



RIDC

Regional Industrial Development Corporation

Developing Properties that Transform Communities

2019 ANNUAL REPORT

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Our Mission

The 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.

Our Unique Challenge

Developing projects that transform communities requires combining the community service orientation of a nonprofit entity with the entrepreneurial approach of a private sector business. As a private entity, we are able to function in much the same way as other private developers, but because we are a nonprofit, we are mission driven as well as market driven. We partner with community leaders and institutions to ensure our investment decisions are providing the benefits the community needs, and because of our large portfolio and strong balance sheet, we are able to make development decisions with a longer-term view of success.



Letter from the President

This has been a year of vision becoming reality. At Mill 19, we completed one building, occupied by Carnegie Mellon's Advanced Robotics for Manufacturing (ARM) and Catalyst Connection, and soon also to be home to CMU's Manufacturing Futures Initiative. A second building is nearing completion and will be fully occupied by Aptiv, a leader in autonomous vehicle technology. We are now actively marketing the third building of this award-winning redevelopment project to a number of potential tenants from a variety of predominantly technology industries.

The community has been waiting for years for activity at the Hazelwood Green site that Mill 19 is a part of. The success of Mill 19 provides an anchor for the rest of the property and gives nearby residents hope for continued activity and development that includes and benefits the surrounding community.

We have also had a robust year of leasing and property sales in 2019, with major transactions including:

- Argo AI signed a new lease at RIDC Westmoreland, doubling the size of its autonomous vehicle test track to 49 acres.
- Continuum signed a new lease to double the size of its Pittsburgh headquarters in the Findlay Center at RIDC Park West Industrial Park.
- Hitachi Rail STS bought the Pittsburgh Technology Center's 1000 Technology Drive building.
- Elmhurst Group bought two buildings in Thorn Hill Industrial Park: Commonwealth Manor I & II.
- Long-time occupant KTA-Tator bought a 17.65-acre parcel at RIDC Park West, Enterprise Drive, for its new facility.
- River Materials bought 8.32 acres in McKeesport and continues to lease an additional 9.68 acres for a new intermodal facility.

We are also beginning to take a more expansive view of our role as catalysts for economic development. Of course, our primary mission is to develop properties, return them to the tax rolls and fill them with jobs that fulfill a need in the community. But, we also realize that our presence in those communities, our expertise in economic development, and our philosophy of working in partnership with local leaders and institutions puts us in a unique position to coalesce people around concrete plans that yield tangible economic development results.

As space becomes scarce in the City of Pittsburgh, growing companies are looking at nearby communities that can meet their needs, and we look forward to continuing to work with many of these communities in the year ahead. The Mon Valley, where we already have a significant presence, is among the areas where we think we can make a difference, and you'll be reading more about some of those projects in this annual report. That area is poised for growth, and if a few additional pieces fall into place, it will undoubtedly build momentum for growth.

Sincerely,
Donald F. Smith, Jr., PhD



Letter from the Board Chair

Barely a week goes by without some coverage appearing in the media about an RIDC project. It is extremely gratifying to be a part of an organization whose economic development mission is being achieved every day in tangible ways that are gaining widespread recognition, locally and nationally.

Whether it is Mill 19 in Hazelwood, Tech Forge and the Chocolate Factory in Lawrenceville or projects like Keystone Commons, City Center of Duquesne and Industrial Center of McKeesport in the Mon Valley, RIDC has a long and impressive track record for revitalizing properties and serving as a catalyst for regional economic growth and revitalization.

As part of that commitment to communities, we were proud this year to donate to the Urban League of Greater Pittsburgh the Business Innovation Center building they currently occupy in Duquesne. They provide valuable services to local residents and ownership of this facility will enable them to continue to do so as long as the need exists.

As we look ahead, we have exciting new projects on the horizon that will continue to put RIDC at the forefront of the redevelopment of historic, but currently unused sites. Pittsburgh's continued position, led by our universities, as a center of innovation in robotics, automated vehicle technology, life sciences and advanced manufacturing, is creating increased demand for space.

RIDC, as a private nonprofit, with its entrepreneurial, business-oriented mindset and economic development mission, has an important role to play in taking on the large, complex projects that require substantial investment, partnership with community leaders and government agencies and an extended time horizon. It took almost a decade, for example, for the first tenants to move into the East Shop at Keystone Commons—and today, that project is making an economic impact on the community.

That is an important position to hold regardless of what twists and turns national and global economics and politics take in the coming year. Unlike for-profit developers who can only build when they are confident in their short-term returns, RIDC has the financial depth to move forward based on a long-term vision. And we measure our success in economic development benefits rather than in returns to private investors.

The current climate—and RIDC's mission—also make it imperative that we continue our advocacy in the City of Pittsburgh, and the surrounding region, for sensible municipal development and zoning policies and practices. If we are to continue attracting the type of fast-moving companies that are fueling our economy today, we need policies in place that encourage that growth in the days to come.

Our strong track record of success, not only this year, but for many years, and the depth of our talent and resources, makes us confident in our ability to succeed no matter what the future brings.

