

## ALLEGHENY CONFERENCE ON COMMUNITY DEVELOPMENT

# 2022 ACCOMPLISHMENTS

To lay the foundation for achieving our shared vision for a vital, globally competitive region where all people thrive, the Allegheny Conference advanced a focused agenda across three strategic priorities and mobilized members and partners across the region.



### GROW OUR ECONOMY



### GALVANIZE INCLUSIVE REGIONAL ENGAGEMENT



### UNLOCK OUR REGION'S POTENTIAL

Together we are **GROWING OUR ECONOMY** by securing business investment and job creation:

- In service to the 10-county Pittsburgh region, our business investment team secured 22 business investment project wins, representing \$1.1 billion in capital investment. Our efforts also created a pipeline of 135 projects, representing the potential for 18,600 new and retained jobs, and \$14.98 billion in capital investment.
- These economic development efforts focused on opportunities in key high-growth, future-focused industries where the region has competitive advantages, including:
  - Autonomy and robotics, cybersecurity, financial services and life sciences. Efforts resulted in:
    - ElevateBio and the University of Pittsburgh announcing the creation of the Pitt BioForge bio-manufacturing center at Hazelwood Green to accelerate gene and cell therapy innovation. The partnership, enabled by a \$100 million grant from the Richard King Mellon Foundation, is expected to create 172 six-figure jobs, serves as a sterling example of our philanthropic and higher education stakeholders continuing to drive our region's economy.
    - Gecko Robotics affirming Pittsburgh as its headquarters and expanding its local presence to 40 jobs with an estimated \$10 million capital investment at Nova Place.
    - Tesseract Solutions, a France-based software development company establishing its U.S. Headquarters, KMeleon, Inc., in Pittsburgh's Lawrenceville neighborhood. The technology provides major robot suppliers with a simple, universal language to program robots.
  - Additive and advanced manufacturing, distribution and energy. Efforts resulted in:
    - The opening of Shell Polymers Monaca (SPM), the first major polyethylene manufacturing complex in the northeastern United States. The ribbon cutting for the multibillion-dollar facility capped a decade of work by the Allegheny Conference and affiliates to raise global awareness of the opportunity in the Marcellus Shale and to work directly with Shell and other global petrochemical companies to encourage investment. The facility is positioned to become a crucial anchor for the development of carbon capture and hydrogen solutions critical to achieving a low-carbon, industrial future for the Pittsburgh region and the nation.

- Nextracker LLC, the global market leader in utility-scale solar trackers, and BCI Steel, a Pittsburgh-based steel fabricator, reopening the historic Bethlehem Steel manufacturing factory in Leetsdale to produce solar tracker equipment for large-scale solar power plants in Pennsylvania, Indiana, New York and Ohio.
- In 2022, thanks in large part to the support we received from the Commonwealth of Pennsylvania in the form of a \$2 million grant that supplements the important support from our Regional Investors, we increased investment in marketing to raise awareness of the Pittsburgh region with a business investment audience. Amplified marketing efforts across channels resulted in a:
  - 65% increase in website users
  - 65% increase in LinkedIn followers
  - 48% increase in earned media reach
- A special paid campaign with The Wall Street Journal resulted in 3.9 million impressions. A similar campaign with Fortune magazine took our regional message to 10,000 c-suite decision makers in eight target U.S. markets.

