



Ace in the Allegheny

A Boutique Hotel Sells Pittsburgh to Itself

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ISSUE
032

>FOREFRONT



VOLUME 1, ISSUE 32.
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Forefront is published weekly by Next American City, a 501c3 nonprofit that connects cities and the people working to improve them.

Next American City.
2816 West Girard Ave.
Philadelphia, PA 19130

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There's an **episode** of the sketch comedy show *Portlandia* that pokes fun at the Ace Hotel as "The Duece." In it, a DJ scratching records greets guests checking into the hotel on Portland's southwest side. The clerk, Fred Armisen, presents them with a turntable, adding, "anything you need... we've got books. They're not just for show, like, we chose them. They're all, like, pretty real." He's enormously pleased with himself. Carrie Brownstein, a laidback fellow clerk, offers this guidance: "Your room is... just feel it out, you know what I mean?"

It's farce, you can tell, because in the Ace's New York edition at least, the turntables are already in the rooms when you get there.

The Aces are driven by the idea that a curated life is a life worth living. Being in the lobby of Ace New York is like being in a distilled version of the city. One side of the room is covered with photocopies of Bronx artist Michael Anderson's graffiti sticker collection that have been wheatpasted to the walls. There's a giant Allen Ginsberg photo called "**Transforming Milk into Milk**" of Harry Smith, the Portland-born experimental filmmaker, folk-musicologist, painter and would-be alchemist who lived for a piece of the '80s in the building when it was the Breslin, a shared-bathroom sort of place. Attached to the wall, adjacent to the photo, is one of Smith's string figures. A caption on the wall calls it "a testament to his ability to intertwine art with ethnography" — not a bad caption, actually, for the ambitions of the Ace itself, which since opening its doors in Portland in 1999 has expanded to New York, Seattle, Palm Springs and Los Angeles.

Make that Portland, Seattle, New York, Palm Springs, Los Angeles and... Pittsburgh.

Pittsburgh? Indeed. If all goes well, a \$20 million boutique hotel will be opening in Pittsburgh in 2014. And not just Pittsburgh, but *East Liberty*, Pittsburgh. It would be Ace's first foray into the Rust Belt, and would come as part of a decades-long push to reinvent a once-hopping slice of the city's East Side that, by common consensus, was the victim of mid-century experimentation with top-down theories on how one goes about perpetuating urban vitality. Piecing together tax credits, grant monies, locals, outsiders and momentum from East Liberty's recent wins, the Ace project is hoped to add cultural validation to a historic neighborhood that is slowly finding its footing again.

There's obvious appeal in this spot on the Pittsburgh map: Houses can be had for under \$100,000, yet there's a Whole Foods in easy reach. A boutique hotel is a bet on placemaking, the notion that with a few mindful tweaks here and there, you can create an environment to which city dwellers and city aficionados are usefully drawn.

TWO TURN TABLES AND A DUCK PIN BOWLING ALLEY

The bet is that it's not so crazy an idea. East Liberty was once the heart of Pittsburgh's east end, home to the steel magnates — the Carnegies, the Mellons, the Fricks — whose mills and factories ran along the banks of the city's three rivers. At the turn of the century, it was one of the country's wealthiest places, with an express train from Manhattan. By the 1940s and '50s the area was still hopping, a desirable retail center with half a dozen movie theaters, a roller-skating rink and more. Standing in the middle of it all was East Liberty Presbyterian Church, a Ralph Adams Cram-designed Gothic glory built on a commission by Mellons, that today fills a full city block with its pointed arches and stained glass.

But by the 1960s, the suburbs were pulling attention away from Pittsburgh proper, and East Liberty locals — particularly business owners — worried that they were looking at an inexorable march of residents and visitors away from their neighborhood. Working with local government, a scheme was launched to try to suburbanize East Liberty. Scores of big old urban houses were torn down and a four-lane ring road was put in place. In went a pedestrian strip. The idea behind the urban renewal scheme was that people would drive to East Liberty, park their cars and have a nice little shopping experience right in the city. They didn't. East Liberty became an island in the east end, and went progressively downhill. By the 1980s, the neighborhood was known for drugs, alcohol, crime and unemployment. A soup kitchen was set up in the beautiful old church.

