

For Office Use Only: \_\_\_\_\_



## 2011 IEDC EXCELLENCE IN ECONOMIC DEVELOPMENT AWARDS ENTRY FORM

*Please complete this section for all entries.*

*Include 5 hard copies of the Entry Form and all supplemental information with your submission.*

Organization: **City of Orlando**

Contact Name: **Kathy DeVault**

Email: **kathleen.devault@cityoforlando.net**

Project/Item Name: **Orlando's Downtown South Main Street and Vision Plans**

Category for Entry: **#18 Neighborhood Development**

Population Category (<25K, 25-200K, 200K-500K, >500K): (Choose One) **200K - 500K**

Date Project Began: **10/2008**

Date of Completion (if applicable): **Ongoing**

For Entries in Categories 9 & 10, Enter Your Web Site URL: \_\_\_\_\_

### PROJECT DESCRIPTION

*Please refer to the **Category Description and Judging Criteria Sheet** corresponding to your category when answering the following questions in the space provided.*

#### Select:

- ☐ Promotional Award Categories 1-8 – **See Sheet A** (page 9)
- ☐ Internet and New Media Categories 9-11 – **See Sheet B** (page 10)
- ☒ Program Award Categories 12-22 – **See Sheet C** (page 11-12)
- ☐ Partnership Award Categories 23-25 – **See Sheet D** (page 13)
- ☐ Leadership Award Categories 26-30 – **See Sheet E** (page 14)

*Special Note: The below section is not required for the Leadership Award categories. Please complete a profile of the individual's achievements.*

THIS SECTION IS INTENDED TO PROVIDE AN OVERVIEW OF THE PROJECT. PLEASE KEEP ANSWERS TO EACH QUESTION UNDER 200 WORDS.  
YOU MAY EXPAND ON THIS INFORMATION IN A SEPARATE PROFILE OF NO MORE THAN 3 PAGES, DOUBLE-SPACED.

1. Please provide a brief description of the project.

**Please see attached for answers to all questions.**

2. What is the goal or purpose of this project?

3. Who are the participants in this project? Who was involved in planning/implementation? Who is affected?

- 
4. What has been the impact of the project? How effective has it been in furthering economic development in your community? Identify any tangible and/or intangible results and value added.
- 
5. Is this project replicable or transferable? Can it be adapted for use in other communities? What lessons have been learned?
- 
6. In what ways is this project innovative or creative?
- 
7. Are there any other relevant details not covered above or specific to your category?
- 

## **CATEGORY DESCRIPTIONS AND JUDGING CRITERIA**

### **A. PROMOTIONAL AWARDS**

**PLEASE REFER TO THIS SHEET WHEN COMPLETING THE PROJECT DESCRIPTION SECTION OF THE ENTRY FORM FOR A PROMOTIONAL AWARD.**

These awards recognize innovative and effective marketing materials used for attracting, retaining and fostering business as well as communications vehicles used by economic development organizations.

#### **Judging Criteria for Categories 1-8:**

Promotional Awards will be judged by the following criteria:

- Effectiveness of the promotion
- Innovation/creativity
- Quality and completeness of information
- Contribution to the economic development profession

#### **Descriptions:**

##### **1. General Purpose Brochure**

A brochure introducing your state, province, community, region or area to prospects for industrial, commercial, retail, or general development opportunities. The most effective brochures create a positive image of the area for its quality of life and cultural, educational, or other attributes.

##### **2. Special Purpose Brochure**

A brochure designed for a special purpose, such as promoting an industrial park or other specific types of promotions.

##### **3. General Purpose Promotion**

A promotional piece (other than a brochure), series of promotional pieces or promotional campaign including but not limited to a folder, poster, print ad, direct mail campaign or other campaign.

- *Mount item(s) on heavy stock with 1 inch margins.*

##### **4. Annual Report**

A report summarizing an economic development organization's annual activities and/or fiscal highlights.

**1. Please provide a brief description of the project.**

In June 2005, Orlando Mayor Buddy Dyer and District 5 City Commissioner Daisy W. Lynum launched Pathways for Parramore, a comprehensive effort to revitalize Orlando's historic Parramore Heritage community, which had become Orlando's most blighted and crime-challenged neighborhood. At the time, 73% of Parramore's 2,000 children lived in poverty, 47% of Parramore adults had neither a high school diploma, nor GED, and the juvenile arrest rate was 2½ times the citywide rate of Orlando.

The Pathways for Parramore initiative came to fruition after a task force was commissioned by Mayor Dyer in 2003 to conduct research and obtain stakeholder input. Based on those recommendations, the Pathways for Parramore initiative focused on revitalization in five key areas: housing, public safety, business development, children and education and quality of life. The goal is to restore the Parramore Heritage community into a safe, livable, sustainable and prosperous place for Orlando citizens, businesses and institutions to thrive.

**2. What is the goal or purpose of the project?**

To develop coordinated strategies and corresponding actions that address public safety, housing, master planning and social services thereby restoring the Parramore Heritage community into a safe, livable, sustainable and prosperous place for Orlando citizens, businesses and institutions to thrive.

**3. Who are the participants in the project? Who was involved in planning/implementation? Who is affected?**

Knowing that revitalization efforts would affect approximately 5,000 residents and 50 businesses within the Parramore community, Mayor Dyer appointed a task force comprised of a diverse group of stakeholders that included Parramore residents, business owners, property owners, faith-based organizations, financial institutions, social service agencies and nonprofit organizations. After more than six months of research and neighborhood meetings, the task force provided recommendations on how to implement Pathways for Parramore initiative.

Under the leadership of Orlando Mayor Buddy Dyer and District 5 City Commissioner Daisy W. Lynum, the ongoing planning and implementation of the Pathways for Parramore initiative is led by a full-time staff member from City of Orlando's Community Redevelopment Agency along with a cross-departmental City implementation team that meets bi-weekly.

**4. What has been the impact of the project? How effective has it been in furthering economic development in your community? Identify any tangible and/or intangible results and value added.**

In just the first five years of Pathways for Parramore, the City of Orlando made dramatic strides in the revitalization of the Parramore Heritage Community including:

- The construction of 35 new and rehabilitated single family homes, the opening of 120 new housing units and 83 additional housing units planned through the Carver Park development.
- Opening of 11 new retail and commercial businesses between July 2009 and June 2010.
- A 37% decline in violent crime and increased community involvement in preventing crime by growing the number of Neighborhood Watch Block Captains to 19.

- By engaging the nearly 2,000 youth living in Parramore, there has been an 80% decline in juvenile arrests.
- To assist the most underserved homeless population, men, the City has invested in the Coalition for the Homeless to build the Men's Service Center.

In October 2010, the City of Orlando officially opened the new Amway Center which is located in Parramore. Parramore now serves as the region's destination for world-class sporting, arts, cultural, entertainment and community events as the Amway Center is home to the NBA's Orlando Magic basketball team and the AFL Orlando Predator arena football team. The Amway Center was thoughtfully designed to complement the heritage of Parramore and serve as a catalyst for new development and continued revitalization.

After five years of concentrated revitalization efforts, the overall community has become stable with increased homeownership, new business establishments, crime reduction, increased employment and noticeable resident participation in neighborhood watch programs. Improved infrastructure in Parramore furthers the opportunities for future community development and the community is now better prepared to expand for business growth and employment opportunities. The intangible value added as a result of revitalization has been the rebirth of sustainability within a community that has experienced decades of blight; families are moving back to the neighborhood and residents are patronizing neighborhood businesses.

## **5. Is the project replicable or transferable? Can it be adapted for use in other communities? What lessons have been learned?**

The commitment of Mayor Dyer and Commissioner Lynum to support the Pathways for Parramore initiative was instrumental in the revitalization of one of Orlando's most historic, yet disadvantaged neighborhoods. The Pathways for Parramore model can easily be replicated in other cities with adequate political support, private sector collaboration and resident involvement. Some of the lessons learned from this project include:

- The importance of involving stakeholders early in the planning process to encourage participation support, and commitment.
- The value of having a full-time employee act as liaison between the stakeholders and City leadership to keep communication open and accessible. Staff also proves beneficial in ensuring projects within the community are expedited and in easing any community concerns or issues are resolved quickly.
- The use of regular and consistent communication media to report progress, including newsletters, radio, website and community meetings to the stakeholders impacted by and involved in the revitalization project.
- The importance of planning an annual community event to celebrate project achievements and progress.
- The value of a well-developed strategic and implementation plan that is reviewed regularly throughout the project.
- The importance of understanding the community's perspective and historical insight into one of the City's oldest neighborhoods.

## **6. In what ways is the project innovative or creative?**

This comprehensive revitalization project was creatively designed into "pathways," with specific objectives based on community needs that were agreed-upon by various groups of stakeholders. The Pathways for Parramore concept is unique in the approach to managing this large-scale project efficiently. For example, resources for manpower and money were efficiently managed by having multidisciplinary teams assigned to specific Pathways at the appropriate time. The City of Orlando also included a link to the revitalization

progress on its website, which included up-to-date status and progress reports. At no time was the community excluded from participating in the revitalization planning and achievements.

**7. Are there any other relevant details not covered above or specific to your category?**

A comprehensive list of other Pathways for Parramore successes during the initiative's first five years is included in the attached profile.

### **2005-2010 Pathways for Parramore Successes**

#### **Public Safety Pathway:**

The Orlando Police Department and the City's Code Enforcement Division have worked to reduce crime and code violations in Parramore, a traditionally African-American neighborhood which has suffered from blight and illegal activity for the past several decades.. The public safety efforts have produced dramatic changes within the Parramore community over the last five years including the steepest drop in crime in City history and the reduction of juvenile crime in Parramore by more than 80 percent.

- **Crime Statistics Decrease in Parramore** – Overall, violent crime statistics for 2009 compared to 2006 were down 37%. There were 645 juvenile arrests from May 2005 to May 2006, down to 480 arrests in 2009.
- **Neighborhood Watch** – One Neighborhood Watch Block Captain has grown to **19** Captains.
- **IRIS** is a system of “smart cameras” that are monitored from a central command center 24-hours-a-day at Orlando Police Department (OPD) headquarters. 18 Cameras cover the Parramore community within the IRIS system, allowing officers to intervene in crimes as, or even before, they are happening.
- The **Parramore Heritage Bike Unit** (PHBU) was reintroduced to the area in September 2007. The eight-officer PHBU is instrumental in forging enhanced community relationships and bringing a sense of no-nonsense policing to the area.
- The **Joint Anti-Crime Unit** (JAC) began in Parramore in October 2007 as an OPD targeted operation, “Operation Delta,” a multiphase operation aimed at combating street

level drug sales in the north Parramore area, reducing the associated violent crimes and increasing the quality of life for all residents.

### **Housing Pathway:**

The City's Housing & Community Development Department has worked to increase safe, sanitary and affordable owner-occupied housing through new construction, substantial rehabilitation and homeownership assistance. Between 2005 and 2010, this has been accomplished with an investment of **more than \$11 million** resulting in a total of **35** new and rehabilitated homes. In addition, **120 new housing units** opened in the past 14 months and **83 additional housing units are planned** through the Carver Park development.

### **Children & Education Pathway:**

The City has engaged children's organizations, non-profits, schools and others to work together to equip the more than 2,000 youth who currently live in Parramore with the skills and education necessary to grow up strong, healthy and well-educated.

### **Parramore Kidz Zone**

The Parramore Kidz Zone project (PKZ), connects Parramore youth with essential services, education and opportunities and aims to lower teenage pregnancy, juvenile crime and child abuse rates and increase the students' school performance. Successes include:

- An **80% decline** in juvenile arrests between 2006 and 2010
- An **increase** in FCAT math scores by **13%** and a **5% increase** in reading scores
- A **21% decline** in the teen birth rate

### **Business Development Pathway:**

The City's Office of Business Assistance has worked to create a stable and diversified economy in the Parramore community by creating an entrepreneurial environment and offering business assistance support that has retained businesses and attracted targeted employers.

### **New Business Openings**

Despite the current challenging economic climate, Parramore welcomed 11 new retail and commercial businesses between July 2009 and June 2010.

**City of Orlando Business Assistance Programs:**

Since June 2005, the City has leveraged **nearly \$535,000** to assist small businesses in Parramore by providing technical and financial assistance.

**Quality of Life Pathway:**

**Z.L. Riley Park**, Parramore's new premier park, opened to the community on June 5, 2010 and consists of almost two acres of land at the corner of Parramore Avenue and Conley Street.

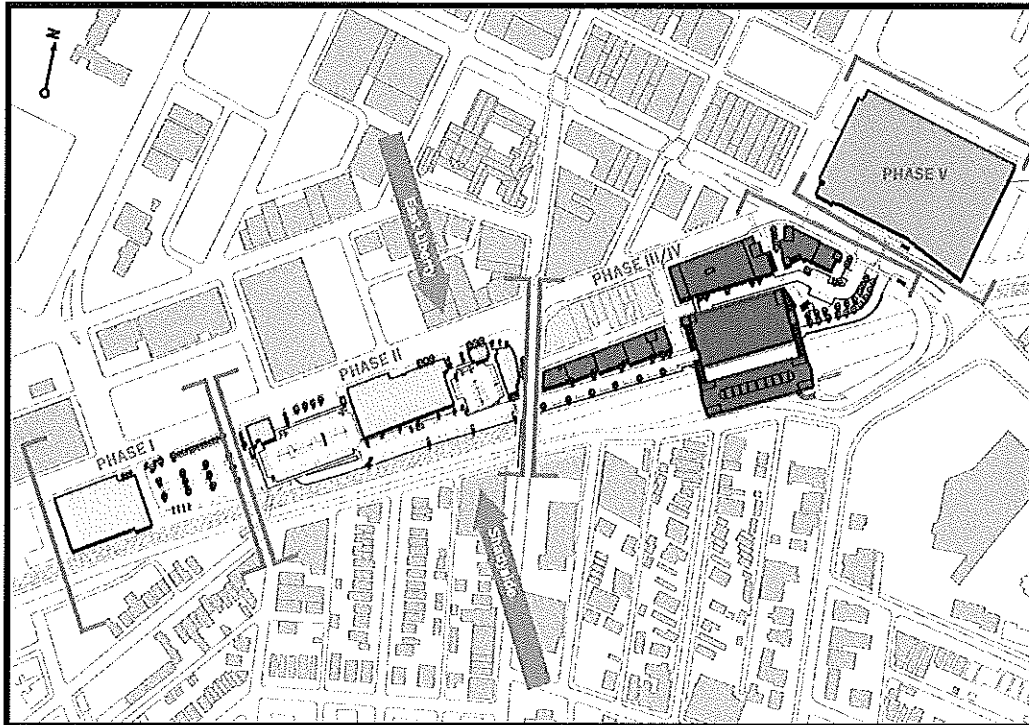
- Total investment of more than **\$2 million** through \$418,000 of CDBG funds, \$1,500,000 from the Orlando-Orange County Expressway Authority and \$135,611 from the Florida Recreation Development Assistance Program (FRDAP) for the design, construction and maintenance of the park.

**Parramore Heritage Park** creates additional green space in Parramore for outdoor activities and gatherings within the community. In partnership with State Senator Gary Siplin, the City was able to secure **\$200,000** in Department of Community Affairs appropriations to enhance the park by constructing the Pinder's Kids Monument completed in April 2010 and a children's playground completed in May 2010.

**National Register of Historic Places** now lists the Holden-Parramore neighborhood as one of the nation's communities that merit preservation because of its significance in American culture. The **Sidewalks for Safety** project included **22** new and repaired sidewalks in Parramore. The City invested **\$181,000** in CDBG funds for the project. The sidewalk construction and repair was completed in the summer 2009.

**Streetscape Projects** – The City is transforming Parramore's main thoroughfares with streetscape projects on both West Church Street, Division Avenue and Gore Street, an investment of more than **\$18 million**.





# **EastSide Phases I, II, and V**

## **Bringing Business Back to East Liberty**

2011 IEDC Excellence in Economic Development Awards

—  
Business Retention and Expansion

May 18, 2011

Description: \_\_\_\_\_

EastSide  
Entry Form

☒ Website:  
http://shopeastside.net

☒ I have included 5 copies of the entry form (pages 7 & 8) AND supplemental information.

(Only one copy of the payment form - page 6 - is required)

☒ I have included an electronic copy of my complete entry.

For Office Use Only: \_\_\_\_\_



## 2011 IEDC EXCELLENCE IN ECONOMIC DEVELOPMENT AWARDS ENTRY FORM

*Please complete this section for all entries.*

*Include 5 hard copies of the Entry Form and all supplemental information with your submission.*

Organization: Urban Redevelopment Authority of Pittsburgh

Contact Name: Susheela Nemani-Stanger

Email: snemanistanger@ura.org

Project/Item Name: EastSide Phases I, II, V

Category for Entry: Business Retention and Expansion

Population Category (<25K, 25-200K, 200K-500K, >500K): (Choose One) 200-500K

Date Project Began: 8/1/2001  
will begin in 2012.