Sincerely,
G. Reynolds Clark



RIDC in the News

From news stories and coverage of events in local media to thought leadership articles in national publications describing RIDC's unique role in economic development and community revitalization, we continued a high level of visibility in 2019. Here is a sampling of some of that coverage.

4C — January 25 - February 7, 2019 — Economic Development — MID ATLANTIC Real Estate Journal

www.marejournal.com

ECONOMIC DEVELOPMENT

Regional Industrial Development Corporation

Transforming properties and communities in the Rust Belt

Communities all over the country are dealing with the aftermath of the loss of heavy industry and the jobs that went with it. Huge buildings and campuses, built for companies that employed thousands of workers, now lay vacant, with a corresponding impact on tax revenues and all the local services those revenues provide. The challenges are complex. Everyone wants to get those properties back on the tax rolls but is that in and of itself enough? Purely market driven sales could accomplish that in



Aptiv to move into Mill 19 early next year

Mill 19, airport project receive state funding

Reborn Pittsburgh Steel Mill Gets Solar Treatment

A 110,000-square-foot rooftop array crowns a reinvented mill on the city's riverfront.

Hazelwood Green Project Could Make Solar Energy The Future Of Pittsburgh

Mill 19 at Hazelwood Green now open, 15 years in the making

First look: RIDC prepares the first building within Mill 19 for occupancy

Carnegie Mellon Celebrates Opening Of Mill 19

Argo AI plans test track expansion

MILL 19 SOLAR PANEL INSTALLATION TO BE ONE OF THE LARGEST ARRAYS IN THE COUNTRY

TechVibe Radio takes the show on the road to RIDC's Mill 19. On the site of the former J&L Coke Works in Hazelwood, Mill 19 is part of Hazelwood Green creating new space for Pittsburgh tech companies, universities and other businesses to thrive.

THE SUSTAINABLE REDEVELOPMENT OF A 178-ACRE RIVERFRONT BROWNFIELD IN PITTSBURGH IS ABOUT TO GET A HUGE SOLAR ARRAY ON ITS ROOF

REAL ESTATE SERVICES > DEVELOPMENT

Earning and Leveraging Community Support for New Development Projects

The key to developers' success in securing community approvals is showing credibility.

Donald F. Smith, Jr., Ph.D. | May 02, 2019



Why tech companies are flocking to the Strip District

RIDC of Southwestern PA awarded two ISRP grants State Providing More Than \$3M to Clean Up and Renew Former Industrial Sites

Redefining an Economy

Nonprofit uses community-centered development to transform old industrial sites in western Pennsylvania

TECHVIBE NEIGHBORHOOD TOUR AT MILL 19 FEATURES WESTERN ONCOLYTICS AND HEBI ROBOTICS

WHAT'S OLD IS NEW!

Mill 19 Development in Hazelwood Shows Pittsburgh's Transformation



OUR REGION'S BUSINESS

NAIOP Honoring the Best in Building this Year

Demand for 'tech-flex' on the rise – what it is, and where you can find it

With planning commission vote tomorrow, Elmhurst is ready to build high-tech workspace at Pittsburgh Technology Center

"The Tech Forge building that the RIDC did in Lawrenceville is sort of a

working template," Schindler explains.

Mon Valley better poised to grow economy, panelists say

Corridors of Opportunity Mon Valley: Q&A with Don Smith

Industrial buildings tell Pittsburgh's story. Preserving them is costly and takes dedication.

Food Bank Eyes Expansion With State Grant's Help

McKeesport awarded \$3 million redevelopment grant

RIDC Park West occupant acquires site for new facility

McKeesport City Council approves plans for intermodal operation at RIDC Park

RIDC donates Duquesne building to the Urban League of Greater Pittsburgh

Working with Communities to Earn a Welcoming Reception

Understanding a community's dynamics and getting its leaders and residents invested in a company's location plans will lead to a successful project and long-term benefits for all.

Community support: The importance of RIDC's gift to the Urban League

The donation of a former business center in Duquesne signifies a long-term commitment to improving the welfare of a community

State Funds Will Aid Roundhouse's Clean-Up

RIDC hopes to find tenant soon for facility on old U.S. Steel site

CMU Students Tour Mon Valley, Tube City Center

RIDC sells land in McKeesport

Heating up? Sound stages, tech-flex buildings pitched for the reuse of the Carrie Furnace site

Will Your Project Get Built? Working With Communities to Gain Support for Development

Staying put: Hitachi Rail STS buys one of first Pittsburgh Technology Center buildings

Thorn Hill Industrial Park buildings sold to real-estate investor for \$14.25M

RIDC sells Thorn Hill buildings to Elmhurst

Buildings sold at industrial complex

RedZone Robotics expands to larger facility

RIDC inks new deal with expanding medical equipment firm in Findlay

German firm breaks ground on new facility in Findlay

The Mon Valley...

RIDC has had a significant role in the Mon Valley, with properties including Keystone Commons, City Center of Duquesne and Industrial Center of McKeesport, comprising over 3,000,000 square feet of buildings on more than 460 acres and housing 2,000 jobs. This annual report includes a special focus on Keystone Commons, but taken together, these properties provide a strong foundation for future growth and economic development. They are also among several other notable positive developments for the Mon Valley region this year, including:



United States Steel Corp. plans to reinvest \$1 billion in two of its Mon Valley plants.



