

Minutes of the Joint Meeting of the  
Southwestern Pennsylvania Corporation Board of Directors  
& Executive Committee  
Held at SPC Offices – Terminal Building & Cisco WebEx Meeting  
October 23, 2023  
3 p.m.

The three hundred seventy-eighth meeting of the Southwestern Pennsylvania Corporation Board of Directors and the one hundred ninety-eighth meeting of the Southwestern Pennsylvania Commission Executive Committee was called to order by Chairman Osche.

SPC Board Members present: Mike Belding, Pat Fabian, Rich Fitzgerald, Ed Gainey, Sherene Hess, Leslie Osche, Loretta Spielvogel, Vincent Valdes, and Vince Vicites.

SPC Executive Committee Members present were: Mike Belding, Pat Fabian, Rich Fitzgerald, Lynn Heckman, Sherene Hess, Larry Maggi, Leslie Osche, Johnna Pro, Larry Shifflet, Loretta Spielvogel, Vincent Valdes, and Vince Vicites.

Others: Tom Amadio, Beaver County Board of Commissioners; Darin Alvanio, Armstrong County Planning Department; David Lohr, Fayette County Board of Commissioners; Mark Rafail; Fayette County; Mark Gordon, Butler County Department of Planning and Development; Kim Geyer, Butler County Board of Commissioners; Aadil Ginwala, University of Pittsburgh; Ann Ogoreuc, Allegheny County Economic Development and Planning; Brandon Leach, PennDOT Central Office; Dusty Kirk, Reed Smith LLP; Chuck Kolling, Buchanan Ingersoll and Rooney; and Carrie Lewis DelRosso, Buchanan Ingersoll and Rooney.

Staff: Mary Brangan, Kirk Brethauer, Faith Collins, Ronda Craig, Dom D’Andrea, Linda Duffy, Lillie Gabreski, Chuck Imbrogno, Jennifer Lasser, Caitlin O’Connor, DJ Ryan, Mason Secreti, Ailisa Sobien, Josh Spano, Cathy Tulley, Sara Walfoort, and Andy Waple.

1. Call to Order

Chairman Osche welcomed members and called the meeting to order.

2. Action on Minutes of the August 28<sup>th</sup> Corporation Board of Directors and Commission Executive Committee Meeting

Action on the minutes of the August 28, 2023 meeting of the Board of Directors and the Executive Committee were approved on a motion by Commission Belding which was seconded by Mr. Fitzgerald. The affirmative vote was unanimous.

3. Public Comment – None.

4. Action on Board Resolution 13-23 to make Ailisa Sobien, Finance Director, as the Corporation’s Interim Secretary-Treasurer—Vince Valdes

A RESOLUTION OF THE DIRECTORS OF THE SOUTHWESTERN PENNSYLVANIA CORPORATION to elect the following Officer for the remainder of calendar year 2023.

WHEREAS, an Officer position, as Secretary-Treasurer, exists due to the departure of Margaret Fonner, who served in this position, as well as SPC’s Deputy Director of Operations.

WHEREAS, Ailisa Sobien, is SPC’s Finance Director.

NOW, THEREFORE, BE IT RESOLVED that the following person be and the same hereby is elected to serve as an Interim Officer of the Corporation from the date hereof until her successor is elected and qualified by the Board of Directors of the Corporation:

Ailisa Sobien, Interim Secretary-Treasurer

5. Financial Report—Ailisa Sobien

Ms. Sobien gave a brief overview of the budget.

FY 22-23 Budget:	\$24,003,761
Revenue and Expenses:	\$ 1,968,104
Percent of Budget:	8.0 %

6. Transportation Report—Dom D’Andrea

Mr. D’Andrea gave an updated Transportation Report.

2025-2028 TIP SCHEDULE

Fall 2023 (through end of this year)

- TIP Workgroup meetings (15) and project selection for Draft 2023-2026 TIP-Ongoing
- TA, CMAQ, and CRP Projects selected via competitive application processes-Ongoing
- Financial projections and guidance-Received
- First round PPP and Public Meetings for feedback-All Meetings scheduled

Winter 2023/2024

- Pre-Draft TIP completed and forwarded to PennDOT Central Office for review

Spring 2024

- PennDOT review; AQ Conformity & EJ Analysis; document preparations
- Smart Transportation Program project evaluation and selection
- 30 Day Public Comment Period-including 11 public meetings (May-June) and Comment/Response documentation
- 2025-2028 TIP adoption at June, 2024 Commission meeting
- Transportation Alternatives Set-Aside Programs (TA)
- SPC Congestion Management and Air Quality (CMAQ) Program
- SPC Carbon Reduction Program (CRP)
- Consolidation of the process for TA/CMAQ/CRP

