#### ALLEGHENY CONFERENCE ON COMMUNITY DEVELOPMENT BOARD MEMBER ORIENTATION 2023

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#### Who We Are

- Founded nearly 80 years ago, the Allegheny Conference is one of the United States' foremost civic leadership organizations.
- We bring together public and private sector partners to improve the economy and the quality of life for everyone in the 10-county Pittsburgh region.
- 250+ regional employers form the Regional Investors Council and provide the time, talent and resources to advance our agenda. Together, we...
  - Define near- and long-term opportunities and challenges facing our 10 counties;
  - Identify solutions to capture these opportunities and meet these challenges; and
  - Convene and mobilize the public, private and non-profit sectors to achieve results.

#### Who We Serve



- 10 counties of SWPA
- 2 million people
  - Half the population lives in

Allegheny County and half outside

• \$170 billion GDP

### How We Got Here

#### Early 1900s Fortunes...

- 1900: Home to more wealth than NYC and Chicago
- *1901*: United States Steel becomes the first billion-dollar corporation
- *1940s*: More steel produced than Germany and Japan combined!

#### ...That We Paid A Price For

- "Hell with the lid taken off"
- Streetlights on at noon
- Extra white shirts to work

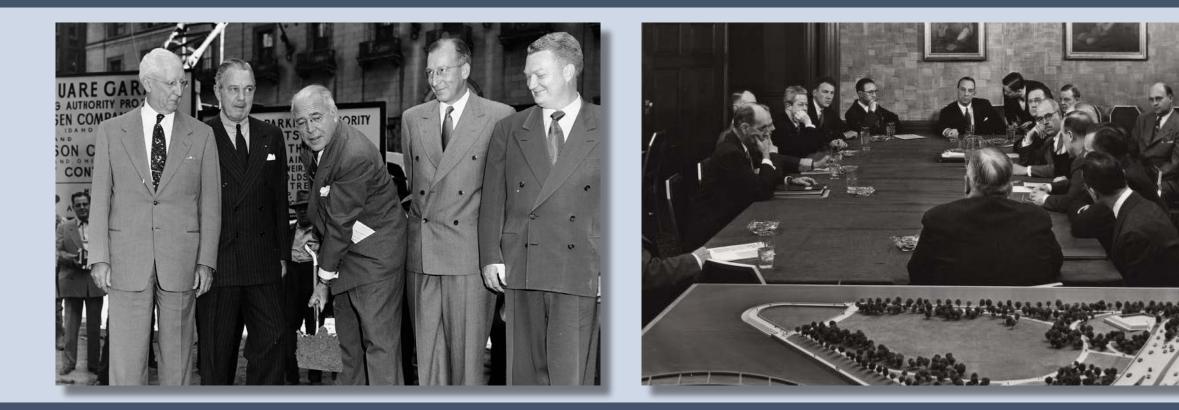






## **Pioneering Public-Private Partnership**

Postwar planning committee, convened by R.K. Mellon and other local civic leaders, incorporated as the Allegheny Conference on Community Development to act as the prominent coordinating mechanism for civic action.



How	We
Got	lere

Highlights from:

Renaissance I: Environmental 1940s to 1960s

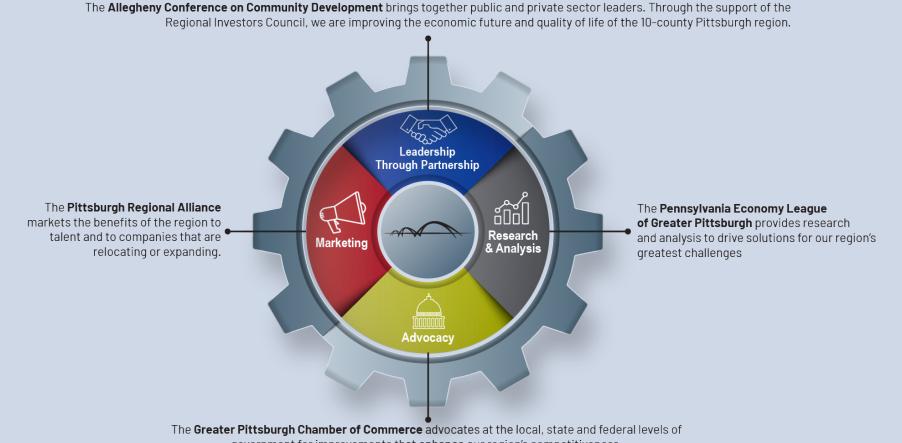
-Steel Bust of the 70s and 80s-

**Renaissance II: Economic Transformation** 1970s to 1990s

Air Quality	Development of Point State Park and Gateway Center project
Flood Control and Limited Access Highways	Creation of Pittsburgh Regional Transit and Public Parking Authorities
Pittsburgh Cultural District	Strategy 21
Home Rule for Allegheny County	Strategic Investment Fund (SIF)

## New Model for the 21<sup>st</sup> Century

In 2000, the Conference entered a "joint venture" with the Greater Pittsburgh Chamber of Commerce, the Pennsylvania Economy League of Greater Pittsburgh and the Pittsburgh Regional Alliance (PRA) that brought the four organizations together under a common CEO.



