

2024

ALLEGHENY CONFERENCE

CEO MIDYEAR REPORT, JUNE 2024

2026

The 10-county Pittsburgh region's public and private sector leaders and other key stakeholders have come together to advance a thriving, future-focused economy for southwestern Pennsylvania.

The Allegheny Conference on Community Development's 2024-2026 agenda, is anchored in four interconnected priorities with one focus – to attain the vision of a vital, globally competitive region where everyone thrives. The agenda positions us to work toward the next era of growth for our region, our employers, and our residents.

Under the leadership of Allegheny Conference Chair, David L. Holmberg, president and chief executive officer, Highmark Health, our four priorities for the next three years include:



DOWNTOWN:

Spearheading downtown Pittsburgh's revitalization.



INCLUSIVE GROWTH:

Scaling efforts to drive inclusive economic growth.



FEDERAL INVESTMENT:

Maximizing federal funding investments.



THOUGHT LEADERSHIP:

Stepping up thought leadership on strategic economic development issues.

Thanks to the support of our valued Regional Investors who contribute their time, talent, and resources, we are advancing all four of these priorities. The following is a summary of progress made to date and ways to help us to continue to advance our agenda.



GOAL 1: DOWNTOWN

Chair, William S. Demchak,
Chairman and Chief Executive Officer,
The PNC Financial Services Group, Inc.

We've set as our top priority the critical goal of spearheading downtown Pittsburgh's revitalization by engaging key stakeholders to develop a multi-phased plan to ensure not only the vibrancy and safety of downtown but also a strategic redevelopment and investment strategy to reposition downtown real estate, public realm, and civic spaces.

Downtowns Matter

Downtown Pittsburgh, like many other downtowns across the nation, has faltered post-pandemic. The Golden Triangle, while occupying only one square mile radius, has an enormous impact economically, socially, and psychologically on the entire 10-county region. As our largest main street, and our region's calling card, downtown – and whatever happens there – has a ripple effect across the entire 10-county region.

THE GOLDEN TRIANGLE BY THE NUMBERS:

Home to
74,000
workers
representing
nearly 7% of
the region's
workforce

Second
largest
employment
center in PA

Occupies less
than **one**
square
mile

Worker
density of
100,000
people per
square mile

Seven
of the region's 10
largest employers
maintain a
primary office
in the Golden
Triangle

Because of its regional significance, we've set the critical goal of spearheading downtown Pittsburgh's revitalization as our top priority.

Collaborative Efforts to Move Downtown Forward



Since late 2023, more than 40 downtown-focused organizations, including business, academia, labor, nonprofits, philanthropy, and elected officials, have been coming together to develop a vision and framework for downtown's future. Working diligently through collaborative efforts, these partners have:

- Identified near-term stabilization efforts.
- Established goals for the future of downtown.
- Been working to find sustainable funding solutions and strategies to support this work.



Goals for the Future of Downtown Pittsburgh

Vibrancy & Safety

1. Downtown will be a clean, safe, accessible, inclusive, and inviting environment for all.
2. Downtown will embrace a dense and diverse range of commerce, arts, and cultural experiences that support vibrant day and nighttime economies, support a diverse workforce, and encourage all who live and work downtown to stay and play.

Strategic Redevelopment

1. Downtown will be an economically competitive business environment and will attract, retain, and encourage a diverse range of businesses – small and large.
2. Downtown will be a livable community that offers a range of housing choices for individuals and families with diverse social and economic backgrounds.
3. Downtown will offer an interconnected pattern of parks, public spaces, streets, and 21st century infrastructure that are vibrant, accessible, and instill a unique sense of place and community.

Working groups aligned to each of the goals above have been established and are meeting regularly to advance them.

Long-Term Reinvestment Strategy

We have engaged experts from inside and outside the region to guide us in developing a long-term reinvestment strategy to achieve these goals for a vibrant, thriving downtown for all.

Field Operations, a New York-based landscape architecture and urban design firm responsible for such projects as Manhattan's High Line and Chicago's historic Navy Pier, is our partner in identifying catalytic projects that will reshape the downtown environment and create a different value proposition for the Golden Triangle.

In recent months, the firm's expertise has guided efforts to identify the assets that differentiate Pittsburgh and designed a framework to elevate these spaces into vibrant, inclusive areas that are available all year round, attracting people of all ages, backgrounds, and interests to live, work, and play.

Making Connections Across Downtown

As part of this work, three proposed connective corridors have been developed to expand the downtown experience by:

- Creating thematic connections to successful civic anchors in adjacent neighborhoods.
- Embracing our rivers and reaching across them, as well as engaging the iconic bridges and finding ways to cross elevated highways, ramps, and railroads in ways that transform barriers to unifiers.
- Leveraging existing assets and amenities, along with new destinations, to make a neighborhood that attracts residential growth.



