



February 5, 2020

Attn: Zoning Board of Adjustment City of Pittsburgh, Department of City Planning 200 Ross St., Fourth Floor Pittsburgh, PA 15219

Re: 27 51st Street – Zone Case 20 of 2020

Dear Esteemed Members of the Zoning Board of Adjustment:

On behalf of Lawrenceville United and Lawrenceville Corporation, we write today in reference to 27 51st Street. Lawrenceville United's (LU) mission is to improve and protect the quality of life for all Lawrenceville residents. Lawrenceville Corporation (LC) serves as the catalyst and conduit for responsible growth and reinvestment in the Lawrenceville community. LU and LC have created a community process that provides a forum where proposed development projects can be discussed, vetted, and measured against community plans and priorities. This process enables the local community organizations to identify priority issues that will help guide conversations with the developer through the planning and construction processes.

LU and LC convened an open and public community meeting on 10/8/2019 with Spear Street Capital. Notes from the community meeting are included with this letter. LU and LC, along with Riverlife, have worked over the past six months through a robust and iterative process with Spear Street to identify and address community concerns and goals. Spear Street has been extremely responsive and communicative throughout this process, and we sincerely appreciate that.

Our organizations worked closely with the City of Pittsburgh, Riverlife, and hundreds of other stakeholders to develop, tweak, and to advocate for the adoption of the Riverfront Zoning Amendment (RIV). We believe that our riverfront is worth protecting and that the RIV is a strong and important tool helping to ensure that new riverfront development reflects the community's vision and values. As called out in multiple community plans, including the Allegheny Riverfront Vision and Green Boulevard Plan, LC and LU believe that any riverfront development should increase the quality of urban living, embrace smart growth principles, provide accessible opportunity, and include environmental restoration of both land and water to benefit the community's health and welfare.

Consequently, we remain concerned with this project's deviation from the RIV. Across our community, and in Upper Lawrenceville especially, there's already an overabundance of surface parking that serves as one of the neighborhood's main barriers to a more active and accessible riverfront. The provisions of the RIV that constrain the amount and location of surface parking are very important as our community sees increased interest in redevelopment along the riverfront, and so we are concerned about the precedent that a variance of this scale would set. We do, however, also realize that this specific project presents some unique challenges, and that in some ways the RIV may not address or consider all those challenges.

As a community that values historic preservation, we appreciate and support the adaptive reuse of the building called for in this plan. We also appreciate that Spear Street has worked earnestly to meet community requests around providing a publicly accessible bike/pedestrian trail and grove area along the riverfront, exceeding tree and landscaping requirements across the site (and specifically choosing tree species that maximize capture of particulate matter pollution), and committing to join the 2030 District to reduce emissions and energy/water

consumption. We also recognize that Spear Street has modified its parking plan to reduce the overall number of parking spots between the building and the river and create a more urban design.

Spear Street has indicated that this project has the potential to generate more than 1,000 jobs, and we appreciate Spear Street's commitment to prioritize MBE and WBE hiring for onsite contracts. The project will, however, undoubtedly bring increased traffic to already overburdened and failing streets and intersections, which is a concern, in addition to the impact that this number of added vehicle trips will have on existing air quality issues in the neighborhood. LU and LC have repeatedly stressed the need for robust transportation demand management (TDM) measures as a result of these concerns, and we appreciate Spear Street's efforts to accommodate our requests, including: employing an on-site TDM coordinator, providing car-pool reserved parking, installing a Healthy Ride station, exceeding bike parking requirements, providing lockers and showers, providing publicly accessible bike parking and a bike repair station, requiring tenants to participate in the JobPerks program and become Bike Pittsburgh "Gold" members, providing mode-split monitoring, and making contributions for bus passes and public improvements to the intersection at 51st/Stanton & Butler Street consistent with the recently completed Butler Street Design Guidelines.

The attached letter summarizes these commitments and others that Spear Street has made, and we do sincerely appreciate Spear Street's earnest efforts to meet our requests. Given our lingering concerns around the deviation from the RIV and the precedent it would set, we are neither supporting nor opposing the variances requested today, and we trust the ZBA will make a decision that reflects the intent, vision, and values embraced by the RIV and the Lawrenceville community. We respectfully request that the ZBA make the commitments presented by Spear Street Capital a part of any approval of the variances requested today.