The City of McKeesport received a six-year, \$3 million redevelopment grant from the State's Neighborhood Assistance Program. It will receive \$500,000/year to improve its housing stock, develop its downtown area and increase recreation and tourism.



Greater Pittsburgh Community Food Bank received a \$1 million grant from the State's Redevelopment Assistance Capital Program; they are planning a facility renovation that will expand their cold storage area, as well as their cold dock, allowing them to double the amount of fresh produce they provide to needy people throughout Western Pennsylvania by 2025.



RIDC received a \$671,200 grant from the State's Industrial Sites Reuse Program to begin environmental remediation work at old industrial sites—the Open Hearth building at the old U.S. Steel Duquesne Works in the City Center of Duquesne and the Roundhouse, an old U.S. Steel National Works guardhouse, in the Industrial Center of McKeesport.



Poised for Future Growth



River Materials Inc., a supplier of raw materials, bought 8.32 acres in McKeesport from RIDC for \$461,700. The company began development for a new intermodal facility on 18 acres of the former U.S. Steel National Works. The remaining 9.68 acres are still owned by RIDC, and are currently leased to River Materials, but could be sold to the company as early as the end of 2020. The facility will employ approximately 50 people.



RIDC and the Pittsburgh Film Office are working on a proposal to bring a piece of Hollywood to the long vacant 168-acre Carrie Furnace site.



RIDC donated the three-story Business Innovation Center building in Duquesne to the Urban League of Greater Pittsburgh. The Urban League's presence in the building has helped Duquesne families deal with the challenges they faced after its industrial facilities closed. The Urban League will maximize the potential of this gift by planning and attracting even more quality programs and services for Duquesne and the surrounding community.



Mon Valley Alliance has been busy with deals at its Alta Vista Business Park, including a new North American headquarters of Apex North America, which is expected to employ 100 people.



Fifth Season's new robotic vertical farming operation is coming to a 60-acre site assembled by the County next to the U.S. Steel's Edgar Thomson Works in Braddock. This recent development is a symbol of how industrial development is moving from large-scale brownfield reclamation to a smaller tech-flex-focused development.



Other big wins for RIDC and the Mon Valley include companies such as Dura-Bond Industries expanding steel production in McKeesport, American Textile Co. expanding its operations in Duquesne and McKeesport, and the new InCity Farms, which plans to build a \$30 million aquaponics and indoor farming operation in Duquesne.



This is an area where RIDC's presence, critical mass, and market expertise can prove extremely valuable in sparking the local economy. Development and deals are happening at a more rapid pace than at any time in recent history. It has taken careful decision making and a lot of patience, but the seeds of revitalization are finally taking hold and building momentum for economic growth.

The Mon Valley has strong historic bones, walkable business districts, low costs and partnership-minded elected officials that can be a winning combination for companies. There is also good work being done to combat blight and prepare vacant sites to host new companies that create job opportunities for community members.

If the Mon Valley continues to market its cost advantages and enhance its cool historic features—especially as the City of Pittsburgh becomes more expensive—creative companies and workers will come, and the region's future will brighten.

30 Years of Redevelopment Investment in Keystone Commons

When Westinghouse Electric Corporation closed its facility in Braddock, it left behind more than two million square feet of vacant space and a large hole in the local community. When RIDC acquired this site—now known as Keystone Commons—from Westinghouse 30 years ago, its goal was to breathe new life into the obsolete, vacant complex and redevelop it into a world class, multi-use, urban industrial facility.

Today, the site houses 38 companies that employ a total of about 1,100 people. It is a great success story for the Mon Valley that we hope will become a beacon for other companies and an anchor for future economic development in the region.

Keystone Commons includes 2.25 million square feet of industrial, warehouse, manufacturing and office space with approximately 67.8% of its rentable space currently occupied. Its tenants include companies like Holtec International, TAKTL, Inc., Conicity Technologies, Action Nutrition, Intervala, SMS Group, Innovative Controls, SDI Steel Dynamics and Brush.

Each of the eight buildings RIDC owns on site features its own unique set of amenities. The West Shop building, for instance, has been a long-time growth space for manufacturing and technical service firms that require flexible space with amenities like an indoor parking lot, fitness studio and easy access to public transportation routes on Braddock Avenue.

RIDC's continuing long-term investment in Keystone Commons has kept the property on the tax rolls and has had a significant economic impact on the surrounding Turtle Creek and East Pittsburgh communities, as well as the region at large:



- Keystone Commons employees contribute \$687+ million each year to the State's economy.
- RIDC has paid a total of over \$25.5 million in real estate taxes since 1989 and property taxes it pays on the site are now nearly \$1 million a year.

Getting to this point, however, took patience and a long-term view of success.

Several of the former Westinghouse complex's original buildings required significant redevelopment work—and a lot of time—to get them tenant-ready. At the East Shop building, for example, work began in 2006—starting with the demolition of its ancillary structures and an office building—and took 10 years to complete with the help of various government loans and grants. The necessary work included such things as lead paint removal; removal and proper disposal of asbestos, PCBs and other miscellaneous materials; and the sort of renovations that would turn the East Shop into a multi-tenant facility, including a new roof, façade repair, painting, and new electrical service.