■ River to River "Cultural Corridor" ■ Park to Park "Civic Corridor" ■ District to District "Food & Retail Corridor"

These connective corridors are preliminary recommendations for strategic investment. They are intended to be:

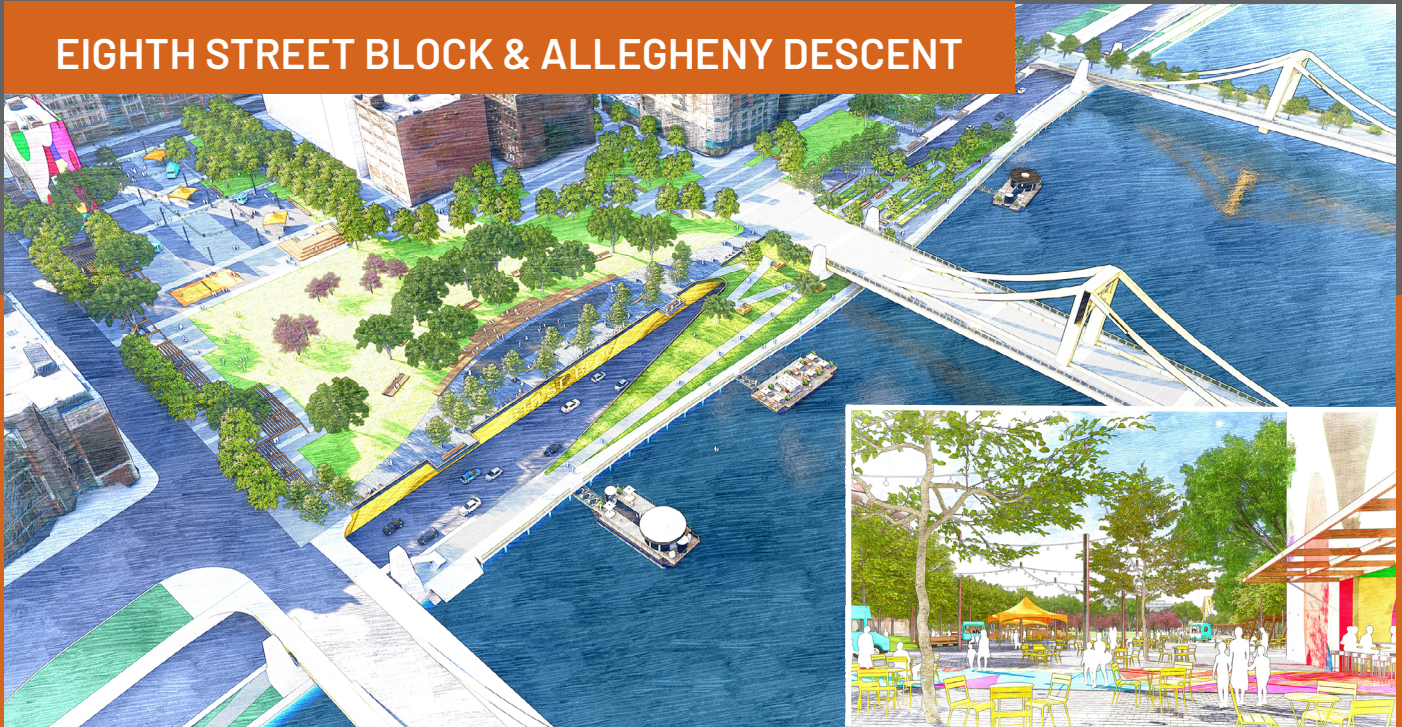
- **Additive** – building on or off initiatives and investments already underway.
- **Flexible** – changing based on community and stakeholder input and needs.
- **Incremental** – representing a core minimum project footprint that maximizes impact and can be used as an armature for future projects.

Conceptual, High-Impact Projects to Reinvent Downtown

Through collaboration with downtown organizations and careful evaluation of current and proposed plans, Field Operations has built off existing plans, overlaid with recommended projects to revitalize our downtown civic and public spaces. The interplay between public realm projects and real estate is important – both needing the other to succeed. For this reason, proposed public realm projects have been developed in relation to proposed and anticipated commercial conversion projects to create a true neighborhood in downtown Pittsburgh.

Three high-impact, high-priority civic and public realm projects have emerged including:

EIGHTH STREET BLOCK & ALLEGHENY DESCENT



This proposed civic space could create a dramatic destination downtown, energized by the Cultural District and the river and nestled among the Three Sister Bridges. With the ability to offer a variety of civic spaces and programs, the Eighth Street Block could include a large, flexible lawn, cafe, outdoor amphitheater, water play, a backyard area with outdoor games, food trucks, and moveable furnishings. Another proposed portion of this project could use Fort Duquesne Boulevard to create more activated civic space and a balcony over the river, which could lead to the Allegheny Descent, a lush walkway to the water, creating a strong pedestrian connection to one of our beautiful rivers.

