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BRIDGING OUR FUTURE TOGETHER
SPANNING 60 YEARS: 1944-2004

ALLEGHENY CONFERENCE ON COMMUNITY DEVELOPMENT AND ITS AFFILIATES

PITTSBURGH REGIONAL ALLIANCE
GREATER PITTSBURGH CHAMBER OF COMMERCE
PENNSYLVANIA ECONOMY LEAGUE OF SOUTHWESTERN PENNSYLVANIA

ABOUT THE CONFERENCE

Founded in 1944, the Allegheny Conference on Community Development is the leading economic and community development organization for the 10-county Pittsburgh region of southwestern Pennsylvania. Together with public- and private-sector partners, we work to stimulate growth and improve our region's quality of life. Our strategic focus is on effective governance (simplified government structure and lower costs) and economic competitiveness (improved business climate and job growth). The Conference relies upon the Regional Investors Council, a broad-based coalition of more than 225 member companies and organizations, to provide time, talent, and resources to advance 3 Rivers: One Future, a regional growth initiative.

Through three affiliated organizations, which also have long and impressive legacies, the Conference provides research and analysis, advocacy, and marketing to advance the vision of its leadership.

- ▼ The PENNSYLVANIA ECONOMY LEAGUE OF SOUTHWESTERN PENNSYLVANIA, established in 1936, provides public policy research and analysis.
- ▼ The GREATER PITTSBURGH CHAMBER OF COMMERCE, southwestern Pennsylvania's leading business organization for more than 100 years, advocates at all levels of government to secure public sector investment and legislative and regulatory improvements to the region's business climate.
- ▼ The PITTSBURGH REGIONAL ALLIANCE markets southwestern Pennsylvania to employers across the region and around the world, to encourage job creation and capital investment.



Martin G. McGuinn
Chairman of the Board

FROM THE CHAIRMAN

In 2004, the Allegheny Conference on Community Development marked 60 years of service to the Pittsburgh region. Since 1944, partnering with corporate, civic, and government leaders throughout southwestern Pennsylvania, the Conference has been making great things happen by spearheading or initiating the development of significant projects to improve our region's economy and quality of life. From cleaning the air and the rivers to establishing the distinctive skyline now synonymous with a new Pittsburgh, including Point State Park and the buildings resulting from the Renaissance I and II development strategies, the Conference has provided essential private-sector leadership for the region's development and progress.

As the Conference enters its seventh decade of providing regional leadership, the challenges to our region's vitality are significant. They are, however, no more daunting than the challenges that we've faced in the past. Our private-sector leaders are committed to a future that offers economic competitiveness and effective governance for our neighbors across all 10 counties, enhancing a global reputation for regional excellence.

Like the leaders who came before us, the board and staff of the Conference, our affiliates, Regional Investors, members and partners are committed to building a regional economy that will be stronger tomorrow than it is today. We are further dedicated to the principle that our strength comes from the willingness of the people who call southwestern Pennsylvania home to work together to create the future they want rather than wait for the future to find them. We are proud to partner with each of them.

If you are involved with the Conference as a Regional Investor, member or partner, we value your investment in our region's future. If you are not yet engaged, I urge you to join us in building a bridge to the future. By working together we will overcome the region's most pressing challenges.

Martin G. McGuinn
Chairman of the Board
Allegheny Conference on
Community Development



F. Michael Langley
Chief Executive Officer

FROM THE CHIEF EXECUTIVE OFFICER

In the Pittsburgh region and elsewhere, 2004 was a challenging year. The financial crises at US Airways and the City of Pittsburgh, together with a sputtering national economy weighed heavily on the region. Despite the year's challenges, the Conference and the region, made significant progress in several priority areas:

