

2007 ANNUAL REPORT



EXPERIENCE
DOWNTOWN



PITTSBURGH
DOWNTOWN
PARTNERSHIP

MESSAGE FROM THE PRESIDENT

Dear Downtown Stakeholder –

I'm pleased to say 2007 was a very good year for Downtown Pittsburgh. Two well-known national restaurant chains – Capital Grille and McCormick & Schmick's – joined the neighborhood; UPMC announced it would relocate its headquarters to Downtown; residential development continued with projects like 5 Lofts on Penn and 941 Penn Avenue; Chick Boutique opened on Liberty Avenue and Saks Fifth Avenue extended its store hours. All of these signal that Downtown is stronger and more vibrant than ever before.


Large public investment in destination facilities such as the arena and casino demonstrate a continued commitment to Downtown. We're seeing major improvement projects like the Grant Street Transportation Center, the North Shore Connector and Point State Park, which represent millions of dollars in new investment.

The Pittsburgh Downtown Partnership (PDP) continued to play an important role in expanding the Downtown experience by bringing car-sharing into the city, rejuvenating Market Square through programming and enhancements, and providing funding for the first grocery store in Downtown in 20 years. Additionally, the PDP is helping facilitate more housing and economic development by communicating the benefits of the condo tax abatement, providing funding for the renovation of vacant upper floor spaces and activating streetscapes.

Due to the strong support of our property owners, fantastic partners and a little good luck, our organization has become a mature, visible and innovative leader in Pittsburgh's urban development. Our 2008 Business Plan is aggressive, timely and filled with value for Downtown and the entire region.

On behalf of the PDP Board of Directors and Downtown property owners, thank you for your continued support and faith in Downtown Pittsburgh.

Yours truly,



Michael E. Edwards, *President & CEO*

MESSAGE FROM OUR SPONSOR

Dear Downtown Leader –

We are proud to be the premier sponsor of the Pittsburgh Downtown Partnership's 2007 Annual Report. As you'll see in this publication, Downtown Pittsburgh is experiencing unprecedented growth. Our city is increasingly becoming more vibrant, strong and focused on preserving our environment. At Recycle Management, we're working hard to ensure it stays that way by providing single stream recycling services to businesses in our region.

We hope you'll join us in ensuring our city continues to be a leader in the green movement. Let's take pride in our city by maintaining its unique beauty and character. Let's spread the word that Downtown Pittsburgh is the place to live, work, play and do business.