POINT STATE PARK



The eastern portion of Point State Park, the area before the underpass walkway, could be transformed into a welcoming gateway to downtown and a park for the neighborhood with strategic upgrades and amenities concentrated along its perimeter to attract more residential growth. The conceptual design, as well as a more in-depth design phase, has been and will continue to be thoughtful, so as not to disturb the native species near the point. Evaluating innovative approaches to traffic patterns, including a “right-sizing” of a road could be implemented on Liberty Avenue with active programs in the medians to directly connect Point State Park to Market Square, the heart of downtown.

MARKET SQUARE



A renovated Market Square could include new paving, furnishing, and other features that support both everyday use and events such as farmers markets and smaller gatherings to reemphasize it as downtown’s civic heart and crossing. Restricting vehicular entry and exit points would provide Market Square with more space for people, allowing it to expand from “building face to building face,” engaging the restaurant frontages and increasing its use and capacity.

Each of these projects is visionary and conceptually designed in a way that can lead to a more robust future design phase, which would include coordination with the appropriate local, state, and federal agencies, as well as a public input process to guide the revitalization of each space. Working in tandem with the City of Pittsburgh, the Urban Redevelopment Authority, and developers across downtown, conversion projects and revitalization of each space will cohesively create a neighborhood in downtown Pittsburgh, delivering diverse housing options and robust economic growth to create and retain jobs.

Downtown Investment

Borrowing from the best practices of other regions and cities, we have identified a blend of public and private tools and funds to bring this vision and the projects that can anchor it to life. Some of those tools, like the Local Economic Revitalization Tax Act ([LERTA](#)), the recent passage of the [enhanced LERTA](#), and the Urban Redevelopment Authority’s Conversion Program have been successfully put in place. Other tools to come will also revitalize downtown and main streets regionwide.

We are exploring additional public financing tools to provide sustainable funding streams for the new downtown.

What’s Next

In the days and weeks ahead, we will share the vision and concepts for downtown in more detail. We encourage you to mobilize your organizational and professional networks to share these plans and engage in conversation.

Moving forward we will need input from all of you and the community broadly on the design and execution of these transformational projects.

To stay up to date on the latest downtown developments, follow [IndexPGH social media](#).



GOAL 2: INCLUSIVE GROWTH

Chair, Bryan Salesky,
Chief Executive Officer, Stack AV

We are scaling efforts to drive inclusive growth from within and outside of southwestern Pennsylvania with an intentional focus on building out our most competitive clusters – such as advanced manufacturing, energy, life sciences, and robotics – and focusing on high-impact projects that will yield benefits to communities and people regionwide. Underpinning this work are efforts to develop policy solutions to optimize business conditions and talent needs.

The Case for Growing Our Own

**Expansions
dominate
regional
investments**

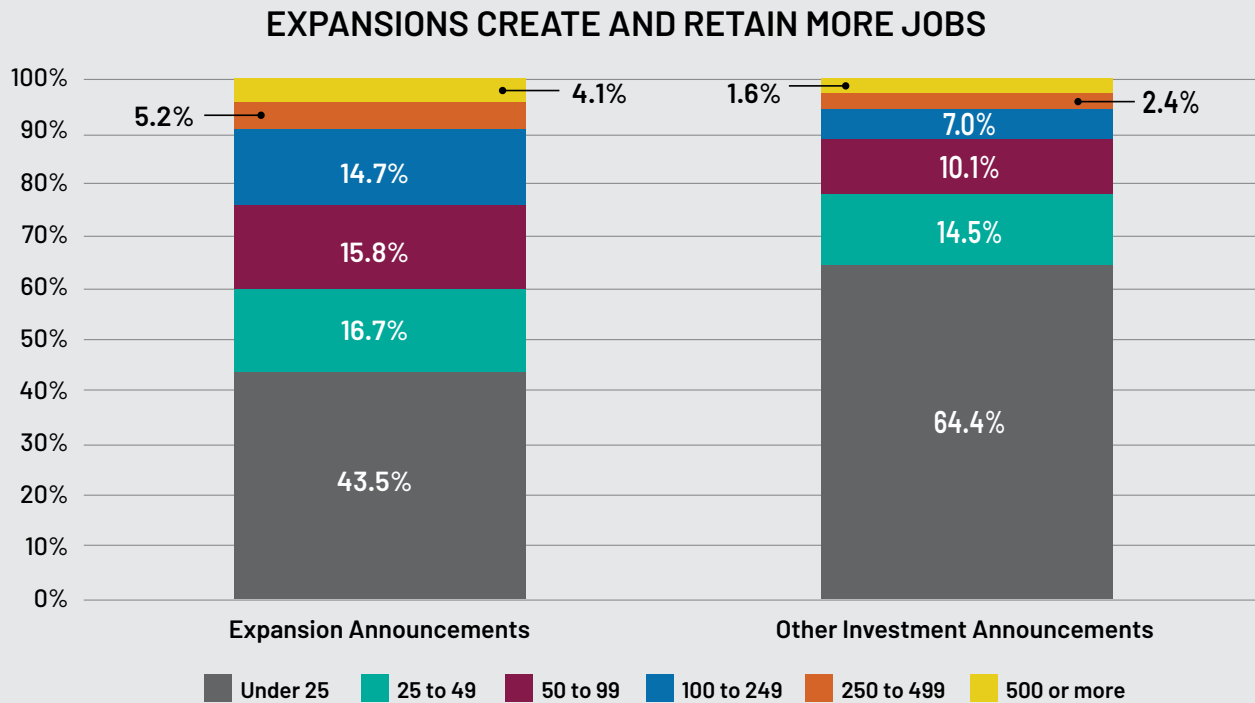
**65% of all
announced
projects are
expansions**

