



# SOUTHSIDE WORKS (LTV)

LOCATION: Pittsburgh, PA

SIZE: 123 acres

FEATURES: Location, Significant Acreage, and Flat Land

OWNER: Soffer Organization & the Urban Redevelopment Authority (URA)

CURRENT USE: Retail, Dining, Entertainment, Office and Sports Training Area

PAST USE: Finishing Mill

CONTAMINANTS: PCBs & Iron Cyanide Metals

TOTAL ACTUAL COST: \$265 million funding, from public and private.

## TIMELINE

1893 Monongahela Water Company first develops the site.

1974 LTV acquires J&L Steel.

1993 The URA purchases the site.

1996 The URA purchases the former Hot Metal and MONCON Bridges.

1997 URA completes the design of the renovation of the MONCON Bridge.

1998 LTV ceases operations and demolishes the facilities in its steam plant in SSW.

2000 Renovations of the MONCON Bridge are completed.

2004 A series of mixed-use structures including the Cheesecake Factory is completed.

## HISTORY

The steel plant on the site had operated since 1893 and housed open hearth furnaces and blooming and billet mills. In 1947, James J. Ling started an electrical construction and engineering firm in Dallas, Texas. Through a number of takeovers and mergers, the company that Ling established eventually became known as Ling-Temco-Vought (LTV). When LTV took over Republic Steel and combined with J&L to form LTV Steel Co., it became the second largest steel producer in the nation. LTV was set to have a large station in Pittsburgh as J&L is a Pittsburgh-based company. All three of its manufacturing facilities were located there, including South Side Works.

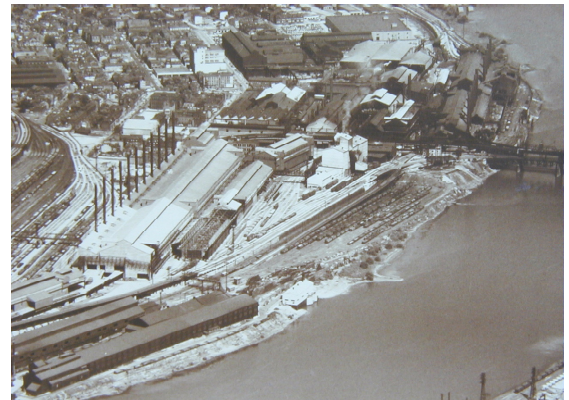
At its peak in the 1960s, J & L employed about 8,500 people. In 1968, LTV purchased J & L, and then merged with Republic Steel in 1985. One year later, Republic Steel was forced to close due to foreign competition, high labor costs, and a lack of modern steel-making equipment. The property was abandoned and the mill was demolished in the early 1990s.

## TOPOGRAPHY

This site which housed the South Side Works plant was owned by LTV. This site had an area of 123 acres. It is located between Carson Street and the Monongahela River. The South Side Plant was connected to the plant on the northern side of the river by the Hot Metal Bridge.

## MARKET CONDITIONS

Currently, this development is a good source of employment for the area.





Picture courtesy of Google Maps

Its existence also encourages housing opportunities and new developments in surrounding areas. Property values in this area have risen significantly.

#### SITE ASSEMBLY AND CONTROL

The site was purchased in 1993 by the Urban Redevelopment Authority (URA) of Pittsburgh, after the plant idled. From 1994 to 1996, the URA completed community consensus efforts related to development of the site. Over the next few years, the URA solicited interest for development of all components of the site, while completing environmental, infrastructure, and traffic enhancement efforts and executing a Tax Increment Financing package with the three taxing bodies.

- At one point during its abandonment, the LTV site attempted to become a historic landmark. It was thought that the Bessemer converter building, an open-hearth building, and a J&L sign could be preserved to remind Pittsburgh of its heritage; however, the discovery of its hazardous materials prevented this from coming to fruition.
- The Soffer Organization acquired 34 of the 123 acres of the South Side Works between 26th and 29th Street while the URA and the City was responsible for the rest of the land.

#### ENVIRONMENTAL PROBLEMS

- During 1996 and 1997 the URA continued environmental studies on the property, while completing major remediation and continued with the modeling and assessment of the groundwater on the site.
- By 1998 most of the assessments and minor environmental remediation on the site were complete. No special conditions were required for work on the site except to implement a Health and Safety Plan and to clean up any contamination found during construction.