Sincerely,



Gabe Hudock, *President*





PITTSBURGH
DOWNTOWN
PARTNERSHIP

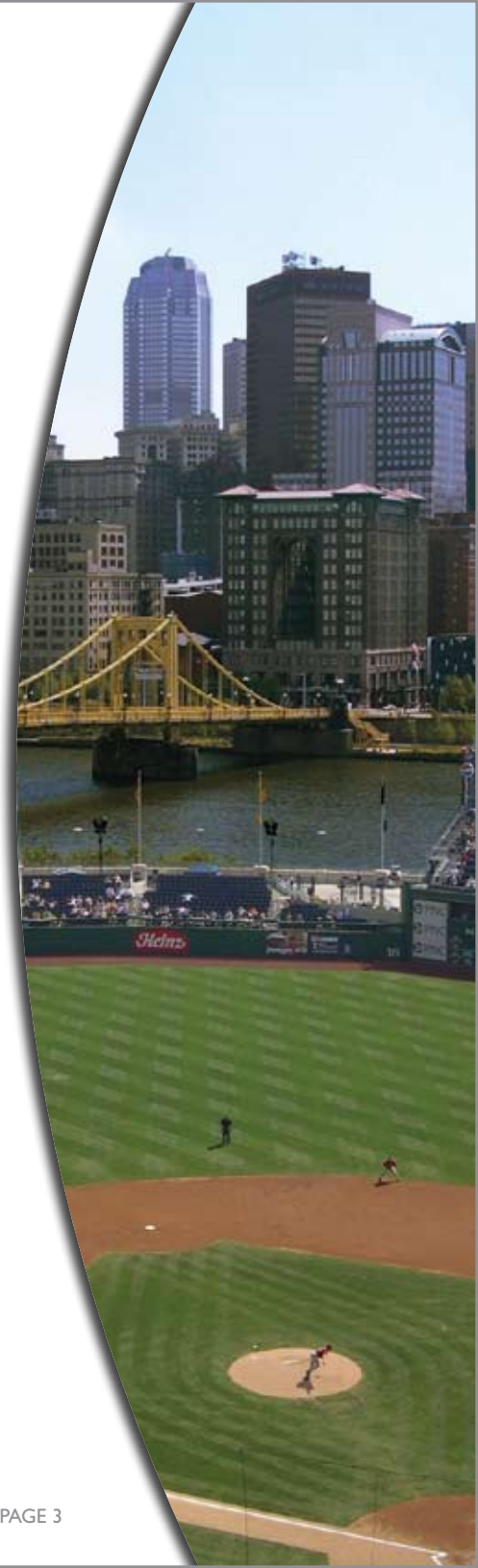
A COMPREHENSIVE DOWNTOWN REVITALIZATION PROGRAM

VISION

Downtown Pittsburgh is one of
America's great urban centers.

MISSION

The Pittsburgh Downtown Partnership provides dynamic leadership
and a consistent voice to improve the vitality of Downtown through
enhanced services, advocacy, collaboration and marketing.





STRATEGIC INITIATIVES

The PDP actively pursues four strategic initiatives in partnership with other organizations and the community:

- A Clean and Safe strategy to maintain and promote an inviting Downtown experience;
- An Advocacy and Public Policy strategy to encourage the adoption of governmental policies, tools, guidelines, and incentives to support the realization of Downtown's full potential;
- A Transportation and Parking strategy to address issues that strengthen the ability to access the Downtown offerings of employment, living, culture, shopping, entertainment and outdoor recreation;
- A Housing and Economic Development strategy to increase the livability of Downtown, and generate jobs and economic vitality that is supportive of existing and new residential and commercial activity.

FUNDING

The PDP has five main funding sources to support its initiatives. First, as the management entity for Downtown's Business Improvement District (BID), the PDP receives funding from assessments paid by Downtown property owners. Under its agreement with the City of Pittsburgh to manage BID activities, the PDP provides marketing efforts for Downtown and oversees the implementation of enhanced public services, which include a clean and safe program and street/infrastructure maintenance. Second, as a membership organization, it receives dues from voluntary members throughout the community who want to invest in the future of Downtown. Third, through the support of foundations, the PDP advances the Downtown vision through important project-specific activities. Fourth, the PDP receives government grants and, fifth, through earnings from advertising, fees and sponsorships.

PARTNERS

The PDP works with a range of organizations to deliver its vision of Downtown. Partners include government agencies and neighborhood associations, as well as business, community, civic and cultural organizations.

Business Improvement District (BID)

The BID was created by City Council in 1997 and renewed for a second five-year term in November 2006 at the request of the Downtown property owners.

The BID includes 100 blocks of the Central Business District and the boundaries are generally the Golden Triangle. More than 4,000 businesses and 350 property owners are located within the BID area. A special assessment on land values funds activities, programs and management of the BID by the PDP.

2007 ACCOMPLISHMENTS

SAFETY AMBASSADORS

- 17,084 Pedestrians helped
- 13,306 Handouts distributed - maps, Shop and Dine Guides, anti-panhandling brochures, etc.
- 342 Safety escorts
- 2,989 Motorists assisted
- 2,690 Passive panhandling situations addressed
- 1,218 Aggressive panhandling situations addressed
- 205 Requests for 911 assistance
- 752 Homeless outreach occurrences
- 1,970 Bike miles
- 14,600 Miles patrolled on foot

CLEAN TEAM

- 100,319 Bags of litter collected
- 7,152 Stickers/handbills removed
- 1,044 Graffiti tags removed
- 3,992 Hours of equipment operation
- 41 Signal boxes painted
- 29,280 Labor hours
- 29,400 Miles of sidewalk and gutters cleaned
- 624 Leaf and snow removal hours
- 565 Tree grates maintained

