Regional Industrial Development Corporation
Strengthening Pittsburgh, Building Excellence
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Regional Industrial Development Corporation of Southwestern Pennsylvania catalyzes and supports economic growth through high quality job creation, real estate development and the financing of projects that advance the public interest.

Through public, private and institutional partnerships, RIDC develops real estate to ensure the region can capture emerging and existing growth opportunities across diverse industry sectors.
Over the past 60 years, RIDC has used real estate development as a catalyst to regional growth in employment and the tax base that would not otherwise occur - or occur as rapidly or in particular areas -- without RIDC participation. RIDC’s activities have centered in the area where there is an overlap between regional need and opportunity. During, 1950s, 60s, and 70s, those efforts were directed at creating then-scarce light industrial space in professional business parks as a complement to the region’s heavy industry focus. In the 1980s, with the collapse of heavy industry the primary driver was to replace economic drivers and find adaptive reuse for the sites left vacant by the decline of steel and associated industries. In the 1990s and 2000s, the objective was to leverage the growth in the medical and education communities to create new homes for rapidly growing information technology and health care companies. RIDC’s ability to take risks, coalesce public and private funding, and be patient in awaiting investment returns were central to the success of the organization.

As RIDC looks ahead to the next 60 years, Pittsburgh faces a stronger economy than seen in recent decades, but an economy that has not reached self-sustainability and is far from equitable. RIDC has a role to play in attracting the industries that will grow jobs in the region; creating places and attracting companies that will build a globally-competitive workforce, community reinvestment, and advocacy areas such as transportation and stormwater.

Continuing to make progress on redeveloping former heavy manufacturing sites, RIDC is poised for the next 60 years of Pittsburgh growth.
While looking forward to the next 60 years
Throughout RIDC’s 60 year history, the organization has been an important instrument for the regional economy. RIDC has the ability to take on large, challenging projects that require patient capital and expertise and lead to significant job creation. RIDC carried out over 2,000 acres of land development with our suburban industrial park projects where thousands of people now work. The organization acquired over a 4 million square feet Westinghouse plant and renovated it into a facility that now holds the operations of over 35 companies. RIDC was ready to execute on a plan to convert the 2.8 million square feet former Sony plant in Westmoreland back to productive use. As we close out 2015, that project is well on its way to becoming a booming center of advanced technology.

RIDC’s 60th year was a exciting and busy one. RIDC is in a strong financial position that allows the organization to be flexible as regional needs and opportunities arise. This year RIDC was happy to pursue a large project to build out a state-of-the-art manufacturing and R&D campus for growing regional company TAKTL at our Keystone Commons facility. The company develops and manufactures an Ultra High Performance Concrete that has been used in architectural façade panels in high-profile projects across the country.

Other 2015 undertakings included significant construction at Almono, support of the growing robotics industry, continued redevelopment at the massive Keystone Commons and RIDC Westmoreland complex, and modernizing our properties.

As RIDC starts on the next 60 years, and as RIDC’s original industrial parks are now nearly 100% developed, the organization looks to embark on the next chapter of large projects that advance the Pittsburgh regional economy.
This year we remember and celebrate the critical role that RIDC has played in the Pittsburgh region for the past 60 years with our eyes on the future. RIDC’s primary role has always been to use real estate development as a catalyst for regional growth in employment and tax base that would not otherwise occur – or occur as rapidly – without RIDC participation. RIDC has executed on regional strategies and economic needs. In the 1950’s and 60’s those efforts were directed at creating then-scarce light industrial space as a complement to the region’s heavy industry focus. In the 1970’s and 80’s the primary challenge was the need to replace the heavy industry economic drivers and find adaptive reuse for the sites left vacant by the decline of steel and associated industries. In the 1990’s and 2000’s, the objective was to leverage the growth in the medical and education communities to create new homes for rapidly growing information technology and health care companies. In each of these cases, RIDC’s ability to take risks and be patient in awaiting investment returns were central to the success of the regional strategy.