Date of Completion (if applicable): Eastside I, II, and V are complete; Phase III

For Entries in Categories 9 & 10, Enter Your Web Site URL:

## PROJECT DESCRIPTION

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Select:

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- ☐ Leadership Award Categories 26-30 – See Sheet E (page 14)

*Special Note: The below section is not required for the Leadership Award categories. Please complete a profile of the individual's achievements.*

THIS SECTION IS INTENDED TO PROVIDE AN OVERVIEW OF THE PROJECT. PLEASE KEEP ANSWERS TO EACH QUESTION UNDER 200 WORDS. YOU MAY EXPAND ON THIS INFORMATION IN A SEPARATE PROFILE OF NO MORE THAN 3 PAGES, DOUBLE-SPACED.

1. Please provide a brief description of the project.

The EastSide project has been a successful effort to bring new employment and transit options to a once-vibrant retail and employment center in Pittsburgh, Pennsylvania. In the 1950's, the East Liberty neighborhood was the third-largest shopping district in Pennsylvania. Decades of disinvestment left the area in dire need of catalytic investments to recapture the value in its advantageous location and historical elegance. A multi-phase, 20-year plan was designed and executed with strong results (thus far). The first stage (EastSide I) focused on bringing in a Whole Foods into a vacant commercial building, the second phase (EastSide II) built a dense, two-story retail center mixing national and local businesses, EastSide III and IV will include office/retail/residential space and a significant transit center. The fifth phase (EastSide V) is a large Target department store designed to fit within an urban context with below-grade parking. With a plethora of busy retailers and a new transit center, more customers are already being drawn into the community.

2. What is the goal or purpose of this project?

Attracting shoppers to the area and generating jobs were two of the primary objectives in the five-stage Eastside Development Project. The area had suffered from a gradual decline in visitors since city planning rerouted the streets connecting the area in the 1960's, causing commuters to circumnavigate the neighborhood via a ring road. By the 1990s the area was lacking the number of shoppers necessary to create jobs and increase the earnings of local workers. The goal was to target established retailers in the larger commercial areas in the periphery first, while gradually supporting local retailers to fill in the core units through low-interest loans and tax credits. In addition, the streets have been changed to return two-way traffic to the area. While it has taken time to develop, the project is nearing its completion, and appears to be achieving its goals of reinvigorating the economic vitality of the neighborhood and reestablishing the street grid.

3. Who are the participants in this project? Who was involved in planning/implementation? Who is affected?

The project brought together participants from the private, public and nonprofit sectors in addition to citizen representatives. The Urban Redevelopment Authority of Pittsburgh, the local CDC (the East Liberty Development, Inc (ELDI)), Pittsburgh's City Planning Department and the Port Authority of Allegheny County all played active roles in the development and planning of the EastSide Project. The Developer, The Mosites Company, combined the planning efforts and executed a successful balance of the varying visions for the area, beginning with the well-received Whole Foods. Those most directly affected were the citizens in the surrounding neighborhoods, who were presented with new retail options within walking distance. Those individuals looking for employment within the retail sector were also directly affected, as hundreds of new jobs have been created in the area.

4. What has been the impact of the project? How effective has it been in furthering economic development in your community? Identify any tangible and/or intangible results and value added.

The impact has been felt across various sectors: private investment has increased significantly, affordable and market-rate housing has improved, and hundreds of new jobs have been created. As an example of the success the project has seen, within the first two years of opening, the Whole Foods had such a high demand, it hired 100 more employees than previously expected. In addition, 56% of all new hires were from low-income communities, and 63% of the jobs paid more than minimum wage.

5. Is this project replicable or transferable? Can it be adapted for use in other communities? What lessons have been learned?  
Certain strategies used to execute this project are replicable. For example, it took an initial retailer - in this case Home Depot - to demonstrate the potential of the area, and a second - Whole Foods - to confirm the area's potential. After these developments, East Liberty Development was able to take strong, market-based evidence to other retailers. For example, the Home Depot and Whole Foods locations are some of the chains' highest volume locations in the country. In its first year of operation, Whole Foods nearly doubled its anticipated revenue. Setting up a phased project that builds off of its own success is necessary in areas that face skeptical investors.

Target is being built on a former HUD public housing hi-rise site. By the 1990s, it was apparent that this high-rise and three other major housing high-rise sites were negatively contributing to the downfall and weakness of the East Liberty area. A community-based initiative allowed the structures to be demolished, required that HUD sell the building, that the URA assist in relocating residents, AND that all stakeholders commit to build replacement housing.

6. In what ways is this project innovative or creative?

The development of the project was an innovative, market-based community approach that relied upon consolidating opinions and pooling funds in order to execute fewer, more catalytic investments. ELDI formed a Growth Fund, and leveraged over \$66 million from a variety of local, state, and national resources. As Elizabeth Lynn, a former program officer of the McCune Foundation stated "Without a strategy for bringing the market [to the area], philanthropic investment would have eroded". The ELDI also acquired adjacent sites to the initial site (Whole Foods) of the Eastside Project in advance to demonstrate a dedication to the ongoing execution of the project. The second phase of the project saw two-story retail development, a design rarely used, but fitting to this project given the variance in topography. The two-story retail worked as a successful model of supporting pedestrian consumers with those arriving by vehicle.

In addition, the community loan fund donated \$500,000 towards qualifying the second phase of construction as being "green construction".

The next phase will include connecting three commercial districts with the construction of a pedestrian bridge connecting the EastSide development and Shadyside's Ellsworth & Highland shopping districts by spanning the MLK Jr. East Busway. The pedestrian bridge has been given notice to proceed with construction and will open Fall 2011.

7. Are there any other relevant details not covered above or specific to your category?

The project planning required strong market analysis. The ELDI observed that three nearby neighborhoods had the city's highest levels of income and education. This type of market-based analysis was significant in the recruitment of retailers.

The development was one of the first LEED Gold certified projects in Pittsburgh and among the first LEED Core and Shell projects in the USA

## CATEGORY DESCRIPTIONS AND JUDGING CRITERIA

### A. PROMOTIONAL AWARDS

PLEASE REFER TO THIS SHEET WHEN COMPLETING THE PROJECT DESCRIPTION SECTION OF THE ENTRY FORM FOR A PROMOTIONAL AWARD.

These awards recognize innovative and effective marketing materials used for attracting, retaining and fostering business as well as communications vehicles used by economic development organizations.

**Judging Criteria for Categories 1-8:**

Promotional Awards will be judged by the following criteria:

## PROFILE: EastSide Phases I,II,V

Pittsburgh's EastSide development in East Liberty has been a decade-long transformation of a listless, semi-abandoned commercial landscape into a vibrant retail corridor. Like many successful developments, this was 10% luck, 90% effort. Thanks to hard work and patience by all the stakeholders involved, from the local development organizations to the developer to the retail partners, this project created an engine for economic development that has survived the economic downturn better than most others. This project is being closely watched within the region as an experiment in how areas of decade-long disinvestment can turn itself around through strategic investments.

In the 1950's, the neighborhood of East Liberty was a sterling example of a retail magnet. There were 575 businesses and a population of almost 14,000. By the numbers, it was the third largest shopping district – not of Pittsburgh, but the state of Pennsylvania. Like many urban areas, the sixties brought disastrous economic consequences to the area. Planning to bring in more cars by restructuring the roads backfired, resulting in less customers and more parking lots interrupting the fabric of the community. Many residents of the city moved to suburbs and out of the region altogether when job growth began to sputter. Local businesses dwindled to 98 and the population fell to 6,800, blight crept in and became entrenched.

In the 1990's the East Liberty Development, Inc. (ELDI), determined that the priority for the community was bringing jobs and retail back. In 1999 this became a formal community plan and ELDI consolidated support from the city and other local officials. At that time the City was working with Home Depot to find a site, and an abandoned Sears store in the area worked well for all parties. The Home Depot development demonstrated success from the onset, helping confirm market potential for the area.

The ELDI was able to demonstrate that East Liberty was in close proximity to three neighborhoods with some of the highest levels of income in the city. When developer Mosites Company presented the potential for a Whole Foods location, the ELDI decided it was a project worth pursuing.

In order to function more strategically and sustainably, the ELDI decided to begin a Growth Fund, consolidating the money generated from local and national foundations. This money was then used to leverage additional investment once a targeted strategy was set into place for catalytic investments. One of the primary strategic shifts was to focus on projects that would thrive within market constraints. After some negotiating on realigning traffic patterns, the Whole Foods broke ground in 2002. Upon opening, the store was also very profitable, showing 2.8 times its projected sales and clocking 20,000 register transactions a week on a site believed to be too “urban”. Within a year the store was employing 100 more workers than it had expected. It also has one of the highest rates of Pennsylvania Access Card (Food Stamps) sales within its nationwide system.

It took three more years of strategic marketing and continued sales growth at Whole foods to leverage this success into Phase II. EastSide II, a mixed-retail center, is anchored by tenants including Walgreens, Starbucks, the region's top grossing Wine & Spirits store and two of the City's top 25 restaurants ranked by Pittsburgh Magazine. The development proved two innovative techniques to be successful. The first was the idea of “zipper development”, i.e. the ability to use commercial parcels on the border of one community to weave it together with the community adjacent to it. It also proved that two-story retail can work. The development achieved higher density per acre by building a two-level retail commercial environment, using grades and a deck to create two “ground levels,” which make the market connection between the previously isolated business districts.

EastSide I/II provided irrefutable market-based evidence that the area could attract enough consumers to warrant large retailers. It lead the way to a pledge by Target to build the first big-box discount store in the City of Pittsburgh. The emerging high-value tenant mix and market strength, has fueled tenant interest in housing and class-A office for the final phase of the EastSide Project.

In addition, the project has maintained a vision for a sustainable community.

- One of the first LEED Gold certified projects in Pittsburgh and among the first LEED Core and Shell projects in the USA.
- Innovative higher density multilevel scheme support pedestrian shopping.
- A new transport hub will allow citizens to tap into the innovative busway system
- Section 8 housing was shifted from large tenement buildings to low density, mixed income residential communities
- Three commercial districts unite with the construction of a pedestrian bridge connecting the EastSide development and Shadyside's Ellsworth & Highland shopping districts.
- Attraction of small, local-owned businesses to the area between Whole Foods and the new Target store.

The EastSide project has used a market-focused, community-developed approach to rejuvenating a troubled area. This has been implemented at a gradual pace that has allowed for ongoing community input. Most importantly, jobs have been created in the area. EastSide Phases I & II have created 422 full-time equivalent jobs, employing over 150 neighborhood residents. This process can be a template for communities not simply in search for jobs growth, but community development overall.

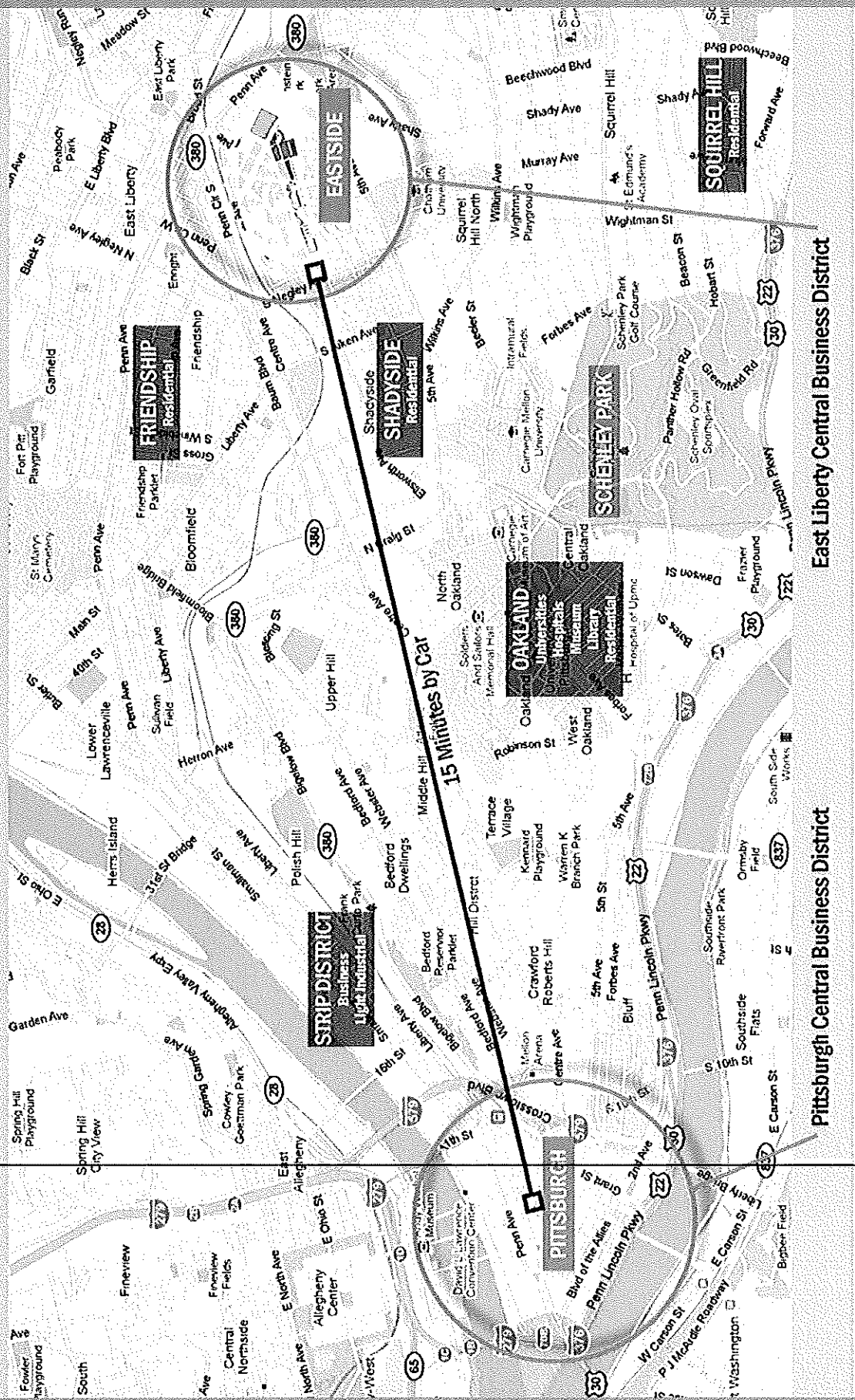
# eastside

PHASE I and PHASE II - RETAIL DEVELOPMENT

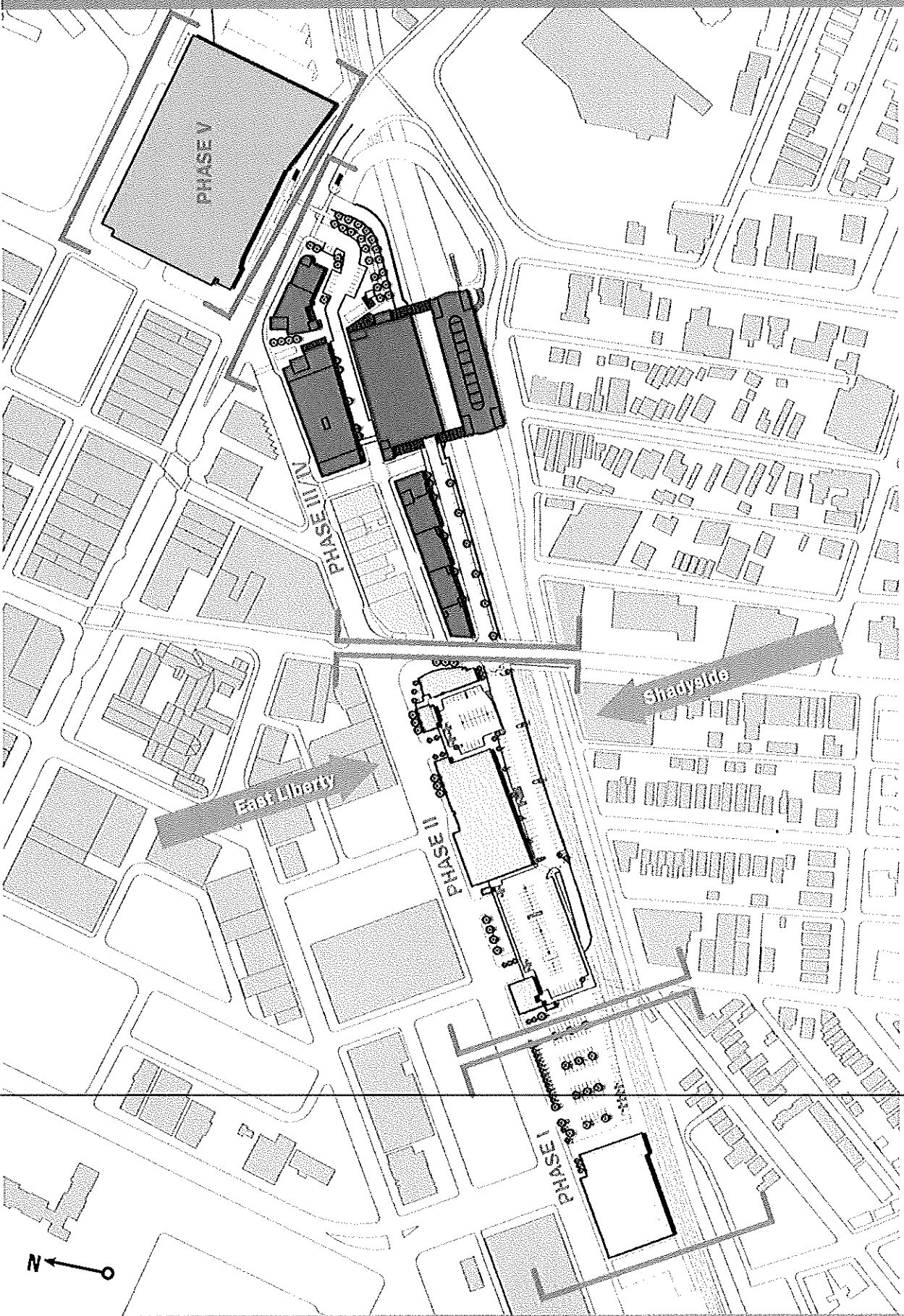


Second Level Retail ???  
(No One Does That)



