

CREATING

Working with partners across the
10-county Pittsburgh region,

A NEXT GENERATION ECONOMY

we aim to maximize the opportunity from our
established and emerging economies

FOR ALL

so everyone in the Pittsburgh region
can benefit from the success

2018-19 AGENDA



Allegheny Conference
on Community Development



Our Mission

The Allegheny Conference works in collaboration with public and private sector partners to improve the economy and the quality of life in southwestern Pennsylvania. We market the 10-county region for business investment and job creation, and we champion public policies to improve its competitiveness.

By bringing together more than 300 Regional Investors Council members and leadership from across the region, we define the near- and long-term opportunities and challenges facing our 10 counties; identify solutions to capture these opportunities and meet these challenges; and mobilize the public, private and non-profit sectors to achieve results.

Our goal – as it has been for almost 75 years – is to do this job better today than we did yesterday, while thinking and working together to create a next generation economy for all for the future.



Our Agenda

Creating a Next Generation Economy for All

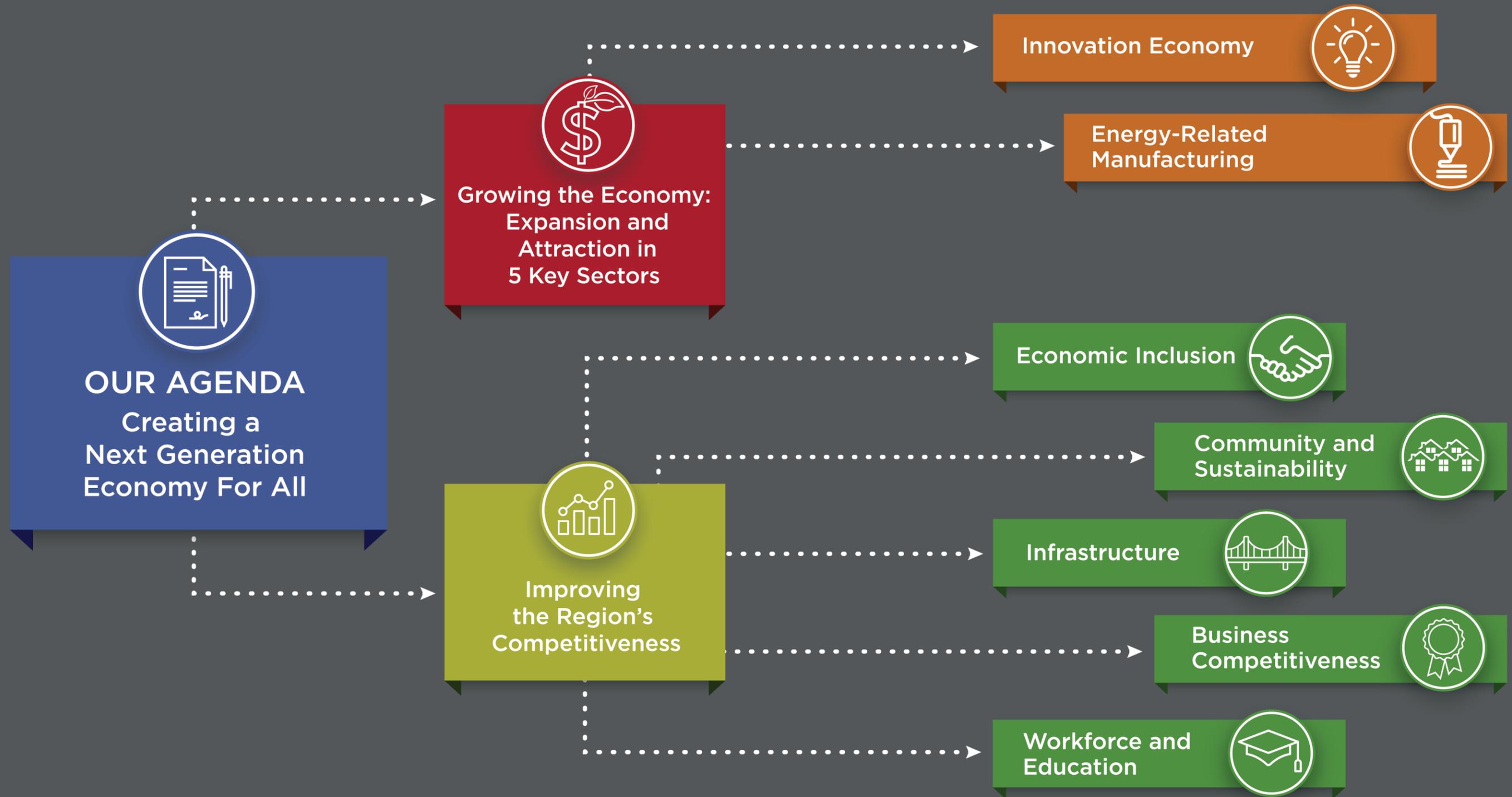
What Characterizes a Next Generation Economy for All?