**\$15B
in CAPEX
generated**

Employers in growth mode create jobs, and that's what the Conference is all about. We're working worldwide to attract businesses looking to grow in the region, but the highest return on our investment comes from companies already established here and looking to expand their operations.

For the past 17 years, we have produced a Business Investment Scorecard that tracks publicly announced projects each year. Analysis of scorecard data reveals that 65% of all projects – almost two-thirds – have been existing business expansions, a number that has remained remarkably consistent year over year. These expansion projects have generated \$15 billion in capital investment and represent two thirds of all capital investment in that timeframe as well.

When it comes to jobs, expansion projects have disproportionate impact – representing 83% of all the new and retained jobs tracked on the scorecard. Expansion announcements also tended to have a higher total job impact with the average investment generating 101 jobs compared to 44 jobs for other announcements.



In-Market Expansion Strategy

Based on this data, the Conference is stepping up its efforts to discover more opportunities that can lead to growth by reaching out to employers across our region’s 10 counties. We’ve conducted more than 70 assessments year to date; nearly one quarter focused on gathering employer insights for the state of the workforce report that will be released later this year. We’re learning about employers’ plans for growth and what barriers they are encountering. These insights will help to inform our understanding of where systemic policy and other interventions are needed.

WE WANT TO HELP YOU GROW

Is your business considering expansion or relocation? We want to hear from you and to support your growth. We can:

- Provide market research and data to assist in relocation decisions.
- Identify real estate opportunities and facilitate site searches and visits.
- Connect your organization with business service organizations and public partners.
- Connect your organization with talent pipeline organizations.
- Help to navigate local funding and incentives.
- Connect your organization with federal funding opportunities.

To learn more about how your business would benefit from our economic development services, [visit our website](#).

Pittsburgh Region. Next is Now.

Our region's vitality also rests on attracting new investment, which is why we continue to raise the region's profile nationally and globally as the best-to-invest location.

OUR AUDIENCE



Business
decision makers



Site Selection
Consultants



Investors



Commercial
real estate and
development
professionals

INDUSTRIES



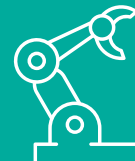
Advanced
Manufacturing



Energy



Life Sciences



Robotics

Through paid digital marketing, we show up where our audience is.

So far this year, we've earned:

2.4M
impressions

66,200+
website visitors

10,400+
conversions

This spring, we ran an ad campaign in Business Facilities and Site Selection magazines to complement the state's campaign on PA Gets it Done and the new economic development plan.

92,000
impressions

Our earned media outreach has achieved 40 pieces of coverage – including national and international, as well as trade and industry – which accounts for a total of 147 million.



YESTERDAY, BOO!
TODAY, BRAVO!