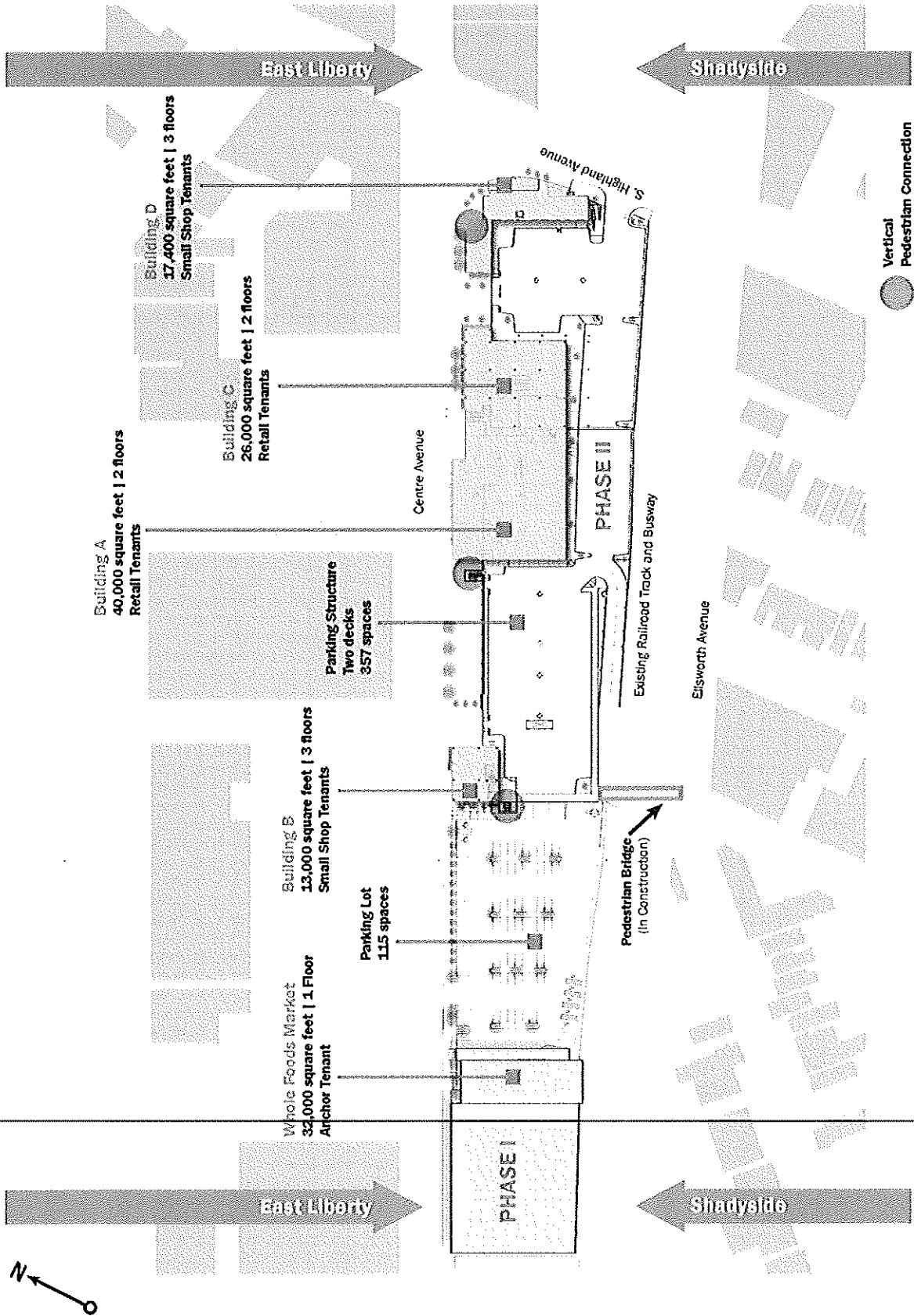


eastside  
LOCATION PLAN - PITTSBURGH, PA

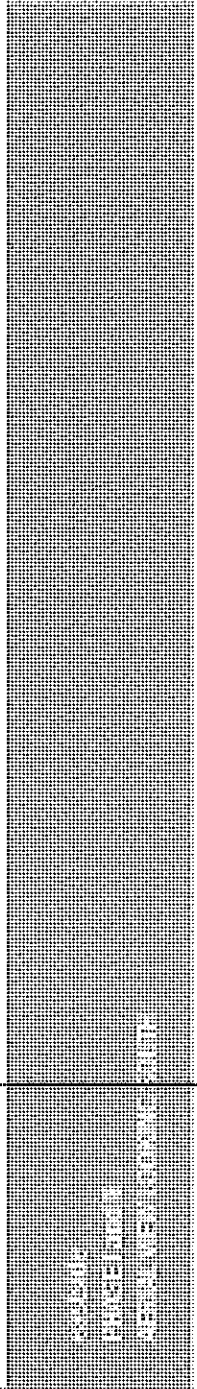
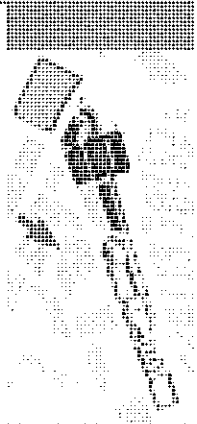
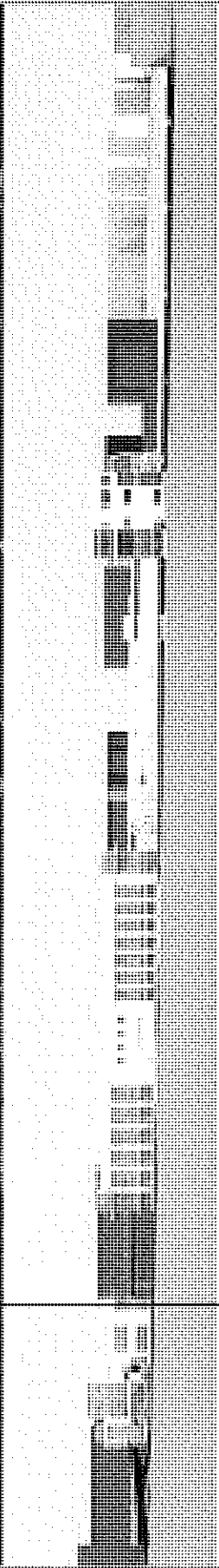


PHASE I and PHASE II - Complete and Operational  
PHASE III and PHASE IV - Master Planning Phase  
PHASE V - In Construction (Opening July 24, 2015)

eastside  
DEVELOPMENT PLAN



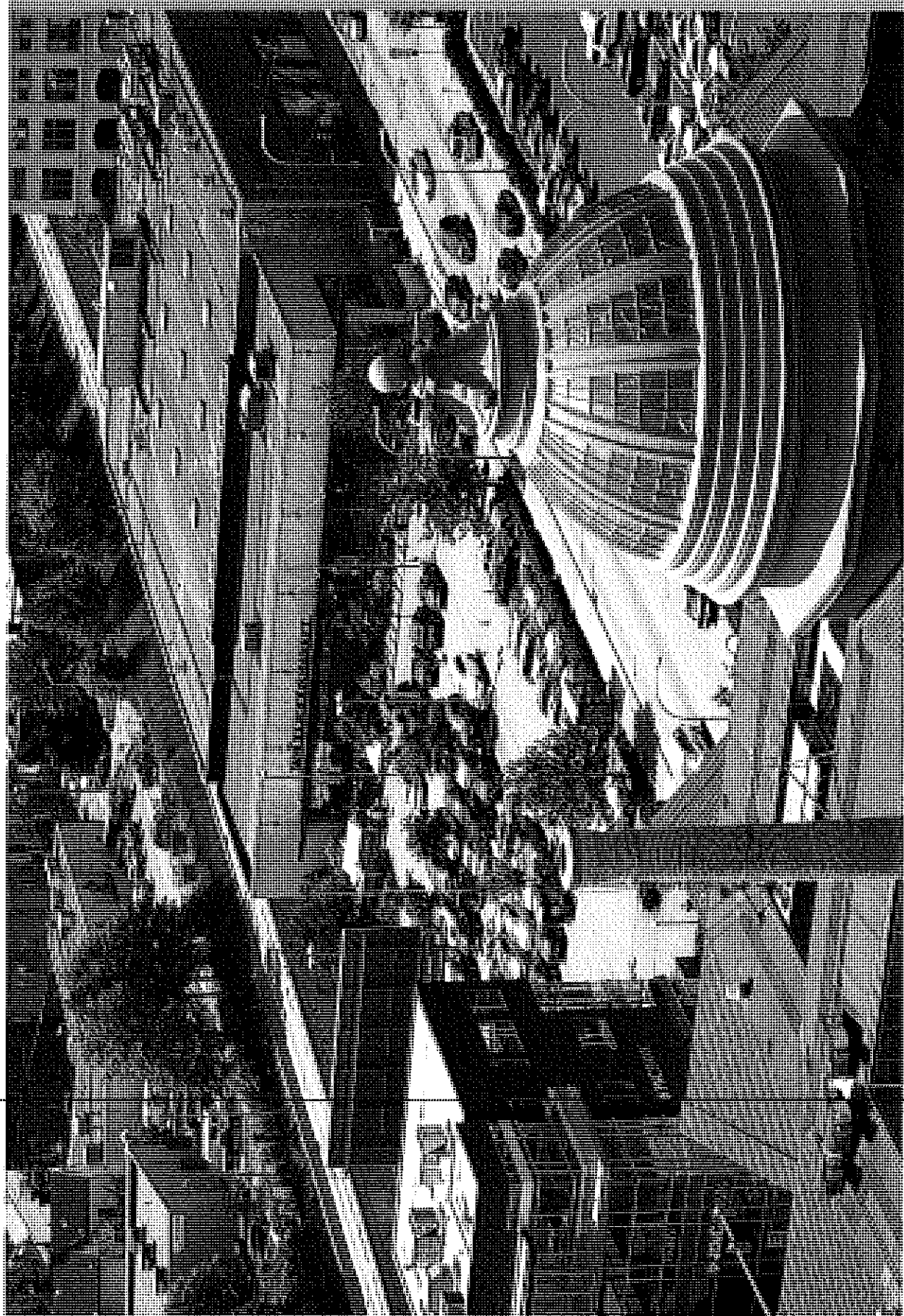




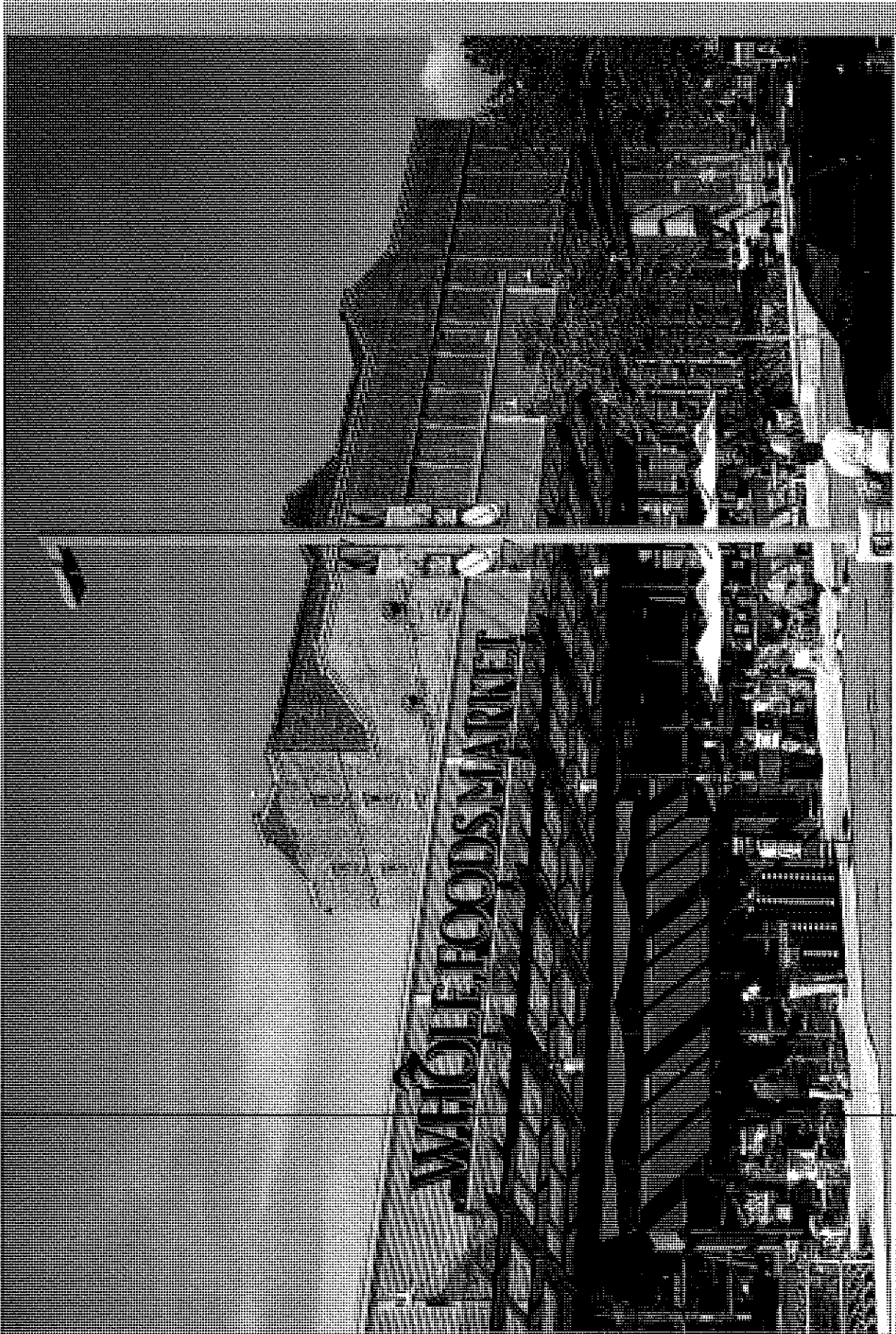
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PHASE II  
PHASE III



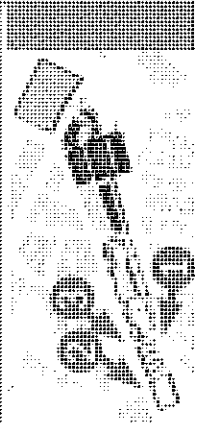
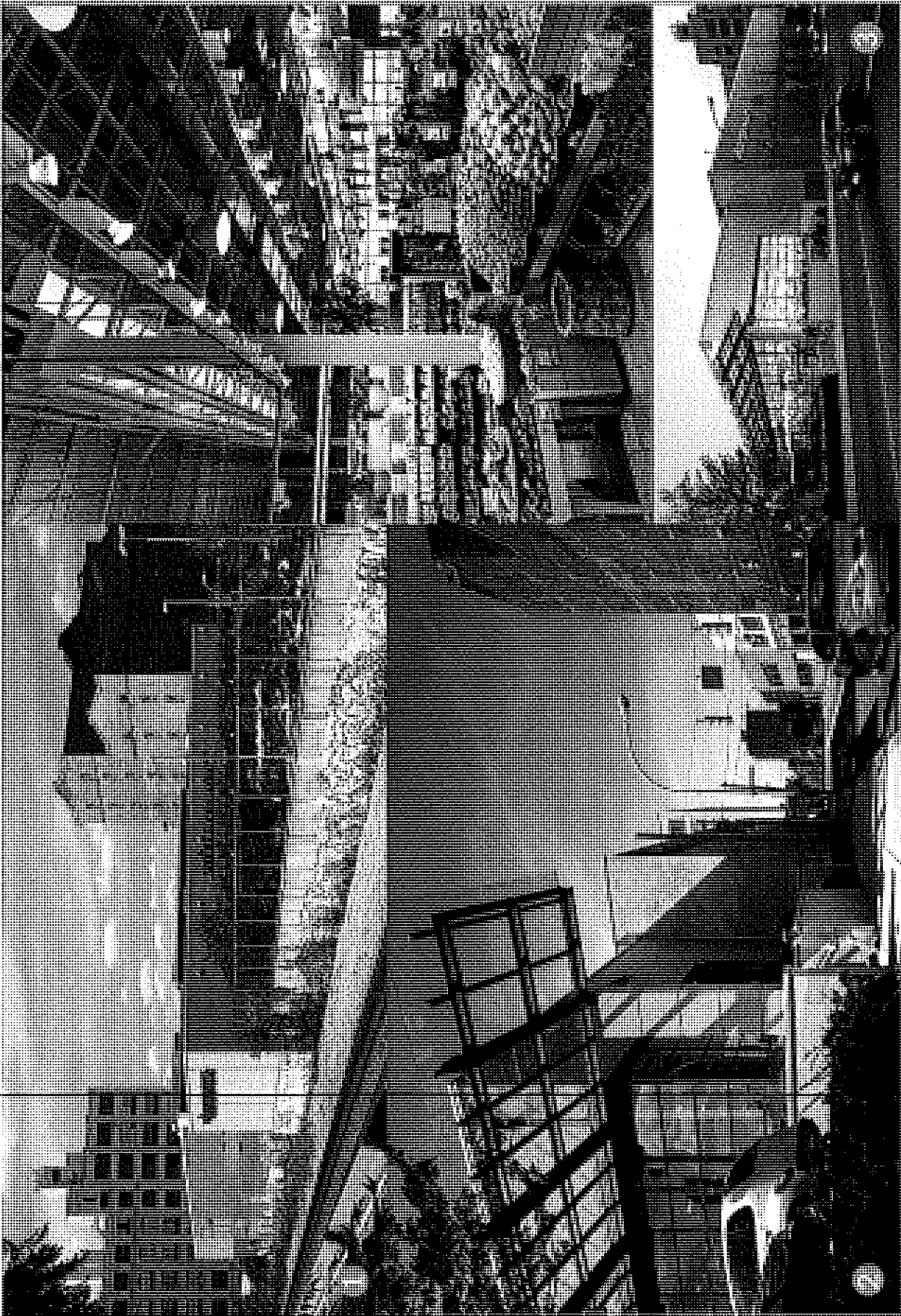
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DUNSTON HOUSE  
NEW JERSEY  
EUGENE O'NEILL THEATRE  
SULLY PARK  
HALL OF FAMES





