Intentionality:
Competing in the 21st Century
America’s First Road Trip

Horatio Nelson Jackson, Sewall K. Crocker & Bud

Source: www.pbs.org
Six Converging Forces

- Globalization
- Environmental
- Technological Innovation
- Demographics
- Financing the Future
- Talent
Demographics: *Boomers*

- Seniors from 65-75 will be the fastest growing group this decade
- Will grow from 28 to 42 million - a 50% growth by 2020
- Children of the 60s, have redefined every age they entered
- When will they retire? For most, not for years
Demographics: Millennials

• Late teens to early 30s - 83 million
• The largest generation in US history
• At the prime household formation age
• Six times less likely to have a car than their parents
## Employment: Employment Trends, 1990-2018

<table>
<thead>
<tr>
<th>U.S. Metro</th>
<th>Manufacturing</th>
<th>% Change</th>
<th>Professional and Business Services</th>
<th>% Change</th>
<th>Education and Health Services</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Baltimore</strong></td>
<td>126</td>
<td>56.3</td>
<td>-55%</td>
<td>121</td>
<td>249.5</td>
<td>106%</td>
</tr>
<tr>
<td><strong>Denver</strong></td>
<td>84</td>
<td>71.2</td>
<td>-15%</td>
<td>132</td>
<td>275.6</td>
<td>109%</td>
</tr>
<tr>
<td><strong>Philadelphia</strong></td>
<td>342</td>
<td>181.3</td>
<td>-47%</td>
<td>306</td>
<td>480.6</td>
<td>57%</td>
</tr>
<tr>
<td><strong>Pittsburgh</strong></td>
<td>130</td>
<td>87.5</td>
<td>-33%</td>
<td>127</td>
<td>183.3</td>
<td>44%</td>
</tr>
<tr>
<td><strong>Research Triangle</strong></td>
<td>75.5</td>
<td>63.5</td>
<td>-16%</td>
<td>66.2</td>
<td>166.1</td>
<td>151%</td>
</tr>
<tr>
<td><strong>Allentown</strong></td>
<td>64.9</td>
<td>37.3</td>
<td>-43%</td>
<td>27.9</td>
<td>49.7</td>
<td>78%</td>
</tr>
<tr>
<td><strong>San Diego</strong></td>
<td>121</td>
<td>113.9</td>
<td>-6%</td>
<td>128</td>
<td>248.6</td>
<td>94%</td>
</tr>
<tr>
<td><strong>San Francisco</strong></td>
<td>173</td>
<td>143.6</td>
<td>-17%</td>
<td>280</td>
<td>499.8</td>
<td>79%</td>
</tr>
<tr>
<td><strong>Seattle</strong></td>
<td>230</td>
<td>180.5</td>
<td>-22%</td>
<td>141</td>
<td>309.7</td>
<td>120%</td>
</tr>
<tr>
<td><strong>Erie</strong></td>
<td>35.7</td>
<td>18.8</td>
<td>-47%</td>
<td>6.9</td>
<td>10.3</td>
<td>49%</td>
</tr>
<tr>
<td><strong>U.S. Total</strong></td>
<td>17,395</td>
<td>12,747</td>
<td>-27%</td>
<td>10,765</td>
<td>21,130</td>
<td>96%</td>
</tr>
</tbody>
</table>

Intentionality

- **Intentionality**: The point at which a community decides to become *something other* than what is has been traditionally.

- Sense of Place

- Diversity of Jobs
Communities that get it...
Need:

- Money
- Land Control
- Sophisticated Deal Making Capacity
- Vision
- Leadership
Reimagining the Allegheny County
Mon Valley

• Population: 186,000
• Number of municipalities: 35
• Thousands of acres of underutilized land
Cities reinventing themselves

- Denver, Colorado
- Seattle, Washington
- Minneapolis, Minnesota
- Denver, Colorado
- Nashville, Tennessee
- Greenville, South Carolina
- Austin, Texas
- Charleston, South Carolina
- Erie, Pennsylvania
- Loveland, Colorado
- Allentown, PA
Denver

*Link infrastructure and development*

- In 2004, Fastrak Referendum
- $2 Billion Bond Approval
- 119 miles of light rail
- 7 Counties & 32 Municipalities
- 78 Stations
Denver: Union Station Development

- $1.7 billion project, funded with public and private money
- 3,500 residential units
- Two grocery stores
- 1.5 million square feet of office space
Greenville, South Carolina

Before and After
Historic Preservation

Charleston, South Carolina
3CDC is a non-profit, real estate development and finance organization focused on strategically revitalizing Cincinnati’s downtown urban core in partnership with the City of Cincinnati and the Cincinnati corporate community. Our work is specifically focused on the Central Business District and in Over-The-Rhine.

- 3CDC manages The Cincinnati Equity Fund (CEF) and the Cincinnati New Markets Fund (CNMF). These investment funds play an important role by providing financial aid in downtown development activities.
Transforming Pittsburgh: Jobs and Vitality
Pittsburgh MSA Population, 1960-2020

Source: US Census Bureau
The South Side Works was a steel mill
Now you can go to the movies, eat, shop...
The mixed-use site masterplan has reconnected the neighborhood to the river.

