF UPMC Vision and Rehabilitation Tower is currently under construction and is anticipated to open in late 2022 at a cost of \$400M. MidPoint Group of Companies is currently planning City’s Edge, a 10-story, mixed-use development that will include 110 apartment units, 70% of which will be below market-rate. The development will also feature a 500-space parking garage, daycare center, restaurant, outdoor space, and public art. The project is expected to cost \$61.4M. A joint venture of Bridging the Gap Development, LLC and HB Development LLC is pursuing a new \$51M redevelopment at Fifth Avenue and Dinwiddie Street which will include 167 residential units (20% of which meet standards of affordability), and 20,000 SF of commercial space on a two-acre site. Last year, the URA selected the project to receive a \$1M grant from the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund. Duquesne University has opted to purchase a block along Forbes Avenue, across from the university, to build a new 80,000 SF College of Osteopathic Medicine and is expected to begin site work and demolition by summer 2021 and construction in 2022. The university completed a state-of-the-art \$45M arena called the UPMC Cooper Fieldhouse, in honor of Chuck Cooper, the first Black player to be drafted by a NBA team. The 137,600 SF UPMC Cooper Fieldhouse features large street facing windows, providing a better connection with Forbes Avenue.



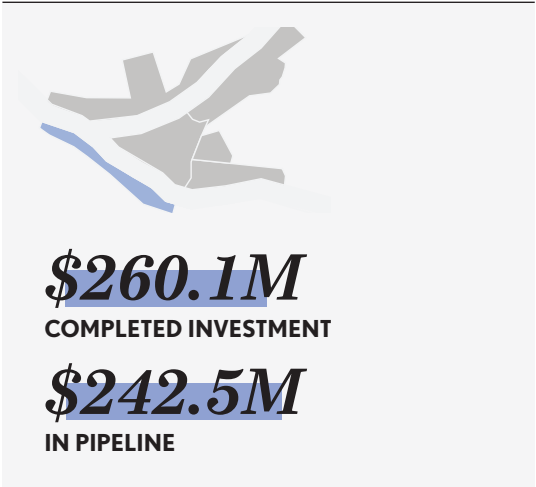
Duquesne University's plan for College of Osteopathic Medicine