PARKING AND TRANSPORTATION

- Supported sustainable public transit funding
- Launched car-sharing – attracted over 1,200 members and doubled the number of cars
- Implemented strategies to mitigate the North Shore Connector construction impact
- Increased usage of online parking reservation system
- Marketed “free parking days” Downtown

ADVOCACY AND PUBLIC POLICY

- Announced we were for continued decrease in the Parking Tax
- Came out against the new Drink and Car Rental Tax

HOUSING

- Established a \$3.5 million loan fund for residential conversion
- Provided market analysis and loan funds to secure a Downtown grocery store
- Completed a Downtown worker profile
- Met with 10 area real estate brokerage offices to promote Downtown living

ECONOMIC DEVELOPMENT

- Marketed a high-performance, free, outdoor downtown Wi-Fi network
- Secured \$1 million for “Paris to Pittsburgh” Program to fund street scape activation
- Worked closely with brokers through the Office Retention and Recruitment Task Force
- Activated Market Square through design and programming
- Developed a preliminary retail retention, expansion and recruitment strategy
- Issued an RFP for retail market analysis services

MARKETING

- Produced 150,000 Shop and Dine Guides and 150,000 Holiday Guides
- Delivered consistent online communication through “Get Into It” and “The Investor”
- Reinforced Downtown messages and the corporate identification package
- Distributed 2,000 Annual Reports and hosted 300+ at the Annual Meeting
- 100,000 attended Light up Night and the Saturday holiday season activities
- Increased event sponsorship
- Organized Walk and Dine and Realtor® Day
- Hosted three membership events

ADMINISTRATION AND ORGANIZATION

- Adopted revised bylaws
- Adopted a new financial reporting system
- Developed stronger relationships through the Strategic Partnership
- Incorporated staff reductions and realigned responsibilities



2008 STRATEGIES AND ACTIONS

To be successful, the delivery of real value to our property owners and members must be a priority for the Board of Directors and staff throughout 2008. The action items will require a high degree of organizational focus, the strategic use of resources and the nurturing of key partnerships.



CLEAN AND SAFE

Action Items

- Negotiate basic levels of city service in Downtown
- Increase the number of Safety Ambassadors
- Enhance the level of service of the Clean Team
- Continue aggressive public safety services in Market Square
- Determine the viability of a police substation in Market Square
- Hold regular meetings with Downtown security personnel
- Implement a plan for speedy removal of graffiti
- Maintain effective dialogue with key social service agencies

ADVOCACY AND PUBLIC POLICY

Action Items

- Engage the PDP Board annually to determine critical Downtown issues
- Complete research on critical Downtown issues and educate the PDP Board
- Secure consensus, if possible, and advance a position as necessary
- Identify appropriate strategic partners to assist in advocating for Downtown policy issues
- Communicate PDP legislative and capital priorities on a regular basis to the Mayor, County Executive, key state representatives and the Chamber of Commerce
- Investigate hiring a lobbyist to advocate for Downtown issues

TRANSPORTATION AND PARKING

Action Items

- Market the Zipcar car-sharing program.
- Participate in the Port Authority's System Analysis process
- Continue an aggressive construction mitigation marketing program
- Implement Downtown bus rerouting that will remove buses from Market Square by May 2008
- Advocate for Traffic Signal plan and upgrade of 26 Downtown intersections
- Re-survey Downtown employee transportation needs
- Improve pedestrian and bike safety in Downtown

HOUSING

Action Items

- Adopt an Affordable Housing policy
- Implement the new Vacant Upper Floors Loan Fund
- Close five loans developing 50 units of new housing Downtown
- Provide financial assistance for a second grocery vendor Downtown
- Market the new condo tax abatement to accelerate Downtown housing development
- Advocate for neighborhood amenities such as an off-leash dog park, movie theater (Harris Theater), bookstore, playground and elementary school
- Survey residents to assess retail demand and update pedestrian counts