The region continues to show the need for RIDC to tackle challenging projects. Pittsburgh’s economy has rebounded, but growth is not yet sustainable. More efforts are needed to promote expanding industries, to increase the regional population, and to ensure that those areas that have been hardest hit see the economic benefits of a growing economy. RIDC is helping to bring underutilized sites back to economic activity – through our work and investments at places like Almono, Lawrenceville, and the Mon Valley – and supporting the region’s growing and diverse industries such as robotics and advanced manufacturing. RIDC continues these investments and has also positioned itself to be ready to take on new projects that advance the regional mission.

G. Reynolds Clark
Board Chair
Board of Directors

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Timothy P. McNulty, Associate VP for Government Relations, Carnegie Mellon University

Louis V. Oliva, CCIM, SIOR, Executive Managing Director, Newmark Grubb Knight Frank

Robert B. Pease, National Development Corporation

The Honorable William Peduto, Mayor, City of Pittsburgh

J. William Richardson, Retired, Chief Financial Officer

The Honorable Rodney D. Ruddock, Chairman, Board of Commissioners, Indiana County

Audrey Russo, President and Chief Executive Officer, Pittsburgh Technology Council

Darrell E. Smalley, Principal, State and Local Tax, Ernst & Young LLP

Don Smith Jr, PhD President, RIDC

Samuel J Stephenson, CPA, Retired Partner, ParenteBeard LLC

The Honorable Daniel J. Vogler, Chairman, Lawrence County Board of Commissioners

Kris Volpatti, First Vice President/Team Leader/Commerical Real Estate, First Niagara Bank, N.A.

Dennis Yablonsky, Chief Executive Officer, Allegheny Conference on Community Development
RIDC obtains the majority of its funds from the proceeds of the leases and land sales. 2014 was a particularly active year for property sales, which included the sale of two office buildings. Over $20 million— the largest category— was spent on development expenditures.
2015 by the Numbers

- **Capital investment**: $19.8M
- **Acreage sold**: 177,410
- **Acreage sold**: 29.4
- **Number of new expansion leases**: 2
- **New Financing Secured**: $12.1 M
- **Square feet renewed**: 185,682
- **Square feet of new & expansion leases**: 185,682
Impact

- Buildings Owned: 48
- Square feet Owned: 6.8M+
- Total Companies in our Facilities: 102*
- Jobs in our Tenant’s Facilities: 5,801
- Million in Annual Real Estate Taxes Paid: $4.4M+*

RIDC & Our Impact
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<th>Notable Renewals</th>
<th>New Leases</th>
<th>Expansions</th>
<th>Land Sales</th>
<th>Building Sales</th>
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<td><strong>Consolidated Pipe &amp; Supply Company</strong>&lt;br&gt;Industrial Center of McKeesport&lt;br&gt;12,500 sq ft - 5 years</td>
<td><strong>TAKTL</strong>&lt;br&gt;Keytone Commons&lt;br&gt;120,677 sq ft - 15 years</td>
<td><strong>Innovative Controls</strong>&lt;br&gt;Keystone Commons&lt;br&gt;4,320 sq ft</td>
<td><strong>Innovation Ridge</strong>&lt;br&gt;Randall Sale Parcel C-1&lt;br&gt;8.61 Acres - $1.85 Million</td>
<td><strong>City Center of Duquesne</strong>&lt;br&gt;Thermal Transfer/Heat Treat&lt;br&gt;127,195&lt;br&gt;$823,958</td>
</tr>
<tr>
<td><strong>Sarclad</strong>&lt;br&gt;City Center of Duquesne&lt;br&gt;10,838 sq ft - 5 years</td>
<td><strong>Applied Industrial Technologies</strong>&lt;br&gt;RIDC O'Hara&lt;br&gt;5,125 - 5 years</td>
<td><strong>Seegrid</strong>&lt;br&gt;Park West&lt;br&gt;10,000 sq ft</td>
<td><strong>Thorn Hill Parcel</strong>&lt;br&gt;Burns Sales&lt;br&gt;7.81 Acres - $1 Million</td>
<td><strong>Clarit Realty</strong>&lt;br&gt;Keystone Commons&lt;br&gt;46,717 sq ft - 4 years</td>
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<td><strong>Clarit Realty</strong>&lt;br&gt;Keystone Commons&lt;br&gt;46,717 sq ft - 4 years</td>
<td><strong>Neurokinetics</strong>&lt;br&gt;RIDC O'Hara&lt;br&gt;10,000 sq ft - 7 years</td>
<td><strong>Neurokinetics</strong>&lt;br&gt;RIDC O'Hara&lt;br&gt;10,000 sq ft - 7 years</td>
<td><strong>Thorn Hill Parcel</strong>&lt;br&gt;Paragon Foods&lt;br&gt;13.1 Acres - $1.5 Million</td>
<td><strong>Thorn Hill Parcel</strong>&lt;br&gt;Paragon Foods&lt;br&gt;13.1 Acres - $1.5 Million</td>
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Projects over the Years