- A strong economy fueled by growth of established sectors (energy; manufacturing; financial and business services; and healthcare) augmented by emerging industries (tech, life sciences and robotics)
- A robust innovation ecosystem that translates research and development assets into jobs and investment
- A workforce well informed of and prepared for the jobs of the future
- An inclusive culture encouraging and celebrating diversity
- A high quality of place defined by clean water, clean air and connectivity supported by mobility and technology

What is the Role of the Allegheny Conference in Achieving a Next Generation Economy for All?

- Define and communicate the vision and manage our regional narrative
- Build partnerships to advance that vision
- Identify strategic opportunities, develop consensus and mobilize action
- Identify impediments to achieving success and advocate for changes that remove these barriers
- Set regional measures for success and keep the Conference and our partners accountable through monitoring and communicating progress, opportunities and challenges as they relate to regional economic performance, diversity and inclusion

ALLEGHENY CONFERENCE 2018-19 AGENDA



Creating A Next Generation Economy for All: OUR AGENDA

Growing the Economy through Corporate Expansion and Attraction

The Allegheny Conference operates a portfolio of economic development activities, primarily delivered through the Pittsburgh Regional Alliance (PRA). These activities are designed to market the region to talent and companies globally.

The PRA will strategically deploy its resources towards both business expansion and attraction across the region's five key sectors (advanced manufacturing; energy; financial and business services; healthcare and life sciences; and IT). This means identifying targets that align with our regional strengths and assets and proactively working to attract them to the region.

The PRA will also pursue high potential opportunities for business investment and job creation in two areas:

- **Innovation Economy:** There is enormous capacity for innovation at our colleges, universities and corporate R&D centers – capacity that, without dispute, could position the region as a global innovation hub. However, there is consensus that Pittsburgh has not translated these assets into broad-based economic growth.

We will apply our influence to support the region's efforts to achieve this economic potential – not only by working to secure investments from companies such as Amazon and supporting the work of InnovatePGH, but by leading the development of a regional strategy with key stakeholders.
- **Energy-Related Manufacturing:** We will continue to advance a natural gas and downstream manufacturing strategy, which seeks to expand the 10-county region's ability to leverage and support Royal Dutch Shell's anchor investment and to increase the greater region's attractiveness for other energy-related manufacturing investments. To this end, we will advocate on behalf of critical policy changes and infrastructure investments needed to increase our global competitiveness.

Improving the Region's Competitiveness

As part of our agenda-setting process, we convened key regional investors and community members and inventoried obstacles to our economic growth activities. As a result, we identified the following key regional challenges restricting our competitiveness:

- Lack of diversity in population, workforce and leadership, especially in the African-American community
- Infrastructure, including water and sewer systems and bridges
- Transportation and connectivity
- Workforce and education gaps
- Unfavorable tax policies and regulatory climate and limited availability of incentives

To improve the region's competitiveness and respond to community needs, the Conference will address these regional challenges by focusing its efforts in the following areas:

- **Economic Inclusion:** Improve the diversity of Pittsburgh's population and workforce and address the inequity faced by minority populations, particularly African Americans.
- **Community and Sustainability:** Support development and revitalization in southwestern Pennsylvania's struggling communities.
- **Infrastructure:** Improve water quality, transportation and mobility, and site infrastructure.
- **Business Competitiveness:** Improve the economic future of the Pittsburgh region by ensuring PA's business tax and regulatory climate is as competitive as possible for operating a business.
- **Workforce and Education:** Address the workforce challenges presented in *Inflection Point* in a way that connects all to opportunity and promotes economic competitiveness.
- **Opportunistic:** The 2018 agenda is designed to allow the Allegheny Conference to address strategic opportunities as they arise.