- **Development Cost:** $650 Million
- **TIF Proceeds:** $21 Million
- **Other Public:** $128 Million
- **Private Investment:** $301 Million

Public investment funded site remediation, roads, parking garages, bridges, trails, and parks.
Home Depot in East Liberty

Development Cost: $11.35 Million
TIF Proceeds: $1.67 Million
Other Public: $4.35 Million
Private Investment: $5.33 Million

One of the first inner city Home Depot developments
Retail Development in East Liberty
From Vacant Nabisco Building to Google Offices
Downtown Pittsburgh
The Cultural Trust
Pittsburgh Rivers--Then
Pittsburgh Rivers--Now
North Shore--Then
Three Rivers Stadium
Heinz Field
PNC Park
David L. Lawrence Convention Center
North Shore Development
Neighborhood Housing

Aliquippa Terrace
Oak Hill
In Squirrel Hill there was a 900 acre slag dump...
Train dumping slag
Now it is a new Pittsburgh neighborhood--
Summerset at Frick Park
Riverfront Parks and Trails
Don’t tell me you don’t have any money!
Allegheny County / Pittsburgh
Regional Asset District

• Regional Asset sales tax .5%
• Used for regional amenities
Funding for Pittsburgh companies from venture capital firms ($ millions)

Source: Dow Jones VentureSource, Innovation Works, Pitchbook, and Thomson Reuters ThomsonOne Database
University Research & Development Expenditures

- University of Pittsburgh: $861 million
- Carnegie Mellon University: $242 million

Source: National Center for Science and Engineering Statistics (NCSES)
## 2015 URA TIF Dashboard