RIDC has invested over tens of millions in capital at Keystone Commons over the course of 30 years and it continues to invest in its maintenance and improvement.

In 2018, +\$3.7 million in capital investment projects at the site included:

- Replacing the West Shop Roof (D Aisle Valley)
- Repaving the Haul Road along Turtle Creek
- Repairing South Shop Electrical and Masonry
- Sprinkler Head Replacements
- American Wire Research Bridge Repair
- Replacing S Building Elevators and HVAC
- Innovative Controls Tenant Improvement
- Buildouts at the West Shop

In 2019, RIDC spent \$2.9 Million in capital investment projects, which included:

- Utility Infrastructure Closed Circuit Television Work
- HVAC Upgrades and Expansion
- Façade Masonry Repair and Stabilization
- Parking Lot Repaving and Maintenance Work
- Sprinkler Replacements
- Security Camera Installations
- Base Building and Tenant Improvement Buildouts

RIDC's future plans at Keystone Commons include creating scalable flex industrial space for small manufacturing enterprises and large manufacturing spaces for production, as well as continued integration with the surrounding neighborhoods and providing support to potential transportation improvements that are being planned by governmental entities.

What People are Saying About RIDC

Pittsburgh Post-Gazette

Editorial regarding RIDC's donation to the Urban League of Greater Pittsburgh

"No organization ever need be locked into a box, and RIDC proved itself to be more than just a real estate developer with this gift. The group's creative thinking is the exact sort Pittsburgh will need to lift up families in need."

Urban League of Greater Pittsburgh

President & CEO Esther L. Bush

"We are most grateful to the RIDC for donating this facility which currently houses the Urban League's more than twenty-year-old Family Support Center. We look forward to maximizing the potential of this generous gift by planning and attracting even more quality programs and services for Duquesne and the surrounding community."

Pittsburgh Business Times

"The moment has all but arrived...The Regional Industrial Development Corp. will welcome the first tenants to the long-empty former steel mill-turned-brownfield redevelopment now called Hazelwood Green...There's really nothing like it anywhere else in the region."

NEXTPittsburgh

"Mill 19 at Hazelwood Green now open, 15 years in the making. It was worth the wait."

McKeesport Mayor Michael Cherepko

"This is exactly what RIDC was intended for --- to revitalize the brownfields left behind by the closure of the steel-manufacturing facility. River Materials is making great use of this land and utilizing McKeesport's unique geography to develop this business."

River Materials

President Gina M. Shank and Chairman Clifford Wise

"RIDC has been a great partner in helping us overcome development obstacles at a site that was once considered unusable. Its proximity to the Monongahela River and CSX Railroad's Riverton Yard makes it an otherwise ideal location for us that will make transporting shipments easier. We are also eager to join the McKeesport community and provide new jobs there and in the surrounding area."

TEQ Magazine

"RIDC catalyzes and supports economic growth through high-quality job creation, real estate development and financing of projects that advance the public interest - developing real estate to capture emerging and existing growth opportunities across diverse industry sectors."

Pittsburgh Post-Gazette

"One of the first buildings to be erected at Pittsburgh Technology Center, the former J&L Coke Works site that has been transformed into a tech-oriented riverfront office park, has been sold...RIDC developed the building at the south Oakland site to help keep the Union Switch & Signal headquarters in Pittsburgh..."

Daniel Adley

Chief Executive Officer of KTA-Tator

"This new state-of-the-art building will allow us to consolidate all our current facilities, better support our staff and expand as we need to. RIDC Park West is ideally situated with multiple access to I-376 and proximity to the airport, downtown, hotels and restaurants, which supports our training clients. Having a great new work environment in a beautiful, convenient business park setting, without any impacts to daily commutes made RIDC Park West an ideal solution."

Pittsburgh Post-Gazette

"RIDC is working with the Pittsburgh Film Office on a blockbuster movie-like plan to build a Pittsburgh Film and Entertainment Industry Village..."

\$40 Million in Capital Investment

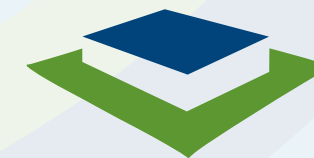
RIDC continually invests in and modernizes existing properties even as it builds new ones. In 2019, its capital investment in projects across its portfolio totaled \$40 million, including new development and upgrades to existing properties. Developing Mill 19 and investing in other RIDC properties to position them for continued success and long-term growth was a key priority in 2019.

Spending included the completion of construction of the first two buildings at Mill 19, the first of which is now occupied by Advanced Robotics for Manufacturing (ARM) and Catalyst Connection, and soon also to be home to Carnegie Mellon University's Manufacturing Futures Initiative (MFI). The second building, slated for completion in Spring 2020, will be occupied by Aptiv, a leader in the development of technology for automated vehicles.