Then, in the late 1990s, at about the same time Ace was taking root in Portland, locals begin brainstorming new ways to bring East Liberty back. A community development corporation called **East Liberty Development, Inc.**, or ELDI, went to work coming up with a vision for revitalizing the area.

East Liberty had a few things going for it. For one, it had large, flat parcels that were in short supply in the rest of hilly Pittsburgh. A Home Depot went in, and did well. In 2002, a Whole Foods set up shop just on the edge of East Liberty, bordering the area called Shady Side. It, too, did well.

So did ELDI. The non-profit invested significant resources in the Whole Foods, and it paid off. The process repeated with more stores and investments, eventually building up a nice nest egg. ELDI used it to buy up dozens of properties in East Liberty, flipping some and turning others into rental “test drive” properties that could be used to convince folks that the area was on its way up, and worth recommitting to. One sign to many that East Liberty was on the mend: In 2010 Google opened an



Matthew Ciccone, left, and Nate Cunningham, right, have collaborated on developing spaces in East Liberty before.

engineering office on the neighborhood's edge and, as the company points out on its [place page for the site](#), just eight minutes to Carnegie Mellon by car in a city that, unlike other U.S. tech hubs, is “both culturally rich and exceptionally livable.” (The company’s description of its office: “Steel City? More like Tech City, these days.”)

One piece of property that ELDI picked up on its shopping spree was a tad bigger than a house. It was the old YMCA building on South Whitfield Street that had been empty for years. (One restoration plan involving a Colorado developer fell through). The free-standing, five-story tan brick building is located directly across the street from the church, and had been designed to interact with it, with a pool in one, duck pin bowling in the other, that sort of thing. Today, if you step over the drained, palm-sized bottle of brandy on the steps, you find a building whose charms might be painted over with graffiti — the result of a community art project somewhere along the way — but are still there. Pass through entrance and turn left, and there’s a once-elegant parlor room with gilded molding and a fireplace, now piled with furniture. Head straight back instead and you enter into a three-story gym, encircled by a track. The paint is

badly peeling but the hardwood floors are intact. Upstairs is a sweeping ballroom with floor-to-ceiling windows, aqua walls and patchy tile work. The East Liberty YMCA had some epic spaces, no doubt. But it was also a drag on ELDI's balance sheet.

"What do you do," asks Nate Cunningham, 33, ELDI's real estate specialist, "with a turn-of-the-century third space for wealthy people?"

One thing to do is call Ace. The matchmaker in all this was Eric Shiner, director of Pittsburgh's Andy Warhol Museum and who had put in time at New York City's Cooper Union. In Pittsburgh, Shiner was friends with a young developer named Matthew Ciccone. Ciccone had worked with ELDI's Cunningham in setting up an East Liberty co-working space in an old beauty shop, called the Beauty Shoppe, and was helping to think through possible uses for the old Y. Shiner knew Ace's founder, Alex Calderwood, from New York. A look at the booking rates of Pittsburgh's existing hotels suggested that another hotel in the city could thrive, and besides, there would be little to no competition for a boutique hotel. Pittsburgh, says Shiner, "is an incredible place right now filled with artists and young tech people — just a really eclectic group of people trying to envision a better city. I thought Ace would be a really good fit."

Over the years, there have been plans, ill-fated in retrospect, to turn the East Liberty YMCA into residential housing, as evidenced by the giant advertisement on top of the old building that reads "YLOFTS.com." I explore the building with Ciccone, the 32-year-old developer working with ELDI. Dressed in a gray blazer, a blue grid-patterned button-down, fitted jeans and lace-up loafers, he illuminates the way up the dusty marble and wrought iron staircase with his cell phone. On the third floor, we pass torn-up old couches and other discarded furniture. Come here, he says, you've got to see this. He opens the door onto a pristine, carefully appointed and rather giant model condo. A sign on the wall serves as something of an epitaph: *"If you deal with the lowest bidder, it is well to add something for the risk you run. And if you do that, you will have enough to pay for something better."*

Ace's quirkiness, says Cunningham, was a perk. "You have cultural engineers?" he recalls thinking. Indeed, that's a title at Ace. "Cool! Because who the hell else is going to know what to do with this space? An Embassy Suites is going to be like, 'What, duck pin bowling?'"

