

The History of the Allegheny Conference on Community Development Making the Pittsburgh Region Attractive to Smart

People and Smart Investment

The Allegheny Conference on Community Development grew out of efforts to unify and coordinate regional economic development, transportation and environmental improvement efforts.

In the 1930s and 1940s, there was increased public concern about the long-term future of the region. Studies showed that other regions were economically more diverse, and therefore, stronger. Pittsburgh's extreme concentration of industrial resources made the region unique. But the dependence on heavy industry limited the region's options and made it unattractive for new business and population growth. In particular, there were serious problems with air and water pollution. Various community groups tried to find solutions but their efforts were disjointed and generally ineffectual.

During World War II, Pittsburgh Regional Planning Association President Richard King Mellon, Carnegie Institute of Technology President Robert Doherty and others were able to generate support among civic leaders to create a postwar planning committee. Incorporated as the Allegheny Conference on Community Development in 1944, the new organization served as a prominent coordinating mechanism for civic action –a vehicle to organize the private sector to work in partnership with government to improve the region's economy and quality of life.

Initial sponsors included key officials of the public sector – Pittsburgh Mayor David L. Lawrence and Allegheny County Commissioner John Kane – and major segments of the private sector. Older private civic organizations provided initial leadership for the Conference until the late 1940s, when more corporate CEOs joined the executive committee. The Conference built consensus around existing proposals and focused support for those initiatives. It used persuasion to achieve community goals and formed partnerships with other agencies.

Cleaning the Air; Development of Gateway Center and Point State Park

Pittsburgh's most visible problem in the 1940s was air pollution. Smoke from the mills made the region unattractive for investment or skilled labor. The Conference brokered an agreement for phased-in implementation of smoke control that became city policy. The Conference also coordinated efforts to educate the public about the need for smoke control and build political support throughout the county's 129 municipalities. After the Conference voiced its concern for legal loopholes to the state legislature, a comprehensive anti-pollution law was passed for Allegheny County in 1949.

The clearer skies over Pittsburgh as a result of smoke control attracted new business and encouraged local corporations to retain and expand their Pittsburgh headquarters. The pollution-control program explicitly influenced the decision of the Equitable Life Assurance Society to invest in planning the Gateway Center project – the keystone of economic revitalization in downtown Pittsburgh. This also led to the development of Point State Park, which became a focal point for regional activities. Other projects at this time in which the Conference played a crucial role included the appropriation of funds for the construction of flood control dams on the Allegheny and Monongahela rivers; construction of limited access highways such as the Penn-Lincoln Parkway; and the creation of public parking authorities to develop and build garages for the growing number of automobiles.

1950s and 1960s

Creation of the Port Authority; Addressing African-American Economic Inequality

In the 1940s and 1950s, mass transit in Allegheny County was in jeopardy because of 40 private transit companies and increased competition from cars. The Conference released a report in 1951 calling for all local transit lines to be under one authority. Public suspicions and private interests delayed the measure until service cutbacks and strikes rekindled the idea in 1957. The Conference was instrumental in building public and private support. In 1959, legislation was passed to create the Port Authority Transit of Allegheny County, and the first Port Authority buses rolled in 1964.

The Conference began to address the problems of African-American economic inequality in 1967. One of its major initiatives was the Minority Entrepreneur Loan Program to assist new minority-owned businesses in southwestern Pennsylvania. The Conference provided grants and loans to the Business and Jobs Development Corporation and used its own resources to guarantee subordinated loans to provide funds for equity. In 1972, the Conference was instrumental in the formation of the Business Resource Center and the Regional Minority Purchasing Council to aid minority-owned businesses.

1970s and 1980s

The Conference continued to work on a number of efforts vital for our region's economic future through the 1970s and 1980s. One example was the revitalization of our region's core. The result was the transformation of the 14-block Penn-Liberty Corridor into the Pittsburgh Cultural District. A related effort was Strategy 21 that enabled public and private agencies in Allegheny County to speak with one voice when requesting state funds. Strategy 21 not only resulted in projects that ranged from the new Pittsburgh International Airport to The Andy Warhol Museum, it marked a significant shift toward a broader regional vision. In addition, the Conference supported efforts to modernize "brownfields" regulation in Pennsylvania to accelerate redevelopment of old industrial sites.

1990s

Allegheny Regional Asset District; Mehrabian Report; Allegheny County Home Rule; Strategic Investment Fund

At its 1991 annual meeting, the Conference leadership outlined an ambitious new agenda, committing to forge new partnerships in four major areas: education and workforce development, regional development, civic organization, and public governance. Based on this agenda, the 1990s were a period of heightened activity.

The Conference played a significant role in the creation of the Allegheny Regional Asset District (ARAD), a one percent sales tax in Allegheny County that eased the burden on City of Pittsburgh taxpayers to support such regional amenities as the Zoo, Aviary and Phipps Conservatory, and enabled their privatization. Over the ensuing two decades, the ARAD has played an indispensable role in improving the region's quality of life and its emergence as a major center of arts and culture and outdoor recreation.