Past Projects

- Meadow Ridge Business Park, Mt. Morris, Greene County
- Harmar Manor, Harmar Township, Allegheny County
- Bakery Square, East Liberty, City of Pittsburgh
- West Hill Commons, Kittanning, Armstrong County
- Pullman Plaza, City of Butler, Butler County
- Edgewater Steel, Oakmont Borough
- Penn Garrison, Cultural District, City of Pittsburgh
- Jackson Building, Cultural District, City of Pittsburgh
- 800 Penn Avenue, Cultural District, City of Pittsburgh
- Software Engineering Institute, Oakland, City of Pittsburgh
- University Technology Development Center 1, Oakland, City of Pittsburgh
- University Technology Development Center 2, Oakland, City of Pittsburgh
- University Technology Development Center 3, Oakland, City of Pittsburgh
- Graphic Arts Technical Foundation, Oakland, City of Pittsburgh
- Air Cargo Building 3, Moon Township, Allegheny County

Current Projects

- RIDC Industrial Park, O’Hara Township, Allegheny County
- RIDC Thorn Hill Industrial Park, Cranberry & Marshall Townships, Butler & Allegheny County
- RIDC Park West, Findlay & North Fayette Townships, Allegheny County
- RIDC Keystone Commons, East Pittsburgh & Turtle Creek, Allegheny County
- RIDC City Center of Duquesne, Duquesne, Allegheny County
- RIDC Industrial Center of McKeesport, McKeesport, Allegheny County
- Pittsburgh Technology Center, Oakland, City of Pittsburgh
- Beaver Industrial Manor, Beaver County
- RIDC Neshannock Business Park, Neshannock, Lawrence County
- Lawrenceville Technology Center, Lawrenceville, City of Pittsburgh
- Almono®, Hazelwood, City of Pittsburgh
- RIDC Westmoreland, East Huntington Township, PA
- Innovation Ridge, Marshall Township, Allegheny County
60 Years of Economic Activity

Key
- Current projects
- Past projects
This year RIDC added a new building to its portfolio. The Millwrights Building, named for the craftsmen who would have worked on the land when it was part of the Duquesne Works steel mill, is a 30,000 square foot brand new flex building in the City of Duquesne. Designed by Desmone Architects, the building is flexible enough to allow for 1 to 6 companies with light industrial or office uses. The project wasn’t without its challenges. In the spring, the land was a giant hole in order to remove old foundations. Now the project is a beautiful new building ready to house the region’s growing companies.
Jobs & Companies in our Parks