#### SOCIAL/COMMUNITY INFRASTRUCTURE

- The strong community surrounding the site was well integrated in the development plan, which considered the community's input.
- Various South Side groups have been involved in the LTV site almost from the day the defunct steel plant began coming down in the early 1990s. Community input ensured that the new buildings mimicked an existing urban setting by coming right up to the sidewalks. The Southside Local Development Company was one of those groups.
- Formed in 1982, South Side Local Development Company is a non-profit community development organization with the goal to preserve and develop Pittsburgh's South Side.

#### PHYSICAL INFRASTRUCTURE

- During 1996 the URA bought the former Hot Metal and MCON Bridge structures, believing that Hazelwood would cease operations in short time. LTV demolished all the existing facilities but the Steam Plant and accessory infrastructure.
- During the initial stages of the project, these operations became a liability to the immediate development of the site.
- During 1996 and 1997 the URA focused on several predevelopment efforts,





including selecting a master developer to partner with, as well as completing several traffic, utility & geotechnical, and environmental remediation efforts. In 1997 the City designated special zoning for the plan establishing the design and development goals, strategies, and guidelines. The URA focused on accelerating traffic and access enhancements. They also finished the design of the renovation of the MONCON Bridge. This former railroad bridge was converted to a two lane vehicular bridge that connects the site to Oakland, PTC, and the downtown. The bridge and approaches were completed and opened in July of 2000.

### COSTS & ECONOMIC INFRASTRUCTURE

- A Tax Increment Financing (TIF) Plan was adopted by the city, county and school district. This TIF is considered the centerpiece of public funding needed to allow development to proceed. Through this TIF the URA generated up to \$25 million in financing proceeds to pay for public infrastructure on the \$300 million site. These proceeds were used with other public funding to pay for and implement road and infrastructure improvements for the project and to fill funding gaps for parking structures.



### CURRENT STATUS AND LESSONS LEARNED

- The site is a mixed-use development, including office space, a sports medicine complex and practice fields, housing and retail. It contains approximately 330,000 square feet of specialty retail, restaurants, a hotel, residential urban living units, and up to 700,000 square feet of class A office space. It utilizes the area by providing many storied buildings for extra office or loft space and structured parking.
- In addition to the job creation and housing potential of the development, public access to the riverfront will be created.
- A 38,000 sq. foot fitness center, a riverfront pavilion, a 200 room hotel, and 150 unit condo are planned for the site. Also, Hofbräuhaus, a brewery, is to be built behind The Cheesecake Factory. It is scheduled to be open in the Fall of 2007.

### ECONOMIC/COMMUNITY IMPACT

Southside Works is a first-class riverfront development utilizing a mix of office, medical, recreational, housing and retail uses. It is a private investment of \$250 million, providing up to 5,400 employment opportunities and over 400 housing units. Employment generated by initial development amounted to approximately 1,500 jobs.

Case Study Completed Summer 2007

### SOURCES

- Messenger, Adrienne. Brownfield Development: the Implications for Urban Infrastructure. The Brownfields Center: Case Study Site – LTV South Side Works. Carnegie Mellon University. Aug. 1998.
- Saavedra, Loreto. "South Side Works" May 2007. Student Work
- Soffer Organization Presentation
- Soffer Organization web page, [http://www.sofferorganization.com/ss\\_works.htm](http://www.sofferorganization.com/ss_works.htm)
- URA web page, [http://www.ura.org/showcaseProjects\\_ssWorks3.html](http://www.ura.org/showcaseProjects_ssWorks3.html)

### Project Financing (projected)

\$23,427,461	City / URA Funding
\$16,250,000	Private Garage Funding
\$16,992,000	State Funding
\$12,525,000	Pittsburgh Water & Sewer Authority
\$25,000,000	Tax Increment Financing
\$11,000,000	HUD Section 108 Loans
\$1,500,000	HUD Brownfields Economic Development Initiative (BEDI) Grant
\$1,000,000	HUD Economic Development Initiative (EDI) Grant
\$7,245,039	Other Sources
<b>\$103,666,500</b>	<b>Total</b>