Among the other projects that upgraded and added value to existing properties, are:

- New exterior LED lighting at multiple locations
- New rooftop tenant amenity at the Chocolate Factory in Lawrenceville
- New separated sewer line installation in Lawrenceville
- Roof replacements and major repairs at Keystone Commons, RIDC McKeesport and RIDC Westmoreland
- Paving replacement and repair at multiple locations
- Systems upgrades at multiple locations

Keeping properties at the top of their categories with features and amenities that help attract and retain tenants is crucially important to their continued appeal over time. RIDC's reputation as a property owner and developer is built on its ability to continually provide facilities that exceed the expectations of the businesses that occupy them.



2019 Property Highlights

RIDC Mill 19

RIDC Mill 19 marks the first new construction, and the first occupied buildings, at the 178-acre Hazelwood Green site after a decades-long effort to redevelop the riverfront brownfield in the Hazelwood neighborhood of Pittsburgh.

This extraordinary development, which includes three buildings comprising 264,000 square feet built within the existing exoskeleton of the old steel mill, had its official "opening" in September, with the occupancy of Advanced Robotics for Manufacturing (ARM), catalyzed by Carnegie Mellon University, followed by Catalyst Connection and soon CMU's Manufacturing Futures Initiative. These tenants will develop and deploy advanced robotics and additive manufacturing technologies that promise to both preserve and expand the region's manufacturing sectors.



In December, Aptiv, a prominent global technology company in the autonomous vehicle sector, officially announced that it would be moving into Mill 19's second building when it is completed in 2020. When Aptiv's local team of over 200 employees begins its occupancy of the 70,000 square foot building, it will be the first private sector industrial tenant on this site since LTV.

With support from the R.K. Mellon Foundation, Mill 19 will also have one of the largest solar arrays in Western Pennsylvania installed on its roof. The array, which will include more than 110,000 square feet of high-powered solar panels and produce over two million kilowatt hours (kWh) per year, will also be one of the largest single-surface, sloped roof solar arrays in the country.

Phase A of this three-phase project won Urban Land Institute Pittsburgh's 2019 Placemaking Award for Visionary Place. And Carnegie Mellon University received \$7 million from NASA to develop new ways to build and power future aircraft using additive manufacturing (3D printing)—research which will take place at its facility in Mill 19.

Pittsburgh Technology Center



The Pittsburgh Technology Center was one of the first major riverfront brownfield redevelopments in Pittsburgh. Through a partnership including RIDC, the Urban Redevelopment Authority of Pittsburgh and

several other institutions, the former J&L Integrated Mill transformed into a high-tech hub.

Pittsburgh Technology Center (cont.)

This year, with the sale of 1000 Technology Drive to Hitachi Rail STS, RIDC no longer has any ownership position in this historic and transformational site that served as the foundation for the region's resurgence as a tech powerhouse. Originally built by RIDC to support Pittsburgh's emerging technology ecosystem, the 175,000 square foot facility was occupied by Union Switch & Signal in the '90s, which was acquired by Ansaldo STS and is now Hitachi Rail STS.

A second building constructed by RIDC, 2000 Technology Drive, was built in the '90s and was sold to Silk & Stewart in 2014.

"This transaction marks a gratifying end to RIDC's participation in a project that stands out as a highlight of Pittsburgh's transformation from an industrial city to a center of technology and innovation," said RIDC President Donald F. Smith, Jr. "It also serves as a national model for the revitalization of obsolete industrial sites for cities that need to chart a course toward a new future. This project is a tangible illustration of RIDC's mission, and we are proud to see it reach a successful conclusion."

RIDC Westmoreland

RIDC Westmoreland, a 2.8 million square foot, 350-acre site, also saw major activity in 2019.

Argo AI, an autonomous vehicle technology platform company based in Pittsburgh, made a long-term commitment to increase the size of its test track and renovate a support center it already leases.

The property, which was turned over to RIDC by the Pennsylvania Industrial Development Authority (PIDA) after SONY closed its facility there, was originally designed for a single user, and after it took over, RIDC needed to do a major reconfiguration and build new infrastructure to turn it into a multi-purpose, multi-tenant property.

For this work, RIDC partnered with Westmoreland County Industrial Development Corporation so that there would be community representation at the table and to ensure the vision for redevelopment met the community's needs. Today, the property has approximately one million square feet leased and houses over 1,000 employees. Westmoreland County Community College (WCCC) opened an Advanced Technology Center there, and Siemens opened a state-of-the-art Pittsburgh Service Center, which is home to Siemens Turbine Generator Specialty Services.

The synergies that exist on this campus are already evident. Siemens is working with WCCC on a joint program incorporating in-classroom learning with hands-on work experience for tooling and processes used to service the power generation industry.



2019 Property Highlights

Lawrenceville Technology Center



With the vision of creating an urban technology park, RIDC took ownership of Heppenstall Steel's former 14-acre industrial site in 2002. Its latest site redevelopment, Tech Forge, a 67,000 square foot high-tech, amenities rich flex market building, is home to Caterpillar's Pittsburgh Automation Center and Aurora Innovation, and the recipient of several 2019 awards:

- NAIOP Pittsburgh's 2019 Best Tech Flex Award. Tech Forge is the first building to be honored by this new award category.
- American Institute of Architects (AIA) West Virginia Chapter's 2019 Awards for New Construction and Sustainable Design.