Following a regional benchmarking analysis spearheaded by Robert Mehrabian, then president of Carnegie Mellon University, the Conference convened the Working Together Consortium to develop strategies to improve the region's competitiveness and effectiveness in marking. The Conference adopted a more regional geographic scope, encompassing 10 counties of southwestern Pennsylvania, and developed mechanisms to encourage regional planning, advocacy and action, including the Southwestern Pennsylvania Growth Alliance, a successor to Strategy 21, that brought together elected officials from all 10 counties to set priorities for state investment across the region, and the <u>Pittsburgh</u><u>Regional Alliance</u>, which marketed the 10 counties for business investment.

In addition, the Conference played a significant role in the development and successful implementation of Home Rule for Allegheny County, which resulted in the single-executive and council form of county government, and in working closely with elected officials to lay the groundwork for the construction of new baseball and football stadiums and the world's first Gold Leadership in Energy and Environmental Design (LEED) - certified convention center.

Also during the '90s, the Conference led the creation of the Strategic Investment Fund (SIF), a private sector source of financing for real estate projects that are expected to have a significant impact upon the economic development of the City of Pittsburgh and the surrounding 10-county region. Employment creation, community development and elimination of urban blight are primary Fund objectives. The purpose of the Fund is to fill gaps in the financing of those projects that align with either its Regional Core Investment Strategy or its Industrial Reuse and Technology Development Strategy.

2000s

A New Model For Regional Collaboration

In 2000, the Conference entered into a "joint venture" with the <u>Greater Pittsburgh Chamber of</u> <u>Commerce</u>, the <u>Pennsylvania Economy League of Greater Pittsburgh</u> and the Pittsburgh Regional Alliance (PRA) that brought the four organizations together under a common CEO. The relationship was formalized into a strategic affiliation in 2003, with a single membership, staff and strategic plan supporting and guiding the activities of all four affiliates under the leadership of the Allegheny Conference board of directors. The structure plays to the strengths of each organization – the advocacy efforts of the Chamber, the research and analysis expertise of the Economy League, and the marketing intelligence capabilities of the PRA. These strengths, guided by private sector leadership, enable an efficient model for regional improvement.

As a result of the affiliation the Conference expanded its membership, creating a new "Regional Investors Council," composed of more than 300 organizations that provide the time, talent and resources to advance the shared agenda. Individuals from these organizations serve on the boards of the Conference, its affiliates, and related committees.

During the decade, the Conference spearheaded additional initiatives to encourage regional cooperation, including the Tri-County Airport Partnership (T-CAP), which brought together the elected leaders of Allegheny, Beaver and Washington counties to encourage economic development in the airport area; the Regional Air Services Partnership (RASP), which convened major business travelers to work in partnership with the Allegheny County Airport Authority to stabilize and improve air service after the bankruptcy of the airport's dominant carrier, eventually restoring nonstop transatlantic service; and <u>CompetePA</u>, a coalition of businesses and business-led organizations from across Pennsylvania that advance a shared vision to improve the Commonwealth's business tax competitiveness, reducing the total business tax burden in Pennsylvania by \$1 billion per year.

The Conference maintained its historic interest in simpler, more cost-effective government and

reliable and competitive transit and transformation, working with the City of Pittsburgh to reduce costs and stabilize City finances; raising awareness of the growing municipal pension burden across Pennsylvania; and supporting the Port Authority of Allegheny County's efforts to improve operating efficiency, restructure its route network and develop a reliable, long- term source of operating support.

At the same time, the Conference and Affiliates led efforts to improve and raise awareness of the region's quality of life, including supporting the launch of the Riverlife Task Force – now known as RiverLife – an organization focused on encouraging common design principles along the region's riverfronts; the restoration of Schenley Plaza in Oakland by the Pittsburgh Parks Conservancy and the City of Pittsburgh; the creation of <u>French and Indian War</u> 250, which spearheaded the national celebration of the 250th anniversary of the French and Indian War; and the organization and implementation of Pittsburgh 250, the 2008 regional celebration of the 250th anniversary of the naming of Pittsburgh in 1758. These initiatives brought together hundreds of partner organizations and thousands of individuals to improve important historic, cultural and outdoor recreation assets and market them more effectively within the region and externally.

The Pittsburgh G-20 Partnership

The collaborative model developed through these activities paved the way for the formation of The Pittsburgh G-20 Partnership in 2009, a public-private partnership that served as the local host committee for the G-20 Summit in Pittsburgh. The Conference worked in partnership with VisitPittsburgh to manage the media and hospitality aspects of the summit, enabling the City and the County to concentrate their efforts on public works and public safety. President Barack Obama described the result as "the most peaceful" summit of its kind in history. Media coverage resulted in more than 7,000 positive stories about the region appearing in U.S. media alone, with many more around the world, and prompted more than two dozen leadership visits by chambers of commerce from across the United States in the three years that followed.