MARKET SQUARE

Action Items

- Activate Market Square through coordination of stakeholder groups
- Make strategic design changes to enhance the pedestrian experience
- Work with the City to complete a final plan for physical changes
- Assist the City to secure funding for re-construction
- Create a Sunday produce and coffee market

ECONOMIC DEVELOPMENT

Action Items

- Advance the retail redevelopment of Smithfield Street and Market Square Districts
- Complete a retail demand analysis
- Complete an engineering report to develop a Streetscape Improvement Plan
- Continue aggressive public relations to promote the Downtown office experience
- Complete 68 façade and streetscape enhancements through the Paris to Pittsburgh program

ADMINISTRATION, MEMBERSHIP AND FUNDRAISING

Action Items

- Implement the new budget framework and financial statements
- Create an Audit Ad Hoc Committee
- Secure the necessary funding to complete a new Downtown Plan
- Enhance the PDP Membership Task Force and raise \$200,000 from investors in the PDP
- Secure new funding to deliver projects consistent with the PDP business plan

MARKETING

Action Items

- Implement an aggressive, pro-active public relations strategy
- Implement a retail advertising campaign and package a menu of unique experiences
- Implement an aggressive Housing marketing campaign to create awareness of new financial incentives and exciting housing options
- Promote Market Square as the Downtown destination
- Aggressively market Downtown Transportation and Parking initiatives
- Use the PDP website and e-newsletters to communication with Downtown stakeholders
- Produce a series of compelling Downtown collateral materials such as Downtown Made Easy Guide, Holiday Guide and Light up Night brochure
- Complete organizational branding
- Produce successful events for Downtown including the Annual Meeting, Walk and Dine and Holiday/Light up Night
- Coordinate strategic membership events and press conferences throughout the year
- Increase sponsorship through the development of a comprehensive, multi-year strategy
- Coordinate PDP resources to amplify planned Pittsburgh 250 events occurring Downtown

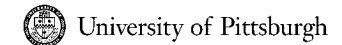
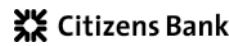


THANKS TO OUR 2007 MEMBERS

RENAISSANCE LEADER - \$10,000 AND UP



DOWNTOWN VISIONARY - \$5,000 TO \$9,999



Downtown Champion \$2,500 to \$4,999

Huntington National Bank
Meyer, Unkovic & Scott, LLP
National City
The Pennsylvanian
Pittsburgh Penguins
Pittsburgh Pirates
Pittsburgh Steelers Sports, Inc.
Reed Smith, LLP
Rugby Realty Company, Inc.
Saks Fifth Avenue
Southwestern Pennsylvania
Commission
Station Square
United States Steel Corporation
Wyatt Incorporated

Downtown Patron \$1,000 to \$2,499

Debra Tanner Abell
Dermatology Associates

Allied Barton Security Services
Alpern, Rosenthal & Company
AMCOM Office Systems
Babst, Calland, Clements &
Zomnir, PC
Barnes & Noble at
Duquesne University
Blattner Brunner, Inc.
Burt Hill
Café Euro
The Capital Grille
Carnegie Mellon University
CB Richard Ellis/Pittsburgh
Continental Real Estate
Companies
The Duquesne Club
Eat'n Park Hospitality Group, Inc.
Enterprise Rent-A-Car
Federated Investors, Inc.
First Lutheran Church
First Presbyterian Church
Gateway Clipper Fleet
Gateway Financial Group, Inc.
Grubb & Ellis Company

Henderson Brothers, Inc.
Hertz Gateway Center, LP
Hilb Rogal & Hobbs
The Hillman Company
Hilton Pittsburgh
Houston Harbaugh, PC
Howard Hanna Real
Estate Services
Bill and Janet Hunt
Images Pittsburgh, LLP
Jones Lang LaSalle
L. Robert Kimball & Associates
Leech Tishman Fuscaldolo & Lamp
L.D. Astorino & Associates, Ltd.
Lincoln Property Company
Mascaro Construction
Company, LP
McCormick & Schmick's
Mechanical Operations Co., Inc.
Michael Baker Corporation
Mirror Image Printing
Mylan Laboratories, Inc.
Northside Urban Pathways
Northwest Savings Bank