Still, the East Liberty crew worried that Ace might prove simply too cool. "Are they going to flake out because they want to go to, like, Tokyo?"

SELLING THE CONTEXT

In Dave Eggers' new novel, *A Hologram for the King*, the businessman-protagonist finds himself in a hotel in Jeddah, Saudi Arabia. "They had built the hotel to bear no evidence of its existence within the kingdom of Saudi Arabia. The whole complex, fortified from the road and sea, was free of content or context, devoid of even a pattern or two of Arabic origin. This place, all palm trees and adobe, could have been in Arizona, in Orlando, anywhere."

It's a useful way of understanding the Ace in opposite. Aces have a Pacific Northwest flair, no doubt. But an Ace also never lets you forget that you are, indeed, stuck at one place on the map. At Ace New York, you can pick up an Ace-commissioned leather comb case from local craftsmen Billykirk (\$45), a soy wax hand-poured scented candle from Greenwich Village's Le Labo (\$60), or flavored syrups from Brooklyn's own Morris Kitchen (\$12). Many of the items available for sale at Ace you can acquire simply by taking them home with you. They're added to your bill.

"The hotel is more than a place to sleep," one of Ace's cultural engineers tells me as we stand surveying Ace New York's thriving hotel lobby scene. "It's a chance to touch literally every aspect of a lifestyle." An Ace is a manifestation of constant curation — perhaps not surprising given that Calderwood, and many of Ace's staffers (this cultural engineer included) came to hotelry not by way of the Cornell School of Hotel Administration, but through Neverstop, a Calderwood-cofounded creative shop that grew out of the Seattle club scene. The business pitches its specialty as "experiential marketing" and its expertise as "spot-on cultural savvy and flawless execution," whether that's setting up shipping container insta-stores all over New York City for the Japanese clothier Uniqlo, or a campaign for Levis that ran theater-sized projections of film footage on city walls near hotspots in San Francisco, or turning a Park City, Utah historic building into "Bing Bar" on behalf of Microsoft for the length of Sundance.

Ace is its own endeavor into experiential marketing, but one where cities are providing the fodder. An Ace is meant to be a distillation of the city itself, and in Pittsburgh, the company is finding a town that sees itself on an upswing, or at least sees signs of life. There's much more to Pittsburgh than the remnants of a dying steel town, and Ace's cultural engineers pronounce themselves eager to take on the challenge of figuring out how to take what's best or most iconic in Pittsburgh and present it in Ace form.

One of Ace's cultural engineers assures me that the company sees Pittsburgh as "a sleeper city."

Once, that is, they found out where it was. Ciccone recalls Calderwood, in one of their early meetings, asking him for photographs of the old YMCA building, but also

This Must Be The Place

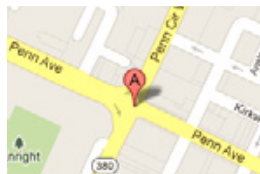
Ace's move into East Liberty signifies a kind of hipster validation for the neighborhood. But the groundwork for its revival involved plenty of heavy lifting and hard work. Not all of it looked so cool. Here is a brief timeline of the neighborhood's evolution:



1979

The East Liberty

Quarter Chamber of Commerce forms the non-profit East Liberty Development, Inc. (ELDI) with hope of sparking reinvestment.



1980s

Key corridors closed during the Urban Renewal

movement are reopened to vehicular traffic; businesses move in.



1993

Abandoned 1980s-era mall finally closes.

1997

Superblock-style public housing complex is foreclosed on; new community-minded owner takes over redevelopment.



1999

ELDI facilitates a public planning process and releases community master plan, Vision for East Liberty.



2000

The Shadow Lounge opens, bringing in artists and performers.

2002

Whole Foods opens.



2011

James Beard Award-nominated chef Kevin Sousa

opens restaurant, Salt of the Earth, in the neighborhood.



2006

Deep Local, an East Liberty-based ad agency run

by a former punk singer and a hacker, opens up shop and soon attracts a international following.



2011

Google opens an office.



