

ALLEGHENY CONFERENCE ON
COMMUNITY DEVELOPMENT

1999 REPORT

EDUCATION

workforce

environment

Quality of Life

INFRASTRUCTURE

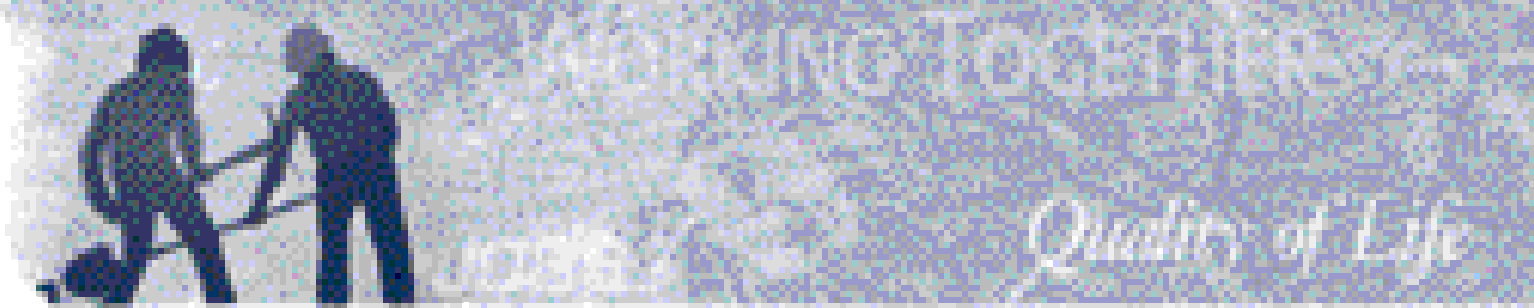
JOBS

Technology

marketing

WORKING TOGETHER





— THE ALLEGHENY CONFERENCE AGENDA —

The Allegheny Conference on Community Development is a private leadership group dedicated to improving the quality of life and economy of the southwestern Pennsylvania region. At its 1991 Annual Meeting, the Conference outlined an ambitious new agenda for the coming decade. The agenda provided the basis for working with other organizations on specific initiatives to improve the region. Examples of initiatives in which the Conference has been involved from 1992 through 1999 follow:

REGIONAL DEVELOPMENT

Improving the physical infrastructure and development of the region

- Support for the Southwestern Pennsylvania Growth Alliance in achieving its state and federal agendas
- Development of the “Investing in the Future” plans for the core of the region and for industrial reuse and technology development throughout the region
- Creation of the \$40 million Strategic Investment Fund
- Support for investment projects including the convention center, stadiums, industrial site development, tourism attractions, cultural facilities, and community revitalization projects throughout the region
- Addressing weaknesses in regional water and sewer systems

EDUCATION AND WORKFORCE DEVELOPMENT

Improving the systems and methods that develop human potential

- Creation of the Education Policy & Issues Center
- Enactment of state education standards
- Development and implementation of Workforce Connections
- Support for improvements to the Pittsburgh School District
- Development of a state plan for early child care and education

PUBLIC GOVERNANCE

Making local government more productive and fiscally sound

- Support for creation of the Allegheny Regional Asset District and tax reform
- Support for creation of the Downtown Business Improvement District
- Development of the “Competitive Pittsburgh” project to reduce the cost and improve the quality of City of Pittsburgh services
- Development of the “Committee to Prepare Allegheny County for the 21st Century” (ComPAC 21) project which resulted in a new Home Rule Charter for Allegheny County

CIVIC ORGANIZATION

Making the civic sector more productive through reorganization and leadership

- Affiliation of the Allegheny Conference and the Western Division of the Pennsylvania Economy League
- Formation of the Pittsburgh Regional Alliance
- Support for creation of Innovation Works, the Pittsburgh Tissue Engineering Initiative, Digital Greenhouse, and other efforts to grow technology firms
- Formation of the Regional Enterprise Tower (formerly the Alcoa Building)

WORKING TOGETHER

Promoting action on the “Working Together to Compete Globally” recommendations

- Commissioning of the Regional Economic Revitalization Initiative and the development of the *Working Together to Compete Globally* recommendations (a.k.a. the Mehrabian report)
- Support for the Working Together Consortium
- Support for development of the Pittsburgh Pledge
- Support for development of the Pennsylvania Tax Blueprint Project
- Support for the Building One Economy Leadership Initiative
- Encouragement of African American participation in major construction projects

More information about the Allegheny Conference and its affiliate, the Pennsylvania Economy League/Western Division, can be found on the World Wide Web at www.accdpel.org.



— CONTENTS —

The 1999 Annual Meeting of the Allegheny Conference, which was held on November 18, 1999, provided a status report to the community on the Conference's agenda and plans for the future. This report is based on the presentations made at that meeting.

| | |
|---|----|
| INTRODUCTION | 3 |
| CREATING THE JOBS OF THE FUTURE | 6 |
| CREATING THE WORKFORCE OF THE FUTURE | 12 |
| CREATING THE ENVIRONMENT OF THE FUTURE | 17 |
| Tourism and Riverfront Development | 18 |
| Southwestern Pennsylvania's Clean Water Challenge | 20 |
| CREATING THE LEADERSHIP OF THE FUTURE | 25 |
| Building One Economy Leadership Initiative | 26 |
| Perspectives from Young Leaders | 28 |
| LEADERSHIP OF THE ALLEGHENY CONFERENCE | 30 |
| APPENDIX A – PARTNERSHIP AND LEADERSHIP | 33 |
| Public Officials | 33 |
| Private and Community Foundations | 33 |
| Civic and Government Agencies and Committees | 34 |
| APPENDIX B – ALLEGHENY CONFERENCE BOARD AND STAFF | 36 |
| APPENDIX C – LEADERSHIP OF THE ALLEGHENY CONFERENCE | 37 |
| APPENDIX D – ALLEGHENY CONFERENCE SPONSORS | 38 |

— INTRODUCTION —

RICHARD P. SIMMONS — *Chairman, Allegheny Technologies, Inc.*
and Chairman, Allegheny Conference on Community Development



This report is about much more than the Allegheny Conference. But I'd like to start by acknowledging all of the members of the Board of the Allegheny Conference for the tremendous time and effort they have devoted to this community. In particular, I would like to thank Frank Cahouet, Drew Mathieson, Bob McGeehan, and Tony O'Reilly, each of whom resigned during 1999, for their leadership in the community during their service on the Board.

I'd also like to specifically acknowledge and welcome Esther Barazzone, Roy Haley, Bill Johnson, Max King, David Marshall, Marty McGuinn, Sean McDonald, George Miles, Bill Strickland, Dan Sullivan, Sunil Wadhvani, and Larry Wagner as new members to the Board.

New Members of the Board of the Allegheny Conference

- Esther L. Barazzone, President, Chatham College
 - Roy W. Haley, Chairman & CEO, WESCO International
 - William R. Johnson, President & CEO, H.J. Heinz Company
 - Maxwell King, Executive Director, Heinz Endowments
 - David D. Marshall, Chairman, President, and CEO, DQE
 - Sean McDonald, President, McKessonHBOC Automated Healthcare
 - Martin G. McGuinn, Chairman and CEO, Mellon Financial Corp.
 - George L. Miles, Jr., President and CEO, WQED Pittsburgh
 - William E. Strickland, Jr., President and CEO, Bidwell Training Center and Manchester Craftsmen's Guild
 - Daniel J. Sullivan, President and CEO, RPS, Inc.
 - Sunil Wadhvani, Co-Chairman and CEO, Mastech Corp.
 - Lawrence M. Wagner, CEO and President, The Hillman Company
-

NEW REGIONAL MOMENTUM

This region went through a near-death experience with the demise of the steel industry during the 1980s. Not many regions have survived such an experience with the vitality and strength that this region has. This is a great place to live and raise a family, and that is because so many people in the region have worked together to address our problems and capitalize on our opportunities. Let me remind you what our region has accomplished just in the past three years.

Three years ago, we were trying to assemble funding to redevelop former industrial sites around the region. Today, new business parks, retail centers, and recreational areas are taking the place of abandoned mills throughout the Mon Valley and throughout the region, in places like Beaver County, Butler County, Lawrence County, and many others.

Three years ago, we were discussing ideas for redeveloping and revitalizing the core of our region, Downtown Pittsburgh. Today, two new major league sports stadiums are under construction, ground has been broken for expansion of the convention center, and new retail, housing, and entertainment projects are being planned for the Golden Triangle, the North Shore, and Station Square.

New Regional Momentum

- Successful redevelopment of former industrial sites across the region
 - New stadiums, convention center, retail, housing, and entertainment in Downtown Pittsburgh
 - Creation of the Pittsburgh Digital Greenhouse, with participation from Sony, Oki, Cadence, Casio, and Cisco Systems
-

Three years ago, we were exploring ways to capitalize on our region's wealth of expertise in computer technology. Today, the Pittsburgh Digital Greenhouse is actively working to make southwestern Pennsylvania a leader in the system-on-a-chip industry, and has already attracted participation from Sony, Oki, Cadence, Casio, and Cisco Systems, five of the leading electronics and computer technology firms in the world.

Three years ago, we were debating whether southwestern Pennsylvania could work together as a region. Today, Governor Ridge is pointing to southwestern Pennsylvania as a model of regional cooperation. All of our ten counties are working together to develop job creation strategies, identify priority projects, and request state assistance on a coordinated basis. Moreover, the majority of our region's economic and community development agencies are now located together and working together in the Regional Enterprise Tower.

And three years ago, we were discussing the need for a new form of government in Allegheny County. Today, we have a new home rule charter, and a new County Executive and County Council, to provide more focused and more representative government in Allegheny County.

The list goes on. What were ideas a few years ago, are realities today, because our region has been working – together – to turn those ideas into realities. And people around the country and around the world are starting to notice.

The Conference has been pleased to play a role in all of these accomplishments. But the credit goes to all of the public officials, private foundations, civic organizations, private businesses, and community leaders who have worked together to make our region a better place to live, work, and invest. Many of those individuals and organizations are listed in Appendix A of this report.

In particular, I would like to acknowledge those public officials who have provided the leadership behind many of these accomplishments. Mayor Tom Murphy has been a leader who wanted to create change in the City and region, and it is because of that that our public-private partnership could exist. The Allegheny County Commissioners have provided the critical support needed for both investment projects and governmental reform initiatives. Commissioner Jim Scahill from Armstrong County has been a tireless leader in forging regional cooperation, with support from all of the county commissioners throughout the region. Our state legislative delegation, both inside Allegheny County and in the region as a whole, has worked together to authorize the funding and structural changes we have needed. And Governor Tom Ridge has provided both the leadership and support needed to address many of our region's problems and opportunities.

New Regional Momentum

- Regional cooperation through Southwestern Pennsylvania Growth Alliance, Southwestern Pennsylvania Commission, Pittsburgh Regional Alliance
- New Home Rule Charter and New County Executive and County Council in Allegheny County

Turning Ideas Into Realities

- Working Together
- Leadership and Cooperation by:
 - Public Officials
 - Private Foundations
 - Civic Organizations
 - Private Businesses
 - Community Leaders

MAINTAINING REGIONAL MOMENTUM

Maintaining Regional Momentum

- Reducing the cost and improving the quality of our regional “product”
 - Implementing additional recommendations from the Competitive Pittsburgh Committee, the ComPAC 21 Committee, and other studies
 - Controlling governmental costs
- Increasing regional revenues without increasing tax rates
 - Creating new jobs
 - Re-examining revenue structure in light of changing economy, particularly for support of schools

But what’s the next act? That may be our greatest challenge – how do we take the next steps to continue the momentum that southwestern Pennsylvania has achieved?