**Nextracker And JM Steel
Expand Production Lines
In Pittsburgh, PA Region**

PITTSBURGHINNO

**What Las Vegas
can expect from
Pittsburgh tech at
CES 2024**



**Excelitas
Technologies Corp.
Invests \$2.3 Million in
New Pittsburgh HQ**

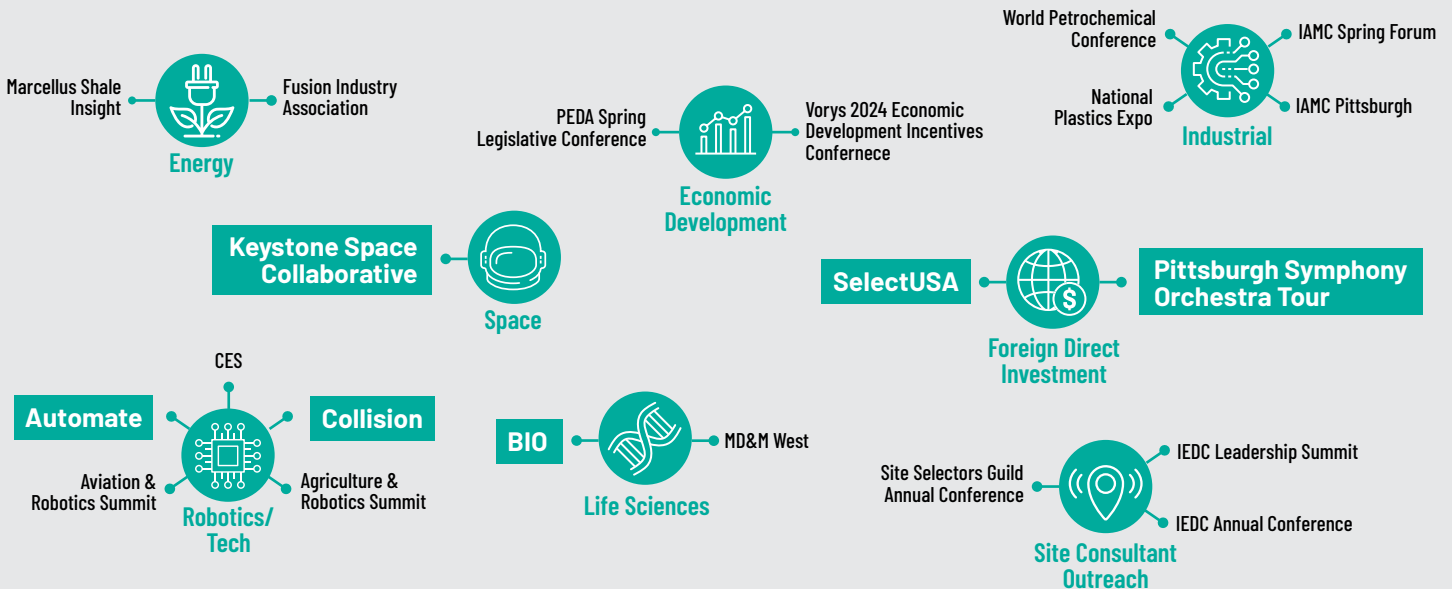
**Earned Media Coverage
to Date in 2024**

40 total pieces
3 - national
2 - international
16 - regional
1 - state
18 - trades
Total impressions: **147M**

LIVESCIENCE

**Missions to the moon,
Mars, Jupiter and more:
These are the coolest space
missions in 2024**

We are in the air and on the road meeting with business investment decision makers and influencers.



Cluster Development

Our region's target clusters are well-positioned to anchor regional economic growth. They represent the region's competitive strengths and are aligned with future domestic and global demand. By focusing on cluster build-out in these areas, the Conference is taking the long view that will prepare our region for the next generation.



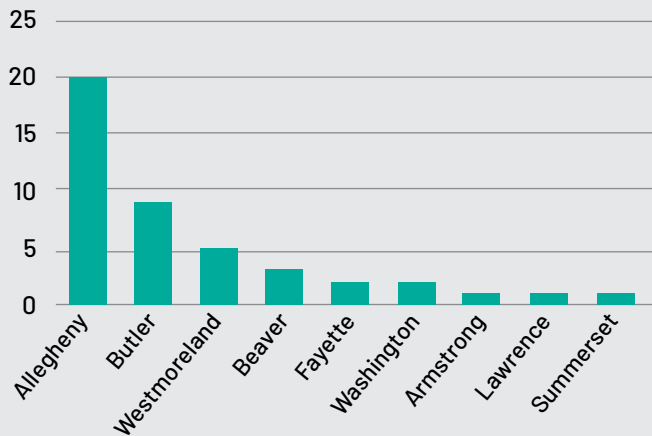
Robotics

Funded in 2022 by a nearly \$63 million-dollar federal Build Back Better Regional Challenge grant, our robotics cluster focuses on extending the economic impact created by a thriving robotics cluster to more businesses, communities, and people across southwestern Pennsylvania through adoption, commercialization, and upskilling.

The [Southwestern Pennsylvania New Economy Collaborative's](#) work is performed by five project teams (Over 30 partners organizations are engaged!). Each team has a lead organization, i.e., Catalyst Connection, Advanced Robotics for Manufacturing Institute, Southwestern Pennsylvania Commission, Innovation Works, or Innovate PGH. A full list of partners can be found on the Southwestern Pennsylvania New Economy Collaborative [website](#). These teams have made important progress connecting industry and people to robotics opportunities.