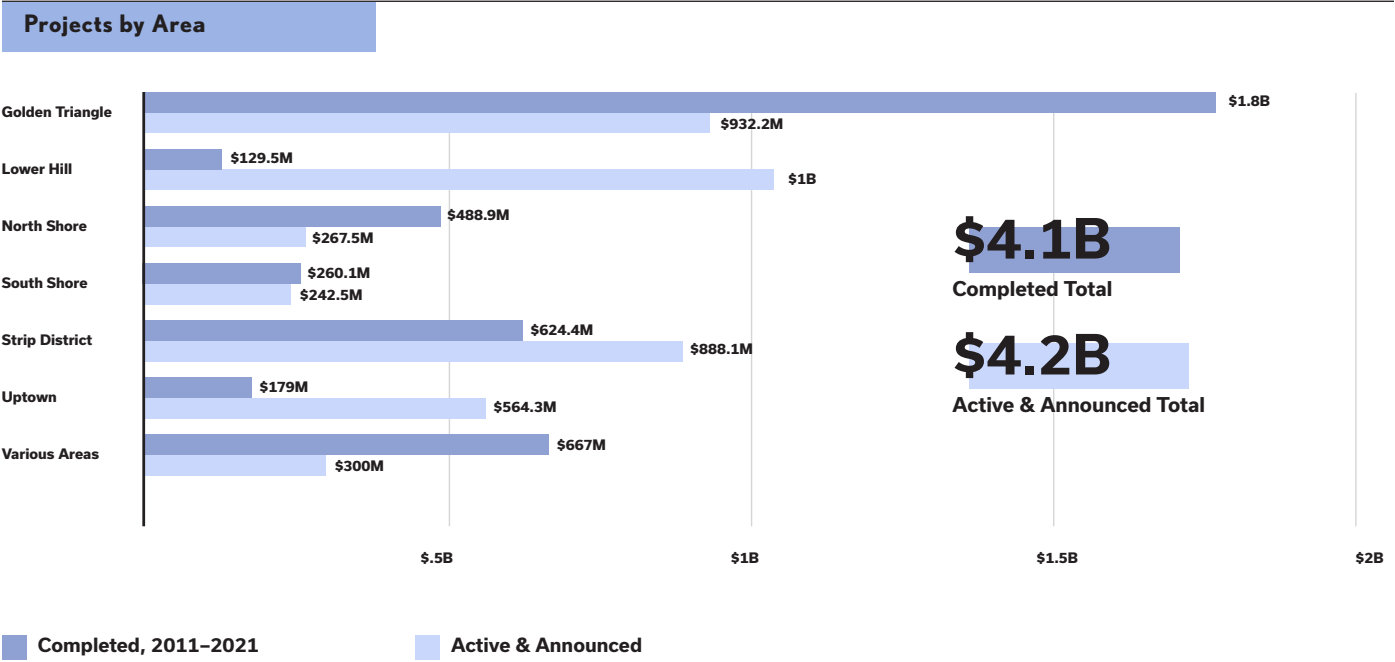
SOUTH SHORE

McKnight Realty Partners’ \$110M Highline project wrapped up the final phase of construction in 2020. The completed project includes 600,000 SF of office and retail space, a 584-space parking garage with bike storage, a 24-hour fitness center, and a 500-foot-long elevated park-like space. A glass elevator and staircase services this pedestrian walkway and outdoor, public space “Yards” area that features new lighting, inviting outdoor furniture, lush landscaping and unique views of the Liberty Bridge and Downtown skyline. The river level has over an acre of green space for public events, and features a classic passenger rail car, and murals of historic rail loading bays in the plaza area. In the interior of the building, tenants can enjoy de Fer Coffee & Tea, as well as a state-of-the-art conference center. Sly Fox Brewery, Burgh’ers Brewing, Anytime Fitness, and the Bike Shop have all committed to leases in the development.

Cleveland-based Brookfield Properties’ (formerly Forest City Realty Trust) \$30M renovation of the Freight House Shops is currently under development and will deliver over 36,000 SF of office space, 23,000 SF of restaurant space, and 37,000 SF of retail space once completed. The developer has landed Asheville, N.C.-based Tupelo Honey, the first new restaurant to commit to Freight House Shops. This location will be the national brand’s first in Pennsylvania and will lease 5,000 SF. The new eatery is expected to open by the end of 2021 and will be joined by First Ascent, a Chicago-based climbing wall operation, that will occupy 30,000 SF of space at the Freight House Shops. No office tenants have been confirmed as of April 2021.



Highline project features unique views of the Liberty Bridge and Downtown skyline



Source: Pittsburgh Downtown Partnership

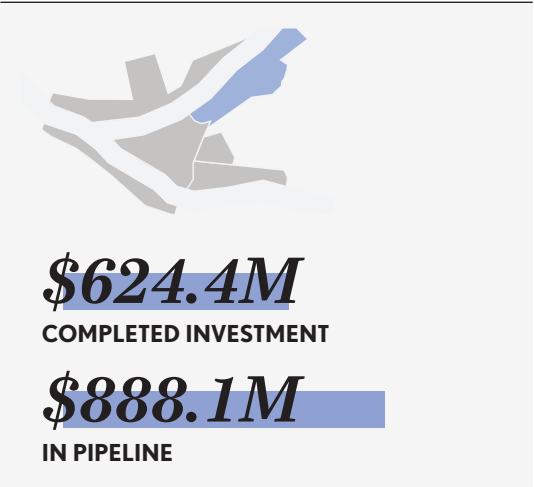


McKnight Realty Partners’ Highline project, designed by Indovina Associates Architects

Oxford Development continues to move forward with Phase 2 of its 3 Crossings Master Plan. The plan includes 75 Hopper Place, a 150,000 SF office building and a 600-space parking garage to be completed at the corner of 28th and Railroad Streets. These two new developments are under construction, joining the recently completed two-building office development, The Stacks. Future phases of Oxford's development will include two new residential properties and three more office buildings, adding 300,000 SF of commercial space and 300 market-rate residential units.