If our region were a business, we would be looking at the fundamentals – how do we increase our revenue, and how do we reduce the cost and improve the quality of our product. Because for any business to invest in itself, it needs to have revenues that exceed costs. And just like a business, our region needs to be able to invest in itself – to provide infrastructure for transportation, to remediate abandoned industrial sites, to provide entrepreneurs with suitable space to start and grow businesses. And so, we, too, need to have revenues that exceed costs.

I think it is a legitimate and constructive criticism that our region has not yet focused sufficiently on the cost side of the equation. There are important opportunities for reducing the costs of government while maintaining or improving the quality of service.

The Competitive Pittsburgh Committee, chaired by Paul O’Neill, identified some of the opportunities for the City of Pittsburgh to reduce its costs. The ComPAC 21 Committee, chaired by John Murray, identified ways that both county and municipal government in Allegheny County could reduce costs. The Economy League has made recommendations for government improvements in several other municipalities and counties.

Numerous recommendations from these projects have been implemented, but there are even more that could be pursued. The Conference, the Economy League, and individual private sector leaders from across the region stand ready to assist the public sector to continue implementation of these recommendations and to search for new ways to control costs.

How do we increase the revenue line of our regional enterprise? As every private company knows, you can increase your revenues in the short run by raising prices, but that becomes a self-defeating process. In the case of our region, higher prices, in the form of higher tax rates, will drive people out of the region.

But we can increase revenues without raising tax rates if we can increase economic activity. And by that I mean jobs. Whether they be in manufacturing, education, health care, financial services, or tourism, when we create more jobs, we increase the revenue line of our regional business. And that in turn increases the discretionary capital that the region has to invest, which will ultimately increase economic development.

At the same time, we must also recognize that our traditional ways of raising revenues may no longer function in the new economy. Our municipalities, counties, and school districts rely predominantly on real estate taxes for revenues. But we do not tax the brains and minds of knowledge workers. So even as we create knowledge worker jobs to replace the steel mill jobs we lost, we will not be replacing the property tax revenues that were lost when the mills were closed.

The biggest impact of this is on the schools, since over 60 cents of every dollar of real estate taxes in this region goes to support the school system. So in addition to creating jobs, we may need to look at new ways of funding the public sector, particularly our educational system, as some other states have done, without raising the total tax burden.



CREATING THE JOBS OF THE FUTURE

CREATING THE JOBS OF THE FUTURE

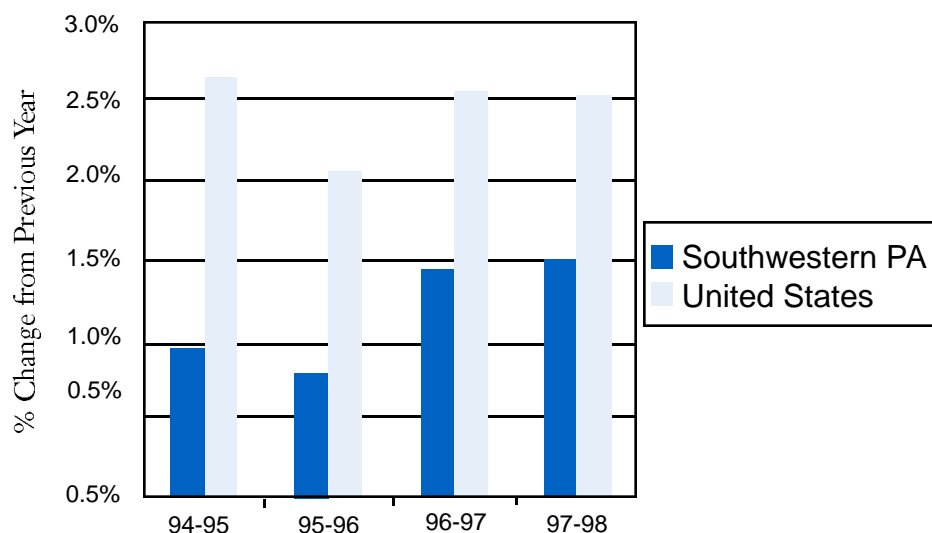
RICHARD P. SIMMONS

What kind of jobs do we want, and how do we create them? Consider a different metaphor. If our region were a nation, our goal would be to increase exports, so we would have a favorable balance of trade. I don't mean exporting people, as we have done all too well over the past two decades.

I mean exporting goods and services, so that we can import wealth and people. When our region lost nearly 140,000 manufacturing jobs in the 1970s and 1980s, we not only lost some of the most highly compensated workers in the nation, we lost the exports and the opportunity to create new wealth.

We aren't going to increase the wealth of the region if we simply redistribute money amongst ourselves. And if we don't increase our wealth, we can't improve our quality of life. We have to create economic activity that we can export, so we can increase our balance of trade.

RATE OF JOB GROWTH, 1994-1998



Reasons for Slow Job Growth

Slow growth and job losses in eight retail and service sectors accounted for the majority of our slow job growth between 1994 and 1998:

- Department stores
- Grocery stores
- Eating/drinking places
- Hospitals
- Doctors' offices
- Engineering and architectural services
- Research & testing services
- Colleges & universities

When Sony builds a major plant in this region, it increases jobs and improves our balance of trade. When USX or Allegheny Ludlum increases production, nearly all of which is exported outside of this region, it increases wealth in this region. When Mellon and PNC become national banks, they create jobs and improve our balance of trade. When our major universities attract students from outside the region, and when outsiders come to our major hospitals for health care, they create jobs and wealth in our region. All of this increases the GDP of our western Pennsylvania nation.

How are we doing in attracting the kinds of jobs that create wealth? The Working Together Consortium reported in May of 1999 that our region had created just over 50,000 net new jobs between 1994 and 1998, or about half of the goal of creating 100,000 new jobs by the year 2000. It found that our overall job growth rate was increasing, but was still only about half of the national rate during this period.



But it also discovered that a major reason for our shortfall in job creation compared to the U.S. was due simply to below-average growth in retail and service industries. Several of these sectors do little to improve our region's balance of trade. Moreover, they are likely to begin growing again once our population begins to grow. To make our population grow, we need to create jobs in the kinds of industries that will attract new people to the region.

The good news is that jobs have been growing at or above the national average in many manufacturing and export-oriented service industries. These are industries that not only provide good jobs directly, but which will stimulate job creation in other sectors of the economy, like services and retail.

How do we create more of these kinds of wealth-producing jobs? There are many ways, but one of the most important is through entrepreneurship – starting and growing new companies right here in the region.

The 1999 Technology 50 event, sponsored by the Pittsburgh Technology Council, highlighted companies like FORE Systems, McKessonHBOC Automated Healthcare, Solutions Consulting, and FreeMarkets that were started here within the last ten years and now employ hundreds of workers each. And we are already seeing second generation firms spinning off from those same companies, which will hopefully lead to truly exponential growth in new jobs.

But entrepreneurship doesn't just mean high-technology. It means businesses in all types of manufacturing, construction, and export-oriented services, wherever there is a market that can be filled.

Many agencies, such as Innovation Works, our Small Business Development Centers, the Minority Enterprise Corporation, and others are working to provide the kinds of advice and assistance that entrepreneurs of all types need to start and grow. But for many entrepreneurs, the most important ingredient is mentoring and support from experienced business people in the community.

On the following pages, two of our region's entrepreneurs talk about their experiences in starting and growing businesses in southwestern Pennsylvania. The first is Debbie Ferlic, former President and Co-Founder of Paragon Solutions, which was recently purchased by CIBER Corporation. And the second is Jim Moreland, who is President, and his two sons Jeff and Eric are the Vice Presidents, of Jaymore Electrical Products and Systems.

Growth in Manufacturing Jobs

- Manufacturing was the second largest creator of new jobs in Southwestern Pennsylvania between 1994 and 1998, creating nearly 9,000 net new jobs.
- Many additional new jobs created in business services and other areas were also likely a result of the growth in manufacturing

Examples of Technology 50 Companies Founded in 1990s

- FORE Systems — 2,400 employees
- McKessonHBOC Automated Healthcare — 300 employees
- Solutions Consulting — 210 employees
- FreeMarkets, Inc. — 202 employees
- Intellitrans — 250 employees
- Serviceware, Inc. — 180 employees

**DEBBIE FERLIC**

Co-Founder, Paragon Solutions
General Manager, CIBER Corporation

We started Paragon Solutions in 1993. Co-founder Sue Parker and Owner Bob Markley and I started to grow the business using the resources in Allegheny County. We grew to a 29-person, \$5 million per year organization in less than five years.

I feel that Pittsburgh is a dynamic region to start a business. Over the past seven years alone, the entrepreneurial resources have nearly doubled, and the attitude of the larger companies toward the startup organizations has done a complete turnaround.

When we started the company, we felt very strongly about seeking out and aligning ourselves with entrepreneurial thinkers. We took advantage of a lot of resources. We started with the Duquesne University Small Business Development Center. We knew we could always go down there and get some sort of information on the topic at hand. We sought out the Enterprise Corporation, and we took our business plan to them and they gave us a lot of suggestions as we tried to move forward to get financing to build the organization.

We quickly joined the Pittsburgh Technology Council and started to become active in their CEO Network, their Software Forums, their Breakfast Briefings, and they would provide us a ton of knowledge that we just kept grabbing at. We would sift it out, and apply it to what we needed to do, and then go back for more.

Through the Software Forum we got acquainted with an organization called PowerLink, and they provide a free board of directors to women-owned businesses. What they did was customize a board of directors to help take our business to the next step. That was a very eye-opening experience for us. A lot of companies are unwilling to take the advice of someone else, but we were always grabbing for more information.

I think the emerging resources that are developing every day, and the continual commitment from the community, all of the businesses, the educational institutions, just naturally makes Pittsburgh the place to be.



JIM MORELAND

President and CEO

Jaymore Electrical Products and Services

We are a wholesaler and an electrical distributor, supplying over 150,000 different products to our customers. The second segment of our business is energy management; there, we perform a consulting service where we show our customers how to save money on their electrical bills. The third segment of our business is called industrial automation. Not only do we provide engineering services in the form of specialized computer program development, but we also design and manufacture custom industrial control panels.

This is a family-owned business. I'm the President, and my two sons, Jeff and Eric, are Vice Presidents in the company, and I'm enjoying working with them immensely. I got started in this business when the opportunity was presented to me by Roy Haley, the CEO of WESCO.

The URA has been very helpful. Right in the beginning, when we wrote our business plan, they provided a portion of the funds that allowed us to have working capital. The African American Chamber of Commerce, through Doris Carson Williams, has helped us in terms of networking with business leaders in the community. The Urban League, through Esther Bush, has played a similar role. And there have been other organizations that have helped us get connected to the Pittsburgh business community.