SPC COMPETITIVE PROGRAMS

**32 final applications received**

- Traffic flow improvements (13)
- Trail improvements (7)
- Pedestrian/Bicycle improvements (6)
- Transit improvements (3)
- Park n Ride (1)
- Historic Preservation of Transportation Facility (1)
- Diesel Emissions Reduction/Alt. Fuels (1)

7. Strategic Initiatives Report—DJ Ryan

Mr. Ryan presented the Strategic Initiatives Report.

- Allegheny River Work Continues  
-STAR Group formed

- Rep. Reschenthaler working directly with USACE
- Sen. Casey working on WRDA
- Both initiatives will consult all federal electeds in SWPA

- Turtle Creek projects around the new EOS energy site
- Continue to monitor the USACE nuclear waste site in Armstrong County
- WRC team working with Three Rivers Waterkeeper on river pollution and debris sites, completed an initial survey last month.
- CPRG Work continues, first-round consultant selection interviews completed
- 3D Mapping Project for the rivers
- Complete streets policy revisions are almost complete and will be taken next to the Complete Streets working group for input
- AT/Bike counting wrapping up for the season with two counts at Pitt

8. Broadband Report—Andy Waple

Mr. Waple updated the Board/Executive Committee on the Broadband Report.

PBDA BEAD Five-Year Action Plan – Volume II

\$1.16B to PA through BEAD program (Broadband Equity, Access, and Deployment)

DEA (Digital Equity Act) \$60M formula

Includes elements such as the application process and requirements, scoring criteria, labor standards, workforce readiness requirements, MBE/WBE requirements, cost reduction strategies

- Includes critical components of PBDA’s plans for implementing BEAD grant funding, to ensure that all Pennsylvanians have access to high-speed internet
- Describes efforts that can be implemented to ensure Pennsylvania’s residents, businesses, and communities have equitable and affordable access to broadband service.
- Available for public review and comment for the required 30 days, **from October 16, 2023 through November 14, 2023**

Regional Digital Navigator Program Model

- To be submitted to NTIA by 12/27/2023
  - Provide the region a model program with a shared approach that offers a menu of options which can be tailored to individual counties or municipal partners
  - A regional brand carries more weight with potential users, sponsors, employers, and more.
  - Work is underway – complete by 5/30/24

**Program Elements:**

- **Program Roadmap** – Goals and objectives, outline and mapping of targeted populations, best practices, implementation timelines, funding opportunities and programs, etc. shared approach.
- **Asset Mapping and Partnership Development** – Inventory of community organizations and resources to determine ability and willingness to run and staff programs across the region
- **Curriculum Resources** – Inventory of existing, readily available materials best suited to the most common needs of our region’s population (based on feedback from partner input)
- **Program Evaluation and Reporting Templates** – Regional approach through standardized templates

**Marketing and Branding** – A centralized marketing plan and recognizable branding will help digital navigators across the region gain higher visibility and be readily associated as part of a single regional program. Centered around Southwestern Pennsylvania Connected platform.

9. Economic and Workforce Development Report—Jenn Lasser

Mr. Lasser gave an update on the Economic and Workforce Development Department.

BUSINESS ASSISTANCE PREP - EXPORT

- **Assistance Provided:**

37 Companies Assisted  
65 Counseling Sessions

• **Work Orders:**

13 Companies  
25 Overseas Work Orders  
17 Countries

**BUSINESS ASSISTANCE PREP – COMMERCIAL LENDING**

•**Assistance Provided**

- 32 Companies
- 51 Counseling Sessions

•**Loans Closed - 2**

- Tresky Family, LLC & Perryopolis Foods, Inc. dba Perryopolis Save-A-Lot – EDA RLF \$82,500
- Versa Vault LLC – EDA Cares - \$50,000

•**Loan Applications – 3**

- Ace Wire Spring & Form Co Inc – EDA Cares - \$335,851
- Ace Wire Spring & Form Co Inc. – Catalyst Connection MTLF - \$335,851
- Creekside Springs LLC – EDA RLF - \$100,000

