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STATE TO SELL PITTSBURGH STATE OFFICE BUILDING
\$4.6 Million Sale Will Save Taxpayer Money, Place Building on Region's Tax Rolls

HARRISBURG – Department of General Services Secretary James P. Creedon announced today that the state is moving forward with its plans to sell the Pittsburgh State Office Building to River Vue Associates LP, of Canonsburg, for \$4.6 million.

“Not only will the sale generate substantial savings for taxpayers, it will also help to generate continued growth for downtown Pittsburgh as well as put the property back on the tax rolls, providing an estimated half-million dollars in annual property taxes for local government and the school district,” Creedon said.

The state will save \$14 million by selling the building and moving state employees into leased space in downtown Pittsburgh, Creedon added. Driving this cost-savings is the avoidance of almost \$65 million needed to renovate the building.

Built in 1957 and located at 300 Liberty Ave., the 16-story building houses more than 800 employees in 22 agencies, including the departments of Labor and Industry, State Police, and Public Welfare. It contains 274,000 square feet and is situated on 1.3 acres of land.

“This structure was built more than 50 years ago, and it would have required a substantial capital expenditure on the part of taxpayers – nearly \$65 million – just to bring it up to current standards,” Creedon said. “After reviewing all of our options, it is more cost-effective for us to avoid making extensive capital improvements and ongoing maintenance by selling the building.”

The building will be sold for \$4,611,000. The state plans to close on the sale in late winter.

The Department of General Services administered the public solicitation efforts for the building's sale. It was assisted during negotiations for the building and the leased space locations by G.V.A. Oxford, Pittsburgh.

State employees will be moving into three downtown leased space locations, with the relocations planned starting this fall that include:

- The Offices at Piatt Place, 301 Fifth Ave., Pittsburgh. – Approximately 165,000 square feet of office space will house employees in the Governor's Office, Lt. Governor's Office, Auditor General, Community and Economic Development, Education, Environmental Hearing Board, General Services, Human Relations Commission, Insurance, Labor and Industry, Probation and Parole, Public Utility Commission, Public Welfare, Revenue, Securities Commission, State Police and Transportation;
- The Chamber of Commerce Building, 411 Seventh Ave., Pittsburgh. This is a "customer service center" designed to give customers a one-stop location for various state-related transactions. Approximately 45,288 square feet of office space will house employees from Department of Health – Vital Records, State Civil Service Commission, Revenue, Transportation, and Labor and Industry;
- 11 Stanwix St., Pittsburgh. Approximately 64,687 square feet of office space will house employees from Banking, Labor and Industry, Public Utility Commission, Public Schools Employees Retirement System, Public Welfare, Revenue, State, Treasury and Health.

"The work to renovate the building, as well as the leased space locations, will create solid-paying jobs for the region," said Creedon. "With the private development planned for mixed use to provide a hotel and apartments, there will be continued spin-off employment opportunities for the service industry."

The General Assembly authorized the sale of the property in Act 54 of 2007.

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