To improve the region's competitiveness and respond to community needs, we will focus our efforts in the following areas.

Economic Inclusion

Improve the diversity of Pittsburgh's population and workforce and address the inequity faced by minority populations, particularly African Americans.

- Increase the diversity of the region's corporate/institutional supply chain and workforce as well as board/executive leadership.
- Measure progress on diversity/inclusion metrics within Pittsburgh employers.
- Address public policy barriers to employment that disproportionately affect the African-American community (criminal record expungement and driver's license suspension reform).
- Explore models for private investment in housing development to address the growing issue of affordability in many Pittsburgh region communities.

Allegheny Conference Board Committee: Economic Inclusion

Community and Sustainability

Support development and revitalization in southwestern Pennsylvania's struggling communities.

- Advocate, through the Neighborhood Assistance Program (NAP) coalition, for an increase in the cap on NAP tax credits.
- Continue support of the seven Strengthening Communities Partnership community development organizations.
- Leverage the Strategic Investment Fund to strengthen struggling communities.
- Strengthen the financial health of communities by advocating for policies to improve local government, including municipal pension reform.
- Advance efforts to make our region's neighborhoods and businesses more sustainable.

Allegheny Conference Board Committee: Community and Sustainability

Infrastructure

Improve water quality, transportation and mobility, and site infrastructure.

- Push for continued action to address PWSA and ALCOSAN challenges.
- Support commercial development infrastructure upgrades through the P32 Site Development Fund.
- Continue to engage at the federal and state levels to ensure adequate funding to advance critical infrastructure projects.
- Encourage innovation across platforms and develop a strategy to address key regional gaps as identified in *Imagine Transportation 2.0*.

Allegheny Conference Board Committee: Infrastructure

Business Competitiveness

Improve the economic future of the Pittsburgh region by ensuring PA's business tax and regulatory climate is as competitive as possible for operating a business.

- Ensure a competitive state business tax structure that encourages investment and expansion in Pennsylvania.
 - Provide a fix to the bonus depreciation changes made in PA Corporation Tax Bulletin 2017-02.
 - Lower the overall Corporate Net Income (CNI) tax rate.
 - Remove the cap on the usage of Net Operating Losses (NOLs).
- Support streamlining of regulatory and/or permitting processes in all agencies and departments to increase productivity and overall economic growth.
- Encourage reforms to our legal and unemployment compensation systems, which will provide parity and predictability to the private sector.
- Add economic incentives and investment potential in Pennsylvania by putting the Commonwealth in line with competitor states to attract business and allow for existing expansion.

Allegheny Conference Board Committee: Greater Pittsburgh Chamber of Commerce Board of Directors

Workforce and Education

Address the workforce challenges presented in *Inflection Point* in a way that connects all to opportunity and promotes economic competitiveness.

- Develop a skilled, relevant talent pipeline by connecting business and education leaders (K-16) to better match programming with future demand.
- Promote public policy that aligns workforce, education and economic development.
- Attract and retain talent by effectively marketing the region to high-demand talent, i.e. IT, engineering, business and finance, and more.
- Engage top HR leaders to focus expertise and resources on collectively solving the most critical regional workforce challenges.

Allegheny Conference Board Committee: Workforce

Opportunistic

The 2018 agenda is designed to allow the Allegheny Conference to address strategic opportunities as they arise.