Omni William Penn Hotel
Oxford Development Company
Pennsylvania Culinary Institute
Pittsburgh History &
Landmarks Foundation
Renaissance Pittsburgh Hotel
Robert Morris University
Janice M. Smith
Trinity Episcopal Cathedral
Underwriters Brokerage Service
UPMC Health System
Urban Redevelopment Authority
of Pittsburgh (URA)
Western School of Health &
Business Careers
Yellow Cab Company
YMCA of Greater Pittsburgh

Downtown Advocate \$500 to \$999

African American Chamber
of Commerce

Allegheny County Bar
Association
Beynon & Company Real
Estate & Insurance
BBR Services, LP
The Carlton
CBRE/Melody
Central Property Services
Children's Museum Pittsburgh
Chubb & Son, Inc.
Courtyard Marriott Pittsburgh
Downtown
Cowden & Associates
Cricket Communications
The Design Alliance
Downtown Athletic Club
Duane Morris, LLP
The Elmhurst Group
Engineers' Society of
Western Pennsylvania
Gaitens, Tucceri & Nicholas, PC
Attorneys At Law
Goldstock Jewelers
William J. Green & Associates

HDR Engineering, Inc.
 Hefren-Tillotson, Inc.
 Holliday Fenoglio Fowler, LP
 InterPark, Inc.
 J.B. Kreider Company, Inc.
 Jimmy John's Gourmet
 Sandwiches
 Kirkpatrick & Lockhart Preston
 Gates Ellis
 Larrimor's
 Maguire Group, Inc.
 Maher Duessel CPAs
 May Building/NDC Real Estate
 McCrory & McDowell, LLC
 Midtown Tower/NDC
 Real Estate
 Harold D. Miller
 Palomino
 Perkins Eastman Architects, PC
 Pitt Ohio Express
 Pittsburgh Ballet Theatre
 Pittsburgh Business Times
 Pittsburgh CLO
 Pittsburgh Opera
 Pittsburgh Public Theater
 Pittsburgh Symphony
 Production Masters, Inc.
 Red Square Systems
 Seagate Technology
 Six Penn Kitchen
 Sonoma Grille
 Strategic Investment Fund, Inc.
 tonic bar & grill
 Tripp Umbach & Associates
 Tyler Mountain Water
 Urban Design Associates
 WTAE-TV
 YWCA of Greater Pittsburgh
 Zambelli Internationale
 Fireworks

Downtown Supporter \$350 to \$499

The Buncher Company
 FSC Marketing
 Communications

Grant Street Associates, Inc.
 Perfido Weiskopf
 Wagstaff + Goettel
 Regional Industrial Development
 Corp. of SW PA
 Sisterson & Company, LLP
 Strada

Downtown Partner \$150 to \$349

625 Stanwix Partners, LP
 AAA East Central
 Alphagraphics
 Benedum Interests
 Carnegie Library of Pittsburgh
 Downtown Neighborhood
 Association
 Dress For Success Pittsburgh
 Franklin Electric, LP
 Franktuary
 Gateway Condominium
 Associates, Inc.
 James J. Veliky, OD
 Just Ducky Tours
 K & J Concessions
 Kerestes-Martin Associates, Inc.
 Klavon Design Associates
 Levy MG
 Logan & Logan Attorneys at Law
 N. Michael Fazzini, Jr., D.D.S.,
 F.A.G.D.
 The Milfred Products Company
 The Mosites Company
 No Wall Productions
 Oliver Brothers
 Pittsburgh Urban Magnet
 Program (PUMP)
 Port of Pittsburgh Commission
 Rubinoff Company
 Sitko, Rodella & Bruno, LLC
 Smithfield United Church
 of Pittsburgh
 Steel City Diner, Inc.
 Sunny Home Cleaning Services
 Sushi Kim