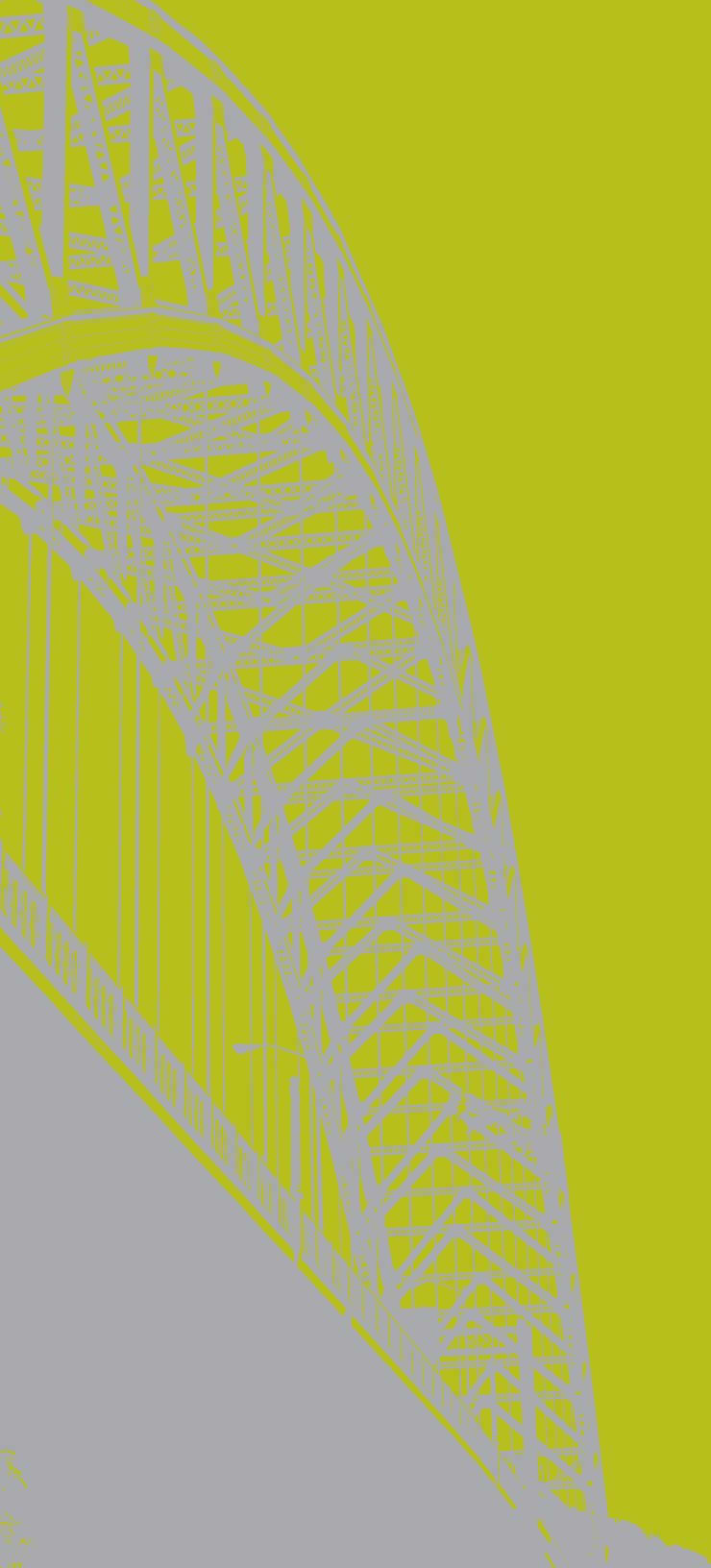
- ▼ Securing \$100 million in the Commonwealth's economic stimulus package for more than 30 projects in Allegheny, Butler, Fayette, Lawrence, Washington, and Westmoreland counties, which over time will create 10,000 jobs
- ▼ Obtaining support for Act 47 relief for the City of Pittsburgh, the first step toward true tax and government reform for the region's urban core
- ▼ Locating 26 business expansion and attraction projects, creating more than 1,500 jobs and retaining 4,800 more
- ▼ Reducing airfares while attracting additional airlines through the Regional Air Service Partnership
- ▼ Successfully attracting the 2005 CITGO BassMaster Classic, a major national event that will showcase the region in July, and teaming with the Pirates and the Greater Pittsburgh Convention and Visitors Bureau to win the Major League Baseball All-Star Game in 2006
- ▼ Forging new relationships among community and business leaders who participated in our first Regional Leadership Exchange, an intercity visit to Minneapolis-Saint Paul
- ▼ Launching a multi-year (2004-2010) history and tourism initiative to commemorate the 250th anniversary of the French and Indian War
- ▼ Premiering a weekly television program, "Our Region's Business," in partnership with Cox Television

In 2005, the leadership of the Conference will focus energy and resources on strategies designed to achieve regional excellence, especially in terms of economic competitiveness and effective governance. We will:

- ▼ Leverage our regional leadership in three converging technology drivers to attract investment and jobs in life sciences, information technology, and advanced materials manufacturing
- ▼ Continue to foster a competitive public-sector environment for business growth through initiatives such as the Regional Air Service Partnership and advocacy for tax and government reform
- ▼ Develop the next generation of engaged, educated citizens by improving education for elementary, middle, and high school students; enhancing the quality of life in the region through infrastructure improvements; and attracting and empowering diverse individuals

By focusing in these key areas and leveraging the expertise and pride in work well done in which the region excels, we intend to raise awareness of the good things happening in the Pittsburgh region, and tell that story to the world. We are making things happen and building bridges to the future!