- Jobs in RIDC-Owned Facilities
- Jobs in Total Park

<table>
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<tr>
<th>Park</th>
<th>RIDC-Owned</th>
<th>Park Total</th>
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<tr>
<td>Thorn Hill</td>
<td>425</td>
<td>4,900</td>
</tr>
<tr>
<td>O’Hara</td>
<td>1,423</td>
<td>4,500</td>
</tr>
<tr>
<td>Park West</td>
<td>262</td>
<td>4,000</td>
</tr>
<tr>
<td>Keystone Commons</td>
<td>1,066</td>
<td>1,091</td>
</tr>
<tr>
<td>City Center of Duquesne</td>
<td>207</td>
<td>696</td>
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<tr>
<td>Industrial Center of McKeesport</td>
<td>145</td>
<td>262</td>
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<tr>
<td>Pittsburgh Technology Center</td>
<td>551</td>
<td>551</td>
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<tr>
<td>Beaver</td>
<td>87</td>
<td>87</td>
</tr>
<tr>
<td>Lawrenceville</td>
<td>237</td>
<td>237</td>
</tr>
<tr>
<td>Innovation Ridge</td>
<td>221</td>
<td>221</td>
</tr>
<tr>
<td>Westmoreland</td>
<td>721</td>
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Square Footage

- RIDC Westmoreland: 2,800,000
- Keystone Commons: 2,224,617
- RIDC O’Hara: 268,828
- Industrial Center of McKeesport: 734,769
- Park West: 1,052,669
- Thorn Hill: 140,200
- Lawrenceville: 101,349
- O’Hara: 140,185

Acreage

- Thorn Hill: 4,900
- O’Hara: 4,500
- Park West: 4,000
- Keystone Commons: 1,091
- City Center of Duquesne: 696
- Industrial Center of McKeesport: 262
- Pittsburgh Technology Center: 551
- Beaver: 87
- Lawrenceville: 237
- Innovation Ridge: 221
- Westmoreland: 721
As Pittsburgh continues to top “best of” lists, those who have been working in Pittsburgh can explain that the “overnight success” of Pittsburgh was the result of steady and deliberate work over the past 30 years. The region has put enormous efforts into transforming abandoned industrial properties into the centers for today’s newest technologies. A great example of this transformation is the RIDC Westmoreland complex.

RIDC was approached by the Commonwealth of Pennsylvania in 2010 to help form a plan for the vacant 2.8 million square foot facility that had housed Sony Corporation, and before that, Volkswagen along with their thousands of workers. Utilizing an approach that had worked at the former Westinghouse complex, RIDC partnered with Westmoreland County Industrial Development Corporation (WCIDC) to rehab the facility into a multi-tenant center for advanced manufacturing companies. The region needed facilities that could accommodate large manufacturing companies and could provide greater stability to the surrounding communities.

The facility got its first new manufacturing tenant in 2012 when Aquion Energy, an emerging Carnegie Mellon University spin-out and maker of a sodium-ion battery for renewable energy, announced it had chosen to locate its large-scale manufacturing facility in the Pittsburgh region. Today the facility has approximately 1 million square feet under long term lease and is home to 643 quality jobs with tenants like DNP America, Westmoreland County Community College’s Advanced Tech Center, and Cenveo.
RIDC Industrial Park, RIDC’s first industrial park, located in O’Hara Township, was among the first planned business parks in the state. Its purpose was to attract light industrial tenants looking for room to grow in a convenient, attractive location. Located in the park, the Townhouses for Industry was a multi-tenant structure built by RIDC in 1963 to offer a “front door” to the region’s small businesses. RIDC Industrial Park is now home to 130 companies of various sizes.

The industrial park remains one of the most desired locations for companies in the region. But as times have changed over the last 50 years, the park has kept pace. Employees have asked for a safe place to walk, fun places to eat lunch, greater beautification, and increased transit service. This year marked the opening of a walking path through the park, reinstatement of Port Authority bus service, a food truck lunch event, and improvements to several properties. RIDC undertook a façade renovation to the Townhouses in 2015 to modernize the building with a new look, tinted glass, energy efficient lighting, and updated ADA entrances.