Taking up a full city block, East Liberty Presbyterian Church stands in the middle of a neighborhood that has seen the worse missteps of urban renewal, but also promising signs of recovery.

where, exactly, Pittsburgh was and whether you could get a direct flight from New York City. (You can. It's just barely over an hour.) Calderwood and a colleague from Ace later came up for a visit, and returned to bring a full team up to the city in the spring of that year. The group spent a week soaking up the culture and possibilities of the city. It was, says Ciccone, something to behold. "They just hung out," he says.

That exploration's result? "Pittsburgh is super, super interesting," says Calderwood by phone from the west coast. "It's the same kind of dynamic that I observed 10, 15, 20 years ago here in Portland and in Seattle."

More important than Calderwood's pronunciation of cool, though, is the shift in municipal ego that is inciting Pittsburgh to collaborate with Ace: The city is beginning to see itself as a viable option, a place worthy of a boutique hotel conceived in its likeness.

As Calderwood sees it, you see plenty of young folks who, not finding much luck getting jobs in your traditional employment hubs like New York or Boston, are

Traditional urban thinking is often looking for those “anchors” that, like universities, museums and hospitals, take up a lot of land and hire a lot of people, and in doing so shape a place. But Ace suggests something different.

deciding to come back home to Pittsburgh after a few years in Brooklyn or what have you, or deciding to stay in Pittsburgh after finishing college or grad school there.

“We come to find out,” says Calderwood, walking me through the company’s thought process on East Liberty, “that there’s actually a lot of interesting kids who are actually having a dialogue with Pittsburgh.”

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Indeed, while Pittsburgh has been shrinking for the last 60 years, the number of Pittsburghers between the ages of 18 and 24 grew more than 17 percent between 2000 and 2010, reported Sabina Deitrick and Christopher Briem, a city planning professor and economist, respectively, with the University of Pittsburgh Center for Social and Urban Research, in a [September 2011 article](#) published in the *Pittsburgh Economic Quarterly*. Moreover, some 70 percent of the people who are actively moving to the Pittsburgh region are under 35 years old.

“If you were a young worker in the 1980s,” says Briem in an interview, “you really did leave. Even within the context of the Rust Belt, it was an extreme amount of job destruction, and we became a very old region. It was very age selective. But it hasn’t been like that for a few decades.”

And in something of an homage to that conversation, the [Ace company blog](#) has for months been pointing out the many cool things it has found about the young Pittsburgh scene: Specter Studios, a costume and prop shop that earned praise last Halloween for its handmade, obscure wares (like one bug getup inspired by *The Fly*); Deeplocal, a Carnegie Mellon spinoff and creative shop that happens to hack together, among other things, miniature train sets; and the Waffle Shop billboard, a rentable East Liberty display that, instead of being filled with, per Ace, “capitalist drivel,” gives prominence to less monetizeable phrases like, “I LOVE YOU IS SUCH AN ENORMOUS GIFT THAT I NEED TO HOUSE IT HERE FOR A WEEK SO

THAT WE CAN USE THE APARTMENT,” contingent upon approval by committee of locals.

Richard Florida, author of *The Rise of the Creative Class* and former professor at Carnegie Mellon, left the university in 2005 when this movement was gaining traction. The same creative energy that caught Calderwood’s eye, in fact, was inspiration for the research that eventually became Florida’s best-selling, paradigm-shifting book. Calling himself a fan of both East Liberty and Ace Hotels in an interview, Florida cited this slice of Pittsburgh as “an example of inclusive upgrading and renewal.” Ace, he said, is “a big win for the neighborhood.”

REPLACING THE ANCHOR WITH A CORAL REEF

When Ace decided back in the late 2000s that it was going to set up shop in at the corner of West 29th Street and Broadway in New York City, people thought that the company was, well, a little nuts. The area was chockablock with wholesale jewelry, perfume and handbag shops. A hip boutique hotel in the middle of all that?

“Why would you want to be *there*?” Calderwood recalls people asking. You might expect an Ace in Soho. Or the Lower East Side. Or even DUMBO. But just south of Koreatown? “Looking at it with child’s eyes,” says Calderwood, “it actually kind of makes a lot of sense.”