F. Michael Langley
Chief Executive Officer
Allegheny Conference on
Community Development



PROGRESS ON PRIORITIES

EFFECTIVE GOVERNANCE

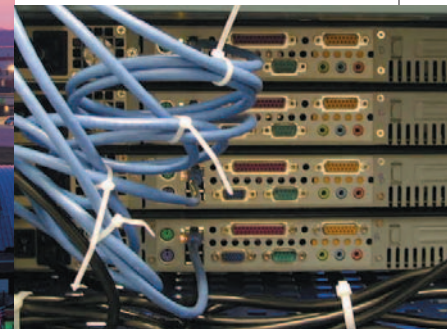


As a coda to the Conference's first 60 years, 2004 witnessed a number of significant milestones important to regional development and progress. Divided into initiatives furthering regional competitiveness and developing the next generations, our priorities converged to promote the Pittsburgh region's reemergence as a global leader.





EFFECTIVE GOVERNANCE



CITY OF PITTSBURGH FISCAL HEALTH

A strong core city is an essential regional asset to attract and retain employers and workers.

The Conference continued to play a leading role in efforts to help the City of Pittsburgh achieve long-term financial stability without unfairly raising business taxes. The Conference and Chamber successfully advocated for acceptance of the Act 47 Recovery Plan, which incorporated most of the Economy League's recommendations for deep cost reductions, including the sale of the city's asphalt plant, managed competition of refuse collection, and outsourcing of fleet maintenance.

The Conference and Chamber also played a significant role in negotiating and supporting a revenue package in the state legislature that shared the tax burden among residents, businesses, and commuters. The new legislation includes the eventual elimination of the gross receipts taxes, and the introduction of more broad-based taxes on businesses and commuters.

REGIONAL AIR SERVICE PARTNERSHIP

Reliable air service is critical to our region's competitiveness.

In January 2004, the Conference convened the Regional Air Service Partnership, a public-private partnership, to maintain competitive air service at Pittsburgh International Airport despite financial turmoil in the airline industry, and to attract low-cost carriers to the airport to lower overall fares. The partnership conducted research to identify key markets that are most critical to our region's business travelers, and raised corporate funds to help support the marketing of new air service. By early 2005, this effort had helped attract Independence Air and Southwest to Pittsburgh, while carriers including Northwest Airlines, United Airlines, Continental Airlines, and Midwest Connect Airlines introduced service to new cities or filled in gaps left by US Airways cutbacks. During 2004, weekly departures for airlines other than US Airways increased 24 percent.

In addition to ensuring reliable air services, the Conference also participated in a collaborative effort to prepare contingency plans for assisting displaced US Airways workers.

AIR QUALITY REGULATION

A fair regulatory climate is essential for our region's employers to compete.

The Conference worked aggressively on behalf of southwestern Pennsylvania to prevent nonattainment designations for fine particulate air pollution scheduled to be levied by the U.S. Environmental Protection Agency in 2004. Through a coordinated campaign of federal and state advocacy, active support of Regional Investors, and leveraging of regional media relationships, the Conference sought to explain the chilling effect such designations would have on the region's prospects for economic development and the fact that as much as 80 percent of PM2.5 pollution in southwestern Pennsylvania originates outside the region's borders.

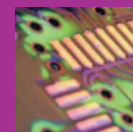
In June, the EPA designated all or part of nine counties in southwestern Pennsylvania as "nonattainment" for PM2.5 pollution. However, as a direct result of Conference efforts, the share of municipalities affected dropped from 92 percent throughout the 10 counties to 69 percent. Additional advocacy and research will be conducted to address air quality issues, and to further reduce the potential economic impact on our businesses.





PROGRESS ON PRIORITIES

ECONOMIC COMPETITIVENESS





ECONOMIC COMPETITIVENESS

ECONOMIC STIMULUS PACKAGE

Ready-to-go business sites are key to our region's ability to compete with other areas for jobs. In August,

Governor Ed Rendell announced capital funding of more than \$100 million for more than 30 projects in Allegheny, Butler, Fayette, Lawrence, Washington, and Westmoreland counties. Considered priority projects by the Southwestern Pennsylvania Growth Alliance, a public-private partnership representing all 10 counties, these projects will help to address key regional economic development needs and create more than 10,000 jobs over the next decade.

Pennsylvania's "Business in Our Sites" program will provide additional state investment in the future. The program, developed by the Economy League and recommended to the governor during his gubernatorial campaign, is making \$300 million available in grants and loans for the preparation of business sites designed to attract manufacturing and technology firms. The newly-created Commonwealth Financing Authority, a seven-member board appointed by the governor and legislative leaders, will evaluate community applications for future loans and grants, distributing funding to the successful applicants.