21 <sup>st</sup> Century Results	Pittsburgh G-20 Partnership for the G-20 Pittsburgh Summit	"Inflection Point" Report	State Pension Reform
Highlights from 2000s-Present	Criminal Justice Reform	COVID-19 Pandemic Response	Pittsburgh Region. Next is Now.
	Secured \$1.2T in Federal Infrastructure Investment	Pittsburgh Passport*	\$63M Build Back Better Regional Challenge Grant Award

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

#### Where We're At:

#### Regional State of Play

#### Strengths

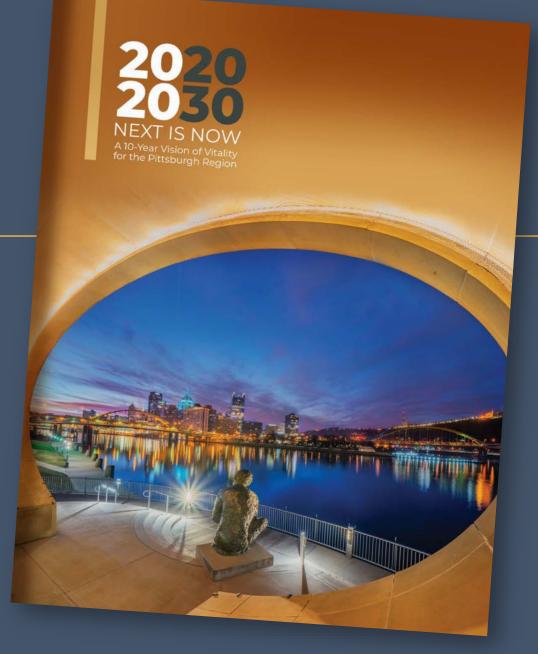
- Innovation: Across sectors of the economy, innovation is an economic driver.
- Innovation Investment: \$7.2B invested in nearly 600 companies in the past decade.
- R&D: Home to two Tier 1 research universities and 70+ regional colleges, universities and postsecondary institutions.

#### Weaknesses

- Trails in pandemic era employment recovery; employment growth trails benchmark regions.
- Natural population loss was the largest of any major metro area in the country.
- Among the least diverse metros; our non-white population is less than half the percentage nationally.

## Next Is Now:

A 10-Year Vision of Vitality for the Pittsburgh Region





Grow Our Economy

# 2023 Workplan



Galvanize Inclusive Regional Engagement



Unlock Our Region's Potential





## **Grow Our Economy**

#### Secure business investment

- 3-year goals of \$1B capex, 10,000 jobs and 150 project wins
- Focus on high-growth, innovation-driven industries where our region has a competitive advantage, including:
  - Advanced Manufacturing
  - Energy
  - Life Sciences
  - Robotics & Al
  - Space
- Develop a business retention and expansion strategy
- Execute a Foreign Direct Investment strategy in 1-3 international markets
- Guide the region's efforts to build and grow a diverse, globally competitive workforce



### Galvanize Inclusive Regional Engagement

- Implement Inclusive Growth principles to assure that diversity, equity and inclusion guide our decision making
- Facilitate catalytic investments in real estate and people



#### Unlock the Region's Potential

#### Improve business competitiveness by removing barriers and creating a more business-friendly climate

- Improve business tax structure, including a higher Net Operating Loss Carryforward limit
- Ensure efficient and predictable permitting approval processes at all levels of government
- Partner to develop enhanced state economic development tools
- Support and maximize the economic prosperity of our region's urban center, Downtown Pittsburgh
- Fill financing gaps for critical economic development projects using the Strategic Investment Fund
- Secure federal infrastructure investment in physical and digital connectivity
  - Designation of and funding for a regional Tech Hub
- Build out key clusters to grow the economy, create jobs, and drive regional competitiveness