The section of the Lawrenceville Technology Center that formerly housed an A&P storehouse turned chocolate factory has been renovated into a multi-occupancy, office/high-tech manufacturing facility. Named the Chocolate Factory, as a hat tip to its past, the 71,000 square-foot building is now home to some of Pittsburgh's fastest-growing technology firms, including nanoGriptech, Helomics and HEBI Robotics, whose founder won the 2019 Engelberger Robotics Award for Education, the world's most prestigious robotics award.

The former Heppenstall building, a 50,000 square-foot heavy industrial high-bay facility, was built out for Carnegie Robotics, a spin-off from the nearby National Robotics Engineering Center (NREC). This industrial renovation project was recognized in 2017 by NAIOP as one of the top reuse projects in North America.

RIDC Park in O'Hara

Western Oncolytics signed a 5-year lease for 18,500 square feet in the space formerly occupied by Tandem Life. Western Oncolytics is a cancer research group started by a former professor of cell biology and immunology at the University of Pittsburgh. The space they are moving into is three times larger than their previous location. Significant investment will be put into the building to achieve a BSL-2 lab designation.

RIDC's park in O'Hara is also home to Aptiv's Pittsburgh location until it moves to Mill 19 in Hazelwood in 2020.

RIDC Park in O'Hara Township, once a 700-acre farm run by Allegheny County Workhouse prisoners, was RIDC's first development project, and one of the first planned industrial parks in the country.

RIDC Park in O'Hara (cont.)

Today, it is 100% developed and home to over 130 companies and thousands of jobs. It is a prime real estate location in the competitive North Eastern Pittsburgh submarket and is the largest industrial park in the region, housing over 3.75 million square feet of office, industrial, manufacturing and warehouse space.



Park West Industrial Park

In 2019, KTA-Tator, an employee-owned consulting engineering firm that assesses the integrity of steel and concrete structures, acquired a 17.65-acre parcel, Enterprise Drive for a new 45,000 square-foot facility. KTA was already located at RIDC Park West, having acquired its current location in 1981. KTA's new building will house all of its operations, including metalworking, materials testing, analytical laboratories, training facilities for course offerings, instrument sales and corporate office services. Development work for the new building began in 2019 with an expected move-in date of November 2020.



KTA New Site Rendering by Cannon Design

Continuum, a CHC Solutions, Inc. company formerly called Interphase Medical Equipment, signed a new five-year lease and will be more than doubling the size of its Pittsburgh headquarters in the Findlay Center from 11,510 to 28,479 square feet. The company estimates that it will hire about 50 new employees in the next two to three calendar years, adding to a Pittsburgh-based staff now numbering approximately 70. The space will feature a larger, improved warehouse layout, along with more square footage for future offices as they add new staff.

Located in the airport corridor off Interstate-376 Parkway West, the 500-acre RIDC Park West Industrial Park is home to some of the region's largest companies. The original 340 acres was purchased from Westinghouse Electric Corporation. The park is 1.8 million square feet and home to more than 60 companies. For a total of approximately 12 acres, there are three parcels still on the market. RIDC owns four buildings totaling 174,500 square feet.

2019 Property Highlights

Thorn Hill Industrial Park

Over the summer, RIDC sold the Commonwealth Manor I & II buildings at Thorn Hill Industrial Park to Elmhurst Group. At the time of the sale, the buildings were approximately 80% occupied with its current tenants to remain in place as Elmhurst marketed the remainder of the space to new tenants.

Commonwealth Manor I, a 45,900 square foot building, was built in 1977, and Commonwealth Manor II, with 60,300 square feet, was built in 1987. The cost of construction and improvements for both buildings over the years totaled \$9.13 million.

RIDC President Donald Smith said: "Our goal at Thorn Hill Industrial Park was to build a great industrial park and then catalyze its growth with spec buildings. With that mission accomplished, this sale allows us to redeploy funds into new economic development projects to grow the region's economy. We have already worked in partnership with Elmhurst Group to develop the Commons, totaling 96,000 square feet, as well as the recently completed 60,000 square-foot Heights at Thorn Hill flex building. To follow, there will either be a three story 75,000 square foot office building or another flex building built."

Other highlights at the park include:

RIDC tenant RedZone Robotics outgrew its Lawrenceville office and moved into double the amount of space in RIDC Thorn Hill Industrial Park. The new space is 30,000 square feet.

As a part of RIDC's capital investment in 2019, the HVAC system at the Thorn Hill Corporate Center was completely replaced using a new crane pick.

Formerly the site of the Thorn Hill Home for Waverly Boys, Thorn Hill Industrial Park totals 925 acres and three million square feet of industrial space and is located in Marshall and Cranberry Townships along the border of Allegheny and Butler counties. More than 100 companies occupy the park, including Mitsubishi Electric, Eaton, and rue21. The United States Post Office has a bulk mail facility on 75 acres of the park, and the Society of Automotive Engineers (SAE) has had its headquarters at the park since 1973. RIDC owns one building totaling 65,000 square feet, along with 50 acres for future development.