PARTIAL LIST OF REGIONAL PROJECTS

Allegheny County

- ▼ Clinton Industrial Park Phase I (\$7.5 million)
- ▼ Cherrington Road Extension Site (\$2 million)
- ▼ Route 30 Industrial Park (\$4 million)
- ▼ Industrial Center of McKeesport (\$1.5 million)
- ▼ Cochrandale Redevelopment (\$3.7 million)
- ▼ Firth Sterling Site Redevelopment (\$2 million)
- ▼ Leetsdale Industrial Park III (\$3.3 million)
- ▼ LTV Coke Works Mixed Use Redevelopment (\$6 million)
- ▼ Children's Hospital Facility Renovation (\$10 million)

Pittsburgh

- ▼ Junction Hollow R&D Center Phase II (\$5 million)
- ▼ Nine Mile Run / Sommerset at Frick Park Phase II (\$5 million)
- ▼ Southside Works Parking Garages (\$3 million)
- ▼ Schenley Park Plaza (\$8 million)

Butler County

- ▼ The Shearer Road Business Park (\$1 million)
- ▼ The Slippery Rock Technology Park (\$1.5 million)

Fayette County

- ▼ The Fayette County Business Park (\$2 million)
- ▼ The Uniontown Downtown Redevelopment Project (\$1.5 million)

Washington County

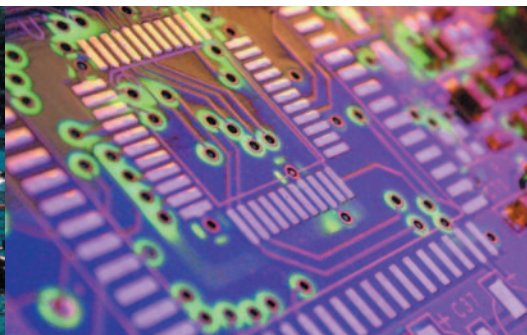
- ▼ The Alta Vista Business Park (\$1 million)
- ▼ Southpointe II (Western Center Redevelopment) (\$1 million)
- ▼ The Starpointe Industrial Park (\$1 million)

Westmoreland County

- ▼ The Arnold-New Kensington Renewal Project (\$1 million)
- ▼ The Jeannette Downtown Redevelopment Project (\$750,000)
- ▼ The Monessen Riverfront Park (\$5 million)
- ▼ The Westmoreland Distribution Park expansion (\$1 million)
- ▼ The Westmoreland Technology Park (\$500,000)

In addition, two downtown revitalization projects funded by the governor in Lawrence and Washington counties represent continuations of projects included as priorities in previous years.

Earlier in 2004, the governor awarded \$5 million for the Schenley Plaza redevelopment project, another of the projects on the priority list, and in 2003, the governor committed funding for projects in Indiana and Lawrence counties.



ARO CHOOSES PITTSBURGH



WATER AND SEWER REFERENDUM

According to the U.S. Army Corps of Engineers our region enjoys the nation's most reliable watershed. But deteriorating and non-existent wastewater infrastructure threatens this precious resource. The Conference worked to support the implementation of key recommendations of the "Investing in Clean Water" report issued by the Southwestern Pennsylvania Water and Sewer Infrastructure Project Steering Committee to improve the region's water quality and aid economic development.

- ▼ The Pennsylvania General Assembly passed legislation authorizing a voter referendum for a \$250 million state bond issue for water and sewer projects.
- ▼ Due in part to public awareness efforts spearheaded by our advocacy affiliate, the Greater Pittsburgh Chamber of Commerce, Pennsylvania voters approved the referendum for a \$250 million state bond issue for water and sewer projects.

- ▼ In November, the General Assembly passed the implementing legislation for the bond issue, authorizing grants and loans for both economic development and public health/environmental protection projects as recommended by the Conference. In January 2005 the National Academies' National Research Council issued a report, "Regional Cooperation for Water Quality Improvement in Southwestern Pennsylvania," that affirmed the findings of the "Investing in Clean Water" report.

BUSINESS INVESTMENT

Through its marketing affiliate, the Pittsburgh Regional Alliance, the Conference seeks to encourage job creation and capital investment throughout our 10-county region.

The Conference experienced its most successful year since 2001 in terms of fostering business growth, attracting new investment, and retaining existing employers in the Pittsburgh region. Moreover, in 2004 the Conference achieved unprecedented success in the regional impact of successful projects.