After seven years in the works, McCaffery completed the \$62.6M rehab of the 1,533-foot-long Produce Terminal redevelopment in the Strip District between 16th and 21st Streets. The historic development added over 65,000 SF of new retail opportunities with a minimum of 40,000 SF to be occupied by locally owned businesses. Several tenants were announced to fill the new retail spaces with all but the Fine Wine & Good Spirits Premium Collection store being locally owned businesses. Two other tenants are currently open; OnPar Now, a golf instruction and practice facility, and City Grows garden and gift shop. The developer is also nearing completion at 1600 Smallman, a 140,000 SF office project which will offer an additional 35,000 SF of ground-floor retail to complement the diverse retail and restaurant mix at the Produce Terminal.

New York Developer Acram Group (Formerly JMC Holdings) has started demolition on the longtime vacant Wholey Building at 1501 Penn Avenue, with plans to build a new 24-story office tower on the site. The project site offers a unique advantage as it rests within the Golden Triangle commercial zoning boundary, allowing for the project to achieve heights that would not be permitted elsewhere in the Strip District under the newly adopted Riverfront Zoning Ordinance (RIV). The new office project is expected to cost upwards of \$200M and add 525,000 SF of trophy office space, 900 parking spaces, and 17,000 SF of retail.



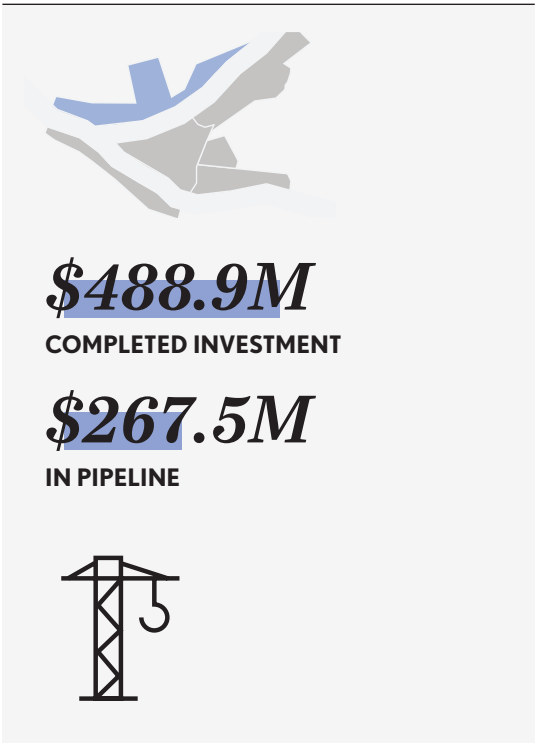
Acram Group's plan for new 24-story office tower at 1501 Penn Avenue. Image courtesy of Acram Group with design by Brandon Haw Architecture.



NORTH SHORE

After several extensions and years of stagnant multifamily residential development on the North Shore, Continental Real Estate Co. unveiled its plans for a mixed-used development on Lot 4 between PNC Park and the Hyatt Place Hotel at the corner of Mazeroski Way and North Shore Drive. With hopes that the project will gain approval to build up to nine stories high through the City's riverfront zoning ordinance (RIV) (double what is currently permitted), the project proposal includes a 445-space parking garage, 75,000 SF of office space, up to 50 condos, 18,000 SF of retail, and an outdoor entertainment plaza. The project will include a variety of green building features and public art, all adding height bonuses through the RIV. The first phase of construction is currently underway with a 445-space parking garage, followed by the mixed-use building which is expected to break ground in 2021. Continental has until the end of 2021 to begin work on the entertainment part of the project. All elements of the project are expected to be completed by 2023 and will come with an estimated \$80M investment.

Formerly a warehouse, Eleven06 by Reedsdale Associates LLC will be a 38-unit, \$15M condo project at 1106 Reedsdale Street, located between the Rivers Casino and Heinz Field near the North Shore Light Rail Connector. The units will range in price from \$200,000 to \$900,000, and will offer one-, two-, and three-bedroom layouts at 500-1,700 SF. The building will feature rooftop amenities, a private gym, and a dog park. The units are available for presale before construction begins.



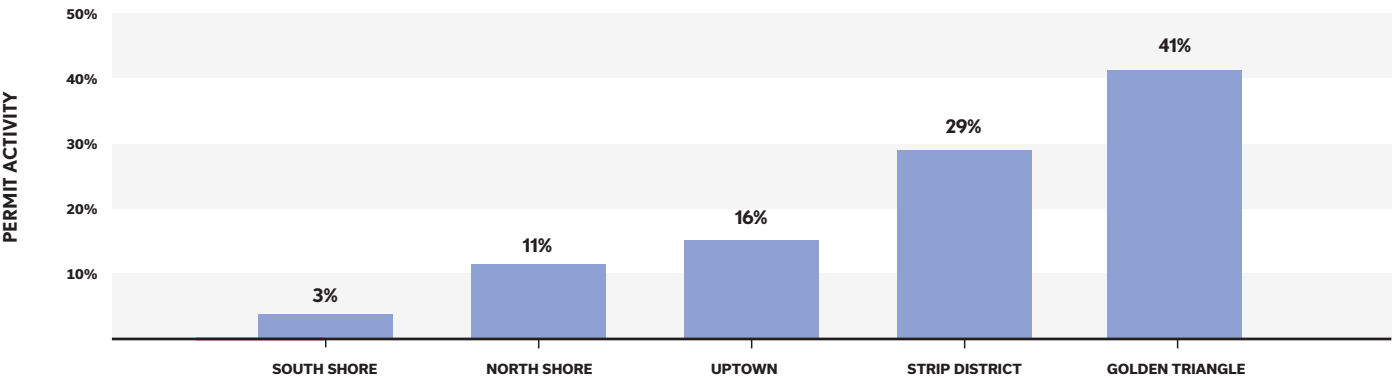
Building Permit Issuances in Greater Downtown

	GOLDEN TRIANGLE	NORTH SHORE	STRIP DISTRICT	SOUTH SHORE	LOWER HILL*	UPTOWN
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
2019	206 \$150.2M	47 \$34.3M	66 \$105.6M	16 \$29.8M	4 \$0.8M	29 \$79.5M
2020	128 \$44.9M	38 \$25.7M	90 \$200M	4 \$0.6M	8 \$3.4M	26 \$140.1M

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

*Prior to 2019, Lower Hill data was grouped with Uptown.

Downtown Building Permit Activity, 2016-2020



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

ACKNOWLEDGMENTS

STAFF

Jeremy Waldrup
President and CEO

Cindy Day
Vice President of Finance and Administration

Jack Dougherty
Director of Special Events

Caitlin Fadgen
Senior Manager of Economic Development

Lynda Fairbrother
Executive Assistant and Office Manager

Colten Gill
Marketing and Communications Manager

Tori Gohn
Manager of Special Events

Richard Hooper
Vice President of Marketing and Communications

Russell Howard
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Karin Manovich
Member Relations Manager

Kathryn Schlesinger
Mobility Project Manager

Michael Smith
Operations Manager, Clean and Safe Program

Chris Watts
Vice President of Mobility

PG&H

Samantha Stickle, Store Manager

Jaclyn Harris, Sales Associate

Ashley McFarland, Sales Associate

CLEAN TEAM MANAGEMENT

Barrie Gregg, Operations Supervisor
Clean & Outreach Teams

Will Thomas, Operations Supervisor and
Volunteer Program Coordinator

CLEAN TEAM AMBASSADORS

Nate Brown Ryan Norris

John Butler Curtis Pinkney

Julius Denson Mike Walker

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John Marshall Sam Williams

Artie Murphy Gordon Young

OUTREACH TEAM

Marlena Alexander, Team Lead

Corenne Ligammari, Outreach Ambassador

Kareen Maize, Outreach Ambassador

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aither yoga

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Strada

WTW Architects

Writing:

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Report Design:

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PITTSBURGH
DOWNTOWN
PARTNERSHIP

307 FOURTH AVENUE, FLOOR 2
PITTSBURGH, PA 15222
412-566-4190
PDP@DOWNTOWNPITTSBURGH.COM