-**Loan Amendments – 1**

- Demco Excavating, Inc. – Release of Collateral

**BUSINESS ASSISTANCE PREP – GOVERNMENT PROCUREMENT**

•**Assistance Provided**

- 4 Companies Assisted
- 16 Counseling Sessions

•**Contract Awards**

- 15 companies, 52 awards totaling \$3.25M

•**Events**

- SPC APEX Accelerator/HACP: Doing Business with Housing Authority of the City of Pittsburgh
- SPC APEX Accelerator: Introduction to Government Contracting
- SPC APEX ACCELERATOR/Pittsburgh Regional Transit: Disadvantaged Business Enterprise (DBE) Overview –
- Allegheny County DEI Open House – 2023
- Govology Training
- 

**COMMUNITY ECONOMIC TECHNICAL ASSISTANCE**

• **Keystone Opportunity Zones (KOZ)**

- Inquiries – 6
- Business Served – 1
- Applications - 4
- Business Improved – 1

• **Applications submitted – 2**

- SW PA PREP
- SW PA Engage

• **Reports submitted – 4**

- EDA GPRA Data Collection: ED-917 for EDA Cares Partner Planning
- ED-916: Semiannual Program Outputs Questionnaire – EDA Planning
- ED-918: Annual Capacity Outcomes Questionnaire – EDA Planning
- ARC RLF Final Report PA-7752-B and PA-7752-B-R1

• **Letters of Support - 4**

**GRANT TECHNICAL ASSISTANCE**

**ARC Technical Assistance**

- Provided Technical Assistance to – 18 Projects (Area Development/POWER/ARISE)

- ARISE still open (multi-state projects)
- Area Development – Rolling Deadline
- Local Access Road – Closed\*

#### **EDA Technical Assistance –**

- Economic Adjustment Assistance & Public Works Grants – **Open!**
- Re-Compete – Closed (October 5)
- Tech Hubs – Closed (August)

#### **SPOTLIGHT- COMMUNITY CAPACITY PROGRAM**

- Prior to March 2023: Jenn Lasser handling all DCED, ARC, ARPA, and EDA grant technical assistance for economic development funding
- Record amounts of funding in ARC and EDA – SPC at capacity for Econ. Dev. assistance
- SPC applied for a 2 year DCED/ARC grant application in December 2023 to provided funding for the ability to hire ARC grant technical assistance representatives, known as the “Community Capacity Program”
- Faith Collins promoted to Community Capacity Coordinator in March 2023
- Faith works with regional applicants on ARC Area Development, ARC INSPIRE, ARC POWER, ARC ARISE.
- Faith has more than tripled the amount of assistance we could provide applicants**

#### **COMMUNITY CAPACITY – ARC RELATED IMPACT TO THE REGION**

- 57 eligible applicants assisted
- A record 16 regional pre-applications submitted to DCED for ARC Area Development for August request
- Requested \$12,028,397.30 ARC for regional projects totaling \$24,743,934.55
- Community Capacity role has assisted with, hosted or will host several ARC-related conferences:
  - POWER conference: March 2023
  - ARISE conference: August 2023
  - INSPIRE conference: October 2023
- In addition to submitting pre-applications, the Community Capacity Program also includes:
  - 100+ hours of one-on-one counseling with grant applicants
  - 54 hours of training
  - 82 hours of outreach

#### **10. Update on Pennsylvania State Budget—Chuck Kolling, Buchanan Ingersoll Rooney**

##### **PA General Assembly session update**

- *The Senate and House returned to session in mid-September but not during the same weeks. There has been little progress in completing the remaining 2023-2024 state budget related legislation: the various code bills to permit budget line items to be spent including the fiscal, administrative, school and tax codes, the higher education non preferred legislation bills for Pitt, Penn State, Temple and Lincoln and various other budget issues.*
- *On August 3, 2023 Governor Shapiro signed HB 611 however State Budget Secretary Uri Monson told legislative leaders in August that he would not release roughly \$1.1 billion for a number of programs without additional legislation being approved by state lawmakers.*
- *On August 30, the Senate returned to session to consider a few pieces of legislation including two Fiscal Code bills which must be enacted to allow previous approved state budget appropriations to be allocated: HB 1300 and SB 757.*
- HB 1300 and SB 757 were sent to the PA House and the House adopted significant changes to HB 1300 as well as approved a Tax Code (HB 1219), Public School Code (HB 27) and a supplemental appropriations bill (HB 1456).