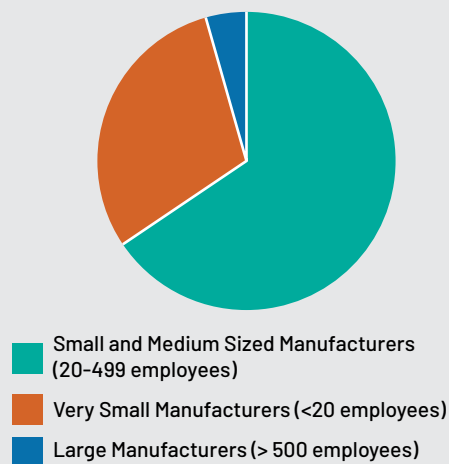
Catalyst Connection has served 44 manufacturers to date with modernization mapping and technology adoption solutions across nine counties, including employers of all sizes.

Companies Served by County



44 Companies received assistance via 62 projects

Companies Served by Size



To identify more opportunities to address critical industry needs through robotics and technology solutions, the inaugural Agriculture and Robotics Summit held in April attracted some 300 attendees including state and federal government officials, as well as leading manufacturers and professionals in agriculture technology, to catalyze collaboration and develop solutions to the needs of the agriculture technology industry.

In its second year, the Aviation and Robotics Summit held in May attracted an international array of airlines, airports, OEMs, government agencies and vendors, as well as local roboticists and entrepreneurs. They gathered to share learnings, explore potential use cases, and help accelerate the adoption, deployment, and commercialization of robotics technologies to solve real-world challenges in the aviation industry.

On the workforce front, upskilling highlights include:

- Pittsburgh Robotics Network established the Pittsburgh Robotics Talent Advisory Committee to coordinate an industry driven approach of evaluating and addressing the workforce needs and skills gaps within the robotics and technology cluster.
- In May, InnovatePGH's Robotics Fellowship program, established for aspiring entrepreneurs and technologists from historically excluded communities, held its first graduation ceremony.
- IUP's for-credit courses are incorporating Build Back Better Regional Challenge grant-funded equipment, impacting over 170 students to date who are learning with and using the new resources. Across the collaborative makerspaces, IUP has engaged over 300 individuals across workshops, classes, and other training activities.
- Westmoreland County Community College is offering eight Robotics Associate in Applied Science (AAS) Scholarships at its Advanced Technology Center with the goal of developing a regional workforce in the field of robotics.
- BotsIQ has hosted 89 events focused on introducing students to advanced manufacturing and robotics with over 1,600 students engaged and reached 180+ teachers through a series of professional development days.