Pittsburgh: The New Center of American Energy

The discovery of unconventional natural gas reserves in the Marcellus Shale in 2004 led the Conference to evaluate the potential for energy to be a significant economic driver in the future. Research by the Pennsylvania Economy League of Greater Pittsburgh determined that southwestern Pennsylvania had leading strengths across seven energy industries, including coal, natural gas, nuclear, solar, wind, power management and green building. As a result, in 2009 the Conference partnered with Innovation Works to organize the Energy Alliance of Greater Pittsburgh (EAGP), which convenes companies and organizations working and conducting research in all seven sectors to develop new energy - related solutions.

The EAGP reflects the broadening geographic scope of Conference activities, which now encompass a 32-county "Greater Pittsburgh Region," incorporating portions of four states. In addition, the Conference has successfully partnered with northeast Ohio to organize the <u>Tech Belt</u>, a joint advocacy effort to encourage federal investment in research in the region. The initiative achieved an important goal in 2012 with the Defense Department's creation of a National Additive Manufacturing Innovation Institute in Youngstown, Ohio, which will support manufacturing innovation among dozens of companies and colleges and universities stretching from Cleveland to Morgantown, West Virginia. The Conference, through the Greater Pittsburgh Chamber of Commerce, participates actively in the <u>Great Lakes Metropolitan Chambers Coalition</u>, which seeks to encourage favorable federal policy regarding the manufacturing and research heartland of the U.S. and Canada, extending from Pennsylvania to Minnesota.

2010s

Award-winning Regional Partnership for Economic Development

In 2011 the Conference was recognized by the Alliance for Regional Stewardship with a "Ten Award," marking ten years of "distinguished achievement in sustained stewardship" in the Pittsburgh region.

These activities helped lead to a resurgence of business investment in the region. In the late 2009, the Pittsburgh Regional Alliance was recognized by Site Selection magazine as a top economic development organization in the United States. The magazine ranked the region in the top 10 for new corporate location projects – new facilities and expansions – with significant impact, including involving a capital investment of at least \$1 million and creation of at least 50 new news. The region has retained its Top 10 metro status since, even in the midst of the Great Recession.

In 2013, we re-emphasized the word "Community" in our name, with the <u>Strengthening Communities</u> <u>Partnership</u> (SCP), an initiative that seeks to build the capacity of communities left behind by our region's economic transformation. The SCP seeks to focus private sector investment in community development corporations (CDCs) via the Neighborhood Partnership Program from Pennsylvania's Department of Community and Economic Development. SCP began with two communities, but today it includes seven: Connellsville, Homewood, McKees Rocks, Mt. Oliver/Knoxville, Sharpsburg, Washington and Wilkinsburg.

Concurrently with our effort to strengthen communities, we advocated at the state level to improve transportation infrastructure, which had fallen into decay and disrepair in the 1990s and 2000s. Through significant advocacy efforts that began in the late-2000s, the Conference and its affiliate – the Greater Pittsburgh Chamber of Commerce – were instrumental in gaining support for a landmark, multibillion dollar transportation bill, Act 89, which passed at the end of 2013. The bill is currently funding critical transportation infrastructure projects (yes, you can thank the Conference in part for the proliferation of orange traffic barrels throughout the region) and public transportation across

Pennsylvania.

Act 89 was a major step forward in maintaining existing infrastructure, but it was not enough to address one of the major challenges facing our region, inadequate transportation infrastructure to connect people to opportunity throughout our region.

In 2014, the Conference led a delegation of public and private Pittsburgh leaders to Denver to see firsthand an ambitious, multi-billion dollar buildout of Metro Denver's transportation infrastructure. Leaders in our region returned hungry to solve southwestern Pennsylvania's transportation issues, leading the Conference to organize a regional transportation visioning initiative called the <u>Regional</u> <u>Transportation Alliance</u> (RTA). To date, the RTA has crowdsourced hundreds and briefed thousands across the region with the aim of developing a shared transportation vision for the 10-county region. It is beginning of a multi-year effort.

The Conference's 2015-2017 agenda is entirely focusing on "Connecting People to Opportunity." After surveying more than 1,000 participants through 51 group discussion sessions in 2014, we formulated this agenda to align three strategies to make the connection: economy and community development initiatives focus on common opportunities for improvement; build and reinforce systems that support sustainability and opportunity through world-class infrastructure; and improve workforce access to career opportunities.

In addition to our work with communities and developing a vision for world class transportation infrastructure, the Conference has examined in detail the future workforce needs of our region. In May 2016 we released the <u>Inflection Point report</u>, which details our region's workforce supply-and-demand challenge over the next 10 years to attract, retain and elevate talent to meet the needs of tomorrow's economy.

Our business investment marketing affiliate, the <u>Pittsburgh Regional Alliance helped guide Shell</u> <u>Chemicals</u> toward a decision to invest in a once-in-a-generation, multibillion dollar polyethylene cracker facility in Beaver County, which puts our region on the cusp of a downstream manufacturing boom. Our advocacy efforts are geared towards pension reform, lock and damn funding, education and immigration reform.

Through all of this, the Conference is looking ahead to the future of our region, which will be re-made in the next generation just as it was over the course of the last generation. While we have accomplished much in the past 70-plus years, challenges remain. The Allegheny Conference and southwestern Pennsylvania are choosing to identify and overcome these challenges, and we're doing it collaboratively and cooperatively.