As entrepreneurs, having been in business for 23 months, the three of us are keenly aware of the importance of having a mentor. WESCO has been tremendously helpful to us in that regard.



JEFF MORELAND

Vice President,

Operations and Technology

Jaymore Electrical Products and Services

The local construction boom that is being experienced here in the Pittsburgh area has really been a boon for our business. We just got started some 23 months ago, and it was kind of fortuitous that it happened that way. Now we've got the new stadiums that are being constructed – the Pirates stadium and the Steelers stadium – and also the new convention center, and just loads of other construction that plays into what we do.



Support for Entrepreneurs

- Technical and Financial Assistance
 - Innovation Works
 - Small Business Development Centers
 - Minority Enterprise Corporation
 - Chambers of Commerce
 - and many others...
- Mentoring
 - Experienced business executives and entrepreneurs providing advice and hands-on assistance to new entrepreneurs

The stories of these two entrepreneurs demonstrate that we need more than good economic development agencies if we're going to accelerate job creation in our region. We need mentors – people to provide the encouragement, the resources, and the technical assistance to help entrepreneurs start and grow. If you are already serving in that role, I commend you. If not, I encourage you to consider doing so. And of course, we need more entrepreneurs. As Jim Moreland demonstrates, you don't have to be under 40 to be an entrepreneur!

Our region now has an important new mechanism for encouraging potential entrepreneurs to stop thinking about their great business ideas, and to do something about them. It's called "EnterPrize," and it's a competition for the "best new business plan" in the region. The competition was launched in late 1999 by a partnership of our universities, businesses, and development agencies. Over 650 potential competitors attended the kickoff events, demonstrating the depth of entrepreneurial interest that already exists in the region. You can help by spreading the word about this program to potential entrepreneurs.

"EnterPrize" Business Plan Competition

- Created through the partnership of universities, businesses, and development organizations
- Competing teams get access to coaching and support resources, and to providers of capital
- Prizes awarded to the most viable plans; total prize pool of \$145,000
- Inaugural competition underway now



CREATING THE WORKFORCE OF THE FUTURE

CREATING THE WORKFORCE OF THE FUTURE

RICHARD P. SIMMONS

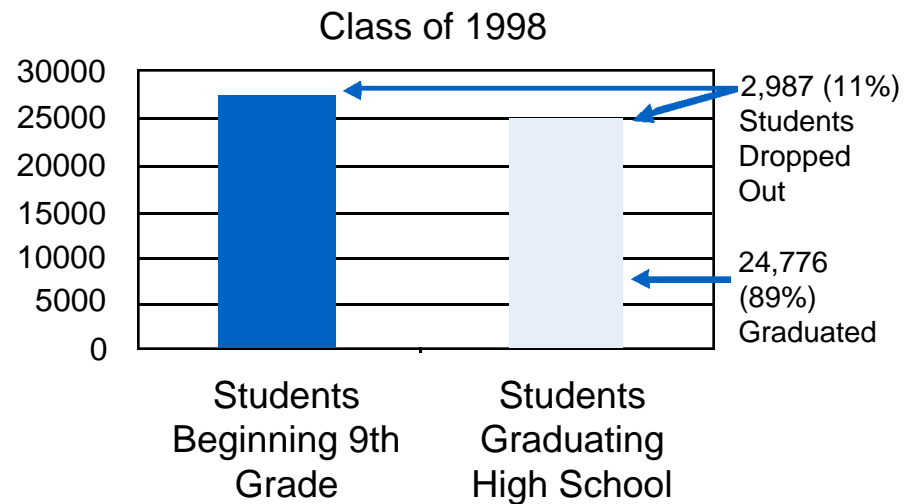
Creating the Workforce of the Future

- Examples of regional and state initiatives to prepare the workforce of the future:
 - Workforce Connections
 - Early Childhood Initiative
 - Statewide Early Childcare and Education Initiative
- Importance of setting and achieving high expectations for children in grades K to 12

If we are successful in creating more companies and more jobs, we need to be sure there are qualified workers to fill those jobs. Today, more and more companies of all sizes and types are saying that their most important challenge is finding qualified workers.

There are many efforts underway in the region to insure that we have a qualified workforce, both now and in the future. For example, thanks to the work of Mark Nordenberg and the support of the foundations, a new initiative called Workforce Connections is supporting innovative regional approaches to better link training and jobs. And we are starting at the very earliest ages to build the workforce of the future, through efforts such as the Early Childhood Initiative here in Allegheny County and through a statewide effort to improve state support for early childcare and education that several members of the Conference are helping with.

Almost 90% of Southwestern Pennsylvania High School Students Graduate



But I'd like to focus on education from grades K to 12. The members of the Conference are convinced that if we want to insure that our region can continue to attract and retain both jobs and people, we must set high expectations for our children and enable them to achieve them.

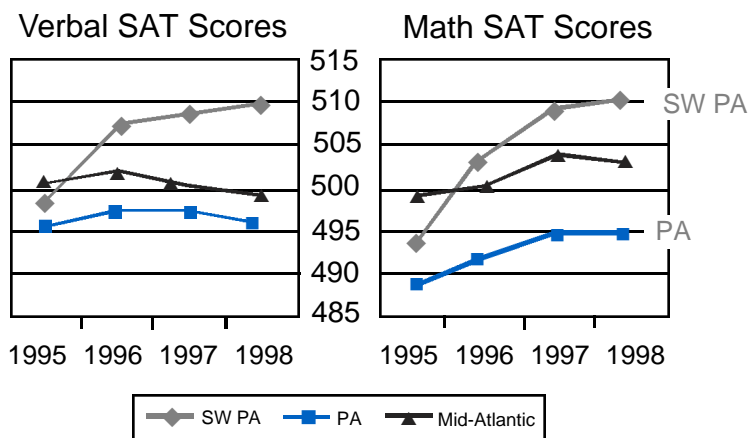
How are southwestern Pennsylvania school children doing? Thanks to the Education Policy & Issues Center (EPICenter), we have some answers to that question for the first time. Much of the news is good, but we need to make it even better.

For example, we can be proud that 89% of southwestern Pennsylvania high school students graduate. That is just one percentage point short of the national education goal of a 90% graduation rate. But as Paul O'Neill, who co-chairs the EPICenter Board, has said we should strive for nothing less than a 100% graduation rate.



Of course, graduation alone is no guarantee that students have attained high academic standards. When the EPICenter looked at academic performance, it found that many of our students are doing very well. For example, over two-thirds of southwestern Pennsylvania students take the SAT test, and they outperform students in the rest of the state and other mid-Atlantic states on both the verbal and math sections of the exam.

Southwestern Pennsylvania Students Do Well On SAT Tests



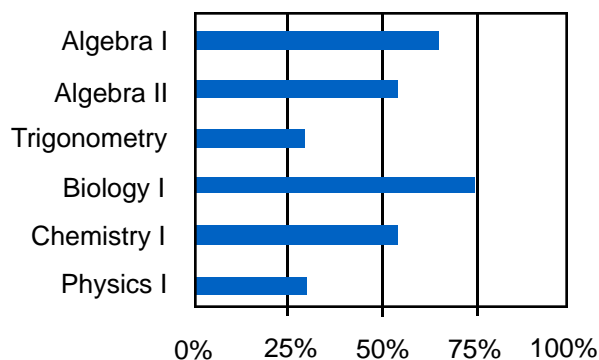
But at the same time, many high school students do not even complete the most basic courses. On average, fewer than two-thirds of our high school graduates have successfully completed an Algebra I-equivalent course, and fewer than three-quarters of our high school graduates have successfully mastered a Biology I course.

In earlier grades, the story is similar. On average, our elementary school students perform as well, or better, than the rest of the state, and their performance has improved over the last several years. But nearly 20% of fifth graders still score in the bottom performance group, meaning that approximately 5,000 students each year move on to middle school without the reading and math skills they need to succeed.

In business, we would say that a 20% failure rate was unacceptable. We should feel the same way about our children.

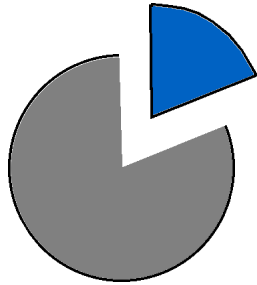
Many Students Do Not Complete Basic Math and Science Courses

SW PA Graduates Mastering Math & Science, 1997-98

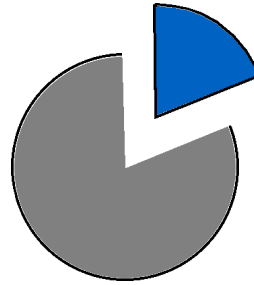


Nearly 20% of Fifth Graders Score in the Bottom Performance Group

4,783 Fifth - Graders
in 1998 Scored
in Lowest Reading
Performance Group



5,072 Fifth - Graders
in 1998 Scored
in Lowest Math
Performance Group



The problem is not the children; it's what they're being taught and how they're being taught. The good news is that the EPICenter found a number of communities in southwestern Pennsylvania where student performance was well above average, despite having high percentages of low-income students and limited funding.

What explains their success? A common answer is that both the school and the community make a commitment to seeing that every child succeeds. And when they do, they say the kids live up to their expectations.

We've asked two educators from high-performing schools to describe what they and their schools do to succeed. The first is Patti Coyne, who is a teacher at First Street Elementary School, part of the Canon-McMillan School District in Washington County. The second is Richard Nicklos, the Principal of East Hills Elementary School, part of the Pittsburgh School District.



PATTI COYNE

Teacher

*First Street Elementary School
Canon-McMillan School District*

First Street School is like a family — we share, we help each other out — we work as a team. Looking at our state tests, we wanted to be sure the students at First Street were doing as well as possible. We knew that meant we couldn't wait until we got the test results back — we needed to start doing things differently— beginning with children in kindergarten.

We use small teacher strategy groups to help us think about what we can do for each child. We believe you have to know your community, the parents, and most importantly the students — what each child needs to be successful.

If you visit our school in the morning you will see children in the hall, in the gym — just about everywhere — reading. Our fifth graders are peer tutors — the fourth grade is the reading patrol. They are tutoring and reading — and helping the younger children out.

Basically we don't let any teacher have to do it alone. We figure out who can work with a child that needs some extra help. If we think we need something — we make it happen!

Our school team believes it's about one kid at a time!



RICHARD NICKLOS

*Principal, East Hills Elementary School
Pittsburgh School District*

Children come to East Hills from all over the city. Some are pretty strong in their skills — others need a lot of help and support.

The staff meets weekly — across subject areas. They discuss the students — analyze data — basically work together to figure out what we need to do to be sure each child is successful. We look at a number of different measures and we're very proud that our students are excelling across the board.

We're very clear with all of our students that we expect them to meet high standards. We work with them so that they understand what a good piece of writing looks like and how it will be evaluated. That way the students can assess their own progress — they do better if they know what's expected of them.

We use a lot of parent help. Sometimes they help tutor, or listen to children read. For the last couple of years the parents have organized a read-a-thon. This year, the goal is to read 15,000 books! We still have parents who aren't as involved as we'd like them to be — we get on the phone and give them a call. What's important to us is that if a child needs support — we make sure they get it.