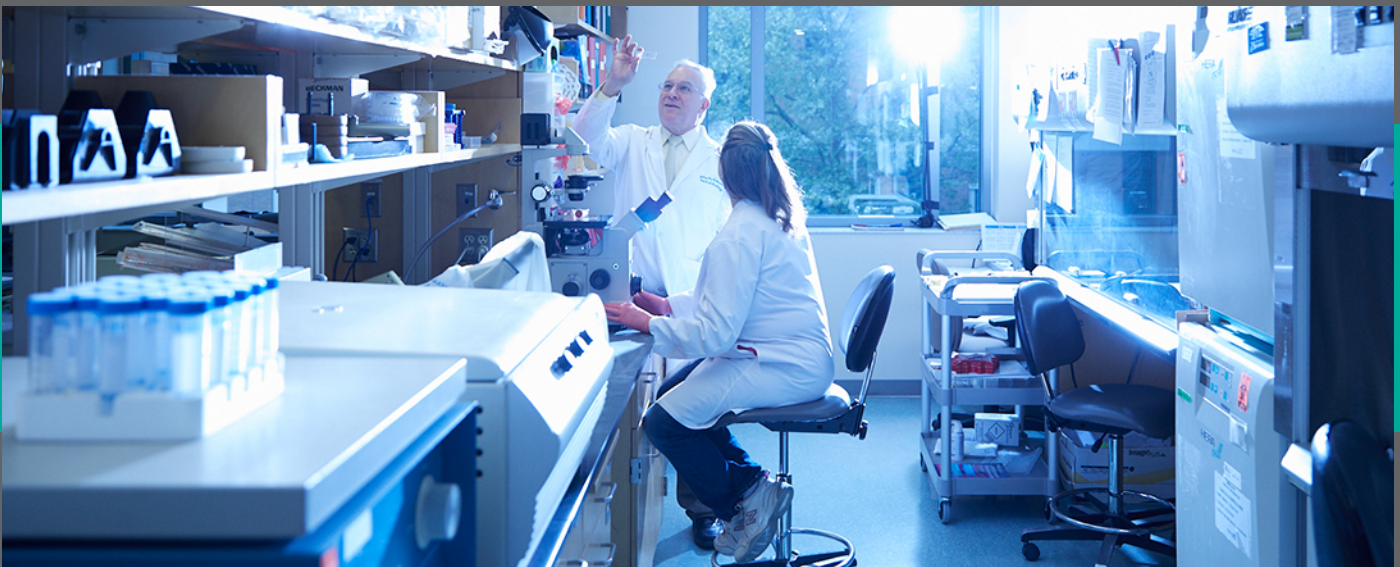
Energy

To advance our [regional energy strategy](#), the Energy Task Force and Decarbonization Forum are actively engaged in developing and implementing decarbonization projects, attracting funding, and advancing policy and advocacy efforts. Progress to date includes:

- Securing DOE/National Labs Technical Assistance toward implementation of energy strategy across industrial decarbonization, new nuclear, and hydrogen.

Energy (continued)

- Working with a range of stakeholders such as Pennsylvania Department of Environmental Protection, the Southwestern Pennsylvania Commission, businesses, intermediaries, and more on securing federal funding to facilitate energy transition and deeper industrial decarbonization.
- Advocating for policy and regulatory frameworks to enable robust and safe implementation of full range of decarbonization solutions such as 45V Credit for Production of Clean Hydrogen in support of the use of coal mine methane for development of the hydrogen economy and carbon capture and storage legislation.
- Partnering with Duquesne Light Company and City of Pittsburgh Mayor Ed Gainey on a pilot program, Energize Pittsburgh, to alleviate the burden of energy bills for low-to-moderate income, single parent homeowners. It's hoped that this program will help to reduce the region's carbon footprint and stimulate economic growth across our communities.



Life Sciences

We are actively partnering with the newly launched Pittsburgh Life Sciences Alliance (PLSA). Serving on the organization's Advisory Committee, we are supporting development of a regional life sciences strategy and collaborating with PLSA on business attraction and advocacy to help grow the cluster regionally.

Project Wins

We have refocused our economic development efforts on high-impact projects that can drive significant investment and/or job creation in one or more of our target sectors, become a catalyst for federal investment into our region, and create opportunities in communities that are in most need of investment.

Of note, more than half of our high-impact projects are seeking federal funding and are at the convergence of advanced manufacturing and energy.



Headquarters Relocation

Excelitas Technologies

\$2.3 million investment

250 jobs to be created

In January, Excelitas Technologies, a leading industrial technology manufacturer, announced it will move its headquarters from the Boston area to Pittsburgh's eclectic Strip District. With its advanced technological portfolio, Excelitas serves global markets that include life sciences, defense and aerospace, semiconductor, industrial, and IoT and Smart Buildings.



In-Market Expansion

JM Steel/Nextracker

More than doubled production capacity

Creation of 60 new jobs since 2022

On April 26, Nextracker, a global provider of intelligent solar tracker and software solutions, and JENNMAR Holdings' subsidiary JM Steel – a premier steel processing provider – cut the ribbon on a major expansion of Nextracker-dedicated manufacturing lines at JM Steel's facility in Leetsdale, PA.



Systemic Policy Reform

None of these achievements can happen without competitive public policy. We are excited by the steps taken by the Shapiro administration to make Pennsylvania an economic development leader.

Think about what's already on the table: stronger economic development tools... an open for business mentality... investing in our state and region's most competitive industries and the innovation that cuts across them... and ensuring that we have the sites here to support companies as they invest and grow. Pennsylvania is laying the foundation for an economy of the future that will benefit our region.

As we enter the home stretch of the state budget process, we will continue to advocate for our key priorities reflected in the governor's budget proposal. Chief priorities among them are investment in site preparation, permitting reform, and an increased cap on net operating loss carryforwards to bring Pennsylvania's limit in line with the limitations of the federal government and peer states. We look forward to sharing progress later this summer.



GOAL 3: FEDERAL INVESTMENTS

Chair, David K. Roger,
President, Hillman Family Foundations

We are keenly focused on maximizing federal funding related to the CHIPS and Science Act, the Inflation Reduction Act, and the Infrastructure Investment and Jobs Act to accelerate transformational economic development efforts to grow jobs and build wealth across geographic and demographic communities.

The CHIPS and Science Act, the Inflation Reduction Act, and the Infrastructure Investment and Jobs Act have the power to accelerate economic development and job growth and build wealth across geographies and demographics in our region.

While the region was able to attract significant investments from the federal sources, it has not been receiving its fair share – especially in competitive grants and loans. More importantly, not all counties across the region have benefited from the new sources of transformative funding.