Yes, there was an Ace logic to it. For one thing, the area is somewhat smack in the middle of Manhattan with subways nearby. But less pragmatically, the appeal was that by doing something in an unexpected part of town, you might draw attention to virtue and values that had gone unnoticed. “You’re finding something beautiful in the ugliness,” says Calderwood. “Now that we’ve built it, people are like, ‘Oh, I get it.’”

Traditional urban thinking often looks for those “anchors” that, like universities, museums and hospitals, that take up a lot of land and hire a lot of people, and in doing so shape a place. But Ace suggests something different. Ace hires, no doubt. The Pittsburgh project is expected to offer 100 jobs or so. But really, this is casting a cultural institution as something of a coral reef. Some things cling to it, making it bigger. But much else passes through it and circles around it, changing what surrounds it by setting the climate with its presence.

If that seems grandiose, take a look at the block on which the Ace New York sits. “We’ve... got friends in the building, selling their wares,” reads the little green guidebook that comes in each Ace room. Indeed, they do. Attached to the hotel in



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The East Liberty YMCA, called a “turn-of-the-century third space for wealthy people,” may be empty and graffiti-covered for the moment. But its charms remain, and Ace Hotel hopes to capitalize on them.

something like a little warren is The Breslin, a dark-wood sort of old-timey eatery that’s all the rage in New York City, and the John Dory Oyster Bar, both run by noted New York restaurateurs Ken Friedman and April Bloomfield. Just under Harry Smith’s rope art display is a doorway to Stumptown Coffee, the sole New York City shop of the coffee roaster that began in Oregon and now has an outpost in Brooklyn. There’s also a door to Opening Ceremony, an eclectic travel-inspired shop.

More than that, though, there are now stores, bars, shops, start-ups and even another hotel in the Ace’s immediate shadow, mixed among the wholesale purveyors. Three years later, the whole tone of the crazy little piece of Manhattan that the Ace chose to enter has shifted. Or, better put: It’s broadened.

Part of that has to do with what Ace is willing to fit under the umbrella of “hotel.” It includes what the company calls “cultural programming.” The Seattle branch has a civic-minded election night party. The Los Angeles hotel comes with a chance to help program the nearby Orpheum Theater, and they’re planning to be a part of a “Bring Back Broadway” push there (the L.A. hotel sits at the corner of 9th and Broadway). At

the Ace Palm Springs — officially, the Ace Hotel & Swim Club — they’re throwing a “Black Sheep Thanksgiving.” It is, says Calderwood, “a dog whistle to call the oddballs and the outsiders to come hang out.”

Send out some dog whistles, invite in a few friends, suggest a nearby tenant or two. It’s a process that Calderwood calls “catalytic,” and it raises intriguing possibilities in Pittsburgh. Among the charms of East Liberty is a striking sculpture called “**Joy of Life**,” by Pittsburgh’s own Virgil Cantini. Six figures grasp each other in a circle, leaning back in what is, if not ecstasy, real exuberance. The steel work, sitting on a triangle of land sloping down from Presbyterian Church, anchors a quaint little intersection that almost has a European feel to it. There are a number of architecturally intriguing but vacant storefronts surrounding it. The Ace cultural engineer talks about a “considered selection of neighbors,” but you can’t help but imagine what a few nice shops and places to eat might do for the area.

Of course, there’s a real worry that Ace turns East Liberty into something so considered, so curated, that it pushes out the many who might not find all that quite so charming or accessible. Ace staffers admit that the Ace New York can get a bit overrun with financial types at times — a welcome audience, to be sure, but not one that generally has trouble finding places to hang out in modern New York City.