Our teachers believe it's important to teach at a real challenging level — and to be sure every student is involved. For example, one fifth grade teacher has the children reading *A Midsummer Night's Dream* — with simplified text of course — but what's important is that all of our readers — from the poorest to the best — do it!

We are fortunate because we have a veteran staff. We work as a team. Many of the teachers have been at East Hills for 20 or more years. But the bottom line is: If the kids and parents know you really care, it makes a difference. We must expect every child to achieve — no matter what their circumstances. This is what we try to do at East Hills.

Other states have made dramatic improvements in student achievement by setting high standards and expecting students to meet them. The EPICenter has proposed that every school in the region adopt a policy of zero tolerance for failure in elementary school — in other words, that every child be able to read and do math at the appropriate high level by the end of fifth grade.

Everyone can help in achieving that goal — by encouraging children to learn, by encouraging parents to help their children, and by encouraging teachers and schools to insure that every child succeeds.

And you can help by asking hard questions about the performance of the children and schools in your community. I would encourage you to review the EPI Center's *1999 Regional Education Index Report*. It suggests the kinds of questions you should ask, and it provides the kind of information you need to evaluate the answers you receive. (Copies of the *1999 Regional Education Index Report* can be obtained by calling the EPI Center at (412) 281-2000.)

Setting and Achieving High Standards for Children

Focus for 1999/2000:

All SW PA communities adopt a policy of zero tolerance of 5th grade reading and math failure and identify strategies to ensure each student's success.





CREATING THE ENVIRONMENT OF THE FUTURE

INTRODUCTION

RICHARD P. SIMMONS

Creating the Environment of the Future

- New competition among regions is for **talent**
 - talented employees for expanding and relocating businesses
 - talented entrepreneurs who will create new firms
- Decisions will be based on the kind of communities, environment, and quality of life that regions can offer

While a high performance education system is critical for our future, it is only part of what we need to do to create the kind of workforce needed to attract jobs. Because as we move into the new century, there is a new kind of competition developing among the regions of the nation.

No longer is competition focused solely on attracting companies. Increasingly, competition will also focus on attracting and retaining talent. Talented employees who can provide the workforce needed by expanding and relocating businesses. Talented entrepreneurs with the energy and imagination to create new firms.

The decisions made by talented individuals about where they will live and work will increasingly be based on the kind of communities, environment, and quality of life that a region can offer.

How will southwestern Pennsylvania fare in this new competition? In the following pages, Ellsworth Brown, President of Carnegie Museums of Pittsburgh and Carnegie Library of Pittsburgh, and Jared Cohon, President of Carnegie Mellon University, will speak to the opportunities and challenges our region faces related to riverfront development and water quality.

Ellsworth and Jerry are both members of the Allegheny Conference, and each is playing a key leadership role on these important issues. The opportunities and challenges in both areas are great, and they demonstrate why our region will continue to need to make major investments if we are to attract and retain jobs and residents.

TOURISM AND RIVERFRONT DEVELOPMENT

ELLSWORTH BROWN — *President, Carnegie Museums of Pittsburgh and Carnegie Library of Pittsburgh*
Chairman, Greater Pittsburgh Convention and Visitors Bureau



Tourism As a Regional Economic Development Strategy

- The hospitality industry in southwestern Pennsylvania employs over 180,000 workers
- Visitors to Allegheny County alone spent more than \$2 billion in 1998, more than any other county in Pennsylvania
- Tourism attracts potential residents and investors to the region

If you speak with talented individuals who have recently chosen southwestern Pennsylvania as their home, they will tell you that the quality of life here is as good or better than in most of the other so-called “hot” cities and regions in the United States.

But we need *more* of these talented individuals, and if we’re going to attract them, we have to spread the word about what southwestern Pennsylvania has to offer.

That’s why tourism has become a critical component of our region’s economic development strategy. Tourism already supports tens of thousands of jobs in southwestern Pennsylvania, and attracting *more* tourists will create more of those jobs. But tourism is also a way to let people “test drive” our region, in the hope that they will later make a long-term commitment to live and work here when they have the opportunity to do so.

To be successful in attracting both tourists and residents, we need to offer a top-quality product. Over the past decade, thanks to the creation of the Allegheny Regional Asset District, southwestern Pennsylvania has been able to maintain our long-standing regional attractions, such as the Pittsburgh Zoo, the National Aviary, the Phipps Conservatory, and my own Carnegie Museums and Library. And thanks to a strong partnership with state government, our region has been able to *add* a dramatic array of new and improved amenities, such as the O’Reilly Theater, the Carnegie Science Center, the Allegheny Riverfront Park, and what will soon be a new baseball park for the Pirates, a new football stadium for the Steelers, and a truly magnificent convention center.

Providing a Top-Quality Tourism Product

- Maintaining regional attractions through funding provided by the Allegheny Regional Asset District
- Adding new and improved amenities, through funding from state and local governments
- Connecting attractions through joint promotions and wayfinding signage
- Using the rivers and waterfronts

Making SW PA a Leader in Riverfront Development

- Improving the Riverfronts:
 - e.g., the Riverlife Task Force will create a bold vision for waterfront areas around Downtown Pittsburgh and recommend design standards and other strategies for achieving the vision
- Using Rivers to Connect the Region:
 - e.g., Steel Industry Heritage Corporation conducting river tours of historic sites across the region

These facilities, and many others throughout the region, are *each* important attractions for both tourists and residents. But we can achieve an even greater impact if we can tie them all *together*—making the whole greater than the sum of the parts.

For example, the nine tourism promotion agencies in southwestern Pennsylvania have been working together over the past year to create a comprehensive, region-wide wayfinding signage system. This will allow both tourists and residents to more easily discover the many attractions that we have.

But the most unique and exciting opportunity to both *improve* and *connect* our attractions is one that we have only begun to take advantage of. I'm talking about making better use of our rivers and waterfront areas. For example:

- The new Alcoa Building transformed an ugly riverfront parking lot into a waterfront jewel. It has already been the setting for a range of events, from a Fortune 500 Conference to a CBS News broadcast, enabling the region to show itself off to the entire nation.
- In Beaver County, ten communities are working together to reclaim the riverfronts around the confluence of the Beaver and Ohio Rivers. In the town of Bridgewater alone, property values have increased by 33%, and there are now 22 businesses where there was previously only one.
- In Armstrong County, the new Kittanning Riverfront Park has created a new vitality for the community, with concerts and riverboat cruises centered around the park.

There are other positive examples in our region. But unfortunately, they are the exception, rather than the rule. Most of our riverfronts fall far short of this standard. In too many areas, fences, walls, parking lots, trash, highways, railroads, and other barriers keep people away from the riverfronts and the opportunities they provide. Other cities have moved ahead of us in taking advantage of their riverfronts. For example:

- In New York City, the lower west side of Manhattan along the Hudson River was transformed from an elevated highway with industrial uses into Battery Park City, a vibrant area with multiple uses and a handsome riverfront park.
- In Charleston, South Carolina, a neglected and inaccessible downtown waterfront on the Cooper River was converted into a seven acre Waterfront Park with a fishing pier, fountains, lawns, and gardens.
- In Chattanooga, Tennessee, which was considered the most polluted city in America in the 1980s, the Tennessee River waterfront is now home to the Tennessee Aquarium and Ross's Landing, a 4 acre riverfront park with fun-filled spaces for children and adults.

As Teresa Heinz has said, "A city with a great waterfront appears to the world as a great place to live, work, and play. The land along the confluence of the Allegheny, Monongahela, and Ohio Rivers could be made into one of the best urban waterfronts in the entire world. Or it could become a sloppy hodgepodge of wasted opportunity."

The new Riverlife Task Force, which is being co-chaired by Paul O'Neill and John Craig, was created to insure our region does not waste the opportunity. Over the coming year, the other members of the Task Force and I hope to create a bold vision for the waterfront areas around Downtown and to recommend design standards and other strategies for achieving that vision. We want to not only match what other regions have done, but to make southwestern Pennsylvania a *leader* in riverfront development.



If we improve the riverfronts in both Downtown and other communities, we can then use the rivers themselves to connect our communities, through water taxis and riverboat tours. This can be a unique amenity for residents and a unique attraction for tourists. For example, the Steel Industry Heritage Corporation is now offering river tours to various historic sites around the entire region, showcasing both our heritage and our new environment.

Almost 250 years ago, two great world powers – England and France – saw the strategic importance of our three rivers, and they went to war for control of them. Those same rivers again can be the key to our future. If we work together to reclaim our rivers and waterfront areas, we can use them to move southwestern Pennsylvania to the forefront of 21st Century regions.

SOUTHWESTERN PENNSYLVANIA'S CLEAN WATER CHALLENGE

JARED COHON — *President, Carnegie Mellon University*



Inadequacies of Regional Sewer and Septic Systems

- Raw sewage is discharged into rivers and streams from public sewer systems on rainy days due to poor design and lack of maintenance
- Sewage contaminates ground water and streams due to failing on-lot septic systems
- Many communities still discharge sewage directly into streets and streams due to lack of either sewage or septic systems

septic systems, and others discharge sewage directly into streets or streams with no sewage treatment at all. This results in year-round contamination of not only rivers and streams, but the region's groundwater resources as well.

In addition to the sewage pollution of surface waters and groundwater, there is another challenge facing our region. There are thousands of homes and businesses throughout the region that can't get an adequate supply of water. Others can get water, but the water isn't clean enough to drink, often because of the pollution from sewage discharges. You don't have to take my word for it. The following pages include comments by people across our region who are directly affected by these issues:

As Ellsworth has shown, developing our waterfronts represents a major opportunity for us to attract tourists and new residents. But we can't take for granted that the water in our rivers and streams is clean, or that it will be *clean* in the future.

In fact, you may be surprised to learn that we still have a serious problem with water pollution in southwestern Pennsylvania. This pollution affects watersheds ranging from the Allegheny, Monongahela, and Ohio Rivers, to small streams in the Laurel Highlands and other parts of the region.

I'm not talking about *industrial* pollution, a problem on which great progress has been made. I'm talking about *sewage* - from homes like yours all across southwestern Pennsylvania.

Many of our public sewer systems can't handle all the flow they receive during rainy weather, and they are forced to discharge millions of gallons of sewage - raw, untreated sewage - into our rivers and streams. In addition, nearly half of the households in our region are not connected to a public sewage system. Many of them have failing

Inadequacies of Regional Water Systems

Thousands of households in SW PA experience:

- inadequate water supply, due to:
 - groundwater depletion
 - mine subsidence
 - droughts
 - limited capacity treatment systems
- contaminated water, due to:
 - mine drainage
 - septic infiltration
 - chemical contamination



MIKE LAMBERT

*Executive Director
Three Rivers Rowing Association*

There are businessmen who are brought here by recruiters to look at Pittsburgh and they come down to Washington's Landing and visit the boathouse. Young people come from Pitt, CMU, Duquesne, Carlow, and Robert Morris; very often they were rowers in high school, and they want to come to these schools because they have rowing programs.

The boathouse is located on the back channel of Herr's Island on Washington's Landing. Right across from the boathouse is a [sewage overflow] outlet, and right up at the top of the channel is another outlet, so that whenever there are heavy rains the outlet doors just blow open and everything that is there comes out. It is most apparent in the color of the water — it turns a very brownish color and it's not at all appealing. Those conditions make for not very pleasant rowing. We hang our CSO flag out and generally stay off the water when the conditions are very bad like that.