Year-end totals include 26 located projects, including eight international businesses that have committed to:

- ▼ 1,581 created jobs
- ▼ 4,853 retained jobs
- ▼ \$176.2 million in capital investments

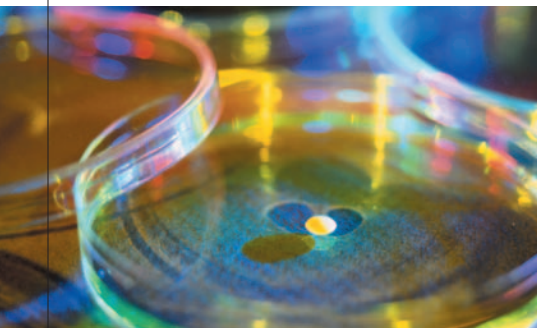
Going forward, the Conference will work to advance the regional economy by coordinating both its business climate improvement and marketing activities to leverage our region's indigenous strengths in information technology, advanced materials manufacturing, and life sciences. Focus will be placed on the areas in which these three sectors converge to create the technologies and industries that will drive the economy of tomorrow.

After an extensive site selection process involving communities in Colorado, Utah, Virginia and southwestern Pennsylvania, ARO Mining Products Inc. located its U.S. headquarters in a tax-free Keystone Opportunity Zone in Mt. Morris, Greene County.

Despite our region's legendary work ethic and proximity to 70 percent of the company's U.S. customers, the choice was difficult for ARO, a leading Australian manufacturer of underground roof control products used in mining, tunneling, and civil engineering projects. Each location offered generous financial and tax incentives to compete for the 50 jobs that ARO expects to create within two years.

According to ARO Vice President Paul Spedding, the Pittsburgh Regional Alliance (PRA) made the difference. "The PRA showed us locations, introduced us to local vendors and suppliers, assisted with government financing, and was extraordinarily knowledgeable about Greene County's economic development programs," notes Spedding.

To locate properties and financing options for ARO, the PRA worked with the PA Department of Community and Economic Development, Governor's Action Team, Greene County Industrial Development Authority and Regional Industrial Development Corporation (RIDC). The team effort proved successful. In November 2004, ARO moved into a 20,000-square-foot manufacturing facility built by RIDC to the company's specifications.



GLOBAL IMPACT

In addition to building upon strong relationships through reciprocated visits with bilateral partners in the United Kingdom, Germany, and France, in 2004 the Conference entered into a partnership with The Indus Entrepreneurs Pittsburgh (TiE) to attract Indian-based businesses and workforce talent to the Pittsburgh region. The initiative is known as iPort.

The program intends to leverage the regional Indian population of more than 15,000 people to attract entrepreneurs and companies interested in capitalizing on comparatively lower business costs and a strong Indian community in the region. Specifically, the Conference has agreed to visit targeted companies to introduce the Pittsburgh region, coordinate investment forums in India so companies can learn more about conducting business in the U.S. and specific advantages southwestern Pennsylvania offers, and facilitate visits to the region by prospective investors and workforce talent.

In addition the Conference has teamed with the Pittsburgh Council for International Visitors to enhance the experiences of newcomers and potential investors in the region.