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SAN FRANCISCO OF THE EAST

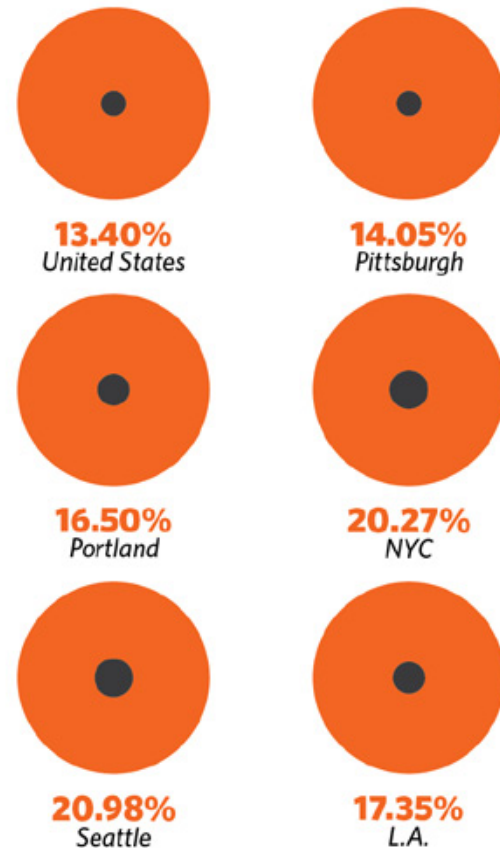
Whether or not Pittsburgh is on the mend depends on whom you talk to. Certainly, there are signs of growth, but it’s the Pittsburgh way to overlook them and fixate on the ghosts of the city’s troubled past. “Pittsburghers sometimes get down on themselves and don’t always see what others see in the city,” says state Sen. Jim Ferlo, who represents East Liberty. He adds, with a laugh, that the attitude “kind of frustrates me.” Ferlo spent 14 years on the city council and currently also serves as treasurer of the city’s **Urban Redevelopment Authority**. What cynics are missing, says the Democrat, is that “we’ve begun a whole renaissance in this city. The city has really jumped off in the last five years.”

When he started in public office, Ferlo says, he’d tell those who would listen that he “wanted to make Pittsburgh the San Francisco of the East. It’s taken a long time, but there’s been a great paradigm shift.” When it comes to East Liberty in particular, the notion of an Ace on the lagging Penn Corridor has a lot of appeal. The neighborhood is making a comeback, he says, citing a laundry list of projects that include the Whole Foods, Target and the Bakery Square Building that houses Google’s offices. But the area,

Electric Youth

Pittsburgh is an increasingly young city. That makes it more appealing to Ace, a brand that caters to young people and those who enjoy their vinyl collections and Pocky snack sticks. Here's how the 'Burgh compares in youthiness to other Ace cities and the country as a whole.

 Total population  Population ages 24-35



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and the YMCA site especially, have been slow to develop: “We’ve had groundbreaking events there that fell by the wayside.” And, with the caveat that he dedicates much time and effort to working on the neighborhood’s lower-income areas, Ferlo adds that the notion of a boutique hotel fits comfortably into his vision. “We believe in a healthy gentrification, meaning a rising tide can lift all boats.” It’s a sentiment that you hear often in Pittsburgh, and East Liberty: Locals aren’t about to reflexively pooh-pooh the dreams of folks willing, for whatever reason, to do business in their city.

I ask Cunningham, the local real estate specialist from ELDI, how he reconciles Ace’s reputation with East Liberty’s diverse, sometimes struggling reality. “There’s no reconciliation necessary,” he says quickly. The community group, he says, has a saying: “A neighborhood for everyone isn’t a dream. It’s a transformation strategy.” Come again? With a neighborhood like East Liberty, he tries again, wedged between rich and poor, you need to appeal to all sorts of folks. For one thing, the scale of the city simply

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"In a place like Pittsburgh," says Cunningham, "if you don't have everyone coming, you don't have enough human beings to support development."

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requires it. "In a place like Pittsburgh," says Cunningham, "if you don't have everyone coming, you don't have enough human beings to support development."

Having an Ace move into the neighborhood isn't exactly like, say, having the Four Seasons open its doors. In New York, Ace's top-shelf suites can go for \$2,000, but other rooms can be had for \$200, if not less. In comparison, at the city's Four Seasons, rooms start in the \$600 range, while the Times Square Marriot will run you about \$300 to start. And unlike those hotels, Ace doesn't sell itself as luxury, at least not in a typical sense. The rooms come with

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futon-style beds fitted with the brand's trademark wool cabin blanket from Oregon's Pendleton. There's much wrought iron and tight corners. The mini bars — actually, retro fridges — come stocked with a mélange of snacks that the room instructions describe as "an exotic array" of "goods from friends near and far," but it's indulgent only in a door-room sense: Chocolate-dipped Pocky snack sticks, mini kegs of Heineken, vitaminwater. You're not paying for the traditional high-end amenities. You're paying to, for a day or three, live like that well-off friend whose idea of splurging is spending a few hours hunting down that rare LP at the last awesome record shop in the city.