### **Regional Cluster Development**



Robotics and autonomy



Advanced manufacturing

Life sciences

### **Guiding Principles**



### **Our Leadership**

**Laura Shapira Karet** Chair, Allegheny Conference *Past Chair and CEO, Giant Eagle Inc.* 

**David Holmberg** Vice Chair, Allegheny Conference and Chair, Personnel & Compensation Committee President and CEO, Highmark Health

**Leroy Ball** Treasurer, Allegheny Conference and Chair, Audit & Finance Committee *President and CEO, Koppers Inc.* 

#### **Kevin Walker**

Secretary, Allegheny Conference President and Chief Executive Officer, Duquesne Light Company

#### **Eric Boughner**

Secretary/Treasurer Pittsburgh Regional Alliance and Strategy Chair, Talent *Chairman of BNY Mellon PA*  **Bill Demchak** Chair, Pittsburgh Regional Alliance and Immediate Past Chair, Allegheny Conference *Chairman, President and CEO, The PNC Financial Services Group, Inc.* 

> **Bryan Salesky** Chair, Greater Pittsburgh Chamber of Commerce

**Rebekah Byers Kcehowski** Co-Chair, PA Economy League of Greater Pittsburgh Partner-in-Charge, Jones Day Pittsburgh

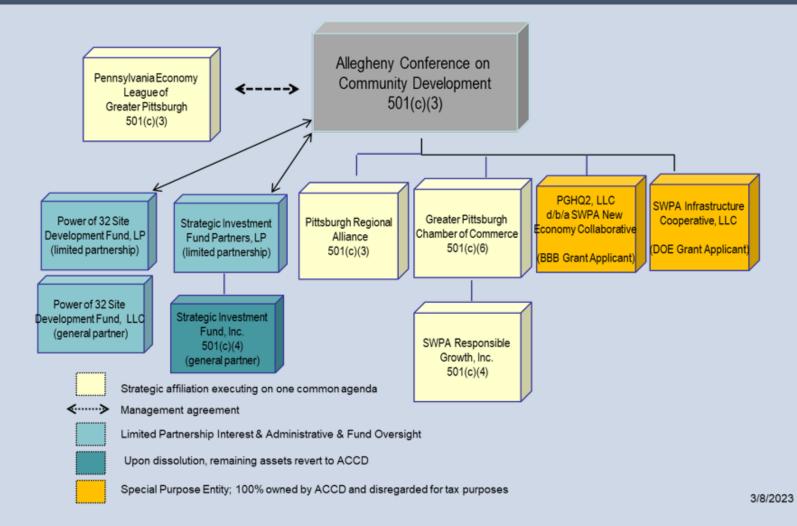
Bill Strickland

Co-Chair, PA Economy League of Greater Pittsburgh and Strategy Chair, Racial Equity Founder and Executive Chairman, Manchester Bidwell Corporation

#### Nish J. Vartanian

Strategy Chair, Infrastructure Chairman, President and CEO MSA, The Safety Company

### Legal Entity Structure



### **Our Team**

<b>Stefani Pashman</b> Chief Executive Officer Supported by Executive Assistant & Chief of Staff					
<b>Cecelia Cagni</b> Chief Marketing & Communications Officer	<b>Vera Krekanova</b> Chief Strategy & Research Officer	<b>Majestic Lane</b> Chief Equity Officer	<b>Willy McKain</b> Chief Operating Officer	<b>Janel M. Skelley</b> Chief Financial Officer	<b>Matt Smith</b> Chief Growth Officer
Supported by 11 Team Members	Supported by 5 Team Members	Supported by 2 Team Members	Supported by 8 Team Members	Supported by 4 Team Members	Supported by 22 Team Members

**Current Staff Total**: 62\* \*Includes a BBBRC-funded position.

## **Our Funding**

	2023 Approved Budget*	2022 Actual (Prelim)
Corporate Regional Investors	\$ 6.90 M	\$ 7.00 M
Foundation Grants	\$ 2.34 M	\$ 1.33 M
Government Grants	\$ 3.55 M	\$ 2.36 M
Sponsorships	\$ 2.17 M	\$ 0.54 M
Other Income	\$ 0.58 M	\$ 0.36 M
Prior Year Carryover	<u>\$ 0.72 M</u>	<u>\$ 0.40 M</u>
TOTAL	\$ 16.26 M	\$ 11.99 M

\*Original budget approved by Board included Talent initiatives of ~\$3M; this amount is a placeholder and will be adjusted and presented to the Board for approval in May.



	2023	% of	
	Budget	Budget	
Personnel Costs	\$ 8.07 M	67%	
Fixed Costs	\$ 1.46 M	12%	
Program Costs	<u>\$ 2.46 M</u>	<u>21%</u>	
TOTAL	\$ 11.99 M	100%	