



E-Blast

May 2006

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Pittsburgh is known for its history and unique neighborhoods, although many Pittsburghers will

Greetings!

Welcome to the May edition of Cool Space Locator's E-Blast. We invite you to join us for a new workshop on May 11th, discuss build out and tenant improvements, and share with you the changes happening in Pittsburgh's Larimer Neighborhood.

On April 25, the world lost author and "urban crusader," Jane Jacobs. She was most known for her book, "The Death and Life of American Cities." She leaves us with the inspiration, "Old ideas can sometimes use new buildings. New ideas must use old buildings."

• **New Workshop on May 11th: How to Plan and Execute a Working Office**

Our newest workshop, "It's More Than Just an Address: How to Plan and Execute a Working Office" is being offered on May 11th. Once you've found the right spot to put your business, your location effort is only half done. Most business location projects involve construction and improvements to the space to meet the specific needs of your business. How do you estimate needs, costs and time related to tenant improvements? What are the unique challenges found in retrofitting older properties for a new use? How do you negotiate who pays for these improvements?

This advanced workshop gets into the details of tenant improvements so you are not blindsided as you move through these often complex transactions. The workshop is also appropriate for those that are preparing to renovate a current office space.

CSL welcomes Mike Testa of [Testa Consulting](#) and Lee Lewand of Lewand Business Solutions, LLC, who will be discussing the importance of build out, cost estimating, and how to properly prepare technology services in your new space.

[Visit our website or click here for workshop details and registration form.](#)

admit to not experiencing all the city has to offer. The various museums, boutiques, and restaurants can prove to be overwhelming to locals and out of town guests. The answer, for those who would like to explore the city but don't know where to start, is here: Pittsburgh Neighborhood Tours. Pittsburgh Neighborhood Tours is a collaborative project of seven neighborhood-based economic development organizations, as well as the Greater Pittsburgh Convention & Visitors Bureau, Pittsburgh History & Landmarks Foundation, and the Urban Redevelopment Authority of Pittsburgh. The website lists all available itineraries and includes information on the seven neighborhoods that are a part of the organization. You will find highlighted destinations in each of the neighborhoods, fun facts and history, and travel tips. For locals, simply touring the website will provide some inspiration to create your own tour of an unfamiliar neighborhood.

The tours offered highlight food, shopping, sports and outdoor activities, and theater. Most tours listed run for multiple days. Getaway Packages make it easy for

• **Creating the Work Environment: Building Out Your Cool Space**

"Build Out" is a general term for improvements that are needed to make your business location a functional and enjoyable place to work. We're talking construction here. Chances are 99 in 100 that whatever spaces you are considering are going to need changes to make them right for your operation. Some of those changes might be minor; you'll need to enclose a portion of the space for a conferencing area for instance. Some of them might be bigger; you'll need to bring HVAC capacity to a portion of the space that is currently not being heated or cooled. Some might be generally cosmetic – isn't there brick begging to be exposed behind that stained drywall? And some might be required for obtaining occupancy permit; uncovering a secondary exit in the space to make it legal for your use as an office.

Before you lease or buy space for your operations, you are going to have to determine just what those improvements are, how much they are going to cost, if they can be done in conformity to the prevailing code, and perhaps most importantly who is going to pay for them and execute them.

Answers to these questions will, no doubt about it, bring up issues that are going to make or break your deal. Five dollar per square foot space can suddenly become twenty dollar per square foot space when you've added up all the improvements you want and need. Suddenly that funky little warehouse you are considering is more expensive than space in the Megaplex Tower downtown.

Even if you have renovated three Victorian houses from the studs up, be aware that commercial build outs have different standards and require a different set of expertise than residential renovations. If you are leasing property you have the added challenge of considering improvements to a property that you don't own. Whatever you do, don't buy or lease property until you understand the build outs required to make them functional. Here is some basic advice to work with as you are beginning to work on determining your build out needs.