We thank Spear Street for their robust participation in our community process and the Zoning Board for its consideration.

Sincerely,

Lauren Byrne Connelly Executive Director Lawrenceville Corporation 100 43rd Street Pittsburgh, PA 15201 (412) 621-1616 Lauren@LawrencevilleCorp.com

Dave Breingan Executive Director Lawrenceville United 118 52nd Street, Suite 2026 Pittsburgh, PA 15201 (412) 802-7220 Dave@LUnited.org

February 5, 2020

Dear Lauren and Dave,

As previously communicated, Spear Street Capital is prepared to make the following items a condition to Lawrenceville United and Lawrenceville Corporation both providing support for the variances we are seeking for the redevelopment of 27 51st Street in Lawrenceville:

- Property owner will install all trees and other plantings shown on the attached landscape plan as shared with LU, LC and Riverlife.
- Property owner will follow the guidance provided by Riverife so that the parking areas are installed in accordance with the attached site plan.
- Property owner will provide a bike trail along the riverfront to be tied into potential future riverfront sites.
- Except for removal of potential invasive plant species and stabilization efforts, Property owner will not disturb the existing steep slope between the planned bike trail and the river.
- Property owner will employ an onsite TDM coordinator.
- Property owner will provide car-pool reserved parking spaces.
- Property owner will install a Healthy Ride bike station.
- Property owner will provide public access bike parking (32 spaces) and bike repair station.
- Property owner will provide for 150 bike spaces for tenant use, along with onsite lockers and showers.
- Property owner will require all tenants to be Bike Pittsburgh "Gold Members".
- Property owner will require all tenants to be enrolled in the Port Authority Job Perks Program.
- Property owner will make a \$50,000 bulk purchase of PAT transit passes in the first operating year following delivery and occupancy of the project.
- Property owner will complete Mode split monitoring at one and three-year intervals following project achieving 75% occupancy.
- Property owner will participate in Pittsburgh 2030 District.
- Property owner will solicit MBE and WBE bids for onsite contracts.
- Property owner will make a \$10,000 contribution for the installation of a bus shelter at 51st and Butler Street.
- Property owner will make a \$40,000 contribution towards installation of landscaping and hardscape improvements at the 51st and Butler intersection in conformance with the Butler Streetscape Design Guidelines.

Thank you again for your time and patience in working through this process with us.

Regards,

Laura Dunn

Community Meeting on Spear Street Capital on 51st Street Meeting Notes 10/8/2019, 6:30 p.m., Goodwill

Dave from Lawrenceville United does overview of community process.

This project is seeking a variance for surface parking in excess of 75 spaces at 590 and surface parking between structure and river in excess of 15 spaces (at 143).

Background – community meeting on Dock 51 with Northwood Development in November 2018. They sold the property in 2019 to Spear Street. LC and LU began with a meeting in August 2019.

Kevin McKeegan: Local counsel to Spear Street. I've been involved in a number of projects in Lawrenceville and I think this process is great. I've had projects in the suburbs where they don't have a process and people are yelling.

Spear Street acquired this site in July. Northwood didn't go forward with it because it really wasn't their deal to redevelop. We are familiar with this project more so. We are proposing to redevelop the site to office and research and development facility. No housing or retail. Office and research. Expectation is that once the building renovations are complete, roughly 3,000 sq ft of office available. 600 cars. 2 to 1 ratio in terms of parking. We've met with planning and riverfront and both LU and LC. We added a significant stormwater and landscaping update. I'm going to turn this over to Laura Dunn. Katie Wahl from Perkins Eastman, who is architect, is also here.