One way to understand the Ace approach is to see it as an ethos based around, well, *caring*. Caring about vinyl. Caring about who makes your soap. Caring whether your friend's new restaurant does well. Caring to a, well, mockable extent about the artifacts and implications of culture.

That all of this comes at varying price points is part of Ace's appeal in East Liberty. No matter whether you're paying a couple hundred bucks to share a room with a buddy or paying 10 times that for the best room in the place, you're mixing. "Everyone walks through the same front door," says Ciccone, the young developer. "Everyone goes to the same restaurant and the same coffee shop."

Same goes, for that matter, for those who don't have a room at all. In New York City's Ace, it's perfectly possible for less observant types to grab a coffee at Stumptown and then have a business chat in the lobby of Ace without ever realizing that they're in a hotel at all. There's no check-in desk looming over the space; you'll have to hunt

for it back in the corner, past the display of stuffed birds. The Ace is permeable, with no fortress keeping the city out. In the middle of a fall Tuesday, the dimly lit lobby overflows with hipsters hunched over their glowing computers, paying no mind to the occasional traffic of a guest or a stray bellhop. It's not hard to understand why; there aren't that many free, shared urban spaces in New York City, and even fewer that are piping in carefully selected tunes from NoHo's Other Music.

To Calderwood, creating that third space for community mixing outside of home and work is part of what makes developing urban hotels exciting. He gets excited talking about making places where people coming to a city mix with the people of that city, producing "a constant choreography of people coming in and out."

Looking at the old YMCA building, Cunningham's "19th-century third space," it's easy to see how you might create the same sort of shared spaces as you see in New York, though with a Pittsburgh bent. The gym could easily make a great dance floor for the receptions of weddings thrown over at East Liberty Presbyterian. The fireplace room becomes a nice cozy bar, complete with, perhaps, some old Steelers memorabilia and artifacts sourced from the city's heyday as one of the world's great steel producers. Perhaps a timeline of photos showing East Liberty through the years?

"It's a historic building," says Maelene Myers, executive director of ELDI, the community group, who has worked in the neighborhood for more than two decades. Given that so many of East Liberty's historic buildings were cleared during its mid-century redevelopment phase, she views Ace as a welcome force for preservation.

"The fact that we can keep its grandeur, that's why we lean towards the Ace Hotel," she says. "Vintage, tradition, that's always going to be our history. I want to keep a touch of that in East Liberty."

And as it turns out, keeping vintage tradition and grandeur is good for getting funding for the project, too.

PUTTING DOLLARS BEHIND THE IDEA

All involved in getting the \$20 million to pay for the East Liberty Ace admit that it's been a challenge. Ace might be a name in the national hotel game, but with the closest one nearly 400 miles away, it doesn't have much reputation among Pittsburgh funders. And at a mere 65 or so rooms, compared to the more than 250 at Ace New York, it hasn't proven to be of the scale that would get outside investors excited.

So Ace had to get creative. Its pledge to preserve many of the building's old spaces — the gym, the staircase, the ballroom — means the project is eligible for historic



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Over the years, there have been plans to turn the East Liberty YMCA into residential housing. Those never materialized, but things may turn out differently for a buzzed-about boutique hotel.

tax credits, and its location in East Liberty puts it up for new market tax credits, too. When all that comes through, it should total about \$11 million. They've lined up about \$2 million from individual local investors and another \$2 million from grants, and are in the process of getting their hands on \$5 million from a local financial institution that manages funds for families, unions and foundations. It's a complicated pile of funding, joined by a legal structure that, given the role of ELDI, Ciccone's firm, Ace and others, "looks like a cobweb," says Ciccone.

Included in the financial picture are a couple of hooks intended to join Ace Pittsburgh's fate to that of East Liberty. Though the YMCA has long been vacant, Ace has a history of setting up shop in distressed and still-occupied buildings. In New York, there was a tussle over what would be done with the remaining residents of the old Breslin Hotel. (Some stayed.) In Seattle, where the building was an old mission, the involved developer bought a second property to which residents were relocated. As part of a half-million-dollar grant from Pittsburgh's Heinz Foundation, some of the proceeds will go to funding the East End Cooperative Ministry, whose soup kitchen

has operated out of the basement of the Presbyterian Church. An \$800,000 grant from the federal Department of Health and Human Services will help support the creation of jobs at the hotel for East Liberty locals.