BONNIE HAGER

*Owner
National Trail Motel
Fayette County*

It's hard to rent rooms when you're afraid you have no water. So we rented the rooms with what we felt we had adequate water for. There were many days that I had to sponge bath because I was afraid that I would be taking water away from one of my motel guests.

It's a hard way to live. It's a hard way to earn your living, when you can't rent the facility that you have for fear there'll be no water.

It's a beautiful area. People come from all over the country, all over the world. We've had people stay here from Switzerland, Puerto Rico - all over the world. They come to see the Frank Lloyd Wright home. But when we don't have the water, are they going to want to come back to see us here in Pennsylvania?



FRED WRIGHT

*Owner
Obiopyle Prints*

Water has significantly impacted our business and some of the business decisions that we make. Last summer we had to have water hauled to us by the local fire department for about three months straight, every single day.



LAWRENCE LEONARD

*Dairy Farmer
Fayette County*

We sold almost half of our livestock because we didn't have water for them. We try to keep 50 head and we just can't do that the way our water situation is now.



CHARLES CUNNINGHAM

*Manager
Burgettstown/Smith Township
Joint Sewage Authority*

For decades this area has had problems with sewage and raw sewage running in the streets and creeks around the area, raw sewage running out onto the ground...

It took a concerted effort on everyone's part to get this [sewage] plant constructed. Most people realize that it was extremely unhealthy and unclean for the children and the individuals living in the area. It just could not be tolerated anymore by any sensible citizen.



BOB VERTACNIK

*Resident
Collinsburg
Washington County*

Our township [sewage] disposal plant has a capacity of 350,000 gallons a day. And it's adequate right now - it's running under capacity. But the problem here is wet weather infiltration. The lines are old and whenever it rains, it infiltrates the old lines and overflows the plant.

People are moving into Westmoreland County. They're putting added pressure on the sewage treatment plant. People here in Collinsburg in effect are having to pay a price for the new development.

The sewage rates on current users in the township have increased twice in the last year, so in about another 2 years our sewage payment will end up being higher than our car payments the way things are going.

Our sewage tap-in fees and assessments are \$6,000, plus we'll have to pay an additional \$1,500 to \$2,000 out of our own pocket to connect to the system. So we're talking about \$7,500 to \$8,000 that we're going to have to pay, and we can't afford it.



LOU OLIVA

*Senior Vice President
Grubb & Ellis Company*

Water and sewer service are essential ingredients to the development process. In areas around the country that have experienced high growth, they've gone in with roads, followed by utilities, followed by sites, which end up with the user. In our region, we put in roads without the basic services such as water and sewer.

I have had over 15 companies with the need for over 1 million square feet in the past 18 months unable to find sites in the I-79 south corridor. If we look at one job per 1000 sq. feet, we're talking over a thousand jobs that have not been generated in Washington County alone because we did not have the water and sewer and industrial site capacity.



DAVE STOCKETT

*Vice Chairman
South Versailles Township
Allegheny County*

We have a township here in a country setting with 515 people. Over half of them are low-income or moderate income. You have leaky septic systems that have contaminated the water system. You can be in the middle of taking a shower and the water will just go dry or you'll start to get mud coming out, actually, as the well goes dry. Other people who have lived here longer than me - I know they've had a lot of different situations. You turn the spigot on - it smells like sulfur. I've had people that their hair's turned color.

We have a \$65,000 budget we operate off of in this township and there is no way that we can afford the \$774,000 to put a water line in this township. With the help of all the government officials I talked to, all the politicians, it's finally come to happen here in South Versailles Township, and I appreciate it.



CHUCK REMBOLD

*Superintendent
West Greene School District
Greene County*

Originally when the Graysville Elementary School was built approximately 27 years ago, they constructed the building and dug wells to have a water supply. Since that time, water just did not flow sufficient enough to supply the children and the teachers with water necessary to conduct good educational activities. The water itself we used to get down here in Graysville and the cost was minimal. We used to have the fire department bring it up but since the water is not chlorinated, we by state law now have to bring in chlorinated water, and that raises the price three to four times what it normally would be.

I find it very ironic we are moving forward in preparing our kids and people for the 21st century, but cannot provide the basic essentials in terms of water and sewer for our people who live here.



The problems of clean water affect all of the topics in this report: our ability to attract and retain jobs; our ability to attract new residents and tourists; our ability to raise our children in a healthy environment. They affect every county, and virtually every community, in our entire region - urban, suburban, and rural.

But the challenges to finding solutions are great. The price tag is staggering. Repairing existing sewer systems alone could cost *billions* of dollars. Responsibility is divided among more than 300 different water suppliers and 200 sewage providers - more than any other region in the country. And public awareness of the issues is very low.

How we address this problem will define our region's future. Will investments in water and sewer systems *solve* environmental and public health problems and help us generate needed growth? Or will they create new environmental problems from unplanned sprawl? Will we *unite* as a region to address this common need? Or we will *compete* with each other over whose problem is more important?

The Allegheny Conference has asked me to lead an effort to develop comprehensive recommendations for addressing the region's needs, and I have accepted with enthusiasm, for I understand how important these problems are for our region. The Pennsylvania Economy League will be providing staff support for this effort, working in conjunction with other agencies in the region, such as the Southwestern Pennsylvania Commission.

You will be hearing more about these issues in the months to come. I hope that everyone will help us by becoming educated about the problems, by contributing ideas for solutions, and by providing support for action.

Regional Clean Water Challenge

- Billions of dollars needed to address sewer and septic system problems
- Fragmented service delivery system
 - 312 water systems, 178 sewage agencies in 10 county region
- Low public awareness

Addressing the Challenge

- Protecting public health and promoting economic development while preserving open space and preventing undesirable sprawl
- Pennsylvania Economy League will be seeking solutions to regional water and sewer infrastructure needs, in cooperation with the Southwestern Pennsylvania Commission (SPC) and other agencies



CREATING THE LEADERSHIP OF THE FUTURE

INTRODUCTION

RICHARD P. SIMMONS

The accomplishments that our region has made over the past several years have been due to strong leadership from both the public and private sectors. The challenges that face us in the future will also require leadership, and particularly the leadership of Governor Ridge, our Congressional delegation, our state legislative delegation, the county commissioners in every county as well as Jim Roddey and the new Allegheny County Council, Mayor Murphy and Pittsburgh City Council, and the municipal and school officials throughout our region.

But to be truly successful, we need the active involvement of all parts of our community. If we are serious about insuring that the African American community shares in the benefits of economic growth, we must make particular efforts to increase the number of African Americans who serve in leadership capacities in our community. I am pleased to report that the Urban League, the NAACP, and the Working Together Consortium are undertaking a new initiative to help expand the number of African Americans serving on boards and commissions. The Allegheny Conference has committed itself to support their efforts. Tom Usher, CEO of USX Corporation, and George Miles, the CEO of WQED, both of whom are members of the Conference Board, will be co-chairing a Steering Committee to help make this initiative successful. In the following pages, George Miles reports on this important new effort. I would urge that you do whatever you can to help George and Tom make this initiative successful. It is critical to the future of our region.

In many ways, all of the issues and challenges described in this report are fundamentally about young people. Because young people truly represent the future of the region. And so it is important that we listen to them, and involve them, as we go about trying to create that future. We've asked two of them to share some of their thoughts with you. The first is Zena Francis, who is an Architect with The Design Alliance. The second is Deborah Gross, who is working as a private consultant while she finishes her Ph.D. I think you'll agree with me that we're very lucky to have young people like this in our region. We need to capitalize on their talents and encourage other young people to join them as residents, workers, and entrepreneurs in our region.

Creating the Leadership of the Future

Addressing future challenges will require:

- continued strong leadership from public officials at federal, state, county, and municipal levels
- special efforts to insure that the African American community shares in the benefits of growth
- the active involvement of young people

BUILDING ONE ECONOMY LEADERSHIP INITIATIVE

GEORGE L. MILES, JR. — *President and CEO, WQED Pittsburgh*
Chairman, Regional Marketing Coalition Advisory Board
Vice-Chair for Destination Development, Working Together Consortium

In November, 1999, Tom Usher and I participated in a press conference. It was a terrific moment – not only because of what we were announcing, but also because of who was announcing it. The Urban League of Pittsburgh, the NAACP Plans for Progress, and the Working Together Consortium joined forces to announce a major new initiative.

Our joint effort is focused on increasing the number of African Americans serving on boards and commissions in our region.

The Urban League has just published the first edition of the African American Leadership Directory. The Directory profiles 183 professional and community leaders. In addition to a brief biographic sketch, there are two tables which cross-reference each individual by areas of professional experience and personal interest.



Building One Economy Leadership Initiative

Three Part Plan:

- First African American Leadership Directory, profiling 183 individuals
- Distribution of Directory to a wide range of community organizations and leaders
- Pilot Board Matching Process
 - 25-member Steering Committee co-chaired by George Miles and Tom Usher
 - Identify opportunities and candidates
 - Facilitate introductions and follow up

The Directory is a work in progress. The database of individuals will continue to grow, and we welcome your suggestions of additional names. The Urban League plans to publish a new edition each year. Ultimately, we would like to see this resource made available on the internet.

The publication of this Directory, and our plans for distributing it, give us an opportunity to bring attention to the continuing need for diversity at the top ranks of our companies and community organizations.

We have a significant pool of talent that we want to retain. We also must think about how our region is perceived externally, as we work together to attract the best and the brightest to Pittsburgh.

The world we live in is changing rapidly. Minorities, immigrants, and women now hold more than half the jobs in the United States. America's consumers are fast becoming more diverse, as well as demanding diversity in virtually every aspect of the marketplace. To be competitive, it is critical that we are seen as a region of inclusion and opportunity.

We have created a three-part plan to help us move closer to that goal. Part One is identifying African American leadership in the community through publication of this new directory. Part Two is distributing the Directory to a wide range of community leaders, and Part Three is engaging the community to use the Directory for increasing African American participation on boards, both for profit, and non-profit.

Tom Usher and I will be co-chairing a leadership Steering Committee to ensure broad visibility and momentum for this board initiative. We have 25 committee members, all ready to work on this issue. Our focus will be to jump start a broad-based effort by developing a pilot board matching process.

Our first task was to get copies of the Directory into the hands of as many community leaders as possible. In order to be successful, we need to have total community involvement. It is especially important that our most visible business and community leaders be actively engaged in our effort.

If you serve on a board, make your board chair and nominating committee aware of this resource and urge them to use it. If they have not already received one, they can obtain a copy of the Directory by writing to the Urban League.

An important job for the Steering Committee will be to provide assistance in identifying candidates to any organization who asks. We want to be able to identify those with appropriate credentials for any specific board opening, and help make the personal connections that are needed to introduce potential candidates and organizations to each other.

At the press conference announcing this initiative, my co-chair Tom Usher underscored that personal connections and personal contacts are what will really make this thing happen. I hope that you will help us succeed in this important effort.