### We **GALVANIZED INCLUSIVE REGIONAL ENGAGEMENT** to enhance vitality for all

- We implemented and began to socialize the Inclusive Growth Principles, which focus on employment, business growth and community wealth, including the launch of the first five of a series of inclusive growth roundtables for Allegheny Conference Regional Investors and partners. The roundtables were used to raise the issues of inclusive growth with 25% of the Conference's Regional Investor Council, whose organizations directly participated in one or more of the sessions.
- We helped to deliver \$2.5 million of Neighborhood Partnership Program investment in our 16 Strengthening Communities Partnership communities. This funding supports community development from job creation to Main Street vitality and more.
- We advanced minority entrepreneurship and community development as a sponsoring entity for the Black Economic Advancement Mobility (BEAM) Collaborative. BEAM, which is up and running, identifies promising minority-owned businesses with the potential to scale, supports them in building capacity and connects them with potential customers. BEAM expects to operate under its own 501(c)(3) in 2023.
- The Strategic Investment Fund developed a new strategic focus for future-looking investment opportunities and is aiming to extend the purpose of the Fund through recapitalization. The Fund would continue its focus on economic development and job creation with an added emphasis on strengthening Pittsburgh's downtown as the core of the southwestern Pennsylvania region and economy.
- The 2022 Pittsburgh Passport\* kicked off its fourth year as a marquee program to showcase the region's amenities and opportunities to retain more college students and recent graduates to fill the talent pipeline for regional employers.
  - In total, the program has reached more than 6,000 college students from 39 states and 41 countries via a hybrid platform of in-person and virtual events. Of the students reached, 40% were from diverse backgrounds. The program is to become a significant element of an intensified and comprehensive approach to retaining and attracting more talent to the region by engaging them with employers, arts and recreation opportunities and other key stakeholders through a new regional talent collaborative convened by the Allegheny Conference for launch in 2023.

*\*Pittsburgh Passport is a program of the Allegheny Conference on Community Development and not affiliated with Passport to Pittsburgh, LLC.*

**We worked to UNLOCK THE REGION'S POTENTIAL by improving competitiveness, removing policy barriers and securing transformative public sector investment**

- We built out key clusters in robotics and autonomy and energy to create jobs.
  - Robotics and autonomy:
    - As part of the Southwestern Pennsylvania New Economy Collaborative, we were instrumental in southwestern Pennsylvania receiving a \$62.7M federal grant to build the robotics and autonomy cluster with a focus on growing opportunity for all people and places in the 11-county region.
    - The southwestern Pennsylvania region was one of only 21 applicants to receive grant funding, chosen from the 60 finalists involved in Phase 2 of the Build Back Better Regional Challenge (BBBRC). The federal grant, the first in the Conference's history, was one of only three BBBRC awards featured in the Biden Administration's press announcement and was recognized by The Brookings Institution as being among the "most equitable" proposals, taking an established cluster and connecting it to more rural regions that are often left out of such initiatives.
    - Partners across labor, educational institutions, workforce and economic development colleagues, businesses and more came together over the course of a year to develop the region's approach. During the application process, the Collaborative convened a coalition of more than 90 public and private organizations across the 11-county footprint.
    - With the funding, the Collaborative will create:
      - A new system for companies to upgrade systems and adopt robotics technology;
      - A manufacturing hub and a network for regional makerspaces for small and medium-sized companies to test new technology solutions;
      - A robotics startup factory;
      - A fellowship program and training program for traditionally underrepresented entrepreneurs; and
      - An education and training system from apprenticeship to certificates through four-year degrees.
  - Energy:
    - To finalize and implement a framework for the Pittsburgh region's transition to a diverse, low-carbon energy future, we released "[Our Region's Energy Future](#)." The report was developed by a 25-plus member Allegheny Conference Energy Task Force whose members represent southwestern Pennsylvania's public and private sectors, as well as academia and philanthropy. The task force provided research-grounded insights to support a regional strategy to accelerate decarbonization while driving investment, employment and inclusive growth. In addition to identifying six decarbonization "levers" to achieve the long-term goal, the report laid the groundwork for the formation of two board-led working groups, one focused on low-carbon electricity, and the other on hydrogen and carbon capture technologies.
    - Following issuance of the report, we convened stakeholders to develop detailed plans and move them forward. Early outreach included a manufacturing summit convened in partnership with the Team Pennsylvania Foundation. At the event, Pennsylvania Governor Tom Wolf made a historic announcement of Pennsylvania's intent to lead in the development of clean hydrogen and ensure that energy-related federal funding is directed toward projects in our region and state. This announcement was critical to advancing the long-term energy strategy.
    - In collaboration with the Pennsylvania Environmental Council and other partners, we launched the Southwest Pennsylvania Decarbonization Forum to bring together leaders from government, industry, academia, nongovernmental and community organizations to seize the opportunities of a low-carbon economy while also finding solutions to specific challenges along the way.