<table>
<thead>
<tr>
<th>TIF Project (Authorized)</th>
<th>Expires/Complete</th>
<th>Tax Diversion Investment</th>
<th>Increment to Taxing Bodies</th>
<th>Base Annual Tax Revenue</th>
<th>Current Annual Tax Increment to Taxing Bodies</th>
<th>Annual Additional Tax Revenue at Completion</th>
<th>Annual Public ROI at Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pittsburgh Technology Center I (1993)</td>
<td>2001</td>
<td>$5,510,000</td>
<td>40%</td>
<td>$0</td>
<td>$565,229</td>
<td>$565,229</td>
<td>10%</td>
</tr>
<tr>
<td>Shenley Center (1997)</td>
<td>2013</td>
<td>$5,250,000</td>
<td>25%</td>
<td>$1,531</td>
<td>$610,732</td>
<td>$610,732</td>
<td>12%</td>
</tr>
<tr>
<td>Penn Ave Place-Lazarus-Oliver Garage (1995)</td>
<td>2013</td>
<td>$9,070,000</td>
<td>0%</td>
<td>$5,579,101</td>
<td>$1,208,271</td>
<td>$1,208,271</td>
<td>13%</td>
</tr>
<tr>
<td>North Shore Alcoa (1993)</td>
<td>2014</td>
<td>$4,430,000</td>
<td>25%</td>
<td>$0</td>
<td>$722,404</td>
<td>$722,404</td>
<td>16%</td>
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<tr>
<td>South Side Works (1999)</td>
<td>2015</td>
<td>$25,000,000</td>
<td>40%</td>
<td>$0</td>
<td>$6,432,397</td>
<td>$6,432,397</td>
<td>26%</td>
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<tr>
<td>Grant Street Transportation Center (1997)</td>
<td>2016</td>
<td>$5,000,000</td>
<td>25%</td>
<td>$100,716</td>
<td>$347,114</td>
<td>$541,706</td>
<td>11%</td>
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<tr>
<td>Federal North (1997)</td>
<td>2017</td>
<td>$5,200,000</td>
<td>10%</td>
<td>$19,683</td>
<td>$76,193</td>
<td>$685,741</td>
<td>13%</td>
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<tr>
<td>Fairywood Industrial Park (1998)</td>
<td>2018</td>
<td>$4,008,130</td>
<td>25%</td>
<td>$0</td>
<td>$48,647</td>
<td>$145,942</td>
<td>4%</td>
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<tr>
<td>BNY Mellon Client Services Center (1998)</td>
<td>2018</td>
<td>$11,330,000</td>
<td>40%</td>
<td>$306,977</td>
<td>$882,462</td>
<td>$1,492,302</td>
<td>13%</td>
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<tr>
<td>PNC Firstside (1999)</td>
<td>2019</td>
<td>$13,400,000</td>
<td>25%</td>
<td>$322,988</td>
<td>$846,109</td>
<td>$1,495,963</td>
<td>11%</td>
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<tr>
<td>Fulton Building (1999)</td>
<td>2019</td>
<td>$3,150,000</td>
<td>40%</td>
<td>$63,819</td>
<td>$319,791</td>
<td>$479,686</td>
<td>15%</td>
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<tr>
<td>Heinz North Shore (1999)</td>
<td>2019</td>
<td>$3,970,000</td>
<td>25%</td>
<td>$654,323</td>
<td>$18,959</td>
<td>$56,876</td>
<td>1%</td>
</tr>
<tr>
<td>Station Square (1999)</td>
<td>2019</td>
<td>$5,915,000</td>
<td>40%</td>
<td>$1,775,187</td>
<td>$334,878</td>
<td>$669,926</td>
<td>11%</td>
</tr>
<tr>
<td>Theatre Square (2001)*</td>
<td>2021</td>
<td>$5,000,000</td>
<td>25%</td>
<td>$56,558</td>
<td>$208,564</td>
<td>$545,142</td>
<td>11%</td>
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<tr>
<td>Collaborative Innovation Center (2002)</td>
<td>2022</td>
<td>$4,130,000</td>
<td>50%</td>
<td>$0</td>
<td>$263,832</td>
<td>$395,747</td>
<td>10%</td>
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<tr>
<td>Centre Negley (2004)</td>
<td>2024</td>
<td>$1,599,000</td>
<td>50%</td>
<td>$134,964</td>
<td>$169,479</td>
<td>$169,756</td>
<td>11%</td>
</tr>
<tr>
<td>3 PNC Plaza (2006)</td>
<td>2024</td>
<td>$18,790,000</td>
<td>40%</td>
<td>$143,082</td>
<td>$917,455</td>
<td>$1,376,182</td>
<td>7%</td>
</tr>
<tr>
<td>Bakery Square (2007)</td>
<td>2025</td>
<td>$10,500,000</td>
<td>40%</td>
<td>$63,321</td>
<td>$518,615</td>
<td>$777,923</td>
<td>7%</td>
</tr>
<tr>
<td>East Liberty Gateway (2009)</td>
<td>2026</td>
<td>$2,279,850</td>
<td>25%</td>
<td>$18,566</td>
<td>$80,594</td>
<td>$241,782</td>
<td>11%</td>
</tr>
<tr>
<td>Pittsburgh Technology Center II (2006)</td>
<td>2026</td>
<td>$20,000,000</td>
<td>40%</td>
<td>$151,351</td>
<td>$165,040</td>
<td>$780,698</td>
<td>4%</td>
</tr>
<tr>
<td>Gardens at Market Square (2012)</td>
<td>2032</td>
<td>$8,100,000</td>
<td>35%</td>
<td>$5,788</td>
<td>$8,170</td>
<td>$1,441,187</td>
<td>18%</td>
</tr>
<tr>
<td>Summerset at Frick Park (2013)</td>
<td>2033</td>
<td>$24,000,000</td>
<td>25%</td>
<td>$117,702</td>
<td>$81,376</td>
<td>$2,631,944</td>
<td>11%</td>
</tr>
<tr>
<td>Hazelwood-Almonon (2013)</td>
<td>2033</td>
<td>$80,000,000</td>
<td>25%</td>
<td>$115,086</td>
<td>$0</td>
<td>$9,898,511</td>
<td>12%</td>
</tr>
<tr>
<td>East Liberty TRID (2013)*</td>
<td>2036</td>
<td>$14,656,234</td>
<td>25%</td>
<td>$261,000</td>
<td>$48,393</td>
<td>$1,766,129</td>
<td>12%</td>
</tr>
<tr>
<td>350 Oliver (2013)*</td>
<td>2036</td>
<td>$7,000,000</td>
<td>35%</td>
<td>$0</td>
<td>$0</td>
<td>$800,000</td>
<td>11%</td>
</tr>
<tr>
<td>Three Crossings (2015)*</td>
<td>2036</td>
<td>$1,000,000</td>
<td>30%</td>
<td>$0</td>
<td>$0</td>
<td>$150,000</td>
<td>15%</td>
</tr>
<tr>
<td>Lower Hill LERTA (2015)*</td>
<td>2040</td>
<td>$23,930,561</td>
<td>0%</td>
<td>$0</td>
<td>$6,139,570</td>
<td>$2,751,693</td>
<td>26%</td>
</tr>
<tr>
<td>East Liberty TRID Phase II (2015)*</td>
<td>2036</td>
<td>$12,446,000</td>
<td>40%</td>
<td>$29,752</td>
<td>$0</td>
<td>$29,752</td>
<td>2%</td>
</tr>
</tbody>
</table>

**Total (29)** | **$336,284,315** | **$9,932,268** | **$14,990,863** | **$45,085,928** | **13.4%**

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- **Authorized**: TIF project approved by applicable taxing bodies, construction pending
- **Under Construction**: TIF project in progress, construction under way
- **Construction Complete**: TIF project completed
- **Diversion Complete**: TIF project completed, no further revenue diversion

- **Projected**: Data projected to completion

- **Public ROI**: Public Return On Investment
Funding *just* today or today *and* tomorrow

- Pittsburgh Development Fund
- Shifted $6 million a year from the operating budget to finance a $60 million development fund.
Reaching for the Future
Creative Finance for Smaller Communities
The pieces of the puzzle

• Think Strategically
• Dynamic Leadership
• Strong Partnerships
• Talent
• Placemaking and Design
Where Will the New Roads Lead...