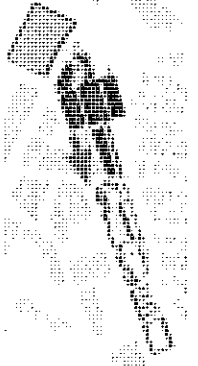


20000 WHOLE FOODS MARKET  
20000 WHOLE FOODS MARKET



INTERSECTION, SEASIDE AVENUE AND 13TH AVE  
- 2000





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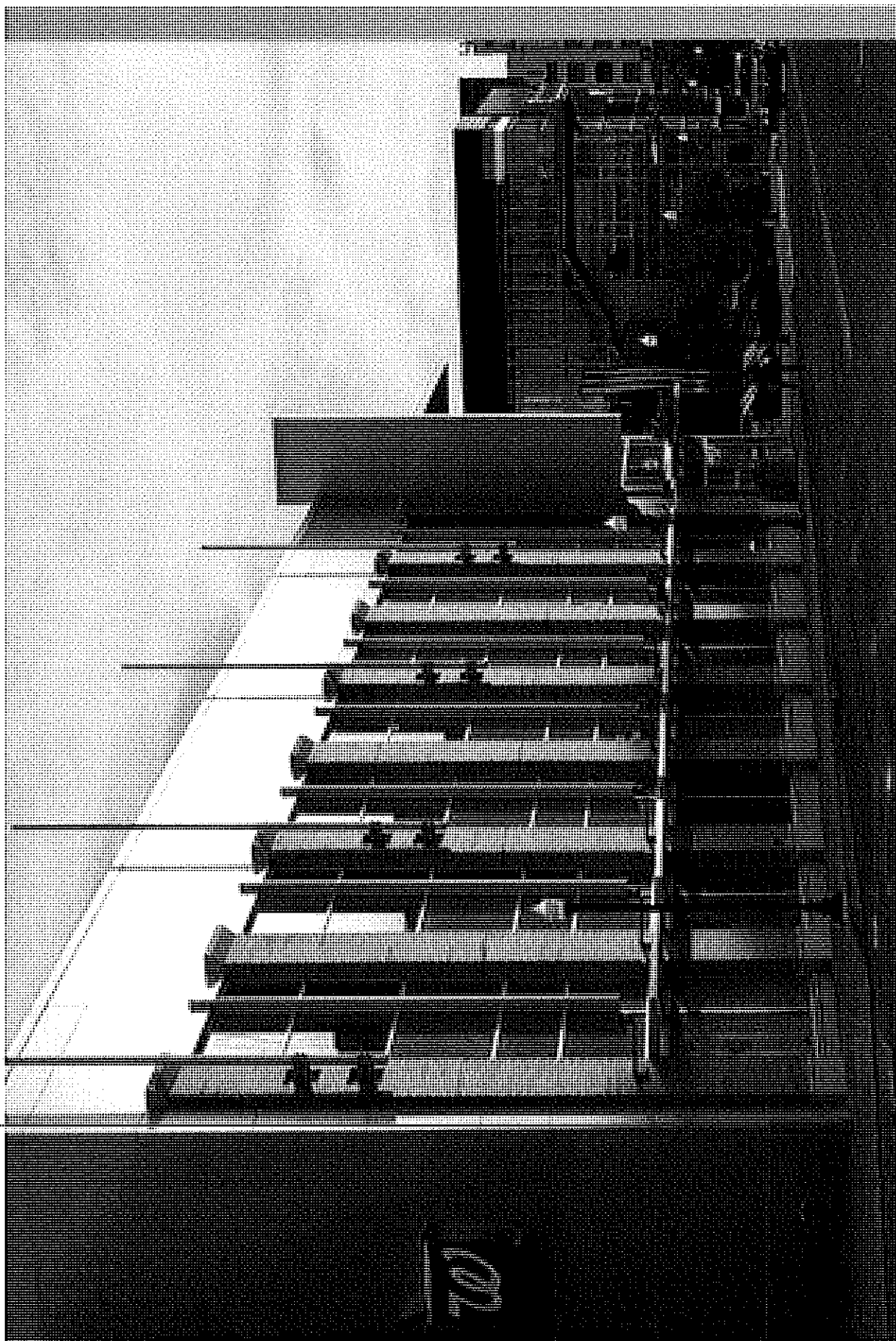


McNislon  
PNC BANK  
NEW CONSTRUCTION ENGINEERING COURSE BUILDING

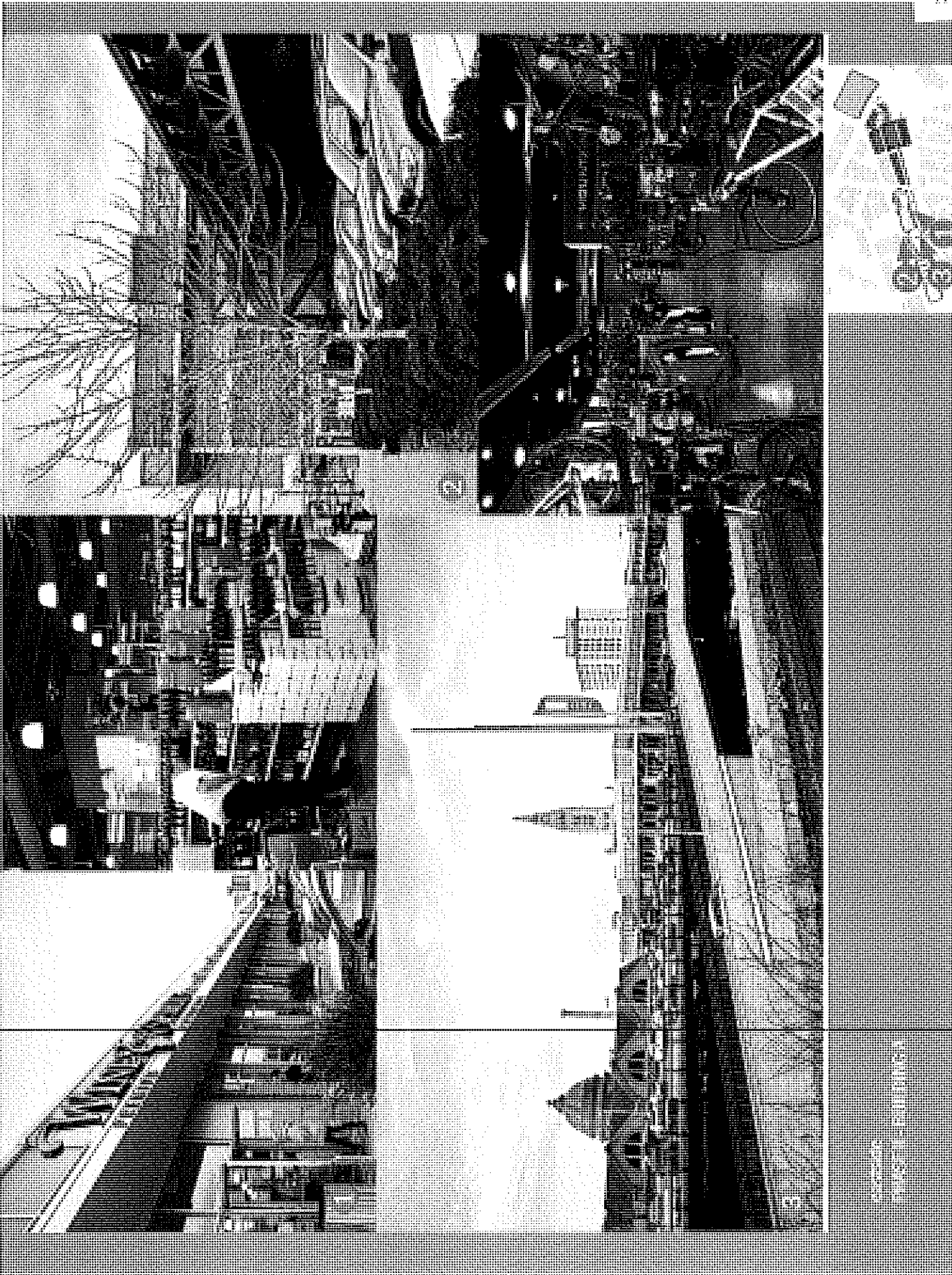




EastSide  
Appendix

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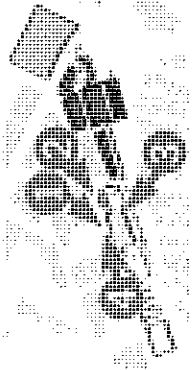
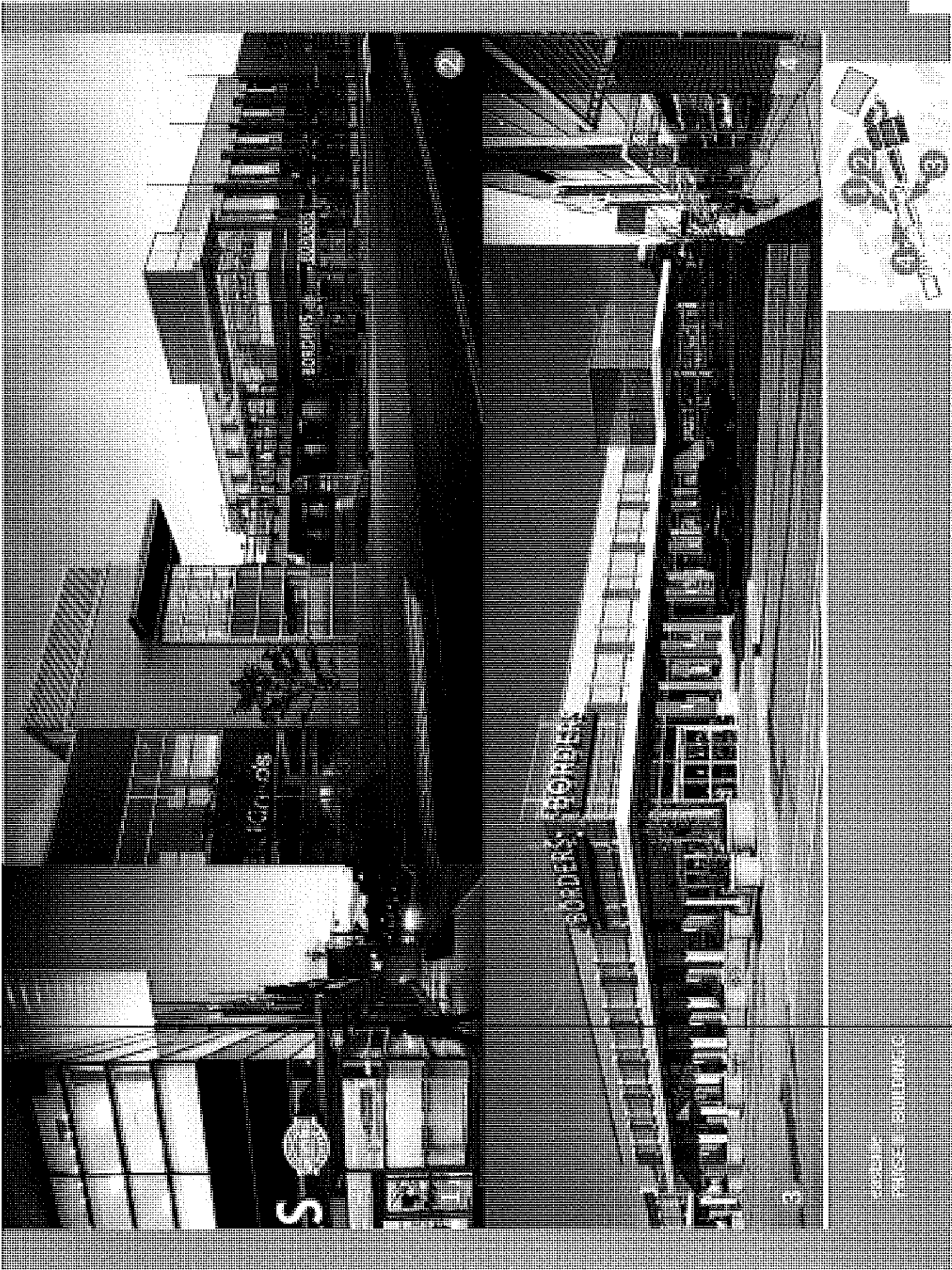




EastSide  
Appendix







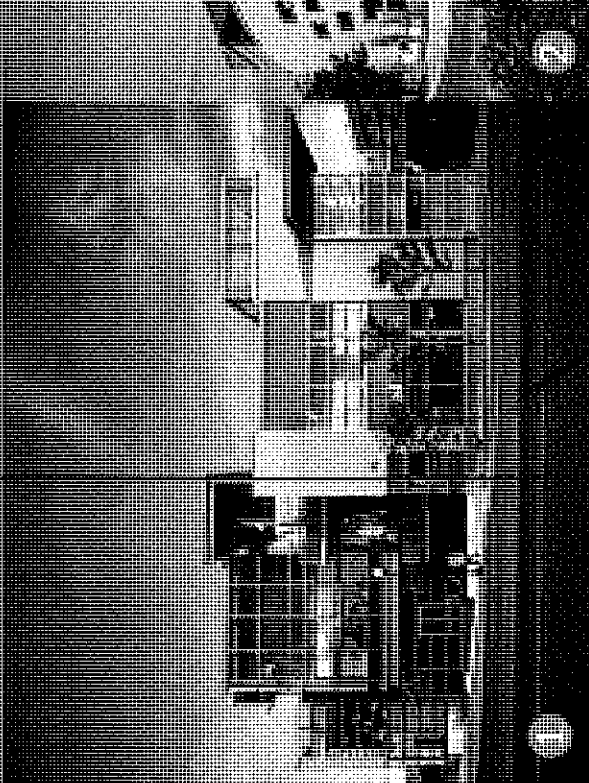
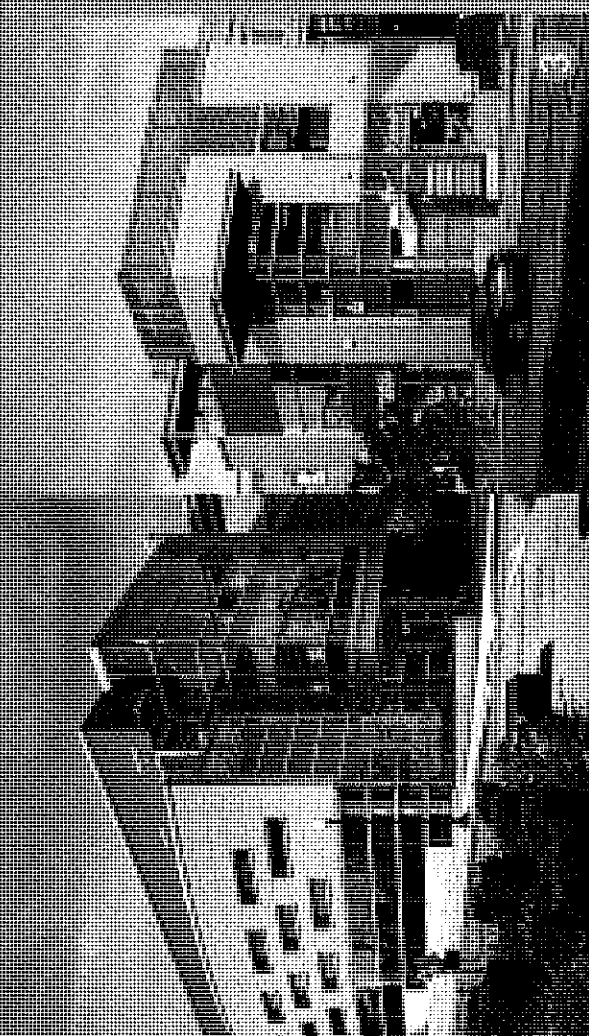
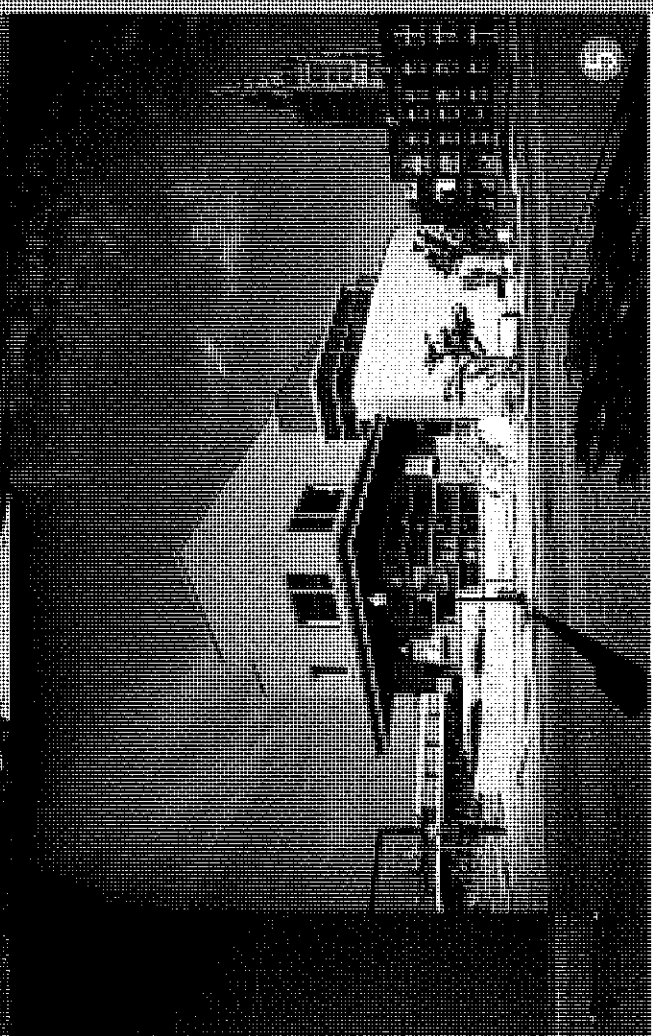
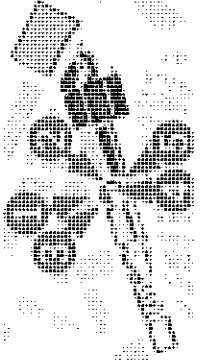
EastSide  
Appendix