- We formed a regional coalition representing labor, environment, academia, workforce, energy transition and economic development organizations to support the region's pursuit of federal funding opportunities and development of community benefit plans.
  - The Conference is a stakeholder in the Team Pennsylvania Foundation-led Decarbonization Network of Appalachia (DNA) application for Regional Clean Energy Hydrogen Hubs funding. DNA was encouraged by the U.S. Department of Energy to submit a full application.
  - The Conference in partnership with industry and regional stakeholders has played a leading role in the development of an application for funding from the DOE's Carbon Capture Demonstration Program to conduct an initial Front End Engineering Design (FEED) study.
- Under the leadership of Carnegie Mellon University, the Allegheny Conference partnered with Allegheny County and the City of Pittsburgh to co-chair the local host committee for the Global Clean Energy Action Forum organized by the U.S. Department of Energy, which brought more than 6,000 visitors from 32 countries to Pittsburgh for a global conversation about the future of energy. In choosing Pittsburgh, U.S. Energy Secretary Jennifer Granholm noted that Pittsburgh is "a town that exemplifies how a legacy of energy- and industrial-dependent economy can be transformed into a technology and innovation powerhouse." Earned media coverage of the event totaled 83 pieces of coverage (print, broadcast and digital) with a reach of approximately 388 million.
- Through our advocacy efforts, we delivered on several priorities in 2022. These included:
  - Achieving a longstanding goal of an immediate reduction of the Corporate Net Income (CNI) tax. The measure reduced Pennsylvania's 9.99% CNI immediately to 8.9% and continues to lower the rate over time until it is cut in half to 4.9%, removing a flashing red light discouraging business investment. Studies have shown that a decrease in the CNI tax rate will increase GDP, boost wages, increase home values, create family-sustaining jobs and attract and retain employers and talent. It serves as a signal to firms and companies both inside and outside of Pennsylvania that the commonwealth is open for business.
  - Passing the Pennsylvania Economic Development for a Growing Economy (PA EDGE) tax credit program creating four distinct tax credit programs across the state. These include a regional clean hydrogen hub tax credit (regional clean hydrogen hub means a network of clean hydrogen producers, potential clean hydrogen consumers and connective infrastructure located in proximity) and a semiconductor manufacturing, biomedical manufacturing and research tax credit. The legislation requires eligible hydrogen hub projects to create at least 1,200 permanent and new jobs, while eligible biomedical and semiconductor projects must create at least 800 permanent jobs, ultimately bolstering our regional employment opportunities.
  - Supporting a state Autonomous Vehicle Regulatory Framework that created the appropriate regulatory framework in Pennsylvania to support the growth of the autonomous vehicle industry. This framework builds on the Pittsburgh region's global leadership and supports the Build Back Better Regional Challenge strategy to create a regional ecosystem for robotics and autonomy.
  - Successfully advocating for and helping to secure more than \$1 billion in federal and state infrastructure investment for regional projects, including but not limited to:
    - \$857 million, Montgomery Locks and Dams
    - \$77 million, Emsworth Lock and Dam
    - \$11.3 million, Hill District Center Avenue Reconstruction
    - \$565,000, East Busway Expansion Planning Grant

- We defined and unveiled a strategy to revitalize Downtown Pittsburgh in partnership with the Pittsburgh Downtown Partnership (PDP).
  - With the PDP, we developed a Downtown Pittsburgh Revitalization Plan to respond to the deterioration of the commercial office market and quality of place for the Central Business District because of the COVID-19 pandemic and economic trends that pre-dated the pandemic.
  - The Urban Redevelopment Authority Board agreed to contribute \$3 million to a downtown conversion fund, and the Department of City Planning had proposed zoning changes that would streamline conversion.
  - To improve the pedestrian experience of Downtown, the Conference supported the Pittsburgh Downtown Partnership in its effort to raise \$5 million over five years from corporate and philanthropic sources to provide a uniformed but non-law enforcement ambassador program to support wayfinding, visitor support, conflict resolution and more.



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