PERSPECTIVES FROM YOUNG LEADERS

ZENA FRANCIS — *Project Architect*
The Design Alliance Architects



I'm one of those "imports" that southwestern Pennsylvania is hoping to attract. I'm a native of North Carolina, and I started my architectural career in Virginia. In my case, the "importer" was Allegheny General Hospital, which gave my husband a medical residency in 1991.

My attitudes toward the region have evolved in an interesting way. I had never before been to Pittsburgh, and my first visit impressed me quite favorably. We were prejudiced by old images and the reputation of a smog-filled area depressed by the collapse of the steel industry. Therefore, we had no idea that the city and region were this beautiful. We were also very pleased by the extent of corporate development and growth.

After moving here, however, I seriously questioned whether this was the kind of place where I would want to stay. Pittsburgh lacked the diversity, vibrancy, and excitement for young people that other cities have, although the new developments underway do make me optimistic that this will change. Moreover, while people's attitudes towards African Americans in this region are not openly hostile the way they are in many parts of the South, they are certainly less than comfortable. Although generally friendly, many people have limited personal exposure to or interaction with people of other ethnic groups. The resulting ignorance has provided an environment allowing certain types of racist or stereotypical attitudes to exist.

We intended to leave Pittsburgh. We actively looked at other cities like Atlanta and Boston, and we loved what we saw there. But in the end, we decided to stay here in Pittsburgh. This region is on the springboard of real, positive change that is starting from a strong foundation. It is a safe, honest place wonderful for family living and with a cost of living that can't be beat. Because we feel that this area lacks, to its detriment, people like us, we are staying here in southwestern Pennsylvania where we might have the opportunity to make a real difference.

Over the past year, I've started to have that opportunity. I was selected to participate in the Leadership Development Initiative program, which helped me better understand the issues and challenges facing the region. I worked with other LDI participants on a small project to help the Healthy Start House in Duquesne improve its facilities, and I was excited to see the project funded and continuing this fall. I also met dozens of other people who have the same desire to get involved and make a contribution to the community that I do.

I see tremendous potential here in Pittsburgh to build on what's already been done. I think we can create a truly great region, a region that young people like me would not even consider leaving. And I certainly do hope to have the opportunity to help make that happen.



DEBORAH GROSS — *Consultant;*
Chair, Impact Committee
Pittsburgh Urban Magnet Project (PUMP)



I also moved here a year and a half ago from North Carolina, and I'm very pleased to be here. I grew up partly in Pittsburgh, but also partly in Arizona, Florida, and Zagreb, Yugoslavia. My closest family members are not in Pittsburgh. My friends are in New York, Toronto, Raleigh-Durham, Tucson, and Washington, D.C. And yet I chose to move to Pittsburgh, by myself, just because I like it and I wanted to live here. I think I made a good choice! Pittsburgh is cheap. It's cool. And even better, it doesn't even know it's cool. It's unpretentious.

When I go to New York, my friends take me to these retro urban hip diners where nothing has changed since 1960. And they say to me "Isn't New York great? Isn't it cool?" We have one of the most classic examples of these diners in Pittsburgh, except no one my age even knows it exists. It's called the Tic Toc Café and it is on the ground floor of Kaufmann's. I love that place! Everyone my age I've told about it wants me to take them there.

Where I really want to take my New York friends is Banjo Night at the James Street Tavern. Picture twenty banjo players at the front of an old dance hall with a big wooden floor above the restaurant. The average age in the place must be 75. They crack jokes about it themselves – some of the players fall asleep in the middle of songs. Again, every person my age I've told about it has insisted that I take them there, and so I've been there once a week for the past month. The thing I like about it is it's a uniquely Pittsburgh thing. It is so quirky, you can't believe it hasn't already been covered on National Public Radio.

These things to me are what make Pittsburgh so cool and so hip. We've got things that don't look exactly like Orlando or Raleigh-Durham or Atlanta – and all of those places look exactly alike to me. The things we have here in Pittsburgh are uniquely Pittsburgh. I've discovered most of these things from my two 23 year-old neighbors. These guys are engineers by day, and they reverse commute – we live in the Mexican War Streets and they drive out to the suburbs for their jobs. They make \$30,000 to \$40,000 a year at that age – I can't believe it – and at night they play in alternative music punk rock bands. Our neighborhood is only one mile from the Tic Toc Cafe, the James Street Tavern, and the center of the Downtown business district. And when I tell my New York friends about this they can't believe it – they all want to come visit me to see where you can buy a Victorian home for \$50,000, walk to work, and have a view of the most beautiful skyline in the U.S.

I can't speak for all young people in Pittsburgh, but I think that together, we're already making Pittsburgh one of the best cities in the country. I've met people here with incredible enthusiasm, energy, and vision. I would like to suggest that you make time, make space, and make contact with these young people to include them in your efforts. Just in the last week, I have talked to young people who want to help reform taxes, improve elderly care, and expand our mass transit system. And I think you would be really impressed by the novelty of their ideas.

The Pittsburgh Urban Magnet Project is planning a statewide youth conference in 2000 which would bring young people from all over the state to Pittsburgh to share ideas and bring attention to Pittsburgh. And we'd love your help on that.

So please do reach out and include young people in your efforts. Together we can rediscover Pittsburgh for ourselves, and reinvent Pittsburgh for tomorrow.



LEADERSHIP OF THE ALLEGHENY CONFERENCE

LOOKING AHEAD TO THE FUTURE

RICHARD P. SIMMONS

This report describes some major challenges facing us in the years ahead. While they are big challenges, our region has a long tradition of successfully addressing similar big challenges. Many of those past successes are documented in Stefan Lorant's book called *Pittsburgh: The Story of An American City*. Stefan Lorant was working on the fifth edition of the book when he died in 1997, and thanks to Bruce and Gail Campbell, the new edition is now available in bookstores. The title of the newest chapter – a title Stefan Lorant himself selected — is “The Best is Yet to Come.”

That is a fitting title, because I believe southwestern Pennsylvania is on the verge of even more great things. The public and private sectors are working together better than at any time since Richard King Mellon and David Lawrence forged the first Pittsburgh Renaissance in the late 1940s and early 1950s. I believe that the next several years will be a period of the most explosive growth in this region in over 100 years.

And that growth, unlike the economic growth of the 19th century, will be environmentally friendly. I believe it will provide the opportunities for our children to stay here and raise their families, and I believe it will be a magnet for new families to come here and make their homes. And I hope it will be a region that provides opportunities for everyone, black and white, young and old, men and women.

I have a love affair with this region. Just like the young people in the previous section, I believe that this is a great place to live. And for me and my wife, it is a great place to retire and hopefully to grow very old.

As I step down from the Chairmanship of the Conference, I would like to thank everyone, both on the Conference Board, and in the community as a whole, for the support they've given me. It has been an honor and a privilege for me to serve as Chairman of this great organization during such a remarkable time in our region's history.

The new officers for the Conference were elected by the Board in November, 1999. Jim Broadhurst, Chairman and CEO of Eat 'n Park, will be serving as Secretary-Treasurer. Tom Usher, Chairman and CEO of USX, will be serving as Vice Chairman. And Chuck Queenan, Senior Counsel at Kirkpatrick & Lockhart, will take over as Chairman of the Conference.

I am delighted that Chuck Queenan will be serving as the new Chairman of the Conference. Chuck has played a major role in many of the accomplishments in the region over the past decade. He took the lead role on behalf of the Conference in mobilizing support for creation of the Allegheny Regional Asset District. He has been one of the driving forces behind the development and implementation of initiatives such as the Early Childhood Initiative, the Pittsburgh Regional Alliance, and CompAC 21. He is actively involved in numerous corporate and non-profit boards, and he chairs the board at Carnegie Mellon University. And as chair of the Conference's Nominating Committee, he has been a driving force for recruiting strong new members to the Conference Board.

I believe he has the right combination of experience and new ideas to help the Conference, and the region, transition into the new millennium.

Allegheny Conference Officers for 2000

- C. J. Queenan, Jr.
Chairman
- Thomas J. Usher
Vice Chairman
- James S. Broadhurst
Secretary-Treasurer
- Richard A. Stafford
President

SETTING A NEW AGENDA



C. J. QUEENAN, JR. — *Senior Counsel, Kirkpatrick & Lockhart LLP*
Secretary and Chairman-Elect, Allegheny Conference on Community Development

On behalf of the other members of the Board, I would like to thank Dick Simmons for the truly outstanding work that he has done as Chairman of the Conference for the past three years, and also for the contributions he has made as a member of the community for the past three decades.

Over the course of my career, I have had the opportunity to see many professional managers, entrepreneurs, and chief executives in action. I can say, without reservation, Dick is really the best – he's world-class. At a time when this region was losing 100,000 steel-related jobs, Dick led the buyout of Allegheny Ludlum, and subsequently turned it into the most successful metals company in the world, which today employs over 4,200 people in this region.

That, alone, is a major contribution to the community. But Dick has done much more. Those of us involved with the United Way are familiar with a quote from Alexis de Tocqueville about Americans helping each other. De Tocqueville wrote that Americans “make great and real sacrifices to the public welfare” and that they “hardly ever failed to lend faithful support to one another.” If de Tocqueville were alive today, I think he would probably single out Dick Simmons as representative of that. Whether the need was in human services or arts and culture or economic development, Dick didn't just lend a hand, he led the way. And I am confident that he will continue to do so in the years ahead.

Dick Simmons leaves me with very big shoes to fill. But the strength of the Conference is that so many of the Board members take a direct leadership role on our agenda items. And I'm delighted that so many talented new leaders are joining the Board this year to help.

But even so, leadership and time are scarce resources. So a key question for me, and one that I would like to ask for help from the community on, is – what should our priorities be?

Our fundamental mission is improving the quality of life and the economy for all citizens in the southwestern Pennsylvania region. Our current agenda was established in 1991 under the Chairmanship of Vin Sarni. The Conference agreed to focus on four basic objectives – Regional Development, Education and Workforce Development, Public Governance, and Civic Organization. A fifth objective was added to the agenda as a result of the Mehrabian report in order to support and monitor the implementation of the recommendations of that report. All five objectives are listed at right and on the inside cover of this report, along with a list of the specific projects that the Conference has been involved in.

Thanks to leadership from Vin Sarni, Tom O'Brien, and Dick Simmons, a lot has been accomplished on that agenda. But it needs to be updated, to be rethought. Moreover, it was only intended as a blueprint for the 90s, and we are on the verge of a new decade and a new century. So in moving forward, we plan to re-examine our agenda and its priorities. And in doing so, we would welcome your input.

Some people have suggested that we have too many items on the agenda, and that we should take some off. Others have urged us to get involved in new areas. We will try to examine all of these issues systematically, based on the belief that priorities should be established by design rather than by accident. And since we believe that public-private partnership has been a key success in this region, we will be particularly interested in where public leaders would like our assistance.



Current Allegheny Conference Agenda

- Regional Development
 - Improving the physical infrastructure and development of the region
- Education and Workforce Development
 - Improving the systems and methods that develop human potential
- Public Governance
 - Making local government more productive and fiscally sound
- Civic Organization
 - Making the civic sector more productive through reorganization and leadership
- Working Together
 - Promoting action on the “Working Together to Compete Globally” recommendations

– APPENDIX A – PARTNERSHIP AND LEADERSHIP –

Public officials from across the region and state, as well as dozens of public and civic agencies, are working in partnership with private corporations and foundations to make southwestern Pennsylvania a better place in which to live, work, and invest. The members of the Allegheny Conference are pleased to play a role in this process and proud to be a part of the community's efforts and initiatives.