While progress is being made, there is more work to be done. Take for example that southwestern Pennsylvania:

- Received \$2.5B in competitive (grant) funding over 2022-2023, representing 14% of statewide federal funds, a 10% increase over the prior year.
- Received \$1.6B in federal loans over 2022-2023 representing about 5% of all Pennsylvania funds.
- Received \$307M in congressionally directed spending over 2022-2024 representing some 30% of Pennsylvania funding.

To remove barriers to more successful federal funding attraction, the Conference has worked to align partnerships and resources to raise awareness of the various opportunities, provide support and tools to grant, loan, and tax credit applicants, including targeted advocacy assistance.

Service Offerings for Organizations Pursuing Federal Funding



Information Sharing

- Send regular alerts about funding opportunities and available resources (toolkits, webinars, etc.).



Technical Assistance

- Provide basic guidance to prospective applicants about resources, capacity, and actions needed to produce competitive applications and manage awarded funding.
- Assist with understanding online application portals and establishing application accounts.



Data and Analyses

- Provide economic, demographic, labor market, Justice40, and other data to demonstrate needs and justify funding requests.
- Conduct economic impact analyses to determine a project's direct, indirect, and induced impact on local economies.



Application Development

- Assist in developing content for applications such as regional needs assessments and community benefit plans and aligning with broader economic development priorities.



Partnership and Collaboration

- Facilitate regional and statewide connections and collaboration among public and private stake holders and strategic intermediaries.



Strategic Support

- Provide letters of support and active endorsement to strategic regional projects.



Project Implementation

- Assist with technical aspects such as facilitating real estate search and discovery of available resources.
- Facilitate connections with our partnership network that consists of real estate developers, regional and state funding providers, workforce- and talent-focused organizations, key industry stakeholders and associations, and state and local economic development agencies.

Coming soon, we'll launch an online resource center – a robust repository of resources, including a searchable database of funding opportunities, an investment dashboard that tracks earned funding and regional progress, technical assistance guides, and more.



GOAL 4: THOUGHT LEADERSHIP

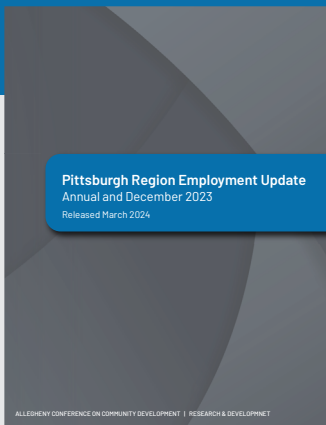
Rebekah Byers Kcehowski,
Secretary, Allegheny Conference;
Partner-in-Charge, Jones Day, Pittsburgh

To help guide the region forward toward our collective vision, we are stepping up thought leadership on strategic economic development issues.

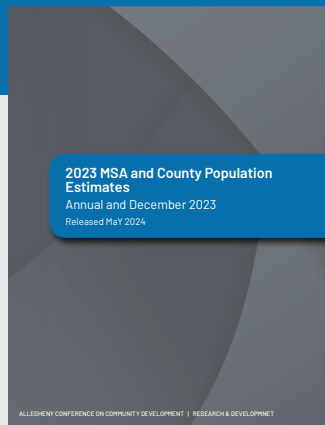
Over the past eight decades, the Allegheny Conference has carved out a global reputation for thought leadership, spearheading generations of reinvention and transformation. Today's challenges demand nothing less. To guide our region forward, we are stepping up our analysis of the big economic issues facing our region, providing original insights regarding the challenges and opportunities ahead.

Since the beginning of the year, the Conference has produced four public reports. These reports provide common ground understanding of issues and opportunities for the region – population, migration, business conditions, employment. These data-grounded insights are helping to inform our understanding of where systemic policy and other interventions are needed and help us to focus on how we can create solutions that can deliver impact where it's most needed.

EMPLOYMENT



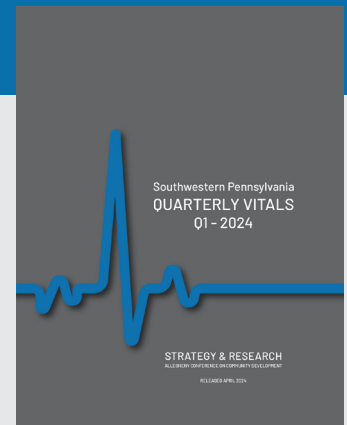
POPULATION



MIGRATION



BUSINESS CONDITIONS





ALLEGHENY CONFERENCE ON COMMUNITY DEVELOPMENT

11 STANWIX STREET, 17TH FLOOR | PITTSBURGH, PA 15222-1312

TOLL FREE: 1(877) 392-1300 | **PHONE:** (OUTSIDE OF U.S. AND CANADA) +1(412) 281-1890

EMAIL: info@alleghenyconference.org | AlleghenyConference.org