What Do You Need? Program Assessment

Whether leasing or buying it's a good idea to sit down with an architect or space planner to talk in detail about what your space needs are BEFORE you start looking at space. At first, it may seem unnecessary; "we just need a few offices, a kitchenette, and a little area for reception. What's the big deal?" This conversation, and the resulting program assessment, will uncover issues that are not obvious at first and greatly affect your productivity. Your creative team likes to work in a bullpen, an open area that allows for quick brainstorming and working together. But where are you taking your clients to have private conversations about the details of a contract? Is there someone on your team that needs isolation in order to really concentrate to produce? If your whole team only meets once a month, do you really need a 20-person conference room? If you are paying for space on a per square foot basis, you don't want to lease or buy a foot more than you really need. It may be more cost effective to move into a multi-tenant building where you can reserve conference space on an as-needed basis. A program assessment will help you tease out all these issues up front. This step may

visitors to get a well-rounded taste of Pittsburgh. Packages include a one night hotel stay and admission tickets to the Andy Warhol Museum, the Regional History Center, the City Theater, and free rides on the Duquesne Incline.

Pittsburgh Neighborhood Tours is a great resource for tourist and locals alike. For more information, visit www.pittsburghneighborhoodtours.com.

cost a few hundred dollars, but it's a cost saver in the long run. When you have a program, you can overlay that information on any number of prospective spaces before you get to a lease, a process called a Test Fit. Test Fitting is an invaluable step in helping to qualify spaces for your operations.

Base Building Improvements vs. Tenant Improvements

Broadly speaking, base building improvements are those construction tasks that provide for a basic shell of space to be operationally useful and separate you from other tenants in the building. They include things like perimeter walls, solid windows and doors, basic wiring and plumbing, and access to HVAC ductwork. Won't every space you look at already have all that stuff? Not necessarily. The most important objective is to get the landlord (not you) to consider paying for base building improvements. The rationale being that these improvements will be needed for ANYONE who uses the space and therefore are transferable to other tenants. You don't want to make those sorts of investments in a property you don't own, unless your property owner makes the base rent so low that you may be willing to consider taking it on.

Tenant improvements, on the other hand, are those construction tasks that are particular to your operational needs and preferences. These may include interior walls (such as around an office or conference room), built-in fixtures or furnishings, lighting and ceiling plans, bringing HVAC capacity to individual areas of the space, as well as upgrades to existing features, like adding a shower stall to a bathroom or a dishwasher to a kitchenette. Tenant improvements may also include the demolition or removal of some of these features left from the last tenant. (Sometimes demolition can be included in the base building costs, especially if those features are in poor condition – such as water stained drywall.) If improvements added for the last tenant are useful to you, obviously no one needs to pay to replace them.

The most important distinction between base building improvements and tenant improvements is that tenant improvements are not necessarily transferable to another tenant. Therefore, you will be responsible for paying for these improvements over the course of your lease, either as a part of your rent, or as an additional charge.

Negotiating Improvements

Whether you consider an improvement to be base building or a specific tenant improvement is a point of negotiation between you and a landlord. They will likely be amortized over the course of your lease, so the longer the lease the longer the amortization period and the lower the impact on cash flow. If you are buying a building and considering filling the balance of your building with other tenants you will have to deal with these issues as well. While there are some generally acknowledged ideas about which improvements are base building and which are tenant improvements it doesn't mean that the party you are negotiating with acknowledges them! Some property owners offer "tenant improvement allowances" to offset some of these costs, but rest assured, she has incorporated that allowance into her base rent figure. Also, that allowance may not be sufficient to make all the improvements you need. Getting a grip on these costs is a major feature in understanding the costs of leasing or buying any property and a significant issue in any commercial property

negotiation. A good tenant/buyer real estate agent can help you understand how these issues will affect you as you look at individual properties.

Code Issues

Just like residential improvements, there is a building code that governs improvements to commercial space. What determines your specific requirements vary from place to place, municipality to municipality, building to building, and use to use and varies according to how accessible the space is intended to be to the general public. Even if you are moving your existing operations into another space in a building you already occupy, or if you own the building and are expanding operations, new aspects of the code may be enforced. A licensed architect is the best resource in determining the code issues that may come into play for your specific improvements.

Next Steps

This is just a taste of the issues that may come up as you explore improvement to commercial space. Determining your needs is critical to understanding the feasibility of any relocation project. For additional resources, you may want to attend a CSL workshop on the subject or contact our office for additional information and referrals to professional support.

• Featured Neighborhood: Larimer



Larimer Elementary School



Kingsley Center

Ask people in Pittsburgh if they've been to Larimer and you'll learn that many are unfamiliar or have no idea where it is. This speaks to the multiplicity of neighborhoods in Pittsburgh (there are officially 89 neighborhoods according to the 2000 census), but it is more a commentary on the Larimer neighborhood itself. It's a place that is isolated, unknown, unrecognized and has gone relatively unloved for quite a long time. Although that may be changing as issues are being addressed by people devotedly spending time focusing on this neglected place.