Laura Dunn: I'm with the firm Spear Street Capital, offices in SF and NY. We are owner operators and seek to acquire Class A office properties in all major tech oriented markets across the US and Canada. We look to identify unique opportunities within tech ecosystem really focused on this specific opportunity with the idea in mind that due to CMU and Pitt there is a need to develop property that is right for high tech users and robotics and AI and autonomous vehicles. We acquire existing assets and have quite a bit of experience with adaptive reuse. We work with large tech companies. Before we dive in, we got to know Pgh landscape

and we were enthused with what we saw. Really saw an opportunity to create an asset that would appeal to research and development. Handful of companies in Strip and LV that are in multiple buildings but no real estate created to them. The Sears sight is really fine for that; 3,000 sq ft. and ceilings are 20 feet: can drive a car or robot in and let companies house all of their things under one roof. Opportunity to bring concentration effect to Lawrenceville. We view this as an opportunity to bring 1,000 jobs to Lawrenceville. Big impact on retail demand. And growth and development in general. Focused on how people will get to and from: we have done a transportation study and findings are that 3,000 sq ft aren't going to have a meaningful impact from a transportation standpoint. Encourage other means of transporation to site also. Bike, ride share, etc. From an adaptive reuse, this is not ground up development. Not taking down any of the existing structure. Not enlarging or going vertical. The surface lot exists there today and has historically been paved parking lot for sears. Site was developed in 1940. Our plan really works within the confines of existing site. We've met with a lot of constituent groups already. We took a lot of feedback and looked at the site and have really worked to incorporate those while still maintaining the surface parking we think this site needs. Our goal is to make this part of the Lawrenceville community. A lot of authenticity. For the most part, it's had its back to the neighborhood. We looked at this site and said where are the logical places to park cars and have more community-oriented access. We think we've addressed that in the site plan. As you come down 51st, our goal is to open the corner up to 51st and announce you've arrived. Healthy Ride bike share and storage. Opportunities for food trucks. Work week and weekend. Push private and parking to interior of the site and away from community. Riverfront park component included and community space accessed off of 51st with outdoor seating and bikes. When we met with Deb Gross, she asked where's the bike trail, and it depends on our neighbors, but our site is large enough that we should be making a contribution here.

We've really looked at where it would go and how to make this riverfront space most active. This project emerged when the new zoning was coming into place and Riverlife has been very vocal about their goals as well. We've tried to shift parking as close to the building as we can and open up the riverfront space. Today it's only 15 spaces. We thought about public vs private access so it doesn't feel closed off from

neighborhood. There will be additional bike parking and indoor parking of 150 bikes with lockers and showers. How do we add the local flair? We'll be reaching out to local artisans to do large-scale graphics. In my mind there's artwork on pavement that announces you've arrived. Materials: we are not touching the existing brick. Anywhere there's a loading dock will be replaced with glass. Interior of the courtyard will be glass lined as well. Not touching the bones of the building. This is something for the community as much as tenants. It really could be a wonderful setting. As an office landlord, users want to be in an activated environment. Bike path included. Existing paved parking. Trees. We will be consistent with existing zoning which requires 9 trees per parking space. We've added 150 trees. Re: river access, It's an extremely steep drop, 25 feet to river. It's not feasible or safe to have a riverfront connection with that drop but we want to show viewpoints also. A lot of the furniture is placeholder, we want something more playful. Trees with some up lighting. Something transparent that allows folks to take in the view. Existing pave area is 7 acres, but we're going to only have 6. The green space makes up for that remaining acre. Not going higher. The height is actually perfect. We are going to take down a little bit of brick and put in some glass.

Q&A:

Owen Lampe: This is the first meeting I've been to that has sufficient parking.

• Laura: We are trying to accomplish all of that on site. No offsite parking available obviously. This site is isolated and we need to bring all of our needs to it. Bike storage, you name it. We're hoping we're not creating a disturbance. The city planning folks don't want us to have any parking. Our hope is we can even pick up additional parking. What we find is that tenants don't count those unless you can promise them. There may be some on street parking. We're also suburban landlords too. It's crucial to the viability of this project.

Comment: I am worried about all those cars going down 51st. Are the types of tenants more of the ones where they don't have 9 to 5 or more flexible schedules?