outside  
model-silhouette  
view-distribution

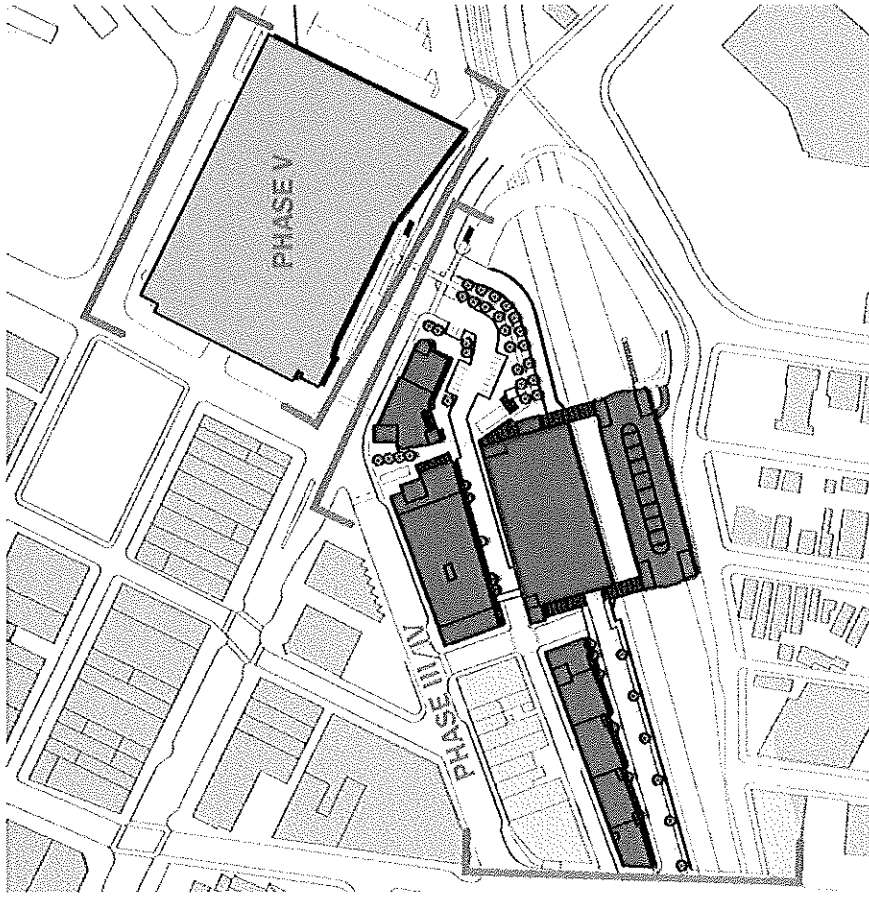
its location on the ground



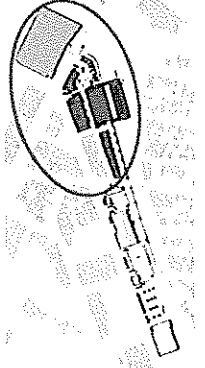


EastSide  
Appendix





**PHASE III/IV and PHASE V - FUTURE DEVELOPMENT  
TARGET CORPORATION and  
OFFICE/RETAIL/RESIDENTIAL/TRANSIT CENTER**



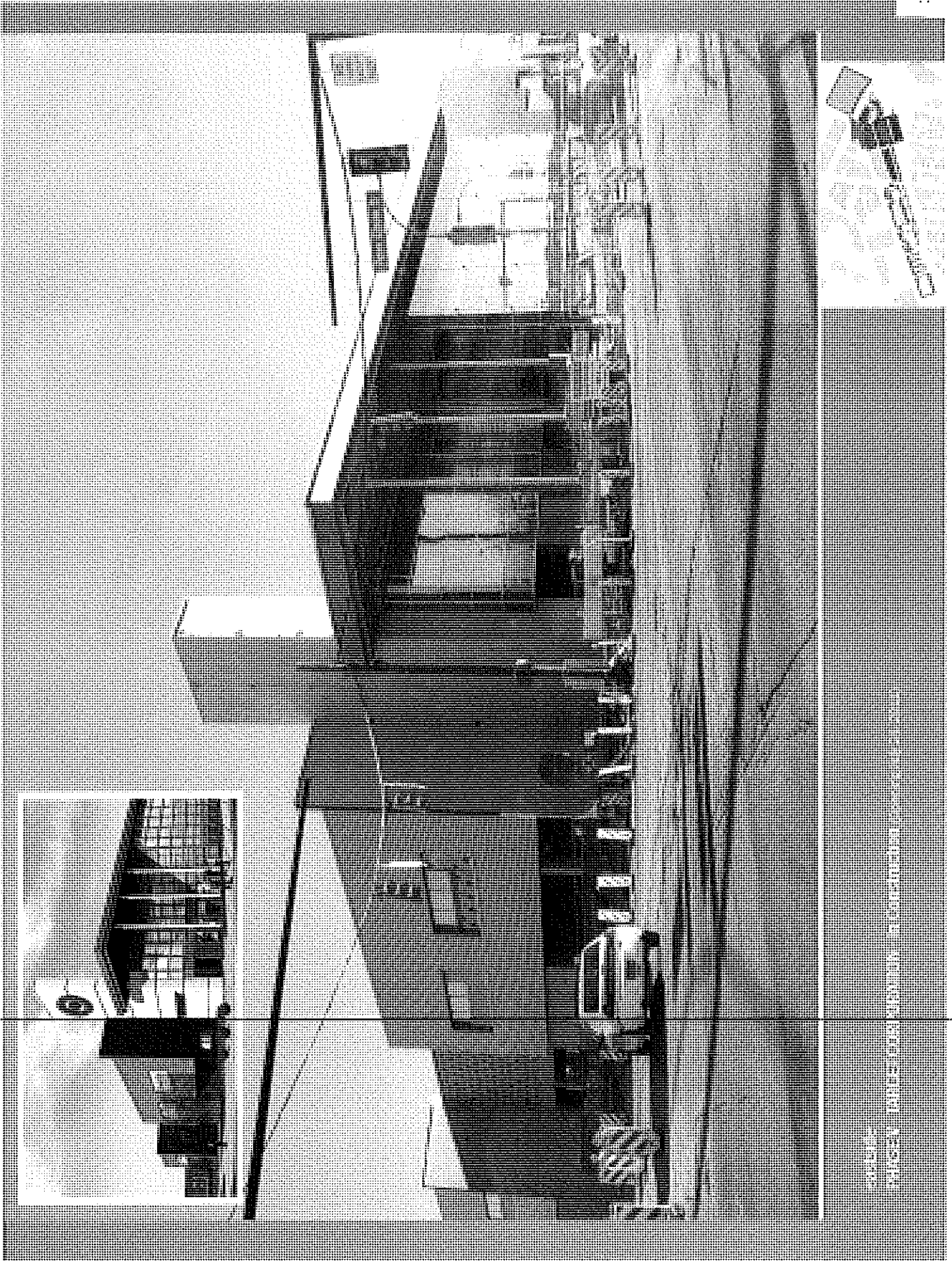
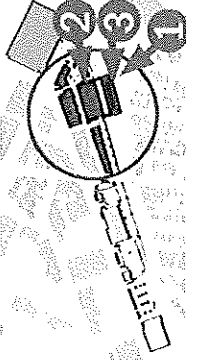
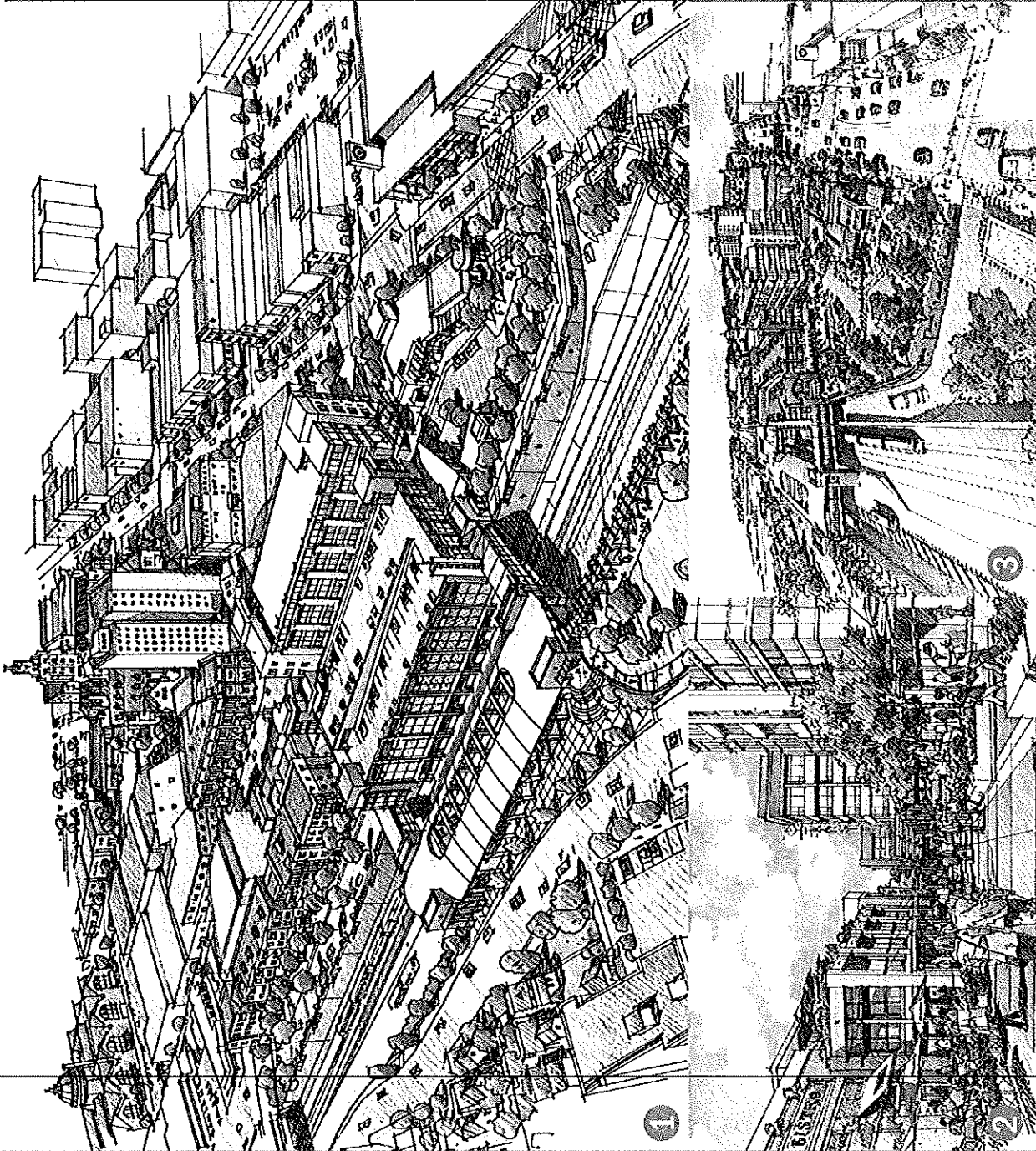


Figure 1: EastSide Community Center, showing the building's exterior and the surrounding construction site.





eastside  
PHASE III/IV - OFFICE/RETAIL/RESIDENTIAL and TRANSIT CENTER

**The New York Times**

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March 2, 2010  
SQUARE FEET

## Slumbering Pittsburgh Neighborhood Reawakens

By CHRISTINE H. O'TOOLE

PITTSBURGH — In the 1950s, the East Liberty neighborhood five miles east of downtown was Pennsylvania's third-largest shopping district, behind Center City Philadelphia and downtown Pittsburgh, with more than 500 local businesses and a population of 14,000.

The suburbs began to draw residents from the densely populated area in the late 1950s, however, and urban renewal schemes like high-rise public housing and ring roads were enacted to stem the flight. Instead, they drove the area into a 40-year coma. By the 1980s East Liberty had lost more than one million square feet of commercial space and half its population.

Now, two recent major commercial developments have begun to put a still-poor neighborhood back on its feet. New design standards have restored the traditional urban street grid to attract shoppers to national retailers, and a third office and retail project, a converted Nabisco bakery, has landed Google as an anchor tenant.

"Urban renewal has been a recurring theme in East Liberty for the past 50 years," said Sabina Deitrick, a co-director of the Urban and Regional Analysis Program at the University of Pittsburgh. Yet even as East Liberty foundered, nearby residential districts retained their attractive features. The adjoining neighborhoods of Highland Park, Shadyside and Friendship contain the city's wealthiest and best-educated households, with an average income of more than \$81,000 a year.

A community plan in 1999 led by East Liberty Development Inc. called for attracting shoppers to a broader range of businesses than the aging mom-and-pop stores that remained, reviving the street grid, and creating jobs and better housing.

In the decade since, the city has replaced 1,400 high-rise public housing units with 450 new mixed-income units. The opening in 2000 of a big-box retailer, Home Depot, on a failed Sears site suggested opportunities to other developers. Whole Foods, a \$7.6 million development on an abandoned stretch of Centre Avenue, ignited immediate activity when it opened in 2002.

The development, called Eastside, stretches east along Centre Avenue, linking the Hillman Cancer Center of the University of Pittsburgh Medical Center, national and local retailers, and express bus lanes — known to Pittsburghers as a busway — to downtown.

"We are interested in building the core for retail," said Steve Mosites Jr., whose firm, the Mosites Company, brought Whole Foods to the neighborhood with the help of East Liberty Development Inc.

National retailers like Borders, Walgreen's and FedEx/Kinko's are pillars of Mosites's \$32.5 million Eastside II, and the firm is now readying the five-acre site of the demolished Penn Towers public houses for a proposed 145,000-square-foot Target store. Federal tax credits and financing from the federal Department of Housing and Urban Development, including a \$10 million loan and a \$2 million grant, will aid the project.

The influx of national retailers has stabilized commercial activity in East Liberty, but smaller businesses have been slow to open. Among a half-dozen entrepreneurs who are opening restaurants near Whole Foods is Sonja Finn, whose 1,500-square-foot bistro Dinette overlooks the corner of Centre and Highland Avenues.

Ms. Finn, a 29-year-old chef, analyzed East Liberty's redevelopment history for her senior thesis at Columbia. Her upscale two-year-old restaurant is thriving, she said, but she is disappointed that empty storefronts persist along Penn Avenue. "We need a higher percentage of retail in the core," she said.

Chris Ivey, a filmmaker who has chronicled the changing fortunes of the neighborhood in a documentary series, said its redevelopment was "definitely a big success story. But there were residential and business casualties that didn't have to be. When rents tripled on Penn Avenue, a lot of mom-and-pop stores couldn't afford that."