Evaluating Impact

We will implement a two-fold approach to measuring progress

1. Allegheny Conference-specific goals. For each of the projects we tackle (delineated on the previous page), we will define goals and a dashboard to evaluate our progress on a quarterly basis. In addition to project goals, we will include financial indicators to assure efficient time allocation and prioritization. These measures will be used to evaluate staff (and board) performance.
2. High level economic measures. As the civic leadership voice for the region, the Allegheny Conference has an obligation to communicate directly and regularly about the region's progress. To this end, we will define a five-part tool of key economic measures that can help us calibrate our efforts while keeping the region informed. The categories we propose to evaluate are:
 - Economic Growth
 - Opportunity
 - Equity
 - Innovation
 - Sustainability



Regional Leadership

The Pittsburgh region relies on partnership and collaboration from public, private and nonprofit leaders to overcome challenges and take advantage of opportunities. More than 300 Regional Investors Council members – C-level leaders from across southwestern Pennsylvania – provide their time, energy and resources to drive the future of our region.

The Conference's board of directors is comprised of leaders of some of the most widely recognized organizations in the country. Our Regional Investors Council members actively play a role in shaping our region.

2018 Allegheny Conference Leadership



Bill Demchak
Chair,
Allegheny Conference
Chairman, President
and CEO,
The PNC Financial
Services Group, Inc.



Laura Karet
Vice Chair,
Allegheny Conference,
and Chair, Pittsburgh
Regional Alliance
CEO,
Giant Eagle, Inc.



Susie Shipley
Treasurer and Chair,
Audit & Finance Committee
President,
Western Pennsylvania
and Ohio Valley,
The Huntington
National Bank



Venkee Sharma
Secretary
President and CEO,
Aquatech International



Michael McGarry
Chair, Personnel &
Compensation
Committee
Chairman and CEO,
PPG Industries, Inc.



Richard Harshman
Immediate Past Chair,
Allegheny Conference
Executive Chairman,
ATI



Bill Strickland
Chair, PA Economy
League of Greater
Pittsburgh
Executive Chairman,
Manchester Bidwell
Corporation



Morgan O'Brien
Chair, Greater Pittsburgh
Chamber of Commerce
President and CEO,
Peoples Natural Gas



Grant Oliphant
Chair, Economic Inclusion
Committee
President,
The Heinz Endowments



Helen Hanna Casey
Chair, Strategic
Communications
Committee
CEO,
Howard Hanna Real
Estate Services



Dave Malone
Chair, Workforce
Committee
President and CEO,
Gateway Financial



Jerry MacCleary
Chair, Community and
Sustainability Committee
Chairman and CEO,
Covestro LLC



Join Us

We Are Moving the Pittsburgh Region Forward Together

With an unprecedented spirit of collaboration, the community of the Pittsburgh region is heralded for its active participation in advancing key issues to improve our economic future and quality of life. Much of this spirit originates from the Allegheny Conference's 300-plus Regional Investors Council members and numerous public and private sector partners who provide their time, talent and resources to help to move the region forward.

We invite you to join us as we create a next generation economy for all by maximizing our economic opportunities, improving inclusiveness and enhancing our quality of place.

To learn more about the Allegheny Conference, including how to join and help drive the agenda to transform the Pittsburgh region, contact Erin Stewart, Investor Relations, at estewart@alleghenyconference.org or 412-281-4783 ext. 4537. You may also visit AlleghenyConference.org for more information.



The Allegheny Conference on Community Development and its affiliates – the Greater Pittsburgh Chamber of Commerce, the Pennsylvania Economy League of Greater Pittsburgh and the Pittsburgh Regional Alliance – work in collaboration with public and private sector partners to improve the economy and the quality of life in southwestern Pennsylvania. Learn more at AlleghenyConference.org.

11 STANWIX STREET, 17TH FLOOR | PITTSBURGH, PA 15222-1312
TOLL FREE: 1 (877) 392-1300 | PHONE: (OUTSIDE OF U.S. AND CANADA) +1 (412) 281-1890 | FAX: (412) 471-2554
EMAIL: info@alleghenyconference.org | AlleghenyConference.org

A copy of the official registration and financial information of the Allegheny Conference on Community Development may be obtained from the Pennsylvania Department of State by calling toll free, within Pennsylvania, 1-800-732-0999. Registration does not imply endorsement.