Real Planning. Real Progress.

Southwestern Pennsylvania Commission

2003 ANNUAL REPORT
The SPC region has grown to a 10-county area within the last few years, encompassing over 7100 square miles of diverse communities from urban and suburban to rural. Now the largest organization of its kind in the Commonwealth, SPC works to bring its members closer together by actively involving and empowering them to plan together and prioritize major projects for regional progress.
We live in a time when our needs as a region far exceed the resources available to satisfy them. In times like these, we must come together as a region to make the most of what we have, find innovative ways to make more available, and rise to the occasion with truly effective regional planning.

In 2003, this Commission strongly reaffirmed its desire for SPC to be the planner for the region; to help our region successfully confront transportation and development challenges through regional consensus building and thoughtful planning; and to bring focus and priority to the region’s needs. In essence, to ensure that our collective resources are concentrated on making the greatest impact upon our region as a world class destination to live, work, play and invest.

2003 witnessed our region growing larger, more diverse and stronger than ever. SPC’s regional membership and representation continued to grow in both numbers and square miles with Lawrence County joining SPC in 2003. Now, with the strength of eleven member governments, the SPC region is growing larger and at the same time, becoming smaller.

How can it be that we are growing larger, yet smaller at the same time? It’s because our region is making tremendous strides in regional cooperation. Our region may be expanding, but we are working closer together than ever before. Our regional vision and priorities are benefiting from our strong coordination and focus. Together, we are positioning our region to make better decisions than ever before with regard to planning and resource allocation.

In 2003, SPC updated the Regional Transportation and Development Plan. Known as the 2030 Plan, it brings to life and articulates the progress we have made in terms of regional decision-making, planning and priority resources allocation. In 2003, our region worked to unite and focus our list of priorities to ensure that both the state and federal government know and understand what this region needs in the clearest of terms. SPC planned the region’s federal earmark request and the region’s priority projects request for Governor Rendell’s economic development forums. SPC also revealed new sources of funding for the region, such as statewide “Spike” discretionary funds, in an effort to ensure our region is treated with equality by funding sources.

Working together, we can create effective regional planning that rises to any occasion. To shape our vision. To build consensus. To ensure that our region will benefit to the highest degree possible. That is our mission. And we pursued that mission with vigor and clarity of purpose that resulted in our region planning together as one community. Working and planning together, we can continue to make real progress in a highly competitive world.

SPC was called upon in 2003 by the National Association of Regional Councils to showcase how Southwestern Pennsylvania makes real progress in regionalism by empowering our members to make a difference. In this report, we’d like to talk about how our members made progress this year with the support of SPC’s unique resources, such as links to state and federal funding through our status as a Local Development District of the Appalachian Regional Commission and as the Metropolitan Planning Organization for transportation planning; the Regional Enterprise Tower, the nation’s first regional resource center; and the commitment of our staff, who have dedicated their professional careers to public service.

James L. Kennedy, Chairman
James R. Hassinger, President, CEO
# OFFICERS AND MEMBERS
## OF THE SOUTHWESTERN PENNSYLVANIA COMMISSION FOR 2003

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<td>John P. Bever, J. Bracken Burns*, Kenneth Westcott, James Boston, Michael A. Silvestri</td>
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<td>Department of Transportation</td>
<td>Governor's Appointee Bob O'Connor*</td>
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<td>Department of Community and Economic Development</td>
<td>Ellen G. Kight*</td>
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<td>Port Authority of Allegheny County</td>
<td>Paul P. Skoutelas</td>
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<td>Larry Morris</td>
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<td>James A. Cheatham</td>
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<td>Federal Aviation Administration**</td>
<td>Herman Shipman</td>
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<td>U.S. Environmental Protection Agency**</td>
<td>Raymond C. George</td>
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<td>U.S. Economic Development Administration**</td>
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All voting members of the Southwestern Pennsylvania Commission are members of the Southwestern Pennsylvania Corporation.

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# SPC DEPARTMENT LEADERSHIP

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<td>Finance</td>
<td>Vincent M. Massaro</td>
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<td>Information Systems</td>
<td>Kirk Brethauer</td>
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<td>Planning &amp; Development</td>
<td>Lew Villotti</td>
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<td>Transportation</td>
<td>Chuck DiPietro</td>
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*Member of SPC Executive Committee

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SPC is recognized among the best in the world at developing workable plans for regional cooperation.

Regional councils everywhere looked to SPC this year to host the nation’s conference on regionalism in a changing world. SPC chaired the program and showed how to make regionalism a reality by directly involving and giving ownership to the members of regional councils who face enormous challenges in changing times.