Technique Architectural
 Products, Inc.
 Thieman & Ward
 Trek Development Group
 Venture Outdoors
 The Vision Center

Downtown Neighbor \$100

Phyllis Armstrong
 Carol Barbarino
 Richard L. Beynon
 Charles R. Broff
 Ronald Carmassi
 Deborah Dodds
 Mary Donatelli
 Jane Downing
 E. Gerry Dudley
 Edmund D. Effort, DDS
 Krista Foster
 Thomas J. Harrington
 Paul and Karen Hochendoner
 Nathan A. Kostelnik
 Ben Luffey
 Eric Mann
 Kevin and Kristen McMahon
 Barbara McNees
 Joseph Petak
 George L. Pry
 Edward Reeping
 John R. Roach
 F. Brooks Robinson, Jr.
 Richard M. Sieber
 Matthew Smith
 Brent R. Sutherland
 Randy Waugaman

Downtown Friend \$50

Christi Barber
 William Baumgarten
 Audrey Brouman
 Leslie Cooley
 Ruth Delach
 Linda Dickerson

Judith L. Dodd
 Thomas B. Grealish
 Dan Griffin
 James Hoffman
 Kevin Joyce
 Joseph Lagana
 Kurt Lesker IV
 Thomas McCaffrey
 Thomas McChesney
 Mildred Y. Neish
 Robert L. Nelson
 T. Casey O'Connor
 Robert Pfaffmann
 Ceil Rockovich
 Sol Ruben

Downtown Vendors \$100

Frank Cissell and Art Johnson
 Roland Croner
 William Drake
 Jolly Red Wiener
 Patrick Joyce
 Red Hot Pittsburgh
 Andrew Venezia

PDP Sponsors

Alco Parking
 Building Owners and
 Managers Association
 CBS Radio
 City of Pittsburgh
 Mayor's Office
 Department of Public Works
 Department of Parks
 and Recreation
 City of Pittsburgh Police
 Dollar Bank
 Duquesne Light
 Fifth Avenue Place
 Howard Hanna
 Real Estate Services
 Leech Tishman
 Fuscaldo & Lampl
 Macy's

National City
 One Oxford Centre
 PA Association for
 Sustainable Agriculture
 Pittsburgh Cultural Trust
 Pittsburgh Parking Authority
 Pittsburgh Post Gazette
 Production Masters, Inc.
 Port Authority
 Saks Fifth Avenue
 Star 100.7
 University of Pittsburgh
 Diabetes Institute
 Urban Redevelopment
 Authority (URA)
 WTAE-TV

Foundations

Benedum Foundation
 Buhl Foundation
 Colcom Foundation
 Dominion Foundation
 The Forbes Fund
 The Grable Foundation
 The Heinz Endowments
 The Hillman Company
 Roy A. Hunt Foundation
 Mary Hillman Jennings
 Foundation
 Laurel Foundation
 McCune Foundation
 Mellon Charitable Foundation
 Richard King Mellon Foundation

The PDP would also like to
 thank the Downtown property
 owners. Without their support,
 the Business Improvement
 District would not be possible.

2007 PDP OFFICERS AND EXECUTIVE COMMITTEE

OFFICERS

TOM GREALISH
Board Chair
Henderson Brothers

JAN SMITH
Vice Chair
Jones Day

JANE DOWNING
Secretary
Pittsburgh Foundation

PEGGY TANNEY
Treasurer
Alpern, Rosenthal and Company

DIRECTORS

KEVIN MCMAHON
Pittsburgh Cultural Trust

GEORGE WHITMER
PNC Financial Corporation

TOM MICHAEL
Larrimor's

JOE PETAK
Hillman Company

GERRY DUDLEY
CB Richard Ellis

MARK BROADHURST
Six Penn Kitchen

TONYA PAYNE
City of Pittsburgh

JANE DOWNING
The Pittsburgh Foundation

HAROLD MILLER
Consultant

MERRILL STABILE
Alco Parking

BOARD MEMBERS

JAMES CAMPOLONGO
(At-Large)

WILLIAM CLARKSON
(At-Large)