Mr. Mosites said old traffic patterns and other constraints had posed obstacles to development. Railroad tracks and the adjacent busway remain "an institutional barrier" for the neighborhood, he said. Several blocks of Penn Circle, the one-way ring road around the district, have been reconstructed for two-way traffic, but extending the two-way street on the eastern part of the circle and improving sidewalks and lighting will cost \$7.5 million.

That project will begin this summer, financed by a state grant and two tax increment financing plans, or TIFs, one from the Target site and one from Bakery Square, a \$150 million project that combines new construction with new use of the former Nabisco plant.

A 110-room Springhill Suites hotel will open there May 1, near a 41,000-square foot Urban Active fitness club. The women's clothing retailer, Anthropologie, will lease 12,000 square feet. Google's Pittsburgh office will build out 40,000 square feet of space in the complex, moving from the campus of Carnegie Mellon University, two miles nearer to downtown.

"It's got a personality," said Andrew Moore, the director of Google Pittsburgh, of the industrial-style space. "It has a history associated with very large-scale engineering of a completely different kind."

The demand for office space from companies like Google is also coming from area universities, said Gregg Perelman, the chief executive of Walnut Capital, which is a partner with the RCG Longview Fund and the Feil Organization in the Bakery Square project.

The University of Pittsburgh has leased 23,000 square feet in the complex for researchers in its department of rehabilitation science and technology, while Chatham University has acquired a nearby 250,000-square-foot office building for graduate programs.

The institutions' expansion toward East Liberty has been prompted by a shortage of Class A office space in Oakland, the district where Pitt and Carnegie Mellon University are located. The neighborhood had a zero vacancy rate for the fourth quarter of 2009, when the city's overall commercial real estate market was ranked as the healthiest in the nation by Moody's Investor Services.

Ms. Deitrick of the University of Pittsburgh said that over all, East Liberty's fortunes finally seemed to be on the rise. "Pittsburgh grows so slowly that gentrification means something different here," she said. "The recent stages of development could be a way to reunite neighborhoods that were separated by urban renewal."

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# Project Profile

## The Eastside Development Shows Off the New East Liberty

Retailers, and therefore retail developments, like following traffic. Mostly that means that the new development of retail is usually preceded by increased population and new housing that would look for retail services. The hottest development trend in the country, though, is New Urbanism, which attracts tenants on the basis of an area becoming a 'hot' place to go. Often, these projects have involved re-using old sites, like New York's South Seaport or our own Homestead Waterfront.

The Eastside Development has a bit of that flavor in its perception, but the reality is quite different. Developer Mosites Company was attracted to the area because of the realities that East Liberty Development Inc. (ELDI) presented them. The picture was not one of a blighted neighborhood, but rather an underutilized suburb. East Liberty's historical role was that of an upscale suburb, and many of its institutions and architecture reflect that today. "Our site certainly wasn't blighted or stigmatized," says Mark Minnerly of Mosites Co. "There just wasn't anything there, except old industrial or warehouse buildings. When we looked at the density of population, the transportation infrastructure and the proximity to the neighborhoods we became very interested."

Indeed, when the traditional three-to-seven mile circles are done surrounding the Centre and Highland Avenue intersection, one finds 300,000-500,000 people with better than average education, and whose average incomes exceed \$50,000. At the same time, ELDI was working hard to remove the last vestiges of the 1960's urban redevelopment, especially those like the Penn Avenue towers, which severed the community from the adjacent neighborhoods. Mosites Co. found the project to be an opportunity to be an anchor in an overall larger district.

Still, the project had a high-risk profile. "Getting started on our own might not have been attractive if it wasn't for ELDI's vision for a bigger picture, and their willingness to invest and attract non-traditional, philanthropic investors," explains Mark Minnerly. Having investors who were looking to do good more than to do well allowed the developer to create an architectural and environmental standard that was higher than a normal retail pro forma allows. "We stood at the corner of Centre and Highland and did a 360° and felt enormous pressure to have Eastside hang together with that amazing architecture."



*Non-traditional retail elevations have added value to the urban shopping environment. Photo by Alexander Denmark*

Because they were looking to do a non-traditional development that didn't look like a power center, Mosites Co. may have been influenced to look for a non-retail architect. Pittsburgh's The Design Alliance (TDA) was already involved in master planning studies of the entire East Liberty neighborhood, looking at what parcels were more suitable for development. Mark Minnerly's brother Chris is a principal at TDA who worked on the project. "It was a challenge to design buildings that were good neighbors, that were different from Home Depot or Whole Foods, because that meant multiple stories and retailers generally don't like multi-story buildings," remembers Chris Minnerly. "It's also unusual because it's multi-level with two elevations, oriented at street level on Centre but having an upper level that flips around towards Highland Avenue and Shadyside."

The project's design had other non-traditional retail objectives. Mosites Co. wanted to use durable materials, like brick, metal panels and curtain wall, which had architectural appeal, and wanted the new construction to be LEED-certified. "We knew that the quality of architectural detail wouldn't bring higher sales to our tenants," says Mark Minnerly, "but we believed that a high quality environment would."

Mark Minnerly thinks that belief has already been validated. "The PLCB came to the site and you could tell they 'got it', because they asked for the store to be designed not like a PLCB store. And the store is consistently at the top of store performance statewide." Minnerly also feels the LEED-certification will benefit tenants. "The energy savings help the tenant weather the startup."

As it stands today, the two phases of Eastside consists of more than 80,000 square feet of new retail, 40,000 square feet of new office in three structures, two of which are connected as one building served by an adjoining two-level, 52,000 square foot post-tensioned parking deck. The buildings are home to Walgreen's, Borders, PNC Bank, a large Starbuck's, FedEx Kinko, T-Mobile, Trek Bike Shop, Taste of Chocolate, a PLCB wine & spirits, and Eve Szabo Salon.



*The success of Whole Foods showed the public the opportunity that existed in East Liberty*

And there was a little grocery store in phase one. That 'little grocery store' in phase one marked the tipping point in what has followed in the rebirth of East Liberty. The store, of course, was Whole Foods. With an emphasis on organic foods, and merchandise, upscale meat and dairy and trendy prepared food, Whole Foods had been looking for a place to plant a store in our region when the opportunity arose in fall 2001. Adding 7,000 square feet and renovating the 25,000 square foot Witt Exterminating building, Whole Foods took a chance that the demographics and the diligence of the ELDI would create another successful operation.

The store has a user-friendly design, but having an upscale target customer doesn't mean that construction dollars weren't tight. "During the Whole Foods project it was always one struggle or another, getting paid as quickly as we wanted or getting the owner's extras worked out," says Dean Mosites of Mosites Construction, who built out the Whole Foods store. "Three weeks after the doors opened Whole Foods brought us all to the table, asked what the outstanding issues were, and settled them up right there. They said they loved Pittsburgh!" Opening for the holiday season, the store's sales were more than double its expectations, and have excelled since.

Mosites Construction has also built the development's new construction in phases 2A and 2B. The sites they worked with were mature and level, but not without some surprises. "It was an old site so there were pieces of old buildings and foundations subsurface that we discovered, and the new foundations had to be caissons," explains phase 2A project manager Tom Edwards. The neighbors created some interesting coordination challenges. "The PAT rail lines runs along the back, so we had to coordinate carefully with the authority to keep things running, and keep our guys and their guys safe," remembers Edwards.

"And, of course Whole Foods was interested in seeing that we kept their lot clear while we worked in the adjacent lot."

Mosites Construction's Dean Beresford recalls that the unusual nature of the buildings and the development schedule made things interesting. "The project was done on a fast-track schedule, and the city worked well with us, getting permits approved for partial plans as we went along," he says. Expediting materials was a little different from tracking down a couple hundred thousand split face block or standard aluminum storefront systems. "Phase 2B has an unusually large, radiused GFRC panel system from Switzerland, that's made of recycled material and fastens with stainless steel rivets."

The newer space is coming on the market and the pace of interest from tenants hasn't slowed. TDA's Chris Minnerly feels that what's been done so far is pretty exciting. "The project is going to be a case study at the Urban Land Institute's national conference in California," he says. "It's really a great project, having a client who had a vision and was willing to pay for it."

Planning for phase 3 and 4, which total 267,000 square feet, is underway and rumors of a lease with Target or another big box have circulated. After more than five years of frantic pace, Mosites Co. sees next year as a planning year. "We'll begin the site prep for the infrastructure that the city wants done, but if we're out of the ground in 2008, it will be late 2008," offers Mark Minnerly. Asked if he thought the retailers would be attracted in what could be a tougher economic climate, Minnerly brightened. "Do you know there's no sporting goods store, or consumer electronics or discounters in this neighborhood? We think there's a lot more demand left in East Liberty." **RG**



# THE MOSITES COMPANY

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3 March 2008

## PRESS RELEASE

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Chief Operating Officer  
The Design Alliance Architects

## EASTSIDE DEVELOPMENT TO BE PRESENTED WITH LEED GOLD AWARD

PITTSBURGH, Feb 28—The Mosites Company and The Design Alliance Architects have announced that Building C—the Borders Books building in the Eastside retail development in East Liberty, has been awarded the LEED Core and Shell Gold Certification by the U.S. Green Building Council (USGBC) [www.usgbc.org](http://www.usgbc.org). Rick Fedrizzi, the President, CEO and Founding Chairman of the USGBC, the organization responsible for the LEED program, will present the LEED Core and Shell Gold Certification plaque to The Mosites Company at Borders Books, the anchor tenant in the building, on March 4, 2008 at 2:00 pm. Mr. Fedrizzi is in town to give the keynote speech on Wednesday at the Green Building Alliance's annual GreenSense conference, at the David L. Lawrence Convention Center. Rebecca Flora, Executive Director of the Green Building Alliance in Pittsburgh [www.gbapgh.org](http://www.gbapgh.org) and USGBC Chair, will also participate in the award ceremony. Along with the building anchored by PNC Bank, which provided the majority of the financing, this is the second building at Eastside to be LEED certified.

### The Eastside Development and Design Approach

Located at the intersection of Center and South Highland Avenues, The Eastside development consists of five retail buildings anchored by Whole Foods Market, Premium Wine & Spirits, Walgreens, and Borders Books. The Borders Books building is a demonstration of the power of collaboration. Early in the project The Mosites Company, in partnership with East Liberty Development Inc., the local community development organization, set goals for the project that would ensure a development to sustain an intelligently planned regeneration of the neighborhood by focusing on pedestrian connections, reduced parking, and creating a community oriented master planned development.

The Design Alliance, the architect for four of the buildings and master planner at Eastside, created store entrances oriented to the sidewalks that establish a place on the street that takes precedence over parking fields. Connections to the surrounding streets were designed with the pedestrian in mind. Indeed, a public right-of-way was created through the property through a sequence of paths, stairs and a much anticipated pedestrian bridge. The bridge will reconnect the East Liberty and Shadyside neighborhoods by spanning the busway that currently divides them.

### What Makes the Building Core and Shell LEED Gold Certified

This project is one of the first LEED Gold certified projects in Pittsburgh and also among the first LEED Core and Shell LEED certified projects in the country. The Design Alliance Architects, with the support of evolveEA, the LEED management consultant, developed a number of green features in the project including:

- Rainwater from the building roof is piped to an underground cistern, designed by Lamb Engineering, that eliminates the need for municipal water for irrigation purposes of entire Eastside development.

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EASTSIDE RETAIL DEVELOPMENT TO BE PRESENTED WITH LEED GOLD CERTIFICATION AWARD

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- Energy modeling simulation of the building demonstrates 17% energy savings over a typical retail building. The savings are a result of the high-performance curtain wall system, enhanced insulation, and high-efficiency heating & cooling systems.
- The design and construction team exhibited careful and environmentally sensitive decision making in managing construction waste and selecting appropriate materials for the building. Nearly all of the construction waste was recycled; products manufactured locally and regionally, and those made from recycled material, constitute over 30% of the building's materials.
- The bi-level development was constructed using highly reflective surfaces for the hardscape (sidewalks, drives, ramps) and roofs, reducing the heat island effect and mitigating significant change to the local climate.
- The Eastside Development is a model of urban infill development that provides a walkable, bikeable environment and cross-linkages through the site for local residents and visitors alike. The development has strategically located bike racks around the site to encourage alternative transportation, and a shower room available to employees in the development.
- The Mosites Company encourages current and future tenants to pursue LEED for Commercial Interiors certification, and has provided them with guidelines on what strategies should be pursued to complement the features of the building and the development.

**Funding for the Eastside LEED Gold Certified Building**

CL Fund contributed \$1.7 million – the largest loan in its history – to the Eastside project out of its Green Building Loan fund. Acting as a subordinate lender, CL Fund realized the untapped potential for economic growth in East Liberty. With nearly 300 new jobs estimated, significantly more commercial retail and parking space, and the promised LEED certification for green buildings, the Eastside loan fit CL Fund's mission and economic development requirements well.

PNC played a pivotal role in making the project a reality. "At PNC, we recognize the importance of wise investments and environmentally business practices," said Cathy Niederberger, managing director of Community Development Banking, of PNC Bank, which is nationally recognized for having more LEED-certified buildings (43) than any other company on earth. "As a community, when we augment our significant funding of initiatives like the Eastside Development with a green approach, there can be a meaningful impact on the health and vitality of the communities where we live, work and play."

**Greening Commitment Part of East Liberty Revitalization**

The LEED certification of the two Buildings at Eastside is part of a larger commitment to greening in the East Liberty neighborhood, a community in the midst of an exciting revitalization. East Liberty is the first distressed urban neighborhood in Pennsylvania to actively create a comprehensive Green Vision for the community – a green overlay plan that examines natural and man-made environmental systems, best management practices for development, and new plans for repositioned resident-serving parks. This plan is funded through support from the PA Department of Conservation and Natural Resources, the Heinz Endowments, and the RA Hunt Foundation.

Some green initiatives already underway:

- A comprehensive study of the neighborhood's impact on the regional sewer system combined with up to five pilot projects to test-drive green infrastructure solutions to the city's estimated 3.5 Billion Dollar Combined Sewer Overflow (CSO) problem
- Development of East Liberty Development, Inc.'s Prototype House, an energy-efficient home built in partnership with a suburban home builder for an urban context; also the winner of the PA Excellence in Design Initiative Award; construction of 7 homes is underway
- New park plans for East Liberty's Town Square, Garland Park, and Liberty Park
- Formation of the Parks and Recreation Task Force in conjunction with East Liberty's updated Community Plan
- A new Street Tree Plan developing in collaboration with Friends of the Pittsburgh Urban Forest that could serve as a model for other Pittsburgh neighborhoods

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- Development of a vacant lot strategy through a partnership with GTECH (Growth Through Energy and Community Health), a nonprofit spin-off of CMU that is currently growing canola on vacant lots to press into bio-diesel fuel, while employing and educating neighborhood youth about green collar jobs
- Working with Bike Pittsburgh to create new bike lanes in the neighborhood and consistently make East Liberty more bike-friendly
- One of the region's only LEED for Neighborhood Development pilot projects, and its only urban infill LEED-ND project in a distressed neighborhood – Mellon's Orchard South – up to 80 units of housing around a repositioned park
- The hiring of the City's only Community Development Corporation employee dedicated specifically to sustainability at ELDI

###

A list of project participants is attached.

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EASTSIDE RETAIL DEVELOPMENT TO BE PRESENTED WITH LEED GOLD CERTIFICATION AWARD  
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## Project Participants

### About The Mosites Company

The Mosites Company was founded in 1992 by Steven Mosites, Jr. We are a diversified real estate development and property management firm with a combined development portfolio of nearly 1.5 million square feet of residential and commercial properties. Our mission is to create lasting value through well-designed projects with quality building materials and an emphasis on vibrant urban place making. We build on public/private partnerships to invest in smart growth plans that result in investments that achieve a higher long-term value. We partner with local CDC's to implement the goals of the community plan and increase the quality of living. [www.mosites.net](http://www.mosites.net)

### About The Design Alliance Architects

The Design Alliance Architects, founded in 1977, offers architectural, interior design and facilities management services. We are committed to design excellence through best practices in design and building technologies, rich processes of exploration; exceptional client service; and sound environmental solutions that are responsive to their surroundings. Our project experience includes corporate, professional, technology, higher education, health care and light industrial facilities, private institutions and residential homes. Information on The Design Alliance Architects is available at [www.tda-architects.com](http://www.tda-architects.com)

### About evolveEA

evolveEA is a practice dedicated to advancing the synergies between environment and architecture. We believe that the core of sustainable design is space that empowers the senses, facilitates health and happiness, and inspires and enables stewardship of the environment. Issues such as material selection, life cycle assessment, and systems performance support these goals and are important components to good design. Our solutions engage these ideas at multiple levels and acknowledge the evolution of building design and environmental efficiency. Through evolve ASSIST, one of the three core practices of evolveEA, we work to bring the latest ideas and information to accepted practice through collaborative process and support services. We work with owners, developers, designers, engineers, builders and occupants from the project's inception through occupancy to investigate and integrate sustainable strategies and bring them to fruition. We draw upon a strong network of interdisciplinary alliances to create teams that have a depth of experience customized for each project. Information on evolveEA is available at [www.evolveEA.com](http://www.evolveEA.com).

### About East Liberty Development, Inc.

East Liberty Development, Inc. (ELDI) is a non-profit community development corporation (CDC) whose mission is to foster the revitalization of East Liberty, a neighborhood located in the East End of Pittsburgh. ELDI works to increase business and residential development, promote public safety, improve public spaces and create a positive image for East Liberty. Information on ELDI is available at [www.eastliberty.org](http://www.eastliberty.org).