City Center of Duquesne

RIDC received a \$671,200 grant from the State's Industrial Sites Reuse Program to begin environmental remediation work at old industrial sites in the City Center of Duquesne and Industrial Center of McKeesport. In Duquesne, remediation work will focus on the Open Hearth building at the old U.S. Steel Duquesne Works, bringing us a crucial step closer to getting this old property in shape for redevelopment and tenancy.



With a \$1 million grant from the State's Redevelopment Assistance Capital Program, The Greater Pittsburgh Community Food Bank plans to double the amount of fresh produce it provides to needy people throughout Western Pennsylvania by 2025. To make that possible, the Duquesne-based organization is planning a renovation of its facility in the RIDC industrial park, expanding its cold storage area, as well as its cold dock.

In late October, team members from RIDC, Tree Pittsburgh and KU Resources planted over 30 trees in the City Center of Duquesne.

After taking control of former Duquesne Steel Works site in 1987, Allegheny County asked RIDC to acquire and redevelop the 240-acre site in conjunction with the McKeesport Area Recovery Plan. RIDC embarked on redeveloping this site when the adaptation of existing industrial sites was not common, and the framework we developed for tackling this site led to new state legislation. Since then, RIDC has renovated six existing buildings and recently built a new 30,000 square-foot flex building that is now available for lease. In total, RIDC's City Center of Duquesne is home to 15 companies, employing nearly 700 people. Seventy-eight acres remain available for development.

Neshannock Business Park

In 2019, Local Union #712 of the International Brotherhood of Electrical Workers (IBEW) acquired the 6-acre Lot 7-2 in Neshannock Business Park for \$156,000 to construct a new training center.

Twenty years ago, RIDC purchased 74 acres of land from First Western Bancorp, Inc. in Neshannock Township, Lawrence County. Until the acquisition of this land, RIDC was largely focused on developing sites in Allegheny County, but with this, and other late '90s projects, RIDC's reach truly became regional.

2019 Property Highlights

Industrial Center of McKeesport



River Materials Inc., a supplier of raw materials, bought 8.32 acres in McKeesport from RIDC for \$461,700. River Materials began development in the spring of 2019 for a new intermodal facility on 18 acres of the former U.S. Steel National Works. The remaining 9.68 acres are still owned by RIDC, and are currently leased to River Materials, but RIDC expects to sell the parcel to the company as early as the end of 2020. The facility will employ approximately 50 people and be used for warehousing, processing and recycling. River Materials Inc. also intends to construct buildings for offices, storage and light manufacturing, as well as a railroad car and barge remediation facility.

Using a portion of the \$671,200 grant from the State's Industrial Sites Reuse Program awarded in 2019, RIDC will begin environmental remediation work on the Roundhouse in McKeesport—an old U.S. Steel National Works guardhouse.

The 133-acre Industrial Center of McKeesport was once home to several metal tube and pipe mill companies like U.S. Steel. Starting in 1990, RIDC phased plans for environmental remediation, selective demolition and the sale of miscellaneous scrap at the site, and since then has renovated and converted four existing buildings and constructed two new facilities. RIDC owns eight buildings in the park totaling over 733,000 square feet, which are home to 8 companies that employ over 200 people. Privately-owned buildings in the park include Peoples Gas, PurePenn LLC and Duquesne Light.

Innovation Ridge

March 2019 signaled the beginning of construction of Innovation Pointe at the RIDC Innovation Ridge campus. Developer Innovation Center Associates and RIDC officials broke ground for the green 3-story, 90,000 square foot



Innovation Ridge (cont.)

spec office building in December of 2018. Innovation Pointe was completed and ready for tenant occupancy in the 4th quarter of 2019.

Innovation Ridge, a 223-acre advanced technology and office park located in Allegheny County, was taken over by RIDC in 2010. Half of the park has been set aside for primary conservation areas, forested and landscaped buffer zones, and various open spaces, and RIDC has constructed a recreational trail through the site. Additionally, the park's design includes a state-of-the-art grading plan that will preserve wetlands and slopes. The construction of one on-site office building has been completed and a section of the park contains residential executive townhouses by Ryan Homes.

Business Innovation Center

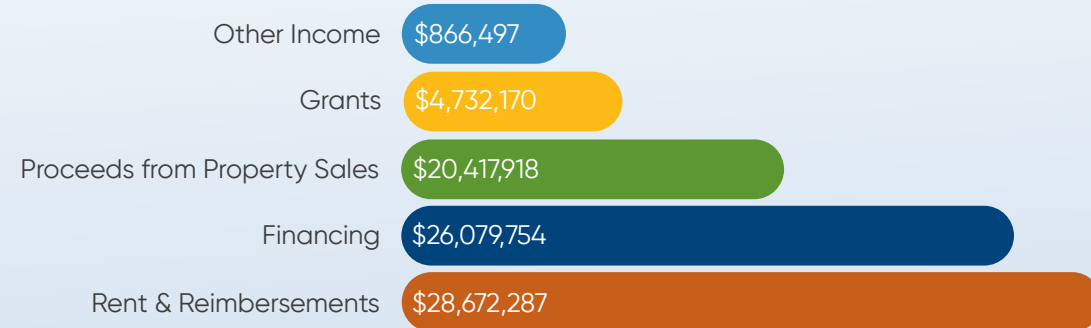
RIDC donated the three-story Business Innovation Center building in Duquesne to the Urban League of Greater Pittsburgh. The Urban League was the only tenant and plans to continue to use the building for its operations in Duquesne. The tax assessment value of the building is \$196,000, plus a small parking lot on a separate tax parcel that brings the total donation value to over \$200,000.