• Laura: I imagine this is not a 9 to 5. More of an 8 to 7 population. Also probably going to be more staggered depending on how much becomes R&D and how much traditional office. I hear you though. I imagine some rush hour implications but the study we have does indicate that's not going to generate any super large issue. The city shift toward multi modal: buses, bikes, etc. volume is bad but still lower than expected. The real conclusion for the traffic study is there's no real disturbance.

Dave: just to piggyback: 1000 employees. Isn't that triggered with 100 vehicles by the City for TIS?

• Just basing that on 4 per 1000 density. Think the reality here, the density number might be lower. I don't know what Uber's buildings look like but the true R&D have low density.

Jesse Perkins, Carnegie St: I am grateful you're adaptively reusing and for attention to riverfront and green boulevard. About the parking though, I actually don't feel quite the same as Owen just because the new riverfront zoning was put into place to try to avoid having seas of parking right down along the river and I do see all the greening and appreciate that but wanted to push the other direction and see if we have lower density tenants would you be open to scaling back for right against river?

- Laura: The reality is the users aren't going to park the ratio based on density. It bases on a ratio for rental square footage. It's the way they think about it. Trust me, if I could reduce parking here I would, the prior owners had more parking, we've gone way lower than that and prior owners but for this to be a leasing success which I think is a good thing we have to take into account that not everyone is young enough, desires to live in Lawrenceville. More than 50% of those people live in the suburbs and there's not a ton of additional way for them to get here. I absolutely would rather have more green space but I don't think we'd get that leased if we didn't do this.
- Kevin McKeegan: I was involved in planning for RIV ordinance; my theoretical opinion is that it works well for new development. The Arsenal project, they had to do a structured parking garage. RIV doesn't work well with adaptive reuse. We already have this existing condition here. You don't want to scrape the building so

what are your alternatives. Or you can do a garage. It would make the project uneconomic but it's also not what you would probably want. We are going to buff it as much as we can and make it open and accessible as much as we can. Unfortunately the RIV is great for new projects but for site like this it doesn't work so well.

Lauren, ED of LC: In addition to greening or stormwater efforts can you expand upon stormwater plans in general?

• Laura: Stormwater plans are still being developed. We're reducing impervious surface by an acre. Most of that is being accomplished by park lets at southern and northern end of the site. All of which will reduce impervious area. I want to put an asterisk beside the next statement because plans are still being developed but our meeting with Riverlife meeting today had good comments; they want to take into account whether the site might able to accommodate stormwater from offsite. Definitely going to be looking at it.

Laurie, 45th: Build-out timeline?

• Laura: We will file site plan in next two weeks and go before zoning board before end of the year. The Sears lease ends in summer and we will start summer 2020 with tenants in 2021. We've started to soft market it to a couple of users. But we do believe in idea of going spec and building it. We are full steam ahead assuming we have local support.

Cory Ricci: 45th: you'd have to look at off site, not exactly sure what tenant hours, we have some parking issues, this is still going to have parking, would you consider being a valet destination during a nighttime hours?

• Laura: it's a possibility; we'd have to explore security and liability but we're open. Just to clarify, we're not looking to monetize the parking here, it's meeting the threshold.

Jesse Perkins: Regarding the terminus of 51st street and looking into further activation. Overlook is problematic due to the toppling over but maybe a stair way down to river connection for community. You could have tenants arriving by riverfront via kayak or canoe! Direct riverfront access is definitely precious throughout the neighborhood and if we were somehow able to have access would be a huge boom.

- Laura: if this is a screaming leasing success, done. Our understanding would require a lot of engineers and longer process and more delay, it's a great idea and again because it adds something for our tenants and community, but we're trying to meet milestones and it's one that would delay it indefinitely.
- Jesse: Hearing that you're open to it in the future scratches that itch for me.

Dave Breingan, LU: Riverfront open to public: how are you going to communicate this to the public so they know it's an open area for them?

• Laura: Our goal here is that this is not driving destination but goes back to multi modal. Things like food trucks become word of mouth. We want to find a great local coffee operator. The coffee shop in our plans faces the river. We did an iteration of this where all the green space was here and we said why would I ever go in here so we pushed it to 51st in the idea that it would be welcoming. Up lighting.