### About the Green Building Alliance

Green Building Alliance is a non-profit organization devoted to helping western Pennsylvania find smart solutions for the built environment. We believe that green building just makes sense, and strive to integrate environmentally responsible, high performance green building practices into the design, construction and operation of buildings in western Pennsylvania. Information on the Green Building Alliance is available at [www.gbapgh.org](http://www.gbapgh.org).

### About the CL Fund

CL Fund, located in Pittsburgh, Pa., invests in western Pennsylvania businesses to increase employment and expand economic opportunity. A nonprofit economic development organization founded in 1990, CL Fund serves 15 counties and has \$46 million in funds under management. Since inception, CL Fund has placed 435 loans, injecting \$46.8 million in capital directly into the region and leveraging \$184 million. With its blend of entrepreneurial vision, community knowledge and operational expertise, CL Fund helps strengthen the employment and entrepreneurial base of communities across the region. Information on the CL Fund is available at [www.clfund.com](http://www.clfund.com)

### About PNC Bank

The PNC Financial Services Group, Inc. ([www.pnc.com](http://www.pnc.com)) is one of the nation's largest diversified financial services organizations providing retail and business banking; specialized services for corporations and

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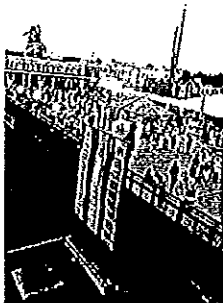
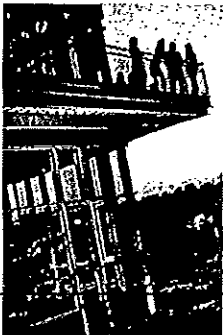
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## Features

### One Building at a Time

ABBY MEMELSON | WEDNESDAY, OCTOBER 18, 2006

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Steve Mosites was on fire. And what he was most on fire about was a pedestrian bridge from Shadyside to East Liberty, Ellsworth to Centre Avenues, over the Martin Luther King Busway, a way to connect the city's most tony address with one of its most tarnished. "East Liberty has wonderful bones," he said to anyone who would listen. "The foundation is there for great success."

Dressed in blue jeans, surrounded by framed ribbons he's cut, Mosites clearly belongs to the beauty-is-in-the-eye-of-the-beholder school of developers. Looking out from his 24<sup>th</sup>-floor suite high atop Downtown's Oliver Building, he cuts to the heart of the matter. "People are proud to be Pittsburghers again," he says, "and neighborhoods are our biggest positive. We're moving forward in this city, but it's an effort from the ground up. One building at a time. Always in a better direction."

As any good developer does, Mosites was casting about for property to change. Where to land? Tired of watching East Liberty get beat up — all that glorious property next to *everything* — tired of seeing business skulk away over the river, Mosites set about doing something about it. It's time, he thought, to give an ugly scar of land a good facelift.

But moving unloved and unloved East Liberty in a better direction took far more than good intentions — as Mosites quickly discovered. With the years taking a heavy toll on a battered neighborhood, there were traffic patterns to reconfigure. And bus routes. Government agencies to woo. Non-profits to gain as partners. Parcels to assemble and clean up. Architects to hire. Retailers to convince. And so on.

#### A History of Boldness

If the idea seems bold, or perhaps foolhardy, Steve Mosites, Jr., comes by it honestly. Son of the owner/operator of one of the region's premier construction companies, Mosites earned an architecture/engineering degree in Colorado, then cut his teeth on family road-and-bridge projects. To this day, he has a strong affinity for bridges, having worked on and under many of them, including the famed Rankin and Westinghouse Bridges, and a half-dozen more along Route 28.

By 1992 he was ready to branch out on his own. Creating the Mosites Company, now a lean-and-mean seven-person development team, he masterminded the award-winning renovation of Fourth Avenue's century-old Times Building, then went out of town, reworking Vermont and Alabama retail centers. Re-tooled and re-cast, they turned a tidy profit — and that's all Mosites needed to know that he could develop retail centers as well as roads and historic retrofits.

Back home, he created the Murray Avenue condominiums, 1660-1680 Murray Avenue, an L around a landmark Forbes-and-Murray Avenue church. (Such a sweetheart, he threw in church parking and landscaping *gratis*.) Then he set his sights on East Liberty. Of all places.

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### Top 10 Feature Stories



#### Why I Moved to Pittsburgh: For the Music

Returning to Pittsburgh from Los Angeles, Melinda Colaizzi was surprised to discover the number of great musicians here and the vibrancy of the blues-rock scene. Here is a familiar story. Young musician who

can't wait to leave town and then years later looks forward to coming back. Now auditioning for a band of her own, she's confident Pittsburgh will offer everything she needs to make it here.

- Q & A: Steven E. Sokol, World Affairs Council of Pittsburgh
- The Story of Iron Eden
- Pop Filter Hot Pick: Q is for Quantum, 20 Years and One Fabulous Bash
- Photo Slide Show: Paul Thek at the Carnegie Museum of Art
- Pop Filter Hot Pick: FBT's Dracula Brings Dance & Darkness to the Stage
- The Strip District Visitor Guide
- Now Hiring: Key Leadership Positions in Pittsburgh
- The Best Burgers and Hot Dogs in Pittsburgh
- Pop Star: Kim Cattrall

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## Something's Gotta Give

In the heart of the wealthy, educated East End, it was Mosites' theory that East Liberty simply could not remain blighted forever. Not with 375,000 people living within five miles, nearly a third of them having an average household income of \$80,000 or more, and an average age of 35 -- truly, a retailer's dream. With Squirrel Hill, Shadyside, Point Breeze, Highland Park, and Friendship all a short walk, jog, or bike ride away; with more than half of his target market college-educated; and within a scant two miles of UPMC, PPG, CMU, and Chatham -- with their aggregate 38,700 employees and 41,000 students -- where others saw No Person's Land, Mosites instead saw O for Opportunity.

Taking a deep breath, Mosites plunged in. Calling his new project Eastside, for the Centre Avenue zipper between East Liberty and Shadyside, he quickly found out what obstacles he had to face. First, his multiple Eastside parcels had seen multiple uses over the years, including gas stations, meaning underground storage tanks, meaning costly remediation. Then the name alone, East Liberty, East End's most beloved neighborhood. With a tortured past -- in less than a century East Liberty went from farms to suburb for the super-rich (at one time the Carnegies, Heinzes, Mellons, and Westinghouses all lived there) to inner-city blight -- the neighborhood barely survived its 1960s-style urban redevelopment, which razed more than 1,300 buildings and eviscerated Penn Avenue, East Liberty's main street.

So: that address and environmental issues? Just a handful of years ago, either factor would have spelled F for Failure. These days, however, Mosites' recipe for success is different: an ounce of optimism, a pound of perseverance, and a gallon of guts.

Working with government agencies and development groups, pouring in carloads of cash, Mosites phased his 80,000-square-foot development -- starting with a national winner to prove that both concept and execution would succeed. When high-end Whole Foods opened in October 2002, entire East End shopping patterns shifted. And eyebrows were raised: not only was this Whole Foods one of largest stores in the chain, employing more than 200 people, at one point it was also the country's top-performer.

Armed with all the proof he needed, Mosites threw Eastside II into high gear, convincing big-name retailers -- Walgreens, Borders, Starbucks, Pennsylvania Wine & Spirits, among others -- that this was the place to build. The resulting two-story LEED-rated complex includes a Borders, Starbucks, PNC, and more. "The goal is to work toward the East Liberty core, one step at a time," Mosites says. "Eastside II is a huge shot in the arm for the whole town square concept." The third leg, a nearby Target -- the city's first-ever so-called big-box retailer -- is on track for Spring '09.

"We saw the potential to make East Liberty a destination," Mosites says. "Now, with the trend to living in the city, we've got plenty of momentum. In fact, the development is going so well that if we had the space we could lease Eastside II twice over."

Award-winning writer Abby Mendelson is the author of numerous books, including *The Pittsburgh Steelers Official History* and *Pittsburgh: A Place in Time*. His last *Pop City* place was on *Pop Star* Marimba Millions.

## Photos:

Steve Mosites

Eastside parking deck during Sprout Hothouse

Eastside sign

Eastside bldg housing PNC and Starbucks during Sprout Hothouse

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Several pioneering retailers  
have shown that not only is  
penetrating the inner-city  
market not as prohibitively  
difficult as it once seemed,  
but also the reward is  
worth the effort.

# RETAIL *in* INNER CITIES

JAMES MIARA

WITHIN A SIX-MONTH PERIOD last year, Wal-Mart announced that it would be expanding operations in two diverse markets: China and low-income urban areas of several U.S. cities. Analysts viewed the China move with more enthusiasm than the urban initiative. Individual wealth may be low in China, they noted, but there are billions of Chinese, each with a little money and an inchoate urge to shop. They insisted that in China's massive \$841 billion market, Wal-Mart, the most successful retailer in the history of the world, will find a way to offer appealing products at affordable prices and adapt its format to accommodate local customs. Moreover, Wal-Mart's marketing department will steadily nurture the incipient Chinese shopping instinct to full maturity.

But what is the market opportunity in poor, inner-city neighborhoods? Urban economic development experts say market condi-

tions in China and inner cities actually have much in common, beginning with the fact they both are large in size and largely underserved. Inner-city populations are densely concentrated and while residents are not wealthy, they are not all desperately poor either. In fact, statistics show that 38 percent of inner-city households fall into the moderate-income category, those earning between \$20,000 and \$50,000 annually.

"The income density of Harlem is \$868 million per square mile," notes Drew Greenwald, president of Grid Properties, a pioneer retail developer in Harlem who helped transform 125th Street from a derelict thoroughfare into a retail shopping destination. "The importance of what this shows isn't the fact that within a square mile you have people making a fortune, but that you have a lot of people in that square mile. And people have to buy certain types of items, regardless of their incomes."

Former HUD Secretary Henry Cisneros, who now heads City View, an urban housing development company, says that developers and retailers have misperceptions about inner cities that prevent them from seeing the opportunities. "The key message to send out to developers and retailers is that inner-city residents have incomes," noted Cisneros, who spoke at a conference on inner-city retail in Atlanta last September. "They have spending aspirations and buying power and that spending, out of necessity, is now going outside their neighborhoods."

But penetrating inner-city retail markets requires different strategies, for both developers and retailers, than those applied in the suburbs. In the past, the biggest decision that had to be made was choosing the right highway exit ramp, one with enough traffic and enough surrounding vacant land for a big box and acres of surface parking. Inner-city mar-

## RETAIL IN INNER CITIES



In Pittsburgh's East Liberty neighborhood, a Whole Foods Market helped a commercial district that had been on a 40-year downward slide. A local nonprofit sets up shop for the day in the Whole Foods café to relate its mission for a "5% day" when the group receives 5 percent of the sales for that particular day (right). Whole Foods also travels off site to provide free all natural or organic refreshments for community events or for disadvantaged neighborhoods to encourage residents to eat more healthfully (below right).



Center chain that pent-up demand in Northside and its neighboring communities would add up to a profitable business. With a planning grant and technical assistance from LISC, Felpausch, headquartered in Hastings, Michigan, formed a partnership with NACD to operate the new 25,000-square-foot (2,326-sq-m) store. Though smaller than a standard supermarket, it was large enough to offer fresh produce and meat departments, a variety of packaged foods, plus a deli, bakery, and pharmacy.

With funding and the technical and legal collaboration of LISC, the city, the state, and federal agencies, a brownfield site was prepared for redevelopment. The Felpausch Food Center—following quickly by a handful of small retailers—opened in 2002, and soon the \$4 million North Park Street Plaza housing was thriving, with the grocery store single-handedly adding 50 new jobs to the neighborhood's tiny employment base. Almost as soon as the market opened, other developments began to spring up on the surrounding blocks, including a pizza franchise, a new discount store, and another community-owned retail plaza. NACD has gone on to redevelop adjoining properties, including a child care center, community offices, and an urban garden.

**Pittsburgh, Pennsylvania: Foundation for a Healthy and Economically Diverse Community.** In Pittsburgh's East Liberty neighborhood, the opening of a \$6.8 million Whole Foods Market in October 2002 marked a reversal of ill fortune for a commercial district that had been on a 40-year downward slide. The neighborhood had thrived in the 1940s and 1950s, but with the

development of the suburbs and insensitive urban renewal, its decline was swift. The last straw was the decision to turn the main drag into a pedestrian mall, which banned automobiles but also unintentionally discouraged pedestrian shoppers. Businesses vanished, and this district of many fine office and warehouse buildings fell into disrepair.

East Liberty Development Inc. (ELDI) had fostered redevelopment on the city's east side since 1981, but its efforts gained momentum when the organic grocery chain came on the scene.

What set the ball rolling was a broad-based planning process led by ELDI that attracted the attention of the Mosites Company, a developer that appreciated the neighborhood's character, the opportunity to work with an organized community, and the viable economics of the trade area, which included not only East Liberty but also its more prosperous neighbors. These characteristics had strong appeal to Whole Foods, which looks for locations that offer an accessible labor force along with a customer base and opportunities for good corporate citizenship. LISC helped seal the deal not only by supporting the upfront planning but also by providing a \$2 million loan and a \$375,000 recoverable grant, which enabled a limited partnership created by Mosites and ELDI to transform an abandoned warehouse into the Whole Foods Market. Soon the 32,000-square-foot (2,976-sq-m) store opened, offering fresh, organically grown fruits and vegetables. Those products appealed to all income levels, and store brands provided an affordable source of high-quality merchandise for customers on tight budgets.



Providing this variety of healthy food to East Liberty was an important part of the equation, but equally so was Whole Foods' reputation for hiring low-income and minority members of the local community. As a result, 150 people from the neighborhood began working in the store. This employment has been a crucial catalyst in improving the East Liberty business district, and the store itself has become Whole Foods' primary seller through Pennsylvania's food-stamp program.

As restaurants and additional national retailers open shops in East Liberty, ELDI's vision for a refurbished Main Street-style business corridor at the heart of a healthy, economically diverse neighborhood is becoming a reality.

**Washington, D.C.: A Future Model for Reclaiming Abandoned Land.** For 30 years, Camp Simms, a vacant 25-acre (ten-ha) former military reservation in southeast Washington, D.C., was an environmentally contaminated eyesore. The site was located in the heart of the Congress Heights community, a neighborhood long underserved by retailers and developers wary of inner-city areas. Despite the vast



## East Side as prime comm corridor

By Alan  
Pittsburgh

When Andre to look for a place to move his firm, he didn't Downtown. He that was interesting, but no The area he set Pittsburghers commercial off East Liberty ent reputation prominently business disrupted.

Or has it?

Moss will Liberty Bank Liberty later the change in the n its empty build.

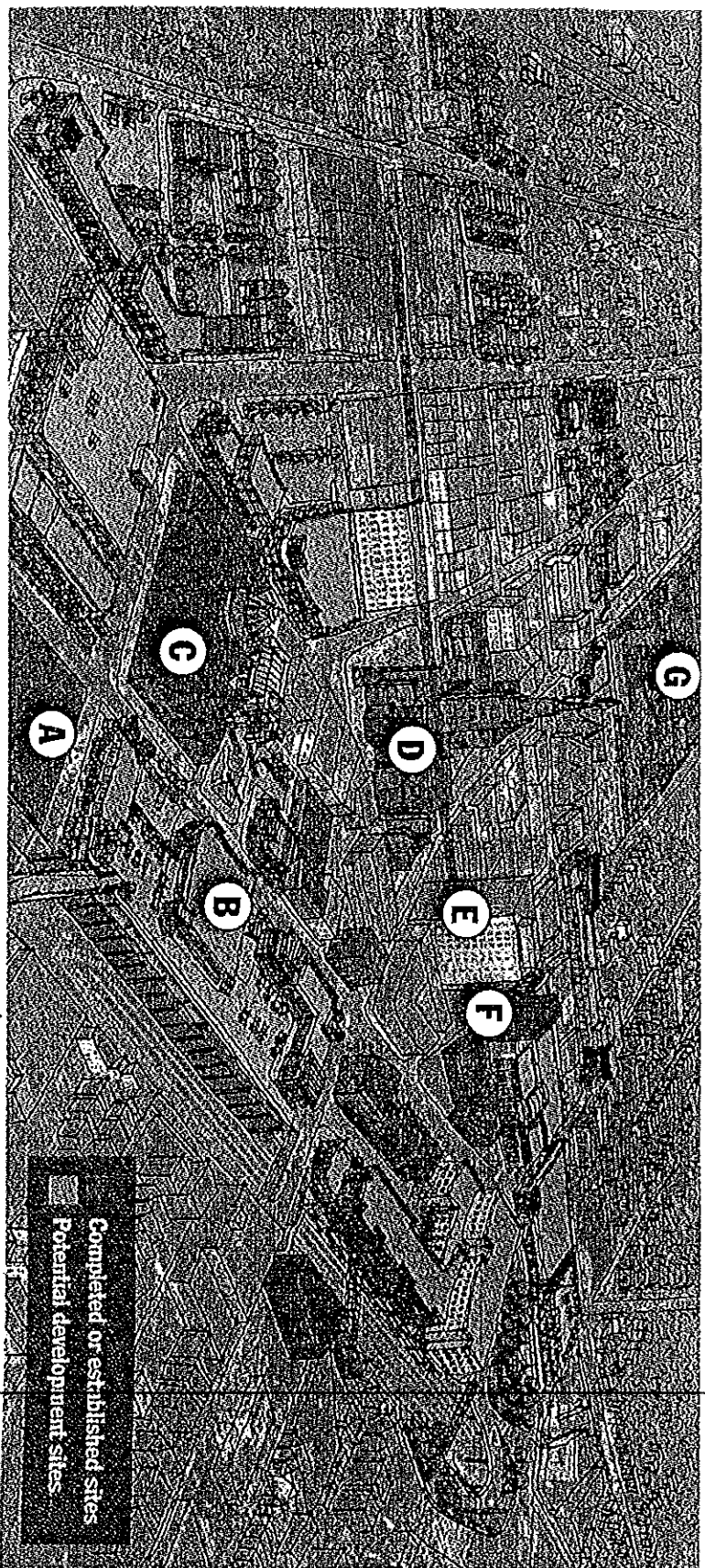
"I'd been to space that was of town." Moss obvious that th of potential in f

So far, Moss few offices to te others are ca their toes and t in, much to the organizations for years to en development i

But even they slow-going. Despite the b — some 5.5 con East Liberty fa stone Opportu which relieves individuals in area from payi taxes until 201 Bank Building ing in the KOZ

ulation.