SELECTED RECRUITMENT, EXPANSION, AND RETENTION PROJECTS

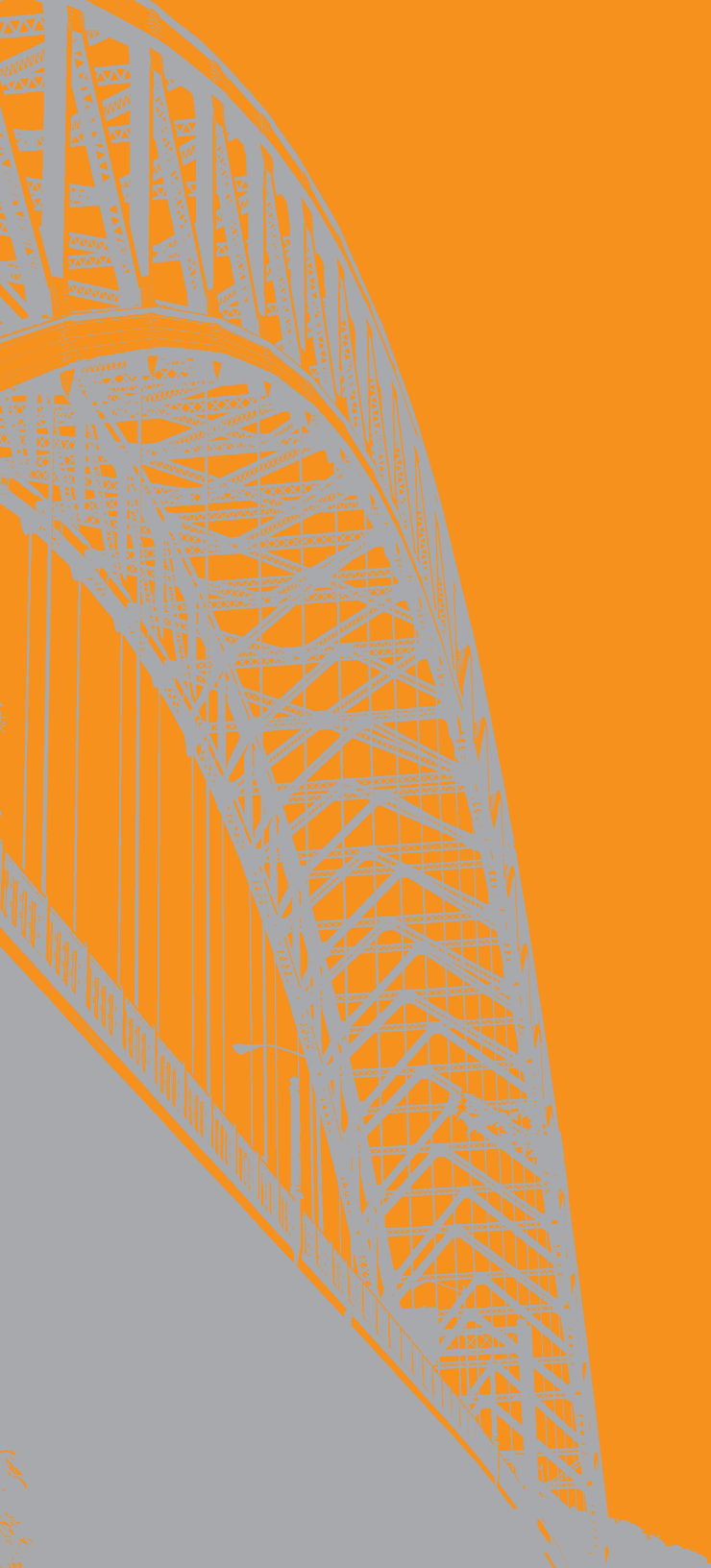
Company	Sector/Product	Designation	New	Retained	Investment
Tier I					
Alcoa*	Aluminum	Retention/Expansion		1,064	\$8,560,000
American Made LLC	Advanced Manufacturing	Expansion	53	47	\$6,500,000
ArmorShield	Advanced Manufacturing	Attraction	6	0	\$200,000
ARO Mining Products	Mining	International Attraction/Expansion	48	4	\$2,420,000
Bayer	Advanced Manufacturing	Retention		1,499	\$60,000,000
GAI Consultants	Engineering	Retention/Expansion		220	\$10,000,000
Industrial Controls Concepts	Industrial Controls Distributor	Attraction	5		\$45,000
Lanxess	Chemical Manufacturing	Expansion	107	348	\$16,570,000
Nova Chemicals	Advanced Manufacturing	Expansion	75		\$5,000,000
Pennsylvania Breaker LLC	Advanced Manufacturing	Expansion	100	10	\$2,000,000
Philips CFT/ KLA Tencor	Engineering	Attraction	20		\$10,000,000
Plextronics	Chemistry	Plastics	Expansion	85	\$1,570,000
Roomful Express	Warehouse & Distribution	Retention/Expansion	21	105	\$14,150,000
Ryan & Company	Business Services	Attraction	21		\$790,000
Schenck Australia	Mining	International Attraction	52		\$1,364,000
Shared Technologies	Telecom Equipment	Retention		21	\$1,500,000
Toyo Denki	Transportation Equipment	International Attraction	10		\$500,000
Xodus Medical	Medical Equipment	Expansion	16	16	\$1,056,000
18 Projects			619	3,334	\$142,225,000
Tier II					
Akustica	Microphone Chips	Expansion	111	23	\$2,100,000
Leed's	Specialty Products	Expansion	282	491	\$10,000,000
Group 300	Information Technology	International Attraction	17		N/A
Precision Response	Call Center	Expansion	400		N/A
OSI	Call Center	Expansion		600	N/A
US Gypsum	Wallboard Manufacturing	Expansion			\$8,000,000
Wolfpac	Plastic Extrusion	Attraction	18		N/A
II-VI	Advanced Manufacturing	Expansion	134	405	\$13,900,000
8 Projects			962	1,519	\$34,000,000
Tier I and Tier II Totals			1,581	4,853	\$176,225,000
26 Total Projects					

*ACCD role by definition:

Tier I - Facilitated the Regional Proposal as the Project Leader and impacted ultimate location decision.

Tier II - Provided support to the local counties, communities, and Centers of Excellence in their efforts.

** PRA represented all of Alcoa's PA locations. Capital Investment includes only training funds. Retained Jobs represent Alcoa's commitment in southwestern PA.