At the 2003 National Association of Regional Councils’ 37th Annual Conference, “The Nation’s Regions: Meeting New Challenges in a World of Change,” we showed off everything that makes Southwestern Pennsylvania such a unique and dynamic region.

We showed off the Regional Enterprise Tower, a one-of-a-kind resource that brings us together and gives us new ways—like Xplorion—to showcase the region’s assets and invite others to learn about us. We showed off partnerships among the members to create transportation plans, regionwide citizen participation programs, natural infrastructure models, international linkages, government procurement assistance, commuter vanpool innovations, multimodal multi-jurisdictional planning, state and local business retention partnerships, and nationally renowned brownfields reclamations. We hosted a range of discussions on subjects such as environmental justice, green infrastructure, urban and small town neighborhood revitalization, youth retention strategies, and involving philanthropy in regional development.

NARC has been the nation’s leader in regionalism for decades, and SPC has been a leader in NARC for decades. This year, delegates from around the country recognized the commitment to regionalism demonstrated by SPC’s own leadership and elected James L. Kennedy as their new president.

We’d like to thank the sponsors and exhibitors for supporting SPC in its host function at the 2003 NARC Conference, and especially for supporting regional cooperation. Sponsors included:

- ALLEGHENY CONFERENCE AND AFFILIATES
- BUSINESS ALTERNATIVES, INC.
- FIRST COMMONWEALTH BANK
- GRUBB & ELLIS
- THE HEINZ ENDOWMENTS
- MAHER DUESSEL, CPAS
- MICHAEL BAKER CORPORATION
- PNC BANK
- REED SMITH
- SELECTHR
- SOFFER ORGANIZATION/SOUTHSIDE WORKS
- SONY
- TEAM PA FOUNDATION
- URBAN DESIGN ASSOCIATES
- VPSI, INC.
In 2003, SPC Commissioners updated the blueprint for this foundation: the 2030 Transportation and Development Plan. The Plan is a collaborative product that coordinates the region’s major investments to enable Southwestern Pennsylvania to fully harness its assets in the global economy and realize its aspiration of being recognized as one of the best places in the world to live, work, play and invest.

A key aspect of the 2030 Transportation and Development Plan is that it reflects the expansion of the planning area since its last update in 1999 from eight to ten counties. Since 1998, the addition of Fayette, Greene, Indiana and Lawrence Counties represents a 58% increase in square miles within the area that are now being planned on a more coordinated basis.

SPC Commissioners were instrumental in directly overseeing the update of the 2030 Plan. Approved by SPC Commissioners in July 2003, the region’s 2030 Transportation and Development Plan outlines an integrated program of projects and actions that are guided by the principle that the

SPC is the forum where the region collaborates to create development strategy and to plan and prioritize major public investments in transportation. Members evaluate available resources and alternatives, and develop the most effective and realistic approach to building the foundation for our region’s future.

Transportation and Development Plan. Ten subcommittees of the Regional Policy Advisory Committee, each chaired by two Commission Members, were established to review and update specific elements of the Plan. In addition, Public Participation Panels (PPPs) hosted meetings in each of the ten counties. SPC Commissioners appoint the members of the PPP for their county to best represent the diverse population and varied interests of their citizens. The panels expand input by holding public meetings and providing feedback to the Commission.
relationship between economic development and the region’s transportation system is fundamental. This Plan focuses on achieving balanced, cost-effective growth and development by emphasizing investment in population centers with existing infrastructure. The Plan works to integrate economic development and transportation system priorities.

The goals and objectives defined by the members accomplish two things: 1) they form a framework of guiding principles for the other elements of the Plan, and 2) they articulate common aspirations of SPC’s members and partners for the future of the region.

use of growth corridors. The Plan builds upon existing infrastructure in three ways: 1) it identifies existing corridors that connect population centers; 2) it lists the transportation projects, the vast majority of which are planned in the corridors with existing population centers and established transportation networks; and 3) it identifies economic development projects, the vast majority of which are also planned within these corridors.

Faced with the significant constraints of reduced funding and state and federal mandates, SPC members worked cooperatively to produce the new Plan. “Finish What We Start” priority is first given to projects already well underway that are included in the Transportation Improvement Program (TIP) and the state’s 12-Year Plan for completion early in the 2030 Plan timeline. In addition to the above criteria, the state’s “80/20 Rule of Thumb” was applied to project selection, which mandates that transportation plans should generally apply 80% of available funds to capital maintenance of existing transportation infrastructure, and 20% to new construction.