Lynn Tomasits: I run Thriftique, which is your neighbor and also has a lot of free parking. We're probably going to have to talk about that so if there were overflow it would probably back up to my parking lot. Now that you have that up can you show me how traffic flow is going to be?

Laura: The parking entrance is at 51st. You drive the aisle at 7 or 8 am and 7 pm. During the day folks are staying here so this is more open. You'd be able to loop around entire building. Our site is closed off on 52nd street. We don't have another means of entry. It's weird the way the streets align.

Jesse: Trees and infrastructure require a property manager to make sure everything looks good. Is this a local job or opportunity?

• Laura: Definitely a local job. CBRE locally is current. I think once this is redeveloped we have onsite property management at all projects and depending on size usually a team. Tenants have an onsite facilities person. We'd be doing out within the Pittsburgh market to find the best candidate for this site. Who's got the experience etc. but our whole team is local. Jesse Perkins: What about the program via Goodwill, Lawrenceville Works?

• Laura: Too premature to say anything for sure but our hope is that when it gets to that point we can connect firm to local orgs. Or tenants. To self-clean or self manage.

Comment: I'm glad you're not tearing the building down. What kind of tenants are you looking for?

• Laura: We're going to market to local and out of market. Aurora has 100,000 square feet. Why are they not just putting 200k in Pittsburgh and paying people an equivalent salary to be here. I think it's that lack of building big enough to accommodate. So that's why were here!

Jesse: Have you had a chance to see whether existing roof would support a green roof?

Laura: we are going to need a new roof. One thing about roof is that building is dark; it doesn't show on drawings but we want to punch a lot of skylights. Green roof and solar are great but you might not be able to get light in. maintenance stuff as well as understanding where to put that greenery is more bang for your buck and maintenance for those types of doesn't always work out. We'll be looking into other ways to make that roof more sustainable, as well as less energy consumption. Other sustainable properties that can hit those notes. This is a little bit about how you spread he dollar. My architects can attest we're spread thin and allocated dollars to most impactful to community and tenants.

Owen: Are we anticipating small office big warehouse?

• Laura: It could be one large tenant that would take over and use it all ideally.

The project team is thanked and excused for closed-door discussion.

Dave LU: LU takes feedback and shares it to board. Working with developers to articulate concerns or conditions. We'll keep you posted on that for sure to get a general sense. More you want to share? Lynn: I would pursue a conversation about security. I am aware of things that go on. Our store closes at 6 and on weekends with activities at spirit, I know that a lot of their customers park in our spaces. It hasn't been a huge issue but my concern is that if its gonna be open 24 hours and that is pretty isolated I anticipate a lot of people are going to go down. It's just that it's very very active on the weekends so my question is what is security going to be like. 24/7. Cameras. Really great lighting. I know what happens in my parking lot and it's what you could imagine.

Owen: if it is autonomous vehicle they'll have security, for sure.

Dave: Great points, we'll definitely bring that up.

Dave: RIV was designed to be thoughtful about land use and this is one of the first projects we're seeing and it's flying in the face around land use. That's what we're struggling with. Feeling a desire to see compliance with those standards. As more properties like this are built we want to set a good standard and this end of the neighborhood is mostly surface parking surrounding that site.

The current limit is 75 under RIV.

Lynn: Do we know why there isn't parking on 51st? . That would be potentially like another 100 spaces. The street is plenty wide. Quite a bit of truck traffic.

Dave: That's something we can do. Check on that. Trucks sometimes do come out.

Owen: Maybe do some angled parking.

Lauren: A little bit of convo about making it feel better. On street parking getting up there to connect eventual Green Boulevard or continuing that all the way out to butler.

Jesse: lighting on the trees: activating or welcoming. I don't know if Tree Pgh thinks that healthy for the trees?

Dave: given the proximity to McConway and Torley, from an air quality lens, how can we be choosing trees to maximize benefit to air quality?

Notes they would be removing non native species and establishing sycamores. I would really like to see that. Something.

Concern of 9 to 5 traffic is real.