It is impossible to provide appropriate recognition to all of the many individuals, organizations, and initiatives that are working to move the region forward, but they all deserve thanks. The following individuals and organizations are among those playing leadership roles in the initiatives featured in this year's report:

PUBLIC OFFICIALS

Governor Tom Ridge and Lt. Governor Mark Schweiker

U. S. Senators Arlen Specter and Rick Santorum

U.S. Representatives William J. Coyne, Mike Doyle, Phil English, Ron Klink, Frank R. Mascara, John P. Murtha, John E. Peterson, and Bud Shuster

Pennsylvania Senators Albert V. Belan, Leonard J. Bodack, Jay Costa, Jr., Melissa A. Hart, Richard A. Kasunic, Allen G.

Kukovich, Gerald J. LaValle, Tim Murphy, Patrick J. Stapleton, J. Barry Stout, Jack Wagner, and Mary Jo White

Pennsylvania Representatives James E. Casorio, Jr., Nicholas A. Colafella, Paul Costa, Peter J. Daley II,

Anthony M. DeLuca, Frank Dermody, H. William DeWeese, Howard L. Fargo, Dan B. Frankel,

Frank J. Gigliotti, Jeffrey E. Habay, R. Ted Harhai, Ralph E. Kaiser, Frank LaGrotta, Susan Laughlin,

Victor John Lescovitz, David K. Levdansky, John A. Maher, Joseph F. Markosek, David J. Mayernik,

Fred McIlhatten, Daryl Metcalfe, Thomas A. Michlovic, Jane C. Orie, Timothy L. Pesci,

Joseph A. Petrarca, Thomas C. Petrone, John R. Pippy, Frank J. Pistella, Joseph Preston, Jr.,

Harry A. Readshaw, Lawrence Roberts, William Russell Robinson, Christopher Sainato, James E. Shaner,

Samuel H. Smith, Timothy Solobay, Jess M. Stairs, Sara G. Steelman, Thomas L. Stevenson,

Thomas A. Tangretti, Guy A. Travaglio, Fred A. Trello, Leo J. Trich, Jr., Terry E. Van Horne,

Michael R. Veon, and Don Walko

Allegheny County Commissioners Mike Dawida, Bob Cranmer, and Larry Dunn

Armstrong County Commissioners James V. Scahill, Homer Crytzer, and John Dunmire

Beaver County Commissioners Bea Schulte, Dan Donatella, and Nancy Loxley

Butler County Commissioners James L. Kennedy, Glenn L. Anderson, and William L. McCarrier

Fayette County Commissioners Vincent Vicites, Harry Albert, and Sean Cavanaugh

Greene County Commissioners David Coder, John R. Gardner, and Farley Toothman

Indiana County Commissioners Bernie Smith, Randy Degenkolb, and James E. McQuown

Lawrence County Commissioners Thomas Fee, Brian Burick, and Edward Fosnaught

Washington County Commissioners J. Bracken Burns, Sr., Scott H. Fergus, and Diana L. Irey

Westmoreland County Commissioners Richard F. Vidmer, Thomas Balya, and Terry R. Marolt

City of Pittsburgh Mayor Tom Murphy and City Council Members Bob O'Connor, Dan Cohen, Michael Diven, Jim Ferlo,

Alan Hertzberg, Valerie McDonald, Dan Onorato, Gene Ricciardi, and Sala Udin

Mayors, City and Borough Councils, Township Commissioners and Supervisors, and School Directors from across the region

PRIVATE AND COMMUNITY FOUNDATIONS

Alcoa Foundation — Kathleen W. Buechel, President

Claude Worthington Benedum Foundation — William P. Getty, President

Buhl Foundation — Doreen E. Boyce, President

Eberly Foundation — Robert Eberly, President

Grable Foundation — Susan Brownlee, Executive Director

Hillman Foundation — Ronald W. Wertz, President

Howard Heinz and Vira Heinz Endowments — Maxwell King, Executive Director

Roy A. Hunt Foundation — Torrence M. Hunt, Jr., President

Jewish Healthcare Foundation — Karen Wolk Feinstein, President

McCune Foundation — Henry S. Beukema, Executive Director

Katherine Mabis McKenna Foundation — Linda McKenna Boxx, Chairman

Richard King Mellon Foundation — Michael Watson, Vice President

The Pittsburgh Foundation — Alfred W. Wishart, Jr., President

CIVIC AND GOVERNMENT AGENCIES AND COMMITTEES

African American Chamber of Commerce — Robert Agbede, Chairman; Doris Carson Williams, President

Allegheny County Department of Economic Development — Mulugetta Birru, Director

Allegheny Regional Asset District — Gerald Voros, Chairman; David L. Donahoe, Executive Director

Armstrong County Department of Planning and Development — Richard L. Palilla, Executive Director

Armstrong County Tourism Bureau — Kristy Green, Chair; Susan Torrance, Tourism Coordinator

Beaver County Corporation for Economic Development — James Palmer, President

Beaver County Planning Commission — Tracy Angeli Barone, Executive Director

Beaver County Tourist Promotion Agency — Jack Simon, Chairman; Thomas King, Executive Director

Beaver Initiative for Growth — Sen. Gerald LaValle and Rep. Michael Veon, Co-Chairs; John Gallo and Brenda Thompson, Co-Directors

Builders Guild — John Turyan, Chairman; Mary Beth Aiello, Executive Director

Butler County Planning Commission — David P. Johnston, Executive Director

Butler County Chamber of Commerce and Tourism — Arthur Cordwell, Chairman; Linda Harvey, President

Community Development Corporation of Butler County — Arthur G. Cordwell, Executive Director

DINAMO — Barry Palmer, Executive Director

Early Childhood Initiative — Jerlean Daniel, James C. Roddey, and Karen A. Shapira, Management Committee Co-Chairs; Martha W. Isler, Director

Education Policy & Issues Center — Linda Dickerson & Paul O'Neill, Co-Chairs; Karen S. McIntyre, Executive Director

Fayette County Planning Commission — Christopher Sepesy, Director

Fay-Penn Economic Development Council — Michael W. Krajovic, Executive Vice President

First Fridays — Essie Williams, Chairman and Executive Director; Claude Westbrook, Vice President

Greater Philadelphia First Corporation — William Avery, Chairman; John Claypool, Executive Director

Greater Pittsburgh Arts Alliance — Karla Boos and Marc Masterson, Co-Chairs

Greater Pittsburgh Chamber of Commerce — Thomas A. McConomy, Chairman; Barbara Bateman McNeese, President

Greater Pittsburgh Convention and Visitors Bureau — Ellsworth Brown, Chairman; Joseph R. McGrath, President

Greene County Industrial Development Authority — Charles Rembold, President; Donald F. Chappel, Executive Director

Greene County Planning Commission — Ann Bargerstock, Director

Greene County Tourism Promotion Agency — Ruth Fox, Chair; Jackie Kingora, Executive Director

Indiana County Chamber of Commerce — Dana Henry, President

Indiana County Office of Planning and Development — Byron Stauffer, Executive Director

Indiana County Tourist Bureau — Rod Heasley, Chairman; Barbara Shaffer, Executive Director

Innovation Works — William Hulley, Chairman; Douglas Goodall, Executive Director

Laurel Highlands Visitors Bureau — Terry Palmo, Chairman; Annie Urban, President

Lawrence County Economic Development Corporation — Linda Nitch, Executive Director

Lawrence County Planning Commission — Steven J. Craig, Executive Director

Lawrence County Tourism Promotion Agency — Cindy Barber, Chair; JoAnn McBride, Executive Director

Leadership Pittsburgh — Elizabeth Wainwright, Executive Director

League of Women Voters of Greater Pittsburgh — Carol Emerson, President

Local Government Academy — Michael P. Lynch, Chairman; Beverly Baxter Cwalina, Executive Director

Master Builders Association — John Mascaro, Chairman; Jack Ramage, Executive Director

Meetings and Hospitality Partnership of Western Pennsylvania — Joseph Kane and Sally Mizerak, Co-Chairs

Minority Enterprise Corporation — Samuel J. Stephenson, Chairman; Sharon K. Williams, President and CEO

National Association of Minority Contractors/Black Contractors Association — Horace Britton, Chairman; Linda Couch, Executive Director

Pennsylvania Business Roundtable — James Rohr, Chairman; Michael McCarthy, President

Pennsylvania Chamber of Business and Industry — Carl Campbell, Chairman; Floyd Warner, President

CIVIC AND GOVERNMENT AGENCIES AND COMMITTEES (CONTINUED)

- Pennsylvania Economy League/Western Division** — Thomas L. VanKirk, Chairman; Richard A. Stafford, Executive Director
- Pennsylvania Partnerships for Children** — Lucy Hackney, Chair; Joan Benso, Executive Director
- Pittsburgh Building and Construction Trades Council** — Richard Stanizzo, Business Manager
- Pittsburgh Cultural Trust** — George A. Davidson, Chairman; Carol R. Brown, President
- Pittsburgh Digital Greenhouse, Inc.** — Dennis Yablonsky, President and CEO
- Pittsburgh Downtown Partnership** — Rev. George Werner, Chairman; Harry Finnigan, Executive Director
- Pittsburgh Regional Alliance** — David Shapira, Chairman; Timothy Parks, President and CEO
- Pittsburgh Regional Minority Purchasing Council** — Neville Lawrence, Chairman; Laura Adams Hunt, Executive Director
- Pittsburgh Technology Council** — Sean McDonald, Chairman; Mark Kurtzrock, Interim President
- Pittsburgh Urban Magnet Project (PUMP)** — Donald Smith, President; Gloria Forouzan, Executive Director
- Pittsburgh's Next** — Joseph A. Massaro III, Chairman; Steven M. Massaro, Executive Director
- Pittsburgh Planning Commission** — Thomas Armstrong, Chairman; Eloise Hirsh, Director
- Port of Pittsburgh Commission** — Barbara Bateman McNees, Chairman; James R. McCarville, Executive Director
- Redevelopment Authority of Washington County** — Robert Umstead, Executive Director
- Regional Enterprise Tower Showcase Committee** — Thomas A. McConomy, Chairman; Steven Zecher, Project Manager
- Regional Industrial Development Corporation** — Stephen C. Hansen, Chairman; Frank Brooks Robinson, Sr., President
- Regional Marketing Coalition Advisory Board** — George L. Miles, Jr., Chair
- Regional Math/Science Collaborative** — Nancy R. Bunt, Managing Director
- Regional Workforce Development Oversight Committee** — Mark A. Nordenberg, Chairman
- SMC Business Councils** — Thomas Farrell, Chairman; Cliff Shannon, President
- Southwestern Pennsylvania Commission** — James V. Scahill, Chairman; Robert Kochanowski, Executive Director
- Southwestern Pennsylvania Convention Center Design Commission** — Joseph P. Kane, Chairman
- Southwestern Pennsylvania Growth Alliance** — William S. Dietrich and Bea Schulte, Steering Committee Co-Chairs; Harold D. Miller, Director
- Southwestern Pennsylvania Industrial Resource Center** — Lawrence Rhoades, Chairman; Mark Kurtzrock, Interim President
- Sports and Exposition Authority of Pittsburgh and Allegheny County** — Thomas W. McCargo, Chairman; Steven Leeper, Executive Director
- Strategic Investment Fund** — Thomas H. O'Brien, Chairman; Robert C. Stephenson, President
- Three Rivers Connect** — Peter Lucas, Chairman; Ronald Gdovic, Executive Director
- United Way of Allegheny County** — Sanford B. Ferguson, Chairman; William J. Meyer, Chief Professional Officer
- United Way of Pennsylvania** — Peter C. Carpino, Chairman; Nancy Kukovich, President and Chief Professional Officer
- Urban League of Pittsburgh** — George L. Miles, Jr., Chairman; Esther L. Bush, President and CEO
- Urban Redevelopment Authority of Pittsburgh** — Thomas Cox, Chairman; Mulugetta Birru, Executive Director
- Washington County** — Jeff Kotula, Economic Development Director
- Washington County Tourism Promotion Agency** — Lee Brown, Chairman; Pat Callahan, General Manager
- Westmoreland County Industrial Development Corporation** — Larry J. Larese, Executive Director
- Workforce Connections** — William P. Getty, Chairman; Steven Mitchell, Director
- Working Together Consortium** — C. Fred Fetterolf, Chair; Joel P. Adams, Jane C. Burger, Edwin V. Clarke, Jr., Karen Wolk Feinstein, Ronald R. Hoffman, Thomas A. McConomy, George L. Miles, Jr., John E. Murray, Jr., Thomas J. Murrin, C. J. Queenan, Jr., James V. Scahill, and Milton A. Washington, Vice-Chairs; Stanley Russell, Auditor; Laura S. Fisher, Director
- World Trade Center Pittsburgh** — W. Gregg Kerr, Chairman; Mame Bradley, Executive Director
- YouthWorks** — Richard Garland, Director