The region’s 2030 Transportation and Development Plan represents SPC members’ continuing thrust towards integrating transportation and economic development plans into a complementary overall regional plan. As new plans are developed in response to new challenges and opportunities, SPC is committed to providing the region’s best forum for public decision-making on major investments for the future.
SPC members coordinate regional long-range transportation planning in their role as the Metropolitan Planning Organization (MPO). In 2003, SPC Members focused on coordinating the update of the region’s long-range transportation plan—the 2030 Transportation and Development Plan.

Through a collaborative process chaired by members, the region decided on a balanced, multimodal allocation of over 30 billion dollars of transportation investments and improvements.

The 2030 Plan outlines hundreds of projects needed to maintain an efficient regional transportation system, concentrating investment mostly in system maintenance and upgrades with a strong companion plan for support of public transit. The 2030 Plan is well balanced with a very significant commitment to maintaining quality multimodal improvements in existing communities throughout the region and to providing quality growth connectors to support job creation and regional economic competitiveness.

### PRIORITIZING PROJECTS

The Transportation Improvement Program (TIP) is the program that implements the long-range plan. The four year TIP contains the member governments’ top priority transportation projects to be advanced first.

#### A sample of TIP projects that progressed in 2003 include:

- Fort Pitt Bridge and Tunnel (Inbound)
- Fort Duquesne Blvd/Pkwy East Connector
- West End Circle Improvements
- US 60 Cargo Interchange
- Turnpike Connector/Route 228/I-79
- US 22/Blairsville Interchange
- 119 South (Indiana)
- I-79 Restoration
- Findlay Connector (Southern Beltway)
- US 22 Widening
- SR 28 Improvements
- East Busway Extension
In 2003, SPC members also began the process of developing the new TIP for 2005-2008. Workshops involved the counties' Public Participation Panels and meetings with other regional planning partners. Members focused on the difficult task of moving forward under the constraint of reduced revenue projections from the state. Projects emphasized were the most “ready-to-go” and critical to addressing both the significant maintenance needs and high-priority gaps and bottlenecks within the region's transportation system. The 2005-2008 TIP will be finalized and adopted in June 2004.

TRANSPORTATION MODELING FOR TESTING IMPACT

SPC’s state-of-the-art transportation modeling resources provide data to help the region make better decisions and prepare effective transportation plans, manage congestion and meet air quality standards.

2003 marked SPC’s fourth year of a multi-year effort to collect new information about different aspects of travel in Southwestern Pennsylvania. SPC Travel View is a multi-level data collection program developed to study regional travel patterns. Surveys of households, businesses, parking users, transit riders, truck drivers and other travelers are conducted to gather information on how, why and where people are traveling in the region. Data is also being collected in Fayette, Greene, Indiana and Lawrence Counties to reflect the expansion of the planning area.

Three major surveys progressed during 2003:

• The Household Travel Survey, which gathered and analyzed information about the travel patterns of households across the region
• The Workplace Travel Survey, which studied the travel patterns of personal and commercial vehicles related to the various types and sizes of workplaces across the region
• The Regional Parking Users Survey, which was designed to collect information from parking users to link population and employment data

CITIZEN PARTICIPATION

Public input is vital to effective transportation planning, and SPC has a long history of being proactive and innovative when it comes to involving citizens. SPC is committed to making planning information easy for anyone to access using a number of ways, such as public meetings, citizen panels, and our library, website, newsletters and e-newsletters. SPC has reinforced this commitment by becoming the first MPO in the country to make planning information available online in eight different languages using innovative instant translation technology.

SPC members can bring regional planning directly to their citizens through Public Participation Panels (PPPs) coordinated by SPC in each county. Panels are designed to generally reflect the demographics of the citizens in the counties. With the planning area expanding to ten counties, more citizens are now involved in regional planning. SPC prepared “On the Move... A Basic Guide to Transportation Planning,” a citizen guide developed for the PPPs in each of the ten counties to assist in gathering citizen input by using less-technical language to describe transportation planning.

Disseminating materials written in everyday language through citizen panels advances SPC’s environmental justice goals by helping more citizens understand how the planning process works and how they can be involved.

In 2003, the PPPs were actively gathering public input on the 2030 Transportation and Development Plan. PPPs also met in each county to collect public comment on the draft TIP in anticipation of the State Transportation Commission hearings held in September.
INNOVATIVE SOLUTIONS

SPC utilizes the Long Range Plan Early Options Analysis program (EOA) to develop strategies to improve the efficiency of the transportation system and reduce the need for costly investments in new public infrastructure. Through the EOA program, SPC addresses the unique needs of different transportation corridors by examining strategies to link land use and transportation. The 2030 Transportation and Development Plan identifies more than 25 areas where EOAs might identify candidate projects that could be included in future plan updates.

Regional studies are another important aspect of developing innovative solutions for the region’s transportation system deficiencies.

Indiana Multimodal Mobility Study

The goal of this study was to identify ways to preserve the effectiveness of the transportation system in the Indiana area while improving safety, maintaining the integrity of the community, and providing for future community growth. This study analyzed traffic circulation patterns, bicycle and pedestrian activity, transportation safety and land use planning, and developed a prioritized list of strategies to improve access and mobility in the Indiana area.

Strategic Regional Transit Visioning Study

Progress continued in 2003 on this study, also known as the “20/20 Transit Vision.” In partnership with SPC and the other regional transit operators, the Port Authority of Allegheny County engaged consultants to examine the region’s public transit network and the contributions transit can make to the quality of life and economic vitality of the region.

Eastern Corridor Transit Study

SPC, the Port Authority of Allegheny County and the Westmoreland County Transit Authority sponsored this study, which was completed in December. The goal of this study was to identify transportation needs and potential public transit improvements to support continued growth and satisfy mobility needs in eastern Allegheny and western Westmoreland Counties. Consultant recommendations include two commuter rail projects from downtown Pittsburgh to Westmoreland County, a new East Busway extension, and a study of a major new transit facility between downtown Pittsburgh and Oakland.

Airport Multimodal Corridor Study

Alternatives to enhance mobility in this economically significant corridor were recommended this past year, and include a rapid transit link to the airport and a major upgrade of the Parkway West. The North Shore Connector, a project that plans to extend the existing light rail system to link downtown Pittsburgh to the North Shore begins this link, and was recently recommended by the Federal Transit Administration (FTA) for full funding. This FTA designation makes the project eligible to receive up to 80% of its estimated cost of $363 million in federal funds. Study recommendations to improve the Parkway West (I-279) to increase efficiency, enhance connections to downtown Pittsburgh and Oakland and reduce the potential for traffic accidents will be considered for programming in upcoming TIPs as funding becomes available.

Upcoming Studies

Studies scheduled to begin soon include the Cranberry Area Transit Study, the LaBelle Area Transportation Study and the Route 19 Corridor Land Use Study.
NEW FTA FUNDS FOR REGION

SPC has been reporting regional commuting data for its Vanpool Program over the past few years to the National Transit Database (NTD), which aids in the federal allocation of FTA Section 5307 dollars to support transit-related projects. In 2002, SPC was first recognized as a recipient of 5307 funds, and in March 2003, SPC had its first approved FTA grant of $1.03 million to fund capital investments and planning for the CommuteInfo Program.

Eligibility to receive FTA 5307 funds will help SPC advance other regional initiatives, such as being the Grant Administrator/Project Manager of the Cranberry Area Transit Study.

COMMUTEINFO

The CommuteInfo ridesharing program helps people connect to jobs just about anywhere in the region, even when no other form of transportation is available. CommuteInfo promotes regional commuter ridesharing initiatives by reaching out to area employers, transit providers, professional organizations, and current and potential ride sharers. CommuteInfo is well on the way to demonstrating success, with more than 1900 commuters already enrolled across the region.

CommuteInfo partners with other agencies to offer a wide range of services to employers and commuters within the region, including a toll-free number (1-888-819-6110) for information and referrals, telecommuting resources, vanpool/carpool rider matching, transit/biking/walking resources and park and ride lot maps.

TRANSPORTATION ENHANCEMENTS PROGRAM (TEP)

The TEP funds projects that help create a more balanced transportation system, provide people with a richer transportation experience, and enhance their quality of life. Ten percent of federal Surface Transportation Program (STP) funds are dedicated to transportation enhancement projects. SPC’s continuing commitment to alternative modes of transportation, such as bicycle and pedestrian, are advanced in the TEP in addition to their integration into other studies and projects.

SPC Commissioners recommended 21 projects across the region for TEP funding. The breakdown of these projects includes 82% for pedestrian/bicycle trail projects, 10% for historic rehabilitation, 6% for transportation museums, and 2% for scenic beautification projects.

INTELLIGENT TRANSPORTATION SYSTEMS (ITS)

The innovative technologies of Intelligent Transportation Systems (ITS), when incorporated into the transportation system, help to promote efficiency, reduce congestion, enhance safety and improve overall system management.

In 2003, SPC completed the ITS element of the 2030 Transportation and Development Plan and supported technical activities through the Regional Advisory Panel to work with regional partners in developing Southwestern Pennsylvania’s Regional ITS Architecture. Program focuses include traffic signal improvements and transit technology enhancements as cost-effective uses of limited resources.
SPC combines management of community assistance, financial assistance, export and government procurement assistance, and special enterprise development activities with delivery of other state-related programs to help our region become increasingly competitive in national and global markets.

In 2003, the Planning and Development Department refined its strategies to maximize economic development benefits for SPC’s members and communities across the region.

In 2003, SPC coordinated the delivery of millions in grant and loan funds provided by the federal Economic Development Administration (EDA) and the Appalachian Regional Commission (ARC), or by the state Department of Community and Economic Development (DCED). These funds help create long-term employment opportunities, complete public projects with economic benefit, and promote collaborative, regionwide development strategies. Through these partnerships, SPC helps the region grow its tax base and enhance its quality of life.

### FEDERAL AND STATE PARTNERSHIPS

Using available economic development funds effectively requires a well planned, coordinated strategy for public investment to manage regional grant making, provide low interest loans, and deliver technical assistance to businesses.

In 2003, SPC coordinated the delivery of millions in grant and loan funds provided by the federal Economic Development Administration (EDA) and the Appalachian Regional Commission (ARC), or by the state Department of Community and Economic Development (DCED). These funds help create long-term employment opportunities, complete public projects with economic benefit, and promote collaborative, regionwide development strategies. Through these partnerships, SPC helps the region grow its tax base and enhance its quality of life.

### BUSINESS FINANCE

Securing the resources to create or expand businesses is a challenge for any community. SPC helps entrepreneurs create business opportunities by acting as a public partner to reduce risk for local lenders. SPC works with industrial development corporations and community-based development departments to create comprehensive loan packages that encourage economic investment in the region. Small businesses come to SPC to obtain low interest loans for working capital, machinery and equipment, or real estate to increase business and employment opportunities.

Currently, SPC’s loan portfolio contains more than 130 loans totaling a principal balance of $17 million and drawing on funds from 10 different state and federal business finance programs. Last year, SPC used these funds to leverage matching investments, resulting in 36 loans valued at a total of more than $20 million.

In 2003, SPC’s Business Finance program helped our members retain 734 jobs and create 308 new positions in the region.

SPC carefully reviews every business applying for assistance, analyzing 53 business plans over the past year. Where we spot cash-flow problems, as we did in 15 cases, our Business Renewal and Turnaround Assistance program can recommend solutions.
This program offers companies affordable access to experts who can help them with strategic and tactical planning, reorganizations, debt restructuring, and crisis management.

In 2003, SPC instituted a fee-sharing arrangement with many of our county partners. The loan fee is shared with our partners who meet with the prospective client, discuss the loan programs, assist the client in submitting an application, and work with SPC to complete the application process. This process keeps the overall program close to the member communities.

**PA BUSINESS RETENTION AND EXPANSION PROGRAM (PBREP)**
As the regional coordinator for the Commonwealth's Team Pennsylvania Business Retention and Expansion Program, SPC coordinates and facilitates the Business Calling Program for state government to directly address the needs of businesses in the region.

This government-to-business outreach program helps to enhance the state's business climate at the local level by connecting business owners with local economic development professionals. Through on-site meetings with business owners, SPC provides them with trend analysis and helps identify their business needs and concerns. A strategy using possible solutions incorporating regional economic development resources is created through a customer action plan (CAP). The perspectives of business owners in the region are formally collected and communicated for the development of future policies and programs.

In 2003, the Business Calling Program completed 871 calls—44 more than its goal of 827. Overall, the program grew by nearly 5%.

**GOVERNMENT PROCUREMENT ASSISTANCE**
SPC's Government Procurement Assistance program helps hundreds of smaller companies in the region learn about the process of doing business with the federal government. We especially focus on the contract process that enables small businesses to compete in the government marketplace.

By collaborating with other business development organizations in 2003, SPC was able to deliver greater service to individual businesses across the region.

SPC worked in cooperation with Indiana University of Pennsylvania and the Private Industry Council of Westmoreland/Fayette and shared in the Cooperative Agreement Grant.

This year the following organizations participated in our Government Procurement Assistance program:

- Department of Defense
- U.S. Small Business Administration
- Minority Purchasing Council
- Minority Business Opportunity Committee
- Military Affairs Council
- Pennsylvania Departments of General Services, Community and Economic Development, and Transportation
- Local Small Business Development Centers
- Department of Energy PSU Electro-Optics Center
Benefits to the region in 2003 included:

- Client businesses received 270 government contracts with a value of over $69 million
- 142 businesses received individual procurement assistance that increased their understanding of the dynamics of the government marketplace and the bid process to win government opportunities, and helped in matching their products and services with government needs
- Six businesses with no prior experience in government marketing began doing business with the federal government in 2003

EXPORT DEVELOPMENT

In spite of reduced funding in 2003, SPC’s Export Development program delivered all planned services to the regional business community. With the support of the Regional Export Network partners, 271 companies in the region received export assistance ranging from international market research, foreign government import regulations, market access strategies, business plan implementation and practical tools to help with every step of the export development process.

In 2003, SPC’s collaboration efforts with local partners in the Regional Export Network on behalf of its members brought accolades to the region from the state and many other agencies.

SPC enhanced its export assistance efforts this year to stimulate the regional economy. With the support of the Network team, we also:

- Co-sponsored 12 educational seminars for 190 business professionals
- Supported the Commonwealth’s 12 international trade shows, missions and conferences, which attracted over 60 companies
- Organized the annual Pennsylvania International Week (PIW) event, which resulted in nearly 85 meetings between attending companies and 15 Pennsylvania overseas contractors
- Supported two companies in our region who received the 2003 Governor’s Export Award: the Axon Corporation in Allegheny County and Performance Health of Westmoreland County
- Awarded Market Access Grants to 14 small companies in the region to attend international trade events, making them more competitive in the global marketplace

KEYSTONE OPPORTUNITY ZONES

SPC is the regional coordinator of the Commonwealth’s Keystone Opportunity Zone (KOZ) program, which encourages businesses and residents to locate in economically distressed areas by offering them a tax holiday until the expiration of the zone in 2010 or 2013.

Currently, SPC has identified 99 sites—almost 6000 acres—throughout the region where businesses can take advantage of local and state tax abatements to advance economic development and increase employment opportunities. In June of 2004, SPC will submit an application to DCED with approximately 800 additional acres of KOZ property.

A highlight of SPC’s KOZ program in 2003 was the opening of Duke Energy’s Fayette Power Plant. Fayette County was selected over five other national locations as the site for this project. This $400 million investment is the largest single private investment in Fayette County’s history. This plant will initially employ 20 full-time employees and will produce enough electricity to power 620,000 homes.
Construction of this facility employed 700 workers and brought millions of dollars into the local economy.

Regionwide results delivered by the KOZ program in 2003 included the establishment of ten new businesses (three in Pittsburgh, three in Fayette County, and one each in Armstrong, Greene, Washington and Westmoreland Counties) and the relocation of two businesses (one each in Allegheny and Indiana Counties). Over $699 million in public and private capital investments were made in KOZ sites and a total of 549 jobs were created.

MUNICIPAL TECHNICAL ASSISTANCE PROGRAM (MTAP)

SPC’s Municipal Technical Assistance Program (MTAP) provides training, tools and assistance in areas ranging from computer purchases to website development to municipalities throughout the region.

In 2003, SPC engaged in a special project to enhance regional connectivity and communication. The Website Development Project created and will host new websites for 18 municipalities in the region.

An E-Government training session was conducted for these municipalities with the Penn State Co-Operative Extension. These municipalities will also participate in a seminar to learn how to maintain and update their new websites, and will receive training on the DCED’s e-filing. All 18 new municipal websites will be completed in 2004.

Other MTAP highlights from 2003 include:

- Completion of a regional technology assessment survey of local governments
- Assistance with the purchase of 35 new computers at a substantial discount
- Training for over 100 municipal workers via our free, on-site computer training courses in Microsoft Excel, Microsoft Word, QuickBooks and ArcView
- Establishment of Internet service for 16 municipalities that were not currently on-line

TAX INCREMENT FINANCING (TIF)

To assist SPC’s member governments, the Community Assistance program has published and copyrighted a manual entitled “Financing Community Development and Revitalization: TIF, LERTA, and Other State and Federal Programs.”

Recognizing that the roles and responsibilities of local elected and appointed officials have evolved regarding community development and revitalization activities, SPC developed this manual from their perspective to help ensure a “level playing field” of knowledge to evaluate these techniques for community fiscal impact.

Sections of this handbook address: TIFs and an expanded role for local governments; a survey of the TIF law; application of TIFs to development models; a discussion of TIFs and public policy; and the role of public officials in the decision-making process. Other subjects include LERTA state-sponsored non-TIF financial resources for local governments and business, and non-TIF federal resources for business.

STORMWATER MANDATES

Over 300 municipalities in the region must comply with a new municipal separator storm sewer systems (MS4) mandate from the State Department of Environmental Protection (DEP) and Environmental Protection Agency (EPA).

In 2003, SPC’s Community Assistance program hosted five training sessions to assist municipal governments in the region that must comply with this new mandate, which established new permit requirements for discharges to surface waters from MS4s. Municipalities are required to implement and enforce a DEP-approved stormwater management
program designed to reduce the discharge of pollutants from their systems.

**SHARING EQUIPMENT**

SPC helps municipalities in the region take advantage of the considerable cost savings available by sharing equipment through membership in a federal shared equipment center. Located in Indiana County, it is one of only two such facilities in the country.

This center makes surplus heavy equipment and standard supplies available on a low-cost basis to member municipalities, state agencies and other qualified nonprofit organizations. The program enables small communities and nonprofits to make civic improvements that might otherwise be unaffordable.

In addition, a low-cost equipment operator training program is under consideration as the center’s next contribution to the region.

**REGIONAL DEVELOPMENT TEAM**

SPC launched an innovative pilot program in 2003 that was funded by The Benedum Foundation to encourage economic vitality through regional initiatives and rural business development. Program resources were targeted for specialized tasks crucial for implementing economic development projects.

Selection criteria included strong evidence of community support for a project, and consistency with a broader comprehensive plan or revitalization strategy. Grant award projects included:

- **Establishing a Microenterprise Center for entrepreneurs in Springhill Township, Greene County**
- **Developing a marketing approach for the Fayette County Business Park**
- **Developing the Springer Farm main house and property into a historic property destination in Fayette County**
- **Analyzing the former Atlas Cement site in Penn Hills, Allegheny County, and recommending for its re-use**

**RECOGNIZING EXCELLENCE**

The 2003-2004 winner of the Joseph A. James Memorial Award is Keith Robb, who recently retired from the Governor’s Center for Local Government Services.

The Joseph A. James Memorial Award recognizes a municipal government elected or appointed official in any local government, agency, or council of government for a lifetime of exemplary governance or management; improving professionalism in municipal government; making a significant contribution to municipal government services; providing an outstanding service or facility; or outstanding leadership in a local government cause.

**FARMERS MARKET ALLIANCE**

Today, “fresh” is the buzzword in advertisements for foods of all types and food safety is a growing concern. Farmers markets offer the real thing: truly fresh, safe products. A farmers market, like a shopping center, is a collection of independent vendors at a common site. Working together, farmers markets can achieve a level of recognition and do projects that they otherwise could not accomplish.

SPC continued its management role in 2003 in the Farmers Market Alliance as it implemented its second annual Action Plan. The Action Plan provides for a collaboratively defined and delivered set of services. These services reflect the markets’ real and current needs, while meeting the Action Plan’s overall objectives. In a region like Southwestern Pennsylvania, with exceptionally large areas of farmland, these markets could become models for connecting local resources with new market possibilities.
SPC strives to provide the highest level of technical support and expertise to our member governments in application development, needs assessments, implementation plans, and regional partnerships. The region’s data are especially vital to governments in implementing or revising their comprehensive plans, establishing inventories within public works, and identifying emergency or homeland security scenarios.

The region’s GIS is a tool used extensively for all transportation planning activities and studies underway in the region. Private and public economic development groups also use GIS to aid site selection activities for key projects within the counties and along key investment corridors.

UNIFIED GIS PROGRESS

SPC’s Unified GIS activities expanded in 2003. At a request from the Board, SPC hosted several training sessions on the latest GIS software for county and municipal staff. The training covered incorporating existing data and aerial photography with GIS applications, and showcased the numerous analysis capabilities of GIS. SPC also carried out the first ever Regional GIS Assessment in 2003. SPC partnered with Penn State’s Land Analysis Laboratory to provide technical assistance to the planning, tax administration, and emergency management offices within our member counties. Staff worked with each department to review current GIS programs and to discuss future GIS activities and opportunities. A final report was developed, which outlined the findings and made specific recommendations for the departments to advance GIS at the counties.

SPC continued work in 2003 to complete the development of regional orthophotographs. These high-resolution images were provided to the member governments for parcel rectification, land use analysis, and other important planning projects.

NATURAL INFRASTRUCTURE

In a joint partnership with the Pennsylvania Department of Conservation and Natural Resources, the Pennsylvania Environmental Council, and The Heinz Endowments, SPC is constructing a broad look at the natural infrastructure of Southwestern Pennsylvania.