The “Townhouses for Industry“ building celebrates 50+ years in RIDC O’Hara

New Look, Same Purpose
One of RIDC’s greatest tools to helping companies grow jobs in the Pittsburgh region is the ability to offer financial assistance to a company’s expansion. In 2015 TAKTL, a manufacturing company that makes ultra high performance concrete, approached RIDC about a need for more and better space to meet increasing demand for their product. RIDC utilized funds from Pennsylvania Industrial Development Authority, Industrial Sites Reuse and its own equity to finance the project. Over the past year, RIDC has financed and managed the build-out of 145,000 square feet of renovated manufacturing space for TAKTL and 45,000 square foot R&D space in RIDC’s Keystone Commons complex in Turtle Creek. The new facility provides the company, which employs 120 people, increased capacity and more efficient space that allows them to better react to customer demand.
RIDC was able to obtain over $13 million in local and state funding to assist with development projects. Keystone Commons was the recipient of a large portion of financing which was used for renovations in preparation for future tenants.

<table>
<thead>
<tr>
<th>Financing</th>
<th>Property</th>
<th>Project</th>
<th>Amount</th>
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<tr>
<td>PA Industrial Development Authority</td>
<td>Keystone Commons</td>
<td>East Shop</td>
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<tr>
<td>Low-Interest Loan</td>
<td></td>
<td>Crane Shed</td>
<td>$767,331</td>
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<tr>
<td></td>
<td>Almono</td>
<td>Mill 19 Building</td>
<td>$5,000,000</td>
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<tr>
<td></td>
<td></td>
<td>Industrial Park Loan</td>
<td>$2,250,000</td>
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<tr>
<td></td>
<td>Penhurst Realty III, LP</td>
<td>TruFoods Mgf., Inc</td>
<td>$2,000,000</td>
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<th>Industrial Sites Reuse Grant</th>
<th>Mill 19 Almono</th>
<th>Environmental Remediation</th>
<th>$562,500</th>
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<tr>
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<td>RIDC Westmoreland</td>
<td>Environmental Remediation</td>
<td>$88,425</td>
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Total: $13,105,925
Land Development

A large part of RIDC’s activities involve land development -- work that is essential to attracting companies to our region, but is an often overlooked step. Well before a company opens the doors to a new building, the land must be prepared, roads built, utilities in place, and off-site transportation improvements undertaken. This work is rarely deemed news-worthy. The work is also risky because it is often undertaken several years before a company decides to locate there. Because of this, land development has been one of those tasks that RIDC has undertaken over the years.

This year RIDC was active in two major land development projects. In Innovation Ridge, RIDC prepared 26 acres of land to facilitate private development in the office and R&D park, enabling the sale of a 9-acre parcel for an office building. This year’s activities were in a line of other years of off-site improvements, stormwater & wetland improvements, and the creation of a recreation trail. RIDC, as managing partner of Almono, also started the first phase of infrastructure improvements at the Almono site in the Hazelwood neighborhood of the City of Pittsburgh. Breaking Ground on the $22 million project was a huge milestone after several years of planning, design, and engineering work. The first new road and site utility trunk should be completed by the Spring of 2017.
Almono engaged world-known design firm Perkins+Will to enhance the current master plan and create an implementation plan for development. Building on the same goals as was developed in the community visioning process in 2011, Perkins+Will focused on a greater emphasis on high-quality urban design, mixed-use districts, and ambitious sustainability standards. The result is a development that is truly world-class. The plan calls for Phase 1 of the development to center around the Mill 19 building and includes a 2-acre public plaza.

Almono was also pleased to host Thrival music festival which featured 25 bands over 2-days in September. The concert was located alongside the Mill 19 building with views of downtown and Oakland. Over 11,000 people attended the festival, which was the capstone event of a week of Thrival Innovation events throughout the City.

Pittsburgh Post-Gazette, “Years from now people might not remember who played the third annual Thrival Festival, but they’re never going to forget the place.”