Larimer is located in the eastern part of Pittsburgh situated between Homewood, East Liberty and Highland Park. Less than a half square mile, this neighborhood sits on high but even ground boxed in by railroad tracks, bridges, the Negley Run ravine and East Liberty Boulevard. It was named after an Italian family of immigrants, fitting because of the ethnic group's predominant status there during the neighborhood's early days. Not much remains to remind someone of the times when Larimer prospered and had more than 13,000 people living in its densely populated streets. After years of notorious gang problems, much of the original population emptied out decades back, leaving behind a

changed demographic and just a couple of remnants such as Stagno's bakery and Henry Grasso Co. sausages. It's noteworthy that the Kingsley Center, a great Larimer community resource, began as one of Pittsburgh's oldest settlement houses for the incoming immigrant population. In a new \$7.8 million development, the Kingsley Center at the corner of Frankstown and East Liberty Avenues now acts as a recreation center with a swimming pool, gymnasiums, computers, and flexible mixed-use rooms.

The neighborhood appears to have reached a new equilibrium after a tumultuous past. The population is now around 2,600 and the general community health indicators of income, education, and employment are far below the city and the county averages. There is no significant commercial center, and empty and overgrown lots are common, standing as reminders of the many buildings that have vanished from its streets. Gang related activity has significantly lessened and the disinvestment and neighborhood concerns about the future vitality of Larimer have led to some new undertakings.

Many people and parties have become involved in projects focused on renewing the neighborhood, spearheaded by the efforts of Ora Lee Carroll, Executive Director of the East Liberty Concerned Citizen's Corporation. She has been the driving force behind many recent achievements in the neighborhood. Originally from Florida, she has lived in Pittsburgh for nearly 40 years and has been making an impact in her neighborhood for almost as long. She began the East Liberty Concerned Citizens program and she has developed the Larimer Community Plan. Her passion lies in working with the children of the community (she calls them her babies) and her first program was an after school gardening project.

Ms. Carroll has worked successfully to have Larimer selected to the Federal Home Loan Bank of Pittsburgh's Blueprint Community program. This neighborhood revitalization initiative provides training and planning guidance to community representatives, after which their neighborhood will be eligible for financing assistance from the Federal Home Loan Bank of Pittsburgh for their drafted goals. As a blueprint community, Larimer and its representatives have applied for a half million dollar loan.

The FHLB's community investment program includes an affordable housing program, assistance to small businesses, a community lending program, and grants for first-time homebuyers.

Those involved have undergone extensive planning and have prepared extensive analysis and drafting of future steps for Larimer and its community. This well organized plan has been dubbed the Larimer Community Plan. There are a number of included initiatives. One of these is the Winslow Street Plan, which works to address the problem of deteriorating housing stock and lack of senior-citizen friendly homes in the neighborhood. It targets Winslow Street, between Larimer Avenue and Paulson Avenue, for a new housing development project integrated amongst the few usable existing structures and appropriate to the neighborhood's needs.

One of the reasons the Winslow Street site was targeted for development was its proximity to the Larimer Elementary School,

a beautiful, hundred year old, three-story building which has sat unused for well over 20 years. This structure is of historic significance and has been identified as the heart of the community by local interests. It is one of Larimer's largest and most prominent buildings and it stands at the entrance of Winslow Street. It too has been slated for development by privately funded neighborhood developer Emmett Miles of Zechariah Development. He purchased the Larimer School just four months ago and has already drafted plans to turn the building's 56,000 square feet into a mix of senior housing, commercial and retail businesses, and a community center. Hopes are that if he can see his plan through successfully, the Larimer School can be a building block for the neighborhood's economic renewal.

Larimer may not be well known neighborhood amongst Pittsburghers, but its neglect is not going unnoticed. It remains a central city neighborhood with very easy access to adjacent East Liberty with that neighborhood's fast-paced economic growth and commercial amenities. The Pittsburgh Busway is also nearby, as well as other transportation routes and options. These are Larimer's fundamental assets and its path to a more lively future. For more information call the East Liberty Concerned Citizens Corporation at (412) 361-8310.