If you asked him earlier this fall, says Ciccone, those involved wouldn't have yet had a solid strategy to pull the project off. But now, "we're feeling pretty good about it."

EYES ON EAST LIBERTY

Some of the things at Ace might bring to East Liberty are tangible: Hotel rooms. A restaurant or two. Event space. But there's a sense in the air that this little hotel might also be a cultural validator of the neighborhood, in the way that the Whole Foods was an validation of the East Liberty area's economic potential and the Google office of its innovation potential. Ace puts a focus on selling the merits of not just its hotels, but the places in which they exist; while attempting to keep the East Liberty project under the radar, they've been blogging about the charms of Pittsburgh for months. "I think we bring a focus to a city," says Calderwood, not only generating media interest (hey there) but "cultural interest" more broadly. (Worth noting: Ace says it's also interested in doing something in Detroit at some point; Calderwood says he envisions eventually having a "small collection" of Ace Hotels.)

More attention on East Liberty's merits in particular and Pittsburgh's appeal in general is something that those working locally on the Ace project very much want. It's of a piece with the pitch they make to tech companies who might want to follow Google's lead. Nice houses in East Liberty, says Ciccone, can be had for \$300,000. "I could live in San Francisco or I can buy a pretty spectacular Victorian and walk to Whole Foods." For years, the only place to eat in East Liberty was in the church basement. Now there are two James Beard Foundation-nominated chefs running restaurants in East Liberty, and at one of their places, Dinette on Penn Circle South, you can buy a round of dollar Yuenglings for the whole place for less than \$50.

Pittsburgh, indeed, has a gap when you look at middle agers. So many of them left when the steel industry collapsed, and the city today is very old and fairly young. Ciccone, for one, spent time in Chicago and in New York before returning home to Pittsburgh and attending grad school at Carnegie Mellon.

"Having grown up here," he says, "I never thought I'd be back here this early in my life. There [weren't] a lot of really vibrant things happening in the '80s, '90s or even early 2000s. But those of us who moved to New York or Chicago saw that in Pittsburgh, we could have a hand in shaping the neighborhoods that we wanted to

stay in. Not only do I have a chance to shape the place where I want to live, but I can shape it with a lot of my friends. You can be incredibly innovative here and there's nobody to stop you."

"The fact that we're developing an Ace Hotel is kinda insane," says Ciccone. "Only here would we have the opportunity to do that." »



ABOUT THE AUTHOR

Nancy Scola is a journalist and writer whose work on the intersections of technology and politics has been published by *The American Prospect*, *Capital*, *Columbia Journalism Review*, *New York*, Reuters, Salon, *Science Progress*, Seed and other publications. She is a correspondent on technology and politics for *The Atlantic*.

She was previously the associate editor of techPresident, a widely-read daily online publication of the Personal Democracy Forum. She's talked about governing, campaigns, political organizing, technology policy, digital media and more on the BBC, CNN.com, MSNBC and WNYC's "The Brian Lehrer Show" and frequently appears on conference panels.

Nancy came to journalism from government and politics. From 2001 to 2005, she served on the Democratic staff of the Committee on Oversight and Government Reform in the United States House of Representatives, under Rep. Henry Waxman of California, handling both online communications and a technology policy portfolio. After leaving Capitol Hill, she was an aide to former Virginia Gov. (now Sen.) Mark Warner as he explored a possible run in the 2008 presidential election.

Nancy grew up in northern New Jersey and now lives in Brooklyn, New York. She holds a B.A. in anthropology and Africana studies from George Washington University and an M.A. in anthropology from Boston University.

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ABOUT THE PHOTOGRAPHER

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She has won the Scripps Howard Foundation Award for Photojournalism, a National Headliner Award and has been named Pennsylvania News Photographer of the Year. Martha's photographs documenting the lives of Burundian and Rwandan refugees won the 1998 Pulitzer Prize for Spot News Photography. Rial's photographs exhibited her work around the country and internationally.