– APPENDIX B – ALLEGHENY CONFERENCE BOARD AND STAFF –

1999 MEMBERS OF THE BOARD OF DIRECTORS

| | | |
|--|------------------------|----------------------------|
| Richard P. Simmons <i>Chairman</i> | Mike Bando | Mark A. Nordenberg |
| Paul H. O'Neill <i>President</i> | Esther L. Barazzone | Jeffrey A. Romoff |
| George A. Davidson, Jr. <i>Vice President</i> | James S. Broadhurst | John T. Ryan III |
| William S. Dietrich II <i>Vice President</i> | John S. Brouse | William E. Strickland, Jr. |
| David S. Shapira <i>Vice President</i> | Ellsworth H. Brown | Daniel J. Sullivan |
| Thomas J. Usher <i>Vice President</i> | Jared L. Cohon | Sunil Wadhvani |
| C. J. Queenan, Jr. <i>Secretary</i> | J. Christopher Donahue | Lawrence M. Wagner |
| Andrew W. Mathieson* <i>Treasurer</i> | Karen Wolk Feinstein | Milton A. Washington |
| Thomas H. O'Brien <i>Past Chairman</i> | Murry S. Gerber | Michael Watson |
| Richard A. Stafford <i>Executive Director</i> | Thomas W. Golonski | Helge H. Wehmeier |
| David A. Brownlee <i>Counsel</i> | Roy W. Haley | Daniel J. Whelan |
| | Fred Ishii | <i>Members Emeriti</i> |
| | William R. Johnson | Douglas D. Danforth |
| | Maxwell King | Robert Dickey III |
| | Raymond W. LeBoeuf | Henry L. Hillman |
| | David D. Marshall | James E. Lee |
| | Sean McDonald | Howard M. Love |
| | Robert L. McGeehan* | Vincent A. Sarni |
| | Martin G. McGuinn | Adolph W. Schmidt |
| | George L. Miles, Jr. | William P. Snyder III |
| | John E. Murray, Jr. | L. Stanton Williams |

* Resigned During 1999

STAFF

The Allegheny Conference on Community Development and the Western Division of the Pennsylvania Economy League are served by a joint staff consisting of:

| | |
|--|---|
| Susan G. Bower, <i>Assistant to the Vice President</i> | Harold D. Miller, <i>Vice President and Director, Southwestern Pa. Growth Alliance</i> |
| Cecelia Cagni, <i>Development & Comm. Coordinator</i> | Stephen Mitchell, <i>Director, Workforce Connections</i> |
| Yvonne Cook, <i>Project Manager</i> | Linda L. Plavchak, <i>Asst. Dir. of Management Services</i> |
| Margo Corey, <i>Assistant to the Director of the Working Together Consortium</i> | Debra A. Raubenstrauch, <i>Director of Management Services and Controller (through 12/31/99)</i> |
| Catherine DeLoughry, <i>Project Manager</i> | Stephanee Sheffield, <i>Assistant to PEL Staff</i> |
| Regan Fetterolf, <i>Director of Communications and Development</i> | Richard A. Stafford, <i>President</i> |
| Laura S. Fisher, <i>Assistant Director and Director, Working Together Consortium</i> | D'Ann Swanson, <i>Project Manager</i> |
| Cindy J. Franc, <i>Assistant to the President</i> | James W. Turner, <i>Chief Financial Officer and Managing Director, Pennsylvania Economy League/Western Division</i> |
| Patricia Fustich, <i>Assistant to the Managing Director</i> | Michael Weir, <i>Senior Fellow</i> |
| Brian Jensen, <i>Project Manager</i> | Marion Wise, <i>Director of Management Services and Controller</i> |
| Jan S. Lauer, <i>Senior Project Manager</i> | Steven Zecher, <i>Project Consultant</i> |
| Jeffrey Leber, <i>Project Consultant</i> | |
| Paul Leger, <i>Senior Project Manager</i> | |
| Johna Lingelbach, <i>Computer Coordinator</i> | |

— APPENDIX C — LEADERSHIP OF THE ALLEGHENY CONFERENCE —

RICHARD P. SIMMONS — *Chairman, 1996-1999*

Richard P. Simmons is Chairman of the Board of Allegheny Technologies Incorporated, and Chairman of the Executive Committee. He had been Chief Executive Officer until September 30, 1999. In 1980, as President of the Metals Group of Allegheny Ludlum Industries, he led a management group purchase of Allegheny Ludlum Steel Corporation. He served as Chief Executive Officer of Allegheny Ludlum Corporation until 1990. Under his leadership, Allegheny Ludlum Corporation became one of America's leading specialty materials companies. In August 1996, Allegheny Ludlum Corporation and Teledyne, Inc. combined to become Allegheny Teledyne Incorporated, and made its headquarters in Pittsburgh.



Simmons serves as a director of PNC Bank Corp. and as a director of Consolidated Natural Gas Company. He participates in a wide range of civic and charitable activities, including serving as a director and past chairman of the United Way of Allegheny County, a trustee of the Carnegie Museums, honorary chairman and life director of the Pittsburgh Symphony Society, and a director of the Allegheny Trails Council, Boy Scouts of America. He served as the Chairman of the Working Together Consortium from 1994 to 1996.

In 1996, Simmons formed Birchmere Investments Limited Partnership to invest in Western Pennsylvania businesses, with an initial capitalization of \$20 million.

Simmons is a graduate of the Massachusetts Institute of Technology. He is a member of the American Institute of Mining, Metallurgical and Petroleum Engineers and received its Benjamin F. Fairless Award in 1989. He is a fellow and a Distinguished Life Member of the American Society for Metals and was awarded its medal for the Advancement of Research in 1991. In 1986, Mr. Simmons received the William Metcalf Award of the Engineering Society of Western Pennsylvania for outstanding engineering achievement. He was elected to membership in the National Academy of Engineering in 1998. He has received honorary doctorates from Robert Morris College, Washington & Jefferson College, Duquesne University, and California University of Pennsylvania.

Simmons served as Chairman of the Allegheny Conference on Community Development from November, 1996 through November, 1999. He will remain a voting member of the Board of Directors.

CHARLES J. QUEENAN, JR. — *Chairman-Elect*

Charles J. Queenan, Jr. is Senior Counsel and Chairman of the Audit Committee for the law firm of Kirkpatrick & Lockhart LLP, and was formerly a Partner and Chairman of its Management Committee. He is a practicing attorney specializing in the areas of tax, corporate, international, and transactional law, and is a member of the American Law Institute, the Pennsylvania and Allegheny County Bar Associations (and their respective Tax Sections), the Fellows of the American Bar Foundation, and the Dartmouth Society of Engineers.



Queenan serves as Chairman of the Board of Carnegie Mellon University and as a director of Allegheny Teledyne Incorporated, Babcock Lumber Company, Blue Danube Incorporated, Crane Co., and St. Vincent College. He is very active in the southwestern Pennsylvania community, serving as a member of the Executive Committee of the Pittsburgh Regional Alliance, a Vice Chair of the Working Together Consortium, and as a member of the boards of the Greater Pittsburgh Chamber of Commerce, DINAMO, Greater Pittsburgh Charitable Trust, National Flag Foundation, Greater Pittsburgh Council of the Boy Scouts of America, United Way of Allegheny County, Extra Mile Educational Foundation, Pennsylvanians for Modern Courts, Pittsburgh Cultural Trust, and the Western Pennsylvania Chapter of the Juvenile Diabetes Association. He is a recipient of the Distinguished Pennsylvanian Award.

Queenan is a native of the Pittsburgh area. He graduated from Dartmouth College, its graduate schools of Engineering and Business Administration, and from The Harvard Law School.

Queenan served as Secretary of the Board of the Allegheny Conference on Community Development from November, 1996 through November, 1999, when he assumed the position of Chairman.

– APPENDIX D – ALLEGHENY CONFERENCE SPONSORS –

The Board of Directors and staff of the Allegheny Conference would like to express their appreciation to the following organizations and individuals who contributed to the Conference's operating budget and initiatives during 1999. Particular appreciation goes to the growing list of companies and organizations who contribute to the Allegheny Conference as "Underwriters."

AHRCO
Alco Parking Corporation
Alcoa Foundation
Allegheny Teledyne Incorporated
American Eagle Outfitters
Aristech Chemical Corporation
ASKO, Inc.
Bayer Foundation
Bell Atlantic - Pennsylvania, Inc.
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Koppers Industries, Inc.
KPMG Peat Marwick
James E. Lee
Liberty Mutual
Howard M. Love
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Mastech Corporation
McCune Foundation
Medrad, Inc.
Mellon Bank
Richard King Mellon Foundation
MetalTech
Microbac Laboratories, Inc.
Mine Safety Appliances Company
National City Bank of Pennsylvania
Francis B. Nimick, Jr.
Pennsylvania-American Water
Company
Pittsburgh Annealing Box Company
Pittsburgh Business Properties
The Pittsburgh Foundation
Pittsburgh Home Savings Bank
Pittsburgh Post-Gazette
Pittsburgh Steelers
PNC Bank Corp.
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Sauer Industries, Inc.
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Sheridan Broadcasting Corporation

William P. Snyder III
Sony Electronics, Inc.
Three Rivers Bank & Trust Company
Towers Perrin
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Western Pennsylvania Hospital
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