Cool Space Locator would like to thank Ora Lee Carroll, State Representative Joseph Preston, and Emmett Miles for taking the time to show us around Larimer and for sharing with us the history of, and their goals for, the neighborhood.

• **Support your Community! A Volunteer Opportunity...**



Help make Pittsburgh a more beautiful and green place by volunteering for a community garden planting this spring! Western Pennsylvania Conservancy coordinates 150 gardens in our region, all of which are planted in May involving 5,000 volunteers. Become a part of the effort and make a visible impact on your community! Join in a planting at one of these key gardens that serve as gateways to Pittsburgh:

Fort Pitt Tunnel Community Garden

Planting Date: Saturday, May 20

Meeting Time: 8:30 am

Meeting Place: Parkway Center Mall Building 10 (ITT) in Green Tree

Project Time: 3-4 hours

Light breakfast & lunch provided for this planting!

Liberty Tunnels at Route 51 Community Garden

Planting Date: Tuesday, May 23

Planting Time: 3:30 pm

Meeting Place: Parking lot at Matthews Bronze

Headquarters, which is a left turn off W. Liberty Ave just South of the tunnel

Project Time: 3 hours

Highland Park Bridge Community Garden

Planting Date: Wednesday, May 24

Planting Time: 9:00 am

Project Time: 3-4 hours

Parking: Available under the bridge on Butler St., additional parking at Pittsburgh Zoo on One Wild Way

What to Know about Volunteering

-You will be planting and mulching annual flowers.

-The planting activities will take about four hours.

-Children are welcome under adult supervision (planting day is not usually appropriate for children under ten).

-We plant rain or shine.

-The Conservancy provides the plants, general planting instructions, gloves (though you are welcome to bring your own), and safety vests for all volunteers.

-Dress for the weather-layers if it is cool, raingear if it is wet, sunscreen and hats for bright days. You **will** get dirty!

-Wear sturdy shoes (no sneakers or sandals!) to protect your feet. -Water is provided but bring some snacks if you wish.

For a complete list of garden plantings, visit

http://www.wpconline.org/gardens/planting-4_4_06.asp. If you have any questions or want more information, contact Chris Farber, Volunteer Coordinator, at cfarber@paconserve.org or at (412) 586-2324.

• New Face at CSL: Leigh



I grew up in Latrobe, about 35 miles southeast of Pittsburgh. When it came to choosing colleges, I intended to go to a small school in Ohio, but while visiting a friend at the University of Pittsburgh, I was drawn to the energy and excitement of an urban campus. Pitt quickly became my first and only choice for school. Four years later, I sit a proud Pitt graduate, with a BS in Business Administration in Marketing.

I spent time traveling to London, Paris, Budapest, and all over the Czech Republic before starting to immerse myself in what Pittsburgh has to offer. I began watching the Pirates play (can you believe I saw 10 games last summer?!), "antiquing" in

Pittsburgh neighborhoods, and volunteering at the Carnegie Museums of Natural Art and History. My work with the museums has introduced me to a number of non-profit organizations and people who devote themselves to improving the city and its citizens. I find it incredibly inspiring that despite my travels to so many other cities, I find that Pittsburgh's energy just can't be replicated!

I'm very pleased to be interning this summer with Cool Space Locator, and hope that I can bring a lot to the organization with my marketing perspective and passion for the city. When I'm not at Cool Space Locator, you'll find me enjoying the Squirrel Hill neighborhood (where I live) and helping out at the museums as much as I can. I look forward to experiencing more of our city's neighborhoods!

About Us

Cool Space Locator, a project of the Tides Center (PA), is a non-profit real estate organization that connects neighborhoods, properties, and businesses in the revitalization of urban communities. We work in the community development realm to promote revitalization of urban areas and walkable communities and match companies with cool urban spaces to create a sustainable future. Aside from working as a licensed real estate brokerage to help companies find space, we work with government, economic and community development agencies, and commercial property owners to help boost the growth of office-based jobs in the great urban commercial districts of the Pittsburgh region.

We are supported by:

- The Heinz Endowments
- The Pittsburgh Foundation
- Surdna Foundation
- Garfield Foundation
- Richard King Mellon Foundation
- Roy A. Hunt Foundation
- The Urban Redevelopment Authority of the City of Pittsburgh
- City of Pittsburgh, Mayor's Office

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