PROGRESS ON PRIORITIES

A TOP LOCATION FOR TALENTED WORKERS



A TOP LOCATION FOR TALENTED WORKERS

The Pittsburgh region's success is tied to its ability to educate, retain, and attract future generations of talented workers who are essential to the growth of our industries. For this reason, we are focused on strengthening the quality of early and elementary education, encouraging diversity, and enhancing the quality of life throughout the region.

These were among the issues that more than 80 regional leaders examined in May during the first Regional Leadership Exchange, a Conference-sponsored inter-city visit to Minneapolis-St. Paul, a region with similar demographics and challenges. The visit crystallized issues critical to regional economic development – for example, the link between regional growth and its ability to attract and engage a workforce that is not only proficient in basic skills, but also rich in ethnic and cultural diversity. In addition, the leadership exchange underscored the importance of "quality of life" to a region's attractiveness to potential employers – and their future employees.

With a renewed commitment to our regional goals and several ideas for new



initiatives, the delegation returned from Minnesota enthusiastically prepared to work together to improve our region's competitiveness.

Like an investment portfolio that grows exponentially as a result of incremental gains in its holdings over time, the dividends that our investments in 2004 in education and quality of life will yield bodes well for our region's future.

PROFICIENCY BY 10

GOAL *Every 10-year-old will be proficient in reading, writing, and math by 2010.*

Although our region's schools are making progress toward meeting our ambitious education goal, that progress is unacceptably slow.

We have demonstrated that a proficiency imperative does make a difference: Approximately 2,000 more fifth graders were proficient in reading in 2004 than was the case four years before when the Conference established the goal. The number of students proficient in math increased 9 percent.

Yet these notable gains must quadruple over the next five years for the region to meet employers' needs for an educated workforce and for all of our children to realize their full potential.

To accelerate progress on this issue, the Education Goal Committee of the Conference made significant strides.

"WE LISTENED"

Since 2000, the Conference has relied upon the Fifth Grade Report to chart students' progress. Today, it is truly a report card on student performance, ranking more than 350 elementary schools in southwestern Pennsylvania based on the percentage of their fifth grade students who achieve proficiency on the Pennsylvania System of School Assessment test. Because research shows that schools that prioritize proficiency have far higher numbers of proficient students, we wanted to learn how the report card could be better used as an incentive, stimulating more schools to focus on the goals. In 2004, the committee appointed a task force of parents, school district superintendents, school board members, and others to oversee the redesign of the report.

The Conference responded to the committee's ideas by creating an interactive online Fifth Grade Report. Today, visitors to www.schoolgrades.info can search for a school and compare its performance in 2004 to that of previous years. They can also compare schools that are similar in per pupil spending, black and white population, and numbers of low-income students, and students with disabilities. In addition, the site now features an honor roll, which lauds schools that improved significantly or are outperforming their peers in reading and math.

Released in November, the new, interactive 2004 report card was an immediate "success." The web site attracted 60 percent more visitors in the first month than the previous year's report card. The number of pages visited quadrupled, evidence that parents and others concerned about students' proficiency in reading and math were mining the data. We expect this new awareness to result in a significant jump in proficiency rates next year.



MODEL SCHOOLS



STARTING EARLY

GOAL Every state licensed child care program with 100 or more children will achieve a minimum of two Keystone STARS by 2006.

In 2004, Pennsylvania rolled out a continuous improvement program for licensed childcare centers called Keystone STARS – Standards, Training, Assistance, Resources, and Support. Under the program, centers can receive state funding and technical assistance to

help improve the service they provide. Because research shows that the quality of a child's early education has a positive, lifelong impact, the Conference, through the Pennsylvania Economy League, developed an online regional report card to track participation in the voluntary program.

By raising awareness of the program among providers, parents, and school district administrators, the report card serves as an incentive for the more than 900 state-regulated childcare providers in southwestern Pennsylvania to achieve at least two stars. A two-star ranking

recognizes providers for a literacy curriculum that encourages reading and storytelling and makes books available to the children enrolled.

Since July, when the first monthly report card was published at www.schoolreadiness.info, more than 5,000 visitors have linked to the site with more than 31,000 page views. More than 120 childcare providers from across our region have started the STARS process since tracking began. In addition, the state's Office of Child Development has referenced our report as a model of how communities statewide can support the STARS program to improve early childhood education in their regions.

By building awareness of Keystone STARS, recognizing the participating child care providers and supporting other regional initiatives that encourage widespread involvement in early education, such as PNC Grow Up Great and READ 365, the Conference aims to increase school readiness, an important first step toward developing a strong future workforce.