GUY COSTA*
Mayor's Office (City)

BRENDA FRAZIER*
*Representative,
Allegheny County*

TOM GREALISH*
(At-Large)

GEORGE PRY
(At-Large)

ROBERT RUBINSTEIN
(At-Large)

WILLIAM RUDOLPH
(At-Large)

CHARLES BROFF
(At-Large)

MARGARET J. TANNEY*
(At-Large)

George Whitmer*
(At-Large)

ERIC FEDER
(At-Large) Firstside District

DAVID PAUL GLEASON
(At-Large)

PAUL HENNIGAN
(At-Large)

WILLIAM HUNT
(At-Large)

HAROLD MILLER
(At-Large) Gateway District

TONYA PAYNE*
6th Dist. Pittsburgh City Council

KAREN PETER
(At-Large)

F. BROOKS ROBINSON, JR.
(At-Large)

AARON STAUBER
(At-Large)

JAKE WHEATLEY
(At-Large)

RICHARD BEYNON*
(Office 100k-500k)

DONALD CARTER
(At-Large)

JANE DOWNING
(At-Large)

E. GERRY DUDLEY
(At-Large) Grant Street

TOM HARRINGTON*
(Office Over 500k)

TOM MICHAEL
(At-Large)

ROMEL NICHOLAS
(At-Large)

JOE PETAK*
(Retail > 150,000 sq. ft.)

JOHN R. ROACH
(At-Large)

RICHARD M. SIEBER
(At-Large)

JANICE M. SMITH*
(At-Large)

MERRILL STABILE*
(Non-Gov't, Parking)

GEORGE WHALEN*
(At-Large) Mixed Use

KEVIN MCMAHON
President, Pittsburgh Cultural Trust

JAMES AYERS*
*President, Bldg. Owners &
Managers Association (BOMA)*

DAVID ONORATO
*Executive Director, Pittsburgh
Parking Authority*

MIKE EDWARDS
President, CEO, PDP

KEVIN JOYCE
*President, Western PA
Restaurant Association*

JOHN VALENTINE
*President, Downtown
Neighborhood Association*

BARBARA MCMAHON*
*Representative, Greater Pittsburgh
Hotel Association*

HERBERT BURGER
(Emeritus)

TOM VANKIRK
(Emeritus)

* BID Committee

STAFF



MICHAEL E. EDWARDS
President & CEO

Mike administers the PDP by advocating for and marketing Downtown Pittsburgh as one of America's great urban centers.



LUCINDA G. BEATTIE
Vice President of Transportation

Lucinda focuses on campaigns to mitigate traffic congestion and enhance ease of travel to and around Downtown.



PATRICIA S. BURK
Vice President of Housing and Economic Development

Patty oversees urban housing and economic development initiatives in Downtown Pittsburgh.



JONATHAN P. COX
Vice President of Operations

Jonathan manages the programs and initiatives that focus on making Downtown clean, safe and attractive.



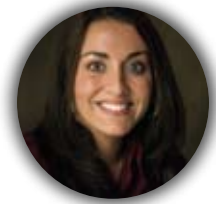
HOLLIE R. PLEVYAK
Vice President of Marketing and Communications

Hollie manages marketing and public relations campaigns to promote Downtown as the premier location to work, live, play, visit and do business.



SEAN C. LUTHER
Economic Development Specialist

Sean administers strategies and action items to promote the retention, expansion and recruitment of business throughout Downtown.



BROOKE M. RINIER
Manager of e-Marketing and Promotions

Brooke creates and distributes PDP publications and manages content for its website.



CAROLE WEBER
Administrative Assistant/Receptionist

Carole helps with various administrative functions, special events and greets PDP visitors.



KATHLEEN ZAWROTNIAK
Program and Events Manager

Katie programs events and activities in Market Square and provides event-support for PDP functions.



LORRAINE ZWERGEL
Office Manager

Lorraine handles accounting, manages human resource functions, such as payroll and employee benefits, and oversees the PDP's information technology needs.

The Pittsburgh Downtown Partnership Annual Report is sponsored by



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