Formerly a Carnegie Steel office building, the Business Innovation Center was constructed in the late 1800s to early 1900s and has approximately 14,512 square feet of space. After RIDC acquired the building in 1988, it became an incubator for early-stage companies like KU Resources. RIDC staffed the building, offered typing, fax and copy services to tenants and rented out its conference facilities. Other prior tenants included: Allegheny Recovery Corporation, Hygienetics Environmental, Meteor Metals Technology, Pittsburgh Habitat for Humanity, Primesource Services and the Steel Valley Authority.

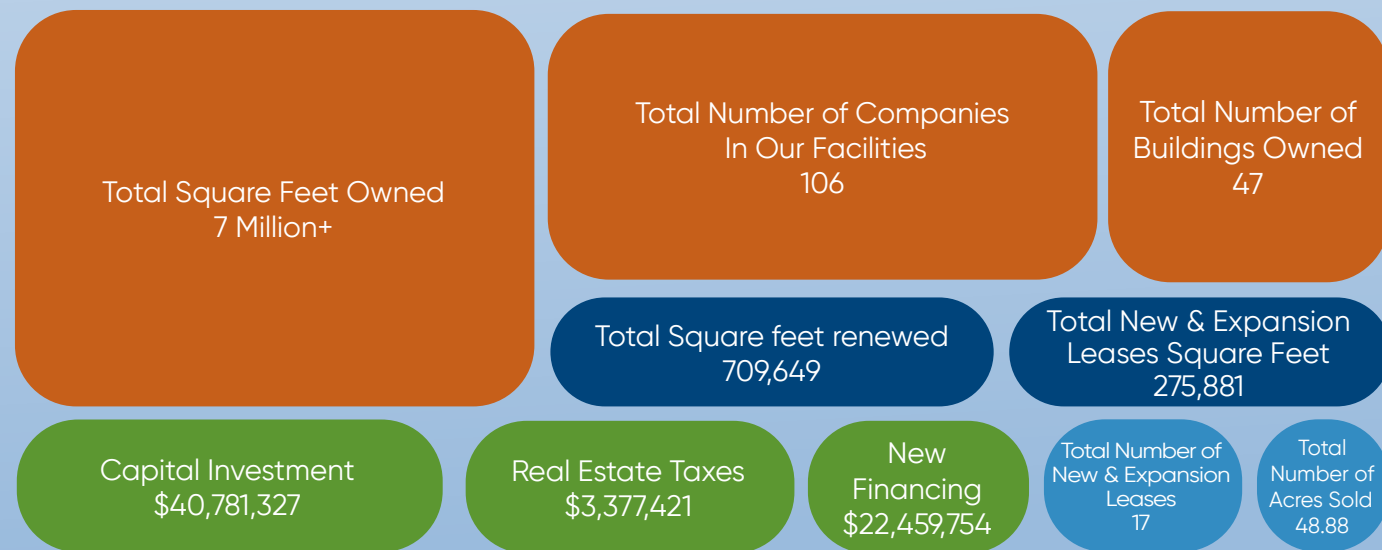
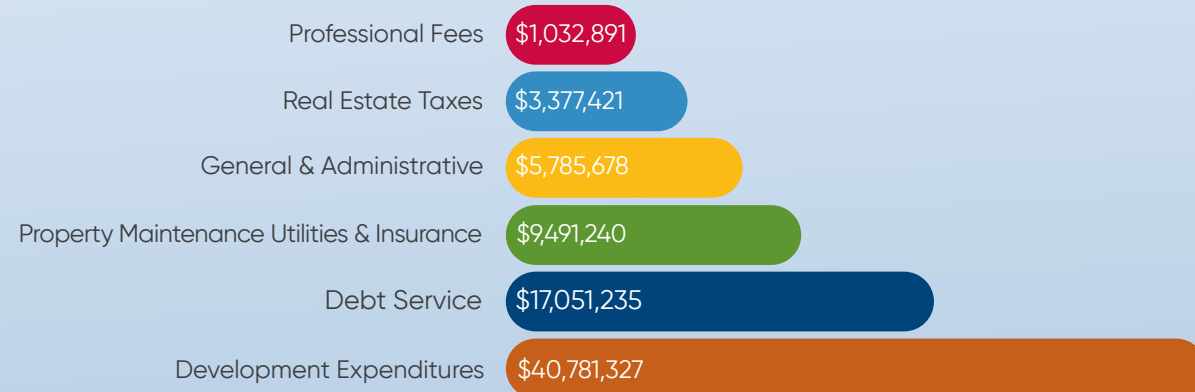


2019 Property Highlights

Source of Funds



Use of Funds



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