By leveraging the GIS and data capabilities of SPC, the project sponsors are developing an important tool for planning across the region with a better understanding of where and how natural assets contribute to the region’s competitiveness. Not only will the Natural Infrastructure project provide a broad look across the counties, but local governments can also incorporate their own data to refine analysis and expand GIS capabilities within their community, ultimately leading to improved planning throughout the region and better targeted investments in support of the member’s plans.
EMPOWERING REGIONAL PLANNING

In 2003, SPC provided GIS data to assist Allegheny, Armstrong, Indiana, Washington and Westmoreland Counties develop Comprehensive Plans. Countywide collections of data were also provided to the Conservation Districts in Armstrong and Fayette Counties to assist their current agriculture and watershed programs.

SPC provided Geographic Information Systems (GIS) data and aerial photography for over 30 municipalities across the region involved in multi-municipal plans.

In 2003, SPC's GIS data and aerial photography assisted our member governments with other significant projects across the region, including:
- SR 60 Interstate Corridor Designation Study, Allegheny County
- Freeport Bridge Study, Armstrong County
- SR 351 Feasibility Study, Beaver County
- SR 228 Improvement Project, Butler County
- Connellsville Airport Environmental Studies, Fayette County
- Carlow College Master Plan, Pittsburgh
- California University MagLev Project, Washington County
- Laurel Valley Improvement Project, Westmoreland County

SPC also enhanced databases of the region’s stormwater watersheds and municipalities that require permits for municipal separate storm sewer systems (MS4). By merging GIS data for watersheds and municipalities, comprehensive data were used to identify where municipalities can share resources to meet compliance.

Regional MS4 Municipalities

CREATING A BROADER VIEW

When Governor Rendell asked for the major economic development projects in the region, SPC jumped to the task. We compiled a list of nearly 50 priority projects in the region and determined the total population and workforce within the service area of each project. Using specialized GIS programs, these service areas were identified by calculating 30-minute drive times from each project. These drive times were then used to calculate the potential workforce in the service areas.

When the Urban Land Institute came to Southwestern Pennsylvania to look at development opportunities within the Pittsburgh International Airport market area, SPC gave them a “bird’s-eye” view of the region without ever leaving the Regional Enterprise Tower.

Using GIS and aerial photography combined with the simulated flight capabilities of Xplorion Quest, SPC was able to show ULI staff these sites along with existing developments and infrastructure, locations of future transportation improvements, and site proximity to developments outside the corridor, downtown Pittsburgh and universities.
SPC’s administrative arm is the Southwestern Pennsylvania Corporation, a non-profit 501(c)(3) organization with a staff of 51. Its operations, based at the Regional Enterprise Tower in downtown Pittsburgh, are funded through a combination of federal and state grants, member contributions, in-kind service contributions and private foundations.

The Southwestern Pennsylvania Corporation’s resources are applied to three core functions: SPC’s daily administrative operations, management of the Regional Enterprise Tower, and agency Work Programs, which include numerous transportation technical planning and economic development studies and projects.

Federal and state government agencies are the largest sources of funding support for SPC. Excluding revenues associated with the Regional Enterprise Tower operations, SPC’s primary operating revenues totaled approximately $7.1 million in FY2003.

The ratio of income to expenditures for the Regional Enterprise Tower operations are keeping with financial projections per the five-year pro forma developed for the building. Cash flow projections have been positive.

The fiscal year for SPC runs from July 1 through June 30. The accompanying financial figures are those for the fiscal year ending June 30, 2003. The SPC financial records are kept on an accrual basis, and the summary figures shown here have been audited and accepted without qualification by Maher Duessel, an independent public accounting firm. In addition, SPC adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No 34, “Basic Financial Statements—Management’s Discussion and Analysis—for State and Local Governments.” This results in a change in the format and content of the basic financial statements being reported.

Regional Enterprise Tower
The SPC-owned, 31-story Regional Enterprise Tower continues to work towards its mission of providing a one-stop center for regional collaboration and economic development. As of June 30, 2003, tenant occupancy was at 87.14%. The building finances continue to be positive in relation to the building 1-year and 5-year business plans. SPC incurred a net operating loss of $1,266,142 for the RET during the current year, which includes depreciation expense of $1,832,278.

Special Thank You to Our 2003 Foundations
The following foundations and organizations have provided substantial support that helps make many of our programs possible. SPC is grateful to all who are involved with our programs. Thanks to all who have generously contributed time, money, goods and services to SPC.

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### REVENUES

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### REVENUES

![Chart showing revenue distribution]

### EXPENDITURES

![Chart showing expenditure distribution]