At the Kiski Area School District in Westmoreland County, proficiency in reading and math is a priority – and it shows on the Fifth Grade Report. All seven of the district's elementary schools consistently receive high grades, despite a significant population of low-income students and students with disabilities. In the 2004 report, two of the Kiski schools made the honor roll, two are recognized for outperforming their peers in reading, and three are outperforming their peers in math.

"We allocate significant instructional time to reading, writing, and math, and then we guard that time to minimize disruptions," says Kiski's Curriculum and Instruction administrator Dr. Shelia Hilwig. Each week, first, second, and third grade teachers at Kiski devote 600 minutes to reading instruction and 280 minutes to math. Depending on the grade level, students spend an additional 140-160 minutes each week on language, grammar, and writing.

"We expect everyone to help students prepare to excel on the fifth grade assessment test, from kindergarten through fifth grade teachers and administrators and office staff up to and including the custodians who maintain a safe, clean learning environment and the cafeteria staff who prepare healthy lunches," explains Dr. Hilwig.

A key factor in the district's proficiency record is confidence in the students. "We believe that they can achieve," she says.

PROGRESS IN EDUCATION

- ▼ Published an enhanced Fifth Grade Reading and Math Proficiency Report to track on progress in achieving 100 percent proficiency for all fifth graders
- ▼ Created a new interactive online version of the report providing more detailed information on over 350 elementary schools in the region
- ▼ Participated in the Pennsylvania Education Policy and Leadership Center's K-12 Governance Study Group, which produced a report recommending specific roles and responsibilities for school boards, superintendents, and citizens
- ▼ Participated in a lead role on a statewide committee that drafted a modern school code for Pennsylvania, which will be introduced as legislation in 2005
- ▼ Supported the formation of Get On Board, a grassroots movement to prioritize reading and math proficiency in schools



A YEAR OF ACCOMPLISHMENT



The Greater Pittsburgh Chamber of Commerce — the advocacy affiliate of the Allegheny Conference — was successful on many initiatives that benefit southwestern Pennsylvania. Following is a recap:

FEDERAL

- ▼ Secured more than \$1 million in grants for the region's French and Indian War 250th anniversary commemoration project.
- ▼ Called for increased transportation and infrastructure funding, and improved clean air and ozone non-attainment regulation.

STATE

- ▼ Passed and enacted Business in Our Sites, a \$300 million loan and grant program for industrial site development.
- ▼ Participated in efforts to expand Pennsylvania's Research and Development Tax Credit to \$30 million, and allow companies to sell their unused tax credits.
- ▼ The Southwestern Pennsylvania Regional Advocacy Council (RAC), staffed by the Chamber, successfully advocated 'spike' funding dollars to the region for high-cost transportation projects, increasing the region's allocation to \$43 million.
- ▼ The RAC and the Chamber advocated for caps on certain non-economic damages awarded in civil litigation cases.
- ▼ Advocated for a fair, sustainable, and comprehensive financial recovery plan for the City of Pittsburgh.
- ▼ Attained up to \$350 million in funding for water and sewer improvement projects.

LOCAL

- ▼ Coordinated Allegheny Conference efforts to encourage school board candidates to respond to candidate questionnaires, making important candidate information available to voters.
- ▼ Supported Allegheny County Chief Executive Dan Onorato by staffing the transition committees dealing with Property Tax Assessments and Economic Development.
- ▼ Helped secure a \$5 million state grant for Pittsburgh's Schenley Plaza plan in Oakland.



In addition, Conference affiliate The Greater Pittsburgh Chamber of Commerce advocated for additional funding for high-cost transportation projects, such as the McKeesport/Duquesne flyover ramps, that go beyond the capacity of the region's typical programming cycle. In 2004, the region received \$43 million for these projects, more than twice the 2003 level, which will improve the flow of people and products into and within the region.

As we enter a new year, the Allegheny Conference on Community Development is rededicating itself to advancing the "big ideas" that have made our region known worldwide as a confluence of innovation and transformation. Our region's private sector leadership must aim high, with a sharp focus on effective governance (the cost and structure of our government and institutions) and economic competitiveness (a business climate supporting jobs, population growth, and business investment in the region).

We are aligning our resources to take full advantage of the convergence here of information technology, advanced materials manufacturing, and life sciences, industry sectors that will drive the economy of tomorrow.

We understand that our true strength is in our ability to work together with public-and private-sector partners from across our 10-county region to enhance our competitive advantage.

Our vision is one of regional excellence, of a region that supports and attracts employers, educates the present and future workforce, breaks ground on vital economic development projects, and offers our children and grandchildren diverse opportunities.

Together, we're building the bridges that make great things happen.

ALLEGHENY CONFERENCE ON COMMUNITY DEVELOPMENT

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