SEE **LIBERTY**, PAGE D-4



A: Whole Foods B: Eastside, where Walgreens will go C: Motor Square Garden D: East Liberty Presbyterian Church E: Highland Building F: Liberty Bank Building  
G: Home Depot

# Whole Foods, new restaurants spur talk of more retail action, possibly even a Target

July 1, 2004  
By Teresa F. Lindeman  
Pittsburgh Post-Gazette

The Whole Foods Market in East Liberty handles 20,000 transactions every week, a level of action that still seems to startle Pittsburgh shoppers and officials who regularly cite the natural foods grocer as proof of that community's latent potential.

Yet, since the store's blockbuster 2002 opening, it's been quiet on the eastern front of the Centre Avenue site that the developer Mosites Co. promised would sprout more retail businesses.

Apparently, it wasn't exactly for lack of interest. Fast-food restaurants ready

to install big drive-through windows called but the Mosites staff wasn't encouraging. The developers wanted instead the cool factor that came with Seattle outdoor retailer REI.

But when REI ultimately settled on the South Side, Mosites staff went another direction, telling city planning officials last week that they were in advanced negotiations to put in a Walgreens drugstore.

The response has been underwhelm-

ing. A drugstore? With a drive-through?

Yet the developers hold up the Walgreens' deal as good news for the East Liberty neighborhood for a couple of reasons. First, it lends credence to the claim that national retailers continue

to be interested in the community struggling to reinvent itself.

Two, the Illinois company is interested enough to abandon a suburban prototype to be there, planning a store that would be on the first floor of a bigger building, with a drive-through that is supposed to be adapted to the site.

Whether retail development should be coming faster to East Liberty is hard to say, but there is clearly resistance — both intrinsic and purposeful — to a quick fix for a neighborhood that suffered under bulldozer-style urban renewal decades ago.

Though people have long sneered at the marks well-meaning urban designers inflicted when they ripped out build-

ings and created a sort of walled-off area encircled by the one-way Penn Circle boulevard, there's no guarantees that modern planners can't mess things up, too, said Rob Stephan, at East Liberty Development Inc. (ELDI), a nonprofit community development corporation.

Take, for example, plans to build a two-story Kmart discount department store just off Penn Circle West, on a site that was then used by the Pittsburgh Police Bureau's investigations branch. Officials were disappointed when that fell through in early 2002 under the weight of Kmart's financial woes.

Now, Stephan sees the loss as a blessing.

SEE **LIBERTY**, PAGE D-4

SEE **P1**

# Development spurs talk of more retail action in East Liberty

**LIBERTY, FROM PAGE B-1**

ing. He has come to believe the site, which does not adjoin the community's central Penn Avenue shopping corridor, might have siphoned off customers instead of delivering shopping traffic to smaller businesses.

A mixed-use development firm named Street-Works, out of White Plains, N.Y., was brought in to look at the area last year and has laid out a very different strategy for revving up East Liberty's retail potential. Instead of an isolated Kmart, the group's design calls for some kind of anchor, perhaps a large general merchandise store such as Target or Wal-Mart, on or near the intersection of Penn and Centre.

That kind of retailer would bring merchandise into the neighborhood that isn't easily available now, plus theoretically act rather like a mall anchor feeding customer traffic to nearby stores, both along Penn and Centre, the neighborhood's two main retail drags.

"We love that Centre Street corridor," said Andy Atkinson, a Street-Works partner. With Whole Foods on one end and an urban version of a general merchant on the other, he said, smaller retailers would be eager to settle in between.

As for the site once destined for Kmart, East Liberty Development is negotiating for control of the property and plans to apply for a state grant to build townhouses and apartments. Where weed-strewn parking lots and the former defective building now stand, the group's designs call for as many as 85 units.

Such complicated rejiggering is not done overnight. "You've got a gazillion pieces to every puzzle," said Ernie Hogan, ELDF's director of residential housing development.

The long-term vision of a community centered on the tall spires of East Liberty Presbyterian Church with a mix of retail, offices and residential keeping things safe and lively through the day and night could take years to piece together.

And with a city strapped for cash limited in its ability to shove things along, the success of any redevelopment will likely rest on building consensus among disparate group as well

"I feel this area has achieved these delicate sprouts. Now is not the time to introduce huge environmental change."

— Kate M. Bagin

as strategic public maneuvers that help set the stage for private investments.

For now, the big sparks seem to be coming off the Whole Foods launch, which has produced a parking crunch as well as proven that the area can draw bus riders and bicycle-bound shoppers.

"I know a number of tenants want to be around Whole Foods," said Atkinson. Street-Works acted as a design consultant for East Liberty, not a developer, but the company drew interest when it displayed its proposals at the May national convention of the International Council of Shopping Centers in Las Vegas.

The most direct beneficiary of the grocer's spill-off would seem to be the five acres that the Mosites staff has labeled Eastside, stretching from Whole Foods to the Highland Avenue bridge.

Now home to some small parking lots, a Yellow Cab building and a recently shuttered car wash, the plan is to begin demolition within the next few months and to start construction before year-end. That assumes various planning approvals come through.

The first major tenant should be open next year, said Mark Minnerly, director of real estate development for Mosites. The tenant might not be Walgreens.

Minnerly said the company has a signed letter of intent from another mid-size national retailer and there's enough leasing action to spur hopes of building the site's remaining 80,000 square feet of planned retail space all at once instead of on a piecemeal basis.

Mosites' plans call for an "urban-scale" development that will

tuck parking toward the back of the lot and put multi-level buildings at the edge of the property and Centre and Highland.

The pressure is on to create a seamless entrance across the Highland Bridge so that Shadyside types on the other side barely notice the separation between the two neighborhoods.

Already, the openings of two new restaurants just off Centre Avenue on South Highland is prompting reports of people walking over for a Saturday night dinner.

The Red Room Cafe and Lounge is serving up meals in the former Bell Atlantic building at the corner, while Abay, a new Ethiopian restaurant, has customers eating sambusa just a few doors down. The Shadow Lounge coffee bar and performance space sits around the corner on Baum Boulevard.

Watching a new stream of people in suits looking over the neighborhood structures with a mixture of hope and concern are the merchants of Centre 6000 EastSide, a group formed three months ago to work on issues from broken parking meters to building off customer traffic from the Whole Foods crowds.

Originally, the members of Centre 6000 EastSide were mainly those with businesses on Centre Avenue where a cluster of antique and home-related shops began bringing people back to East Liberty long ago. "We had all kind of sensed that our street was kind of ground zero for development in East Liberty," said Kate M. Bagin, who moved her Kate Morrison Design home textile business to 6010 Centre about 18 months ago.

Now the group meets, on average, once a week. The members have pulled together to get flower pots out on the street, with a bit of help from Home Depot.

They recently sent a letter to the Pittsburgh Water and Sewer Authority asking for work to be done to ease regular flooding of basements along the street, a problem that they contend may convince the Artists & Craftsman store to move out when its lease expires next year.

The idea of a large store anchoring the corner of Penn and Centre makes a certain sense to Bagin, who could see a sort of retail triangle being formed be-

tween that site, the Home Depot on North Highland and Whole Foods on Centre.

Her concerns range from the impact that future development might have on rents paid by small businesses to fears that a project on the Mosites site could be out-of-scale to the neighborhood, as some have complained about a three-story Rite Aid that's completing construction at the intersection of Forbes and Murray avenues in Squirrel Hill.

"I feel this area has achieved those delicate sprouts," Bagin said of East Liberty. "Now is not the time to introduce huge environmental change."

Even those suggesting bring in another mass merchant vince at the idea of another structure such as the Home Depot store with its huge parking fields. Atkinson noted big-box retailers, even the hardware chain itself, have begun developing models more adapted to urban markets. In Stamford, Conn., for example, Target is building a two-level store on top of multi-level parking.

Of course, even if one of the big mass merchants was ready to step into East Liberty today, it could take a few years to make room. Key sites identified by Street-Works have other uses just now, including the Penn Circle Tower that is providing housing for residents moved out of the Liberty Park and East Mall apartment towers the city plans to demolish.

In the past couple of years, there's already been change in the core, which is fine with the Street-Work strategists. Clothing stores such as Sneaker Villa and Hip Hop City have joined established shops. A Family Dollar store has taken the site formerly occupied by Keystone Plumbing.

The consulting group's plan calls for working around the edges of East Liberty and leaving the interior to evolve naturally with the efforts of small, local retailers and developers who specialize in working with historic buildings. Atkinson said, "East Liberty's got great bones and great DNA."

Teresa F Lindeman can be reached at [tlindeman@post-gazette.com](mailto:tlindeman@post-gazette.com) or at 412-263-2018.

## 2011 IEDC EXCELLENCE IN ECONOMIC DEVELOPMENT AWARDS ENTRY FORM

*Please complete this section for all entries.  
Include 5 hard copies of the Entry Form with your submission.*

Organization: City of Austin Small Business Development Program

Contact Name: Rosy Jalifi

Email: rosy.jalifi@ci.austin.tx.us

Project/Item Name: Independent Business Investment Zone (IBIZ) Districts

Category for Entry: Program – Neighborhood Development Initiatives

Population Category (<25K, 25-200K, 200K-500K, >500K): (Choose One) >500K

Date Project Began: 2006

Date of Completion (if applicable): Ongoing

For Entries in Categories 9 & 10, Enter Your Web Site URL:

### PROJECT DESCRIPTION

*Please refer to the **Category Description and Judging Criteria Sheet** corresponding to your category when answering the following questions in the space provided.*

#### Select:

- ☐ Promotional Award Categories 1-8 – **See Sheet A** (page 5)
- ☐ Internet and New Media Categories 9-11 – **See Sheet B** (page 6)
- ☒ Program Award Categories 12-22 – **See Sheet C (page 7-8)**
- ☐ Partnership Award Categories 23-25 – **See Sheet D** (page 9)
- ☐ Leadership Award Categories 26-28 – **See Sheet E** (page 10)

*Special Note: The below section is not required for the Leadership Award categories. Please complete a profile of the individual's achievements.*

THIS SECTION IS INTENDED TO PROVIDE AN OVERVIEW OF THE PROJECT. PLEASE KEEP ANSWERS TO EACH QUESTION UNDER 200 WORDS.

YOU MAY EXPAND ON THIS INFORMATION IN A SEPARATE PROFILE OF NO MORE THAN 3 PAGES, DOUBLE-SPACED.

#### 1. Please provide a brief description of the project.

The City of Austin recognizes and promotes the value of locally-owned businesses by funding the establishment and marketing of Independent Business Investment Zone (IBIZ) Districts. An IBIZ District is an association of merchants within a geographic area that promotes the district as a destination for shopping and entertainment through a cooperative marketing campaign. There are currently seven IBIZ Districts in Austin encompassing over 300 locally-owned businesses, with an eighth district forming.

The City of Austin contracts with a local, city-wide, non-profit merchants association (Contractor) to provide staff support for the districts. An area must submit an application and meet certain criteria to become an IBIZ District. Only locally-owned, independent businesses within the district are eligible to participate as district members. The Contractor assists potential districts to organize, choose a name and logo, and develop an initial marketing plan. The Contractor then performs all tasks required to implement the marketing plan, with some voluntary member assistance.

After establishment, the Contractor continues to work with each IBIZ District to host periodic meetings, maintain inter-district communications, solve problems that hinder the district's success, and to develop and implement an annual marketing plan.

## **2. What is the goal or purpose of this project?**

The goal of this project is to help locally-owned, independent businesses succeed and grow by leveraging their individual marketing efforts. The IBIZ District's marketing efforts help attract the public to the district, thus increasing the members' visibility. IBIZ Districts are also intended to raise public awareness of the importance of doing business with locally-owned businesses, and the important contributions they make to the local economy.

## **3. Who are the participants in this project? Who was involved in planning/implementation? Who is affected?**

The program participants are the City of Austin's Small Business Development Program (SBDP), the merchant's association contracted to provide support to the districts, and the locally-owned businesses who participate as IBIZ District members. The merchant's association developed the IBIZ District concept and founded one pilot district prior to seeking City of Austin funding. City funding has provided consistent staff support and a marketing budget, which has allowed the number of districts to increase to eight in four years. Marketing activities and events are planned by each district's leadership committee with the assistance of the Contractor.

## **4. What has been the impact of the project? How effective has it been in furthering economic development in your community? Identify any tangible and/or intangible results and value added.**



The City of Austin does not collect detailed quantitative information on the impact of IBIZ Districts on member businesses. However, significant qualitative and anecdotal evidence supports their effectiveness. Member business owners consistently participate in IBIZ marketing efforts and special events, and report positive results from these activities.

Inclusion in an IBIZ District encourages member businesses to communicate with each other and work cooperatively to address larger problems that affect their neighborhood. Austin's IBIZ Districts have addressed parking issues, graffiti, and developed beautification projects. The district's email list becomes a forum that allows members to communicate about neighborhood issues. IBIZ Districts also become a resource for supporting neighborhood and community events.

IBIZ Districts can also assist in the revitalization of an area, and two of Austin's IBIZ Districts are in areas that are in the revitalization process. Over the past twelve months, both districts have experienced a decrease in commercial vacancies, increased utilization of vacant land, and numerous new businesses established. Startup businesses particularly benefit from the increased exposure offered by IBIZ marketing efforts.

IBIZ Districts also give the supporting entity, particularly government entities, a means of communicating with small businesses, and learning about the needs of businesses in different areas of the community.

**5. Is this project replicable or transferable? Can it be adapted for use in other communities? What lessons have been learned?**

IBIZ Districts are easily replicable in other cities, because the level of funding and support required are not excessive. The criteria for establishing districts are simple and practical and can be easily adapted to meet the needs of any community (see Question 7 for criteria).

The key to establishing a successful IBIZ District program is to provide strong staff support with excellent organization and communication skills, excellent diplomatic and problem solving skills, a detailed knowledge of the community, experience working with small business owners, and skill in developing and implementing marketing plans.

Lessons learned include making sure that adequate interest in becoming an IBIZ District exists among an area's businesses prior to establishing the district. In one case,

a district in Austin was disbanded due to lack of participation by the district's locally-owned businesses.

Interested business areas must now submit an application to become an IBIZ District. The application process requires tasks and supporting documentation to be completed that demonstrate the area's level of interest in becoming an IBIZ District. Selection is largely determined by the demonstrated strength of that interest, assuming all other criteria are met.

**6. In what ways is this project innovative or creative?**

IBIZ Districts are controlled by the member businesses through their leadership committee, ensuring that major decisions are made within the district. Each district determines its own name, logo, marketing plan, and activities, allowing them to be tailored to the district's unique makeup and character. The supporting government or economic development entity simply provides funding and staff support, and sets only the essential guidelines necessary to ensure its funding is used appropriately.

The program now includes a plan for transitioning mature districts to financial self-sustainability over a 5-year period. This will prevent an excessive growth in funding requirements as the number of districts increases, while ensuring that adequate funding is available to support new and maturing districts.

**7. Are there any other relevant details not covered above or specific to your category?**

IBIZ related website:

[www.ibuyaustin.com/index.php?option=com\\_content&view=article&id=60&Itemid=3](http://www.ibuyaustin.com/index.php?option=com_content&view=article&id=60&Itemid=3)

Promotional video for South 1<sup>st</sup> Street IBIZ District:

[www.youtube.com/watch?v=o1tDVJoUcM4](http://www.youtube.com/watch?v=o1tDVJoUcM4)

IBIZ District criteria:

To qualify to be an IBIZ District, the area must:

- Be less than 1 mile in length
- Not be a strip mall
- Contain over 75% locally owned businesses

- Contain a minimum of 15 business and a maximum of 80 businesses
- Have at least 20% business owner participation: commitment to regularly scheduled meetings and special events

Other considerations used for IBIZ determination are:

- Physical design of district
- “Walkability” – there are no significant barriers to pedestrian traffic in the district
- Access by transport other than car
- Character
- Diversity within the district in terms of business mix
- Proposed district matches “flavor” of local neighborhood/surrounding area

