

Southwestern Pennsylvania Commission



Full Commission Meeting

February 24th, 2025



Opening Agenda Items

Welcome/Introductions and Call to Order

- Quorum
- Conflict of Interest Declarations on Action Items

Action on Minutes from December 16th, 2024 Meeting

- Note email vote on Res. 01-25

Public Comment



Executive Director's Report

Rich Fitzgerald, Executive Director

Agenda Item: 4



Executive Director's Report



- Joseph A. James Award
 - Award for a lifetime of excellence in Government
 - Presented by SPC and Local Government Academy
 - Presented on Monday 2/17 to Chris Blackwell, Planning Director at the Municipality of Penn Hills (Allegheny County)
 - Chris is retiring after 30 years with Penn Hills

Executive Director's Report

- Data Centers
 - Appointed Co-Chair of the AI Strike Team Advisory Committee for Southwestern Pennsylvania
 - Goal to attract data centers and downstream industries to SWPA
 - Working with County leadership to identify potential sites across the region
- BUILD Grant Application
 - SPC, Friends of the Riverfront, Oil Region Alliance
 - Met with Congressman Kelly and other officials in Titusville
- 2026 NFL Draft
 - Steelers and NFL want this to be a regional event

Transportation Report

Lillian Gabreski, Director of Transportation Planning

Agenda Item: 5



Action Item: Resolution 02-25 to approve and adopt the 2025 update of the CTP

Devon White, Manager of Transit Programs

Agenda Item: 6



Introductions

SPC Team

Devon White, Manager, Transit Programs

Russell Singer, Senior Transit Planner

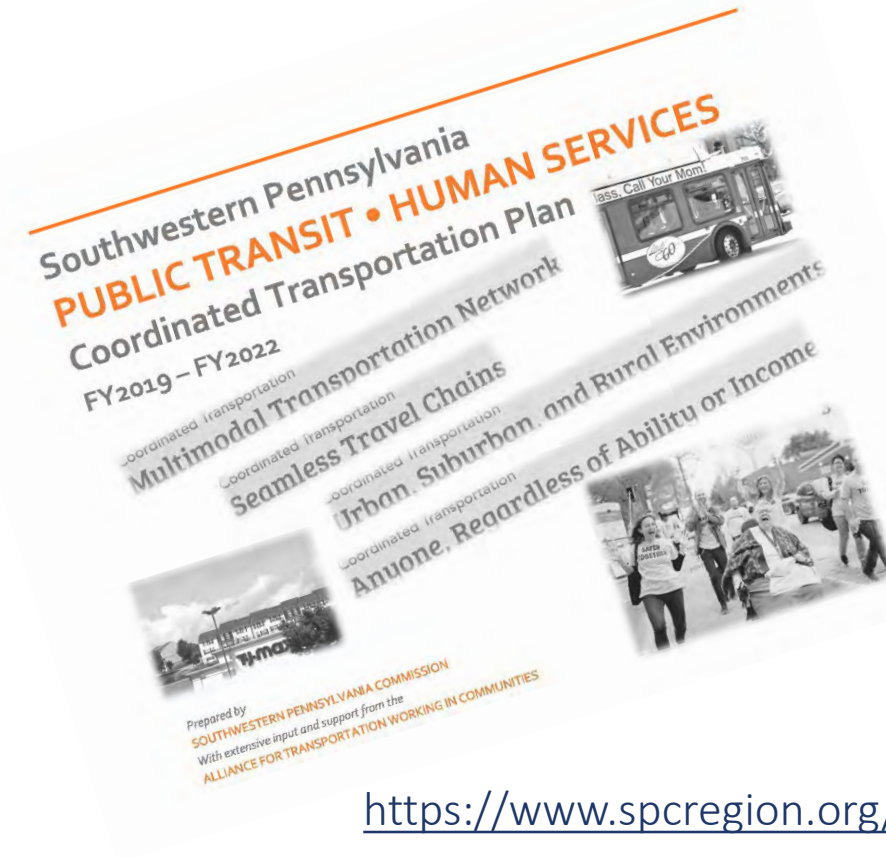
Consultant Team

Betsy Zang, McCormick Taylor

Toby Fauver, Rockland Planning

Also on Team – WSP and E. Holdings

Purpose of CTP Update



Federal transit law requires that projects selected for funding under the Enhanced Mobility for Individuals and Individuals with Disabilities Program (49 U.S.C. 5310) be "included in a locally developed, coordinated public transit-human services transportation plan."

<https://www.spcregion.org/wp-content/uploads/2019/10/CTPReport.pdf>

Purpose of CTP Update

Requirements

The plan be "developed and approved through a process that included participation by seniors, individuals with disabilities, representatives of public, private, and nonprofit transportation and human services providers and other members of the public" utilizing transportation services.

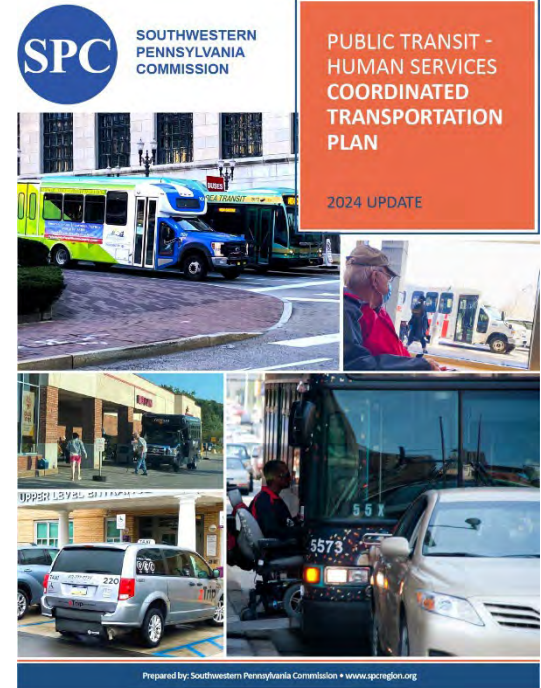
The coordinated plan should identify the transportation needs of individuals with disabilities, older adults, and people with low incomes, provide strategies for meeting these needs, and prioritize transportation services for funding and implementation.

Purpose of CTP Update

- SPC developed the region's initial plan in 2008, and updated in 2011, 2015, and most recently in 2019.
- The development of the update coincides with the update to the regional Long Range Transportation Plan (LRTP).
- The CTP is a requisite component of the LRTP.
- A lot of things have changed since 2019.
- SPC confirmed the Vision and Strategies and identified new needs and projects.

Coordinated Plan Update Overview

- Introduction
- Coordinated Transportation Plan Planning Process
- Core Beneficiaries of the CTP
- Transportation Today
- Public Outreach
- Assessment of Transportation Needs
- Strategies to Address Transportation Gaps
- Implementation



Coordinated Transportation Plan Planning Process

In February 2024, a Steering Committee was convened at the beginning of this plan's development. As part of the process, the study team and the Steering Committee established a vision for SPC's 2024 Coordinated Transportation Plan:

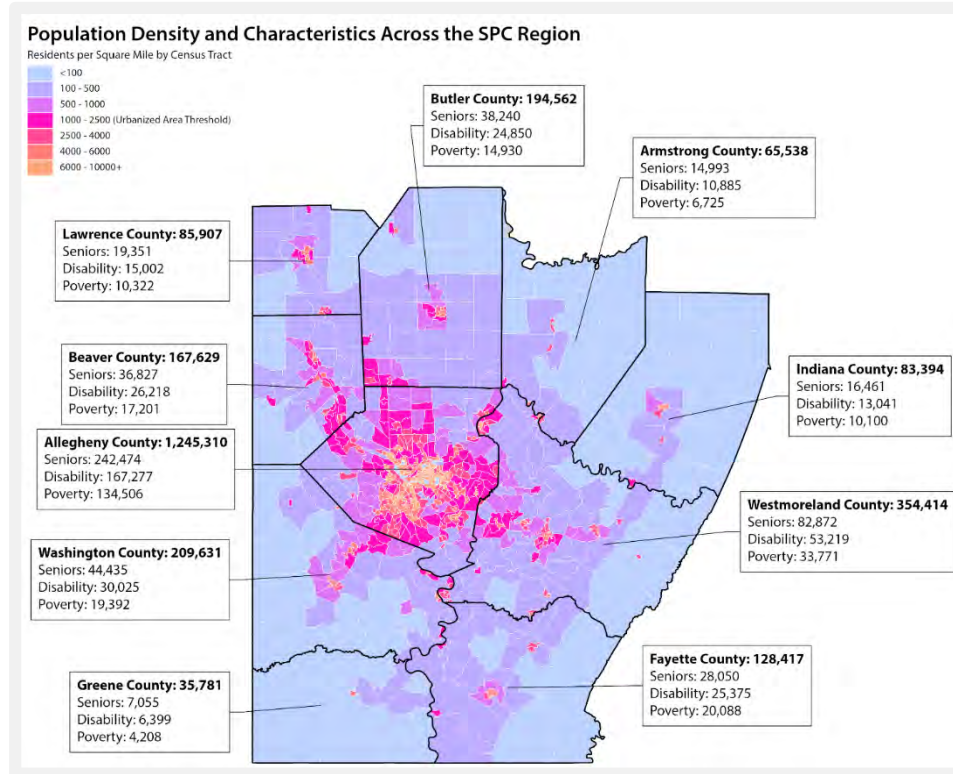
“A sustainable and equitable, multi-modal transportation network that effectively meets the daily transportation needs of Southwestern Pennsylvania Commission Region residents of all incomes, ages, and abilities by removing the barriers that those individuals face to meet their transportation needs.”

Coordinated Transportation Plan Planning Process

- The 2024 Update acknowledges the large planning framework included in the 2019 plan and that many of these strategies still apply to the Southwestern Region.
- The update also includes a brief summary of existing plans, studies, and reports that were new since 2019, that could be applicable to the Human Services Coordinated Transportation Plan.

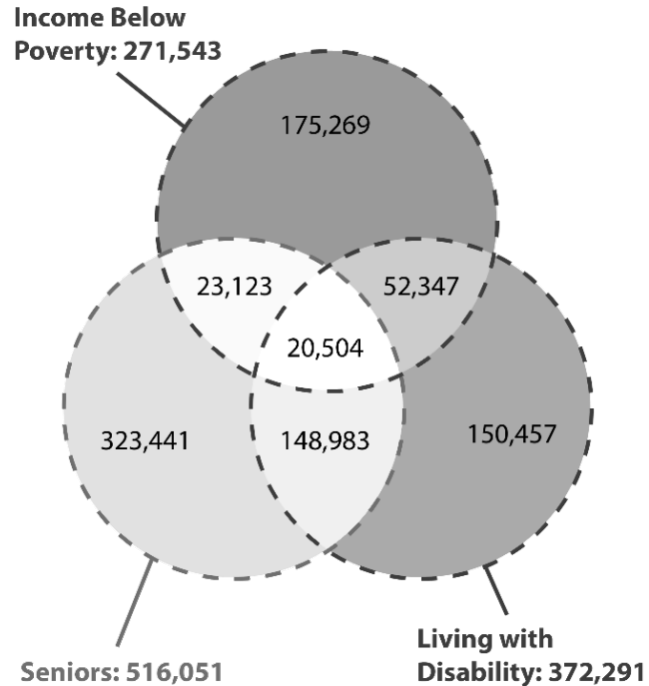
Core Beneficiaries of the CTP

SPC Region Overview



Core Beneficiaries of the CTP

SPC Region Overview



Core Beneficiaries of the CTP

SPC Region Overview

Population for Selected Characteristics, Total & Percent

County	Total	Seniors	With Disability	Below Poverty
United States	326,147,510	59,307,056 18.18%	41,941,456 12.86%	40,521,584 12.42%
Pennsylvania	12,582,123	2,434,405 19.35%	1,799,317 14.30%	1,482,439 11.78%
SPC Region	2,499,161	516,051 20.65%	372,291 14.90%	271,243 10.85%
Allegheny	1,211,057	235,264 19.43%	167,277 13.81%	134,506 11.11%
Armstrong	64,817	14,658 22.61%	10,885 16.79%	6,725 10.38%
Beaver	164,743	36,114 21.92%	26,218 15.91%	17,201 10.44%
Butler	189,288	37,224 19.67%	24,850 13.13%	14,930 7.89%
Fayette	123,982	27,180 21.92%	25,375 20.47%	20,088 16.20%
Greene	32,596	6,720 20.62%	6,399 19.63%	4,208 12.91%
Indiana	77,785	16,042 20.62%	13,041 16.77%	10,100 12.98%
Lawrence	83,592	18,717 22.39%	15,002 17.95%	10,322 12.35%
Washington	204,047	43,321 21.23%	30,025 14.71%	19,392 9.50%
Westmoreland	347,254	80,811 23.27%	53,219 15.33%	33,771 9.73%

Core Beneficiaries of the CTP

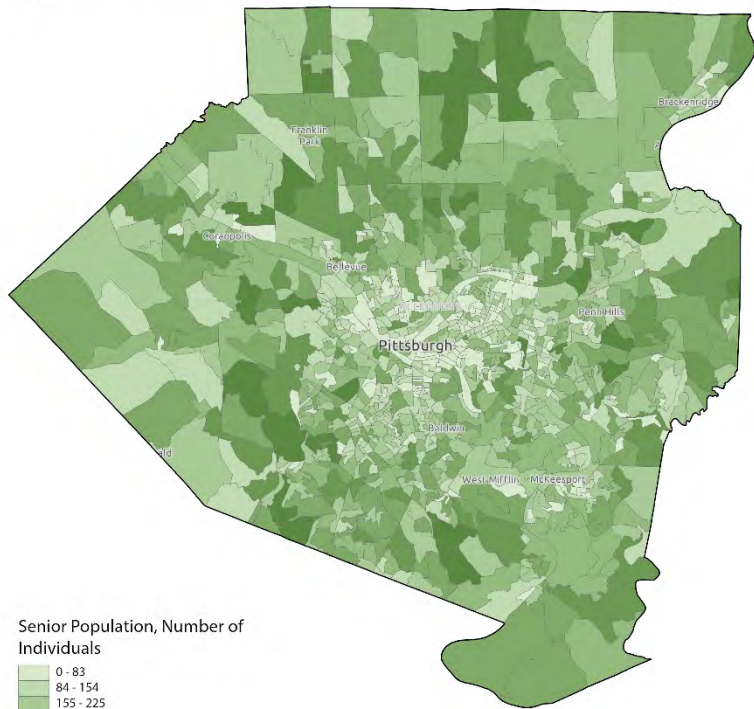
SPC Region Overview

Population Change Since Previous Plan (2017-2022)

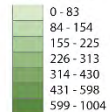
	Total	Seniors	With Disability	Below Poverty
SPC Region	0.40%	11.10%	3.10%	-1.30%
Allegheny	1.30%	11.60%	4.30%	-2.80%
Armstrong	-1.80%	9.40%	-13.60%	-0.40%
Beaver	-0.40%	9.70%	3.40%	-0.10%
Butler	4.90%	19.50%	12.60%	-3.30%
Fayette	-4.00%	7.40%	5.80%	-2.40%
Greene	-3.70%	7.80%	-9.10%	-4.00%
Indiana	-3.50%	8.30%	4.40%	-2.00%
Lawrence	-2.70%	6.50%	1.70%	-0.10%
Washington	0.70%	11.40%	0.10%	-0.70%
Westmoreland	-0.70%	10.00%	1.20%	-1.20%

Allegheny County

Senior Population by Census Block Group



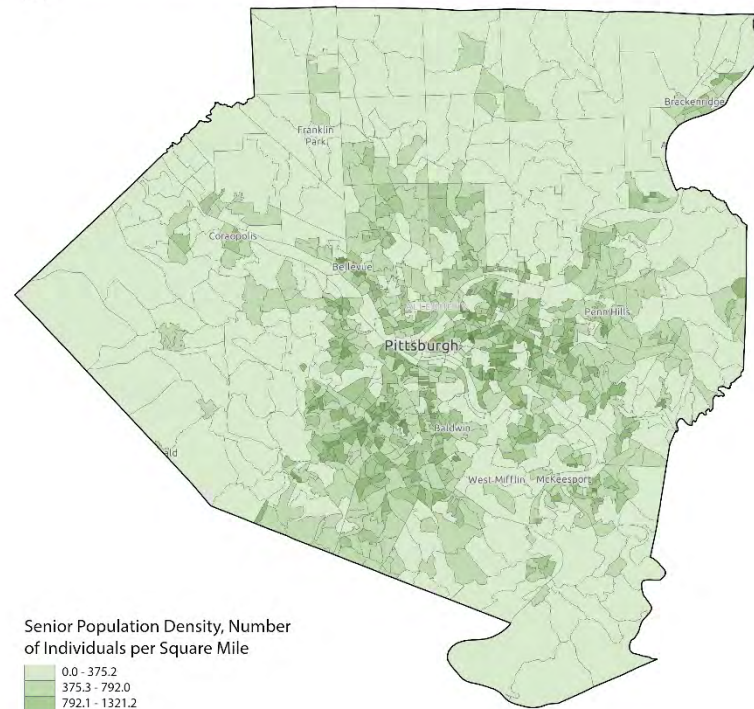
Senior Population, Number of Individuals



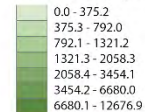
PSU Office of Physical Plant, data.pa.gov, Esri, TomTom, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, USFWS

Allegheny County

Senior Population Density by Census Block Group



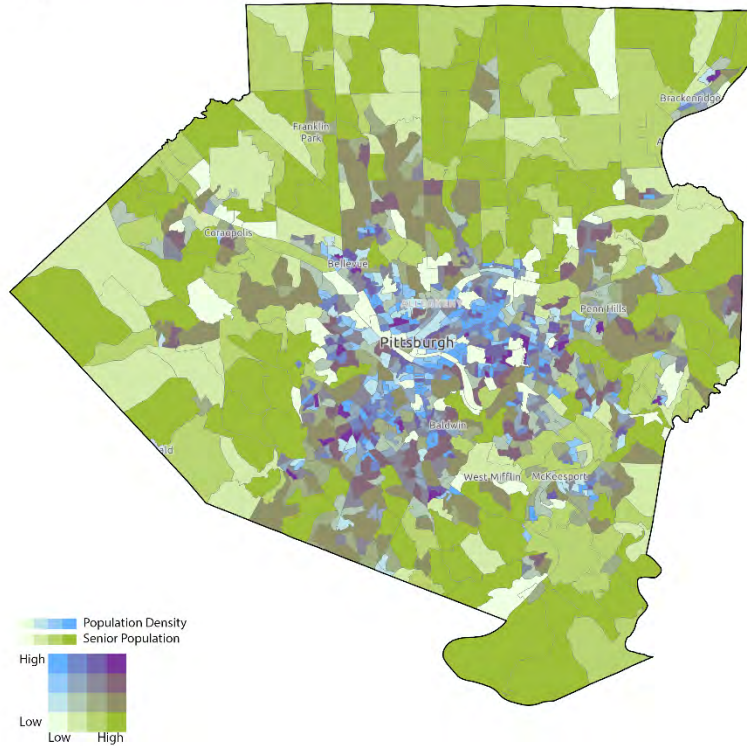
Senior Population Density, Number of Individuals per Square Mile



PSU Office of Physical Plant, data.pa.gov, Esri, TomTom, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, USFWS

Allegheny County

Senior Population Compared to Density by Census Block Group



PSU Office of Physical Plant, data.pa.gov, Esri, TomTom, Garmin, SafeGraph, FAO, METI/NASA, USGS, EPA, NPS, USFWS

Transportation Today

- Overview of the region's public transportation services, fixed route and non-fixed route transportation.
- Review of regional providers included in the Pennsylvania Public Transportation Annual Performance Report for state fiscal year 2022-23.

Public Outreach

- **Steering Committee:** Met February and July of 2024.
- **Public Survey:** The survey was open from May 14 to June 30, 2024, and the update team received over 1,700 responses to the survey.
- **Focus Groups:** Four organization-specific focus group meetings with:
 - a. County Departments of Human Services
 - b. Senior Citizens
 - c. Low-Income Populations
 - d. Disabled Populations
- **Presentations:** April (discussed Vision) and September (discussed Outreach) 2024 Transit Operator's Committee Meetings.



*Photograph 2 – Bike Pittsburgh's OpenStreetsPGH, SPC Booth
(Taken by: Murphy Moschetta)*

Assessment of Transportation Needs

The update includes a list that represents frequently mentioned needs/gaps/barriers that were gathered from public outreach and also identified evolving demographic shifts and population trends in the region that can be used to adjust service, infrastructure, and resource allocation.

Identified demographic shifts that would seem to indicate increased demand for services include:

- The counties of Armstrong, Beaver, Fayette, Lawrence, Washington, and Westmoreland all have senior populations close to or exceeding 22% of their total population. This is higher than the nationwide average of 17.7%.
- Since the previous plan there has been an 11.6% increase in the senior demographic overall in the ten-county SPC region. The total population remained near constant, with a total population change of less than half a percent during that time, indicating a regional demographic shift towards older residents. All counties saw similar growth in the 65+ demographic, mostly around 10%, with Butler County experiencing the highest increase of 19.5%.
- Since the previous plan there was an increase of 17.3% in seniors living below the poverty line.

Assessment of Transportation Needs

- Fayette and Greene counties show approximately 20% of the population living with a disability, notably 47.1% higher than the national average.
- Over the next five years the region is expected to see a 38% increase in the number of seniors entering the senior age group.
- In Fayette County 16.2% of the population is below poverty. Green, Indiana, and Lawrence Counties all have poverty rates around 13%.

Strategies to Address Transportation Gaps



Category 1: Coordinate Transportation Services & Resources

- Coordinate Transportation Services
- Share Resources
- Address Regulatory Barriers



Category 2: Mobility Strategies

- Improve Mobility Management
- Stabilize Existing Transportation Services
- Expand or Create New Transportation Services
- Enhance Accessibility & Equity



Category 3: Communication, Training, & Organizational Support

- Communicate with Partners
- Educate the Public on Transportation Options
- Improve Awareness of Existing Resources & Programs

Strategies to Address Transportation Gaps

Strategy	Need Addressed	Timeframe
Category 1: Coordinate Transportation Services and Resources		
<p>Annual SPC TOC human service transportation focused meeting – Designate one SPC Transit Operators Committee (TOC) meeting per year to discussing transit and multimodal issues, promoting regional coordination strategies, and planning for human service transportation needs. This committee can work to develop and share best practices among the transit agencies that can address needs and gaps identified in this plan.</p>	Efficiency and coordination	Near-term
<p>Improve coordination among information resources – Support the expansion of Find My Ride PA in the SPC region by supporting the marketing, promotion, and education efforts of Find My Ride PA Schedule. Prepare and share a transit services guide to all the human service, medical, and other resource providers in the region to help them understand and share information about transportation options.</p>	Information needs	Near-term
<p>Identify need gaps in underserved areas – Encourage transit agencies in the region to identify service coordination opportunities and, through improved communication among all providers, address disparities in service availability. Analyze user data and feedback to improve or develop missing connections between existing transit services and necessary destinations such as affordable housing, stores, medical facilities, etc. Explore coordination where services and schedules are integrated, fare structures are consistent, the fare payment instrument is the same across agencies, and marketing efforts are multi-agency and regionwide.</p>	Information needs/Efficiency and coordination	Mid-term
<p>Creation of Accessibility Guidelines - Generate accessibility guidelines for existing and new developments, rezoning, and transit friendly policies. Encourage creation of affordable accessible housing and place the issue of accessibility to transportation and human services at the inception of new and retrofit projects, recommendations might include architectural choices, land use/zoning guidance, parking/pick-up/drop-off requirements, incentive programs for access enhancements, etc. Encourage adoption and implementation of policies, standards, practices, and model ordinances outlined in the Building Better Bus Stops Resource Guide (PPTA and PennDOT, 2020).</p>	Information needs	Mid-term
<p>Coordinate partnerships and pool purchasing – Encourage partnerships to strengthen regional connectivity. Pooling funding between agencies to provide transportation services for compatible user populations and types of rides may help to relieve some funding strains while maintaining or increasing service levels. This could be particularly helpful for cross-county trips that might require transfers between operators. Agencies could also pursue cooperation on supplies, purchasing, training, facilities, etc.</p>	Efficiency and coordination	Mid-term
<p>Address broadband gaps as a transit issue - Encourage the deployment of tools and technology that can accurately track transit services and provide real time information to riders. Identify broadband internet and cellular service gaps where these technologies may not be available, alleviating these barriers to access for disadvantaged populations.</p>	Information needs/Efficiency and coordination	Long-term
<p>Work Closely with Managed Care Organizations (MCOs) and Regional Health Care Providers – SPC should work with the TOC and MCO's in the region to discuss transportation needs and opportunities to work together on human service issues.</p>	Efficiency and coordination	Near-term
<p>Identify match funds – Consider using other federal/state/local funds to match FTA and PennDOT funds. Coordinate grant-seeking activities among providers and participate in pilot projects funded by other agencies. Form a Task Force to build and develop support for traditional local match from counties and local governments as well as non-traditional local match including private donations, foundation support, and advertising revenue.</p>	Efficiency and coordination	Near-term

Implementation

- The very first Strategy in **Table 12** recommends that the SPC Transit Operators Committee designate at least one meeting per year to review implementation progress on the plan and develop actions to address the gaps identified in the plan or those identified in updates to the plan.
- It is critical that the providers and SPC work together to ensure that the prioritized strategies/actions for implementation be financially sustainable with measurable outcomes.

Table 13 – Example Action Plan

Strategy	Action(s)	Responsibility	Due Dates	Comments/Progress

Questions / Discussion



Action Item: Resolution 02-25

A Resolution to approve and adopt
the 2025 update of the
Southwestern Pennsylvania
Public Transit-Human Services Coordinated
Transportation Plan

Action Item: Resolution 03-25

to approve the submission of the Public Transit Agency Safety Plan (PTASP) for the Commuteinfo Regional Vanpool Program

*Anthony Hickton, Manager of Transportation
Demand Management*

Agenda Item: 7



PTASP

The Public Transportation Agency Safety Plans (PTASP) regulation ([49 CFR Part 673](#)) requires operators of public transportation systems that receive federal funds under the FTA [Urbanized Area Formula Grants \(Section 5307\)](#), and rail transit agencies subject to the FTA [State Safety Oversight \(SSO\)](#) program, to develop an Agency Safety Plan (ASP) that includes the processes and procedures to implement a Safety Management System (SMS). SMS is a comprehensive, collaborative, and systematic approach to managing safety.

SPC's CommuteInfo vanpooling program is funded by 5307 revenues. As such, it is necessary that we comply with the Code of Federal Regulations and present this plan for Board adoption annually.



PM1 Safety Measures Update

Evan Schoss, Manager of Operations & Safety

Agenda Item: 8



Safety Performance Measures

Performance requirements to carry out the HSIP Program-Safety Final Rule (5 year rolling average) include:

1. Number of Fatalities (all public roads)
2. Rate of Fatalities (all public roads-per 100 M VMT)
3. Number of Serious Injuries (all public roads)
4. Rate of Serious Injuries (all public roads-per 100 M VMT)
5. Number of non-motorized fatalities and non-motorized serious injuries (all public roads)

Performance Management-MPO Targets

Two options to establish targets

- MPOs can agree to support the State DOT target; OR
- MPOs can establish a numerical target specific to the MPO planning area for each of the 5 measures

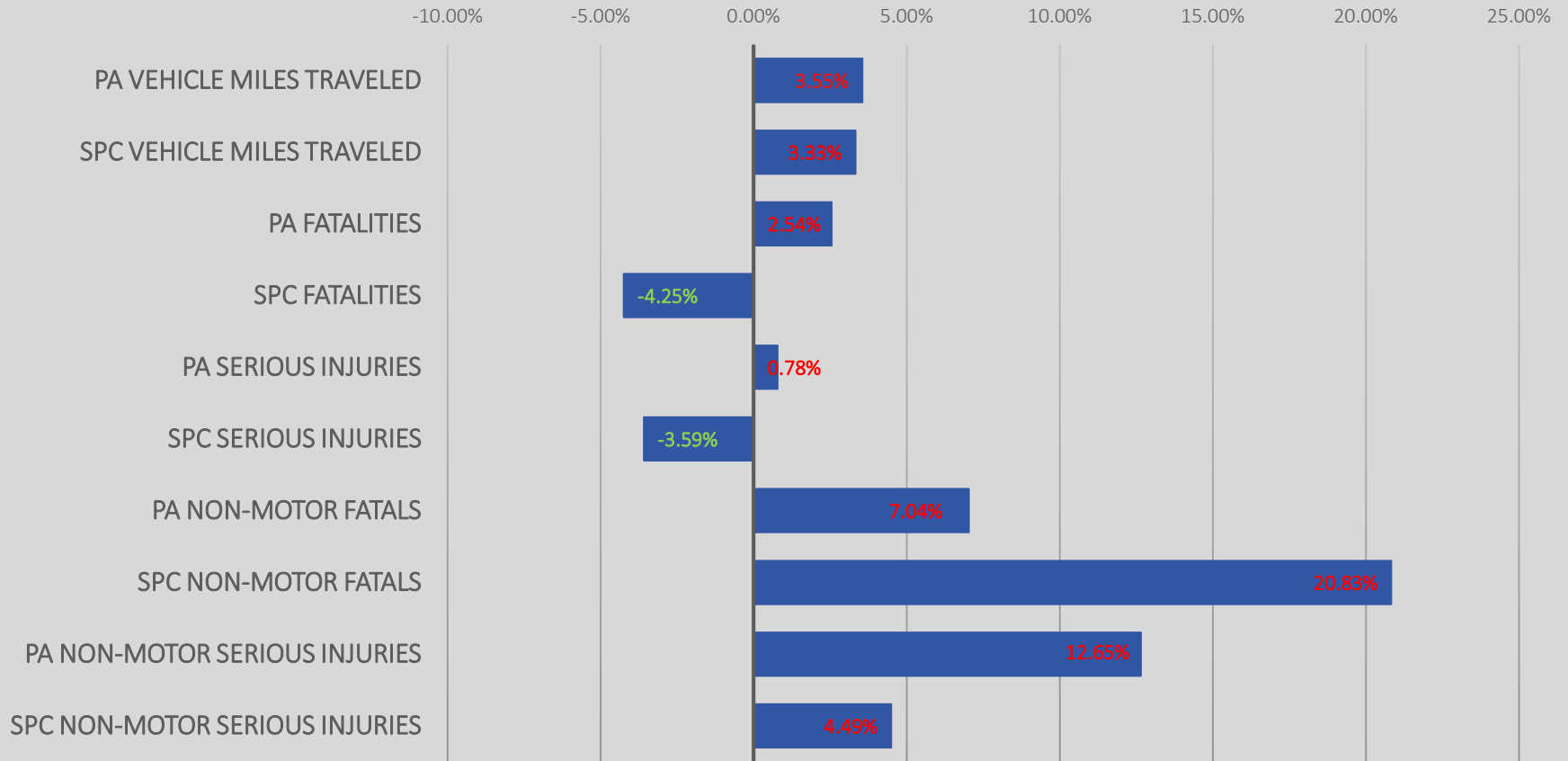


Considerations for Performance Goal

- PennDOT is asking us to continue to support a 2% annual reduction for fatality goals (no change from last year).
- PennDOT is asking us to continue to support a 0% reduction for serious injury goals (no change from last year)



2023 PERCENTAGE CHANGES VERSUS 2022