##### **The Tax Reform Code Bill includes the following provisions:**

- Combined Reporting: Implements combined reporting for the Corporate Net Income Tax (CNIT) by requiring a corporation that is a member of a unitary business consisting of two or more corporations

pursuant to a “water’s-edge basis” to file a combined annual report to the Department of Revenue beginning in tax year 2025. Effective for tax years beginning after December 31, 2024

- CNIT Rate Reduction: Reduces the CNIT rate to 4.99% based on the following schedule: - 7.99% for tax year 2023 - 6.99% for tax year 2024 - 5.99% for tax year 2025 - 4.99% for tax year 2026.
- Expansion of Net Operating Loss (NOL): Increases the NOL deduction for corporate taxpayers from the current 40% of taxable income to 80% of taxable income using the following schedule: - 50% of taxable income for tax year 2024 - 60% of taxable income for tax year 2025 - 70% of taxable income for tax year 2026 - 80% of taxable income for tax year 2027
- Qualified Manufacturing Innovation and Reinvestment Deduction: Lowers the minimum private capital investment from \$60 million to \$50 million and establishes new project completion requirements based on the total private capital investment of the project. The bill also allows taxpayers with at least \$50 million in private capital investment for a project entitled to a 25% deduction, where they can deduct up to 5% a year over the succeeding 10 years and creates a tax incentive for taxpayers to commit to more than two concurrent projects. Effective for tax years beginning after December 31, 2023

## GOVERNOR SHAPIRO’S ECONOMIC DEVELOPMENT PROPOSAL

Governor Josh Shapiro, Department of Community and Economic Development (DCED) Secretary Rick Siger, and Chief Transformation Officer Ben Kirshner, (newly created) Office of Transformation and Opportunity, announced the creation of the Commonwealth’s first comprehensive economic development strategy. Governor Shapiro and his Administration have been working to grow and reignite Pennsylvania’s economy. The strategy will be an assessment of the Commonwealth’s areas of strength and an analysis of barriers to growth, concrete goals and initiatives to guide policymaking and future investment decisions. The economic development strategy will articulate plans to address some of the following key elements:

- Simplifying the landscape of available programs and incentives available through DCED and growing a smaller set of essential tools that will be the most useful;
- Streamlining the process for businesses relocating or expanding in Pennsylvania, including through the work of the newly created Office of Transformation and Opportunity;
- Addressing the lack of “shovel ready” sites to attract new business to the Commonwealth and retain existing companies that require space to expand and grow;
- Doubling down on areas of strength in high-growth sectors like life sciences, agribusiness, manufacturing, technology and robotics, and energy, and providing targeted and focused support to these vital industries;
- Encouraging the creation, growth, and sustainability of small businesses in Pennsylvania;
- Supporting strong communities for businesses and workers through revitalizing and addressing the challenges facing Pennsylvania’s downtowns, Main Streets, and Elm Streets; and much more.

The Shapiro Administration began holding listening sessions with business and economic development leaders in every region of Pennsylvania during the creation of the strategy.

### **Potential Transportation Related Legislation on the State Legislative Agenda**

Distracted Driving/Cell Phone Legislation  
Transportation Design Build Legislation  
Local Bridge Trust Fund Creation  
P3 Funding Options for Counties

#### 11. Message from the Executive Director—Vince Valdes

Mr. Valdes stated how happy SPC is to host the meetings in their new facilities. He thanked Kirk Brethauer and his IT team on getting this conference area up and running. He also wanted to inform the Board/Executive Committee of a review of our IT assets and resources. SPC will be doing a review and

procurement of our IT resources through the On Call process. This will help improve the IT in our meeting rooms and SPC offices in general.

Reminder: Next Meeting Date – December 11, 2023

Commissioner Fabian moved to enter Executive Session. Commissioner Vicites seconded. The affirmative vote was unanimous.

### **Executive Session**

Commissioner Fabian moved to come out of Executive Session. Mr. Fitzgerald seconded. The affirmative vote was unanimous.

12. Corporation Board Action on Resolution 17-23 to approve one loan was unanimous.

13. Other SPC Business – Commissioner Leslie Osche

The traditional Annual Members Meeting will take place in January or February 2024 as a result of the upcoming election schedule. A specific date is TBD.

14. Adjourn

Respectfully submitted:

Ailisa Sobien  
Corporation, Secretary-Treasurer

Vincent Vicites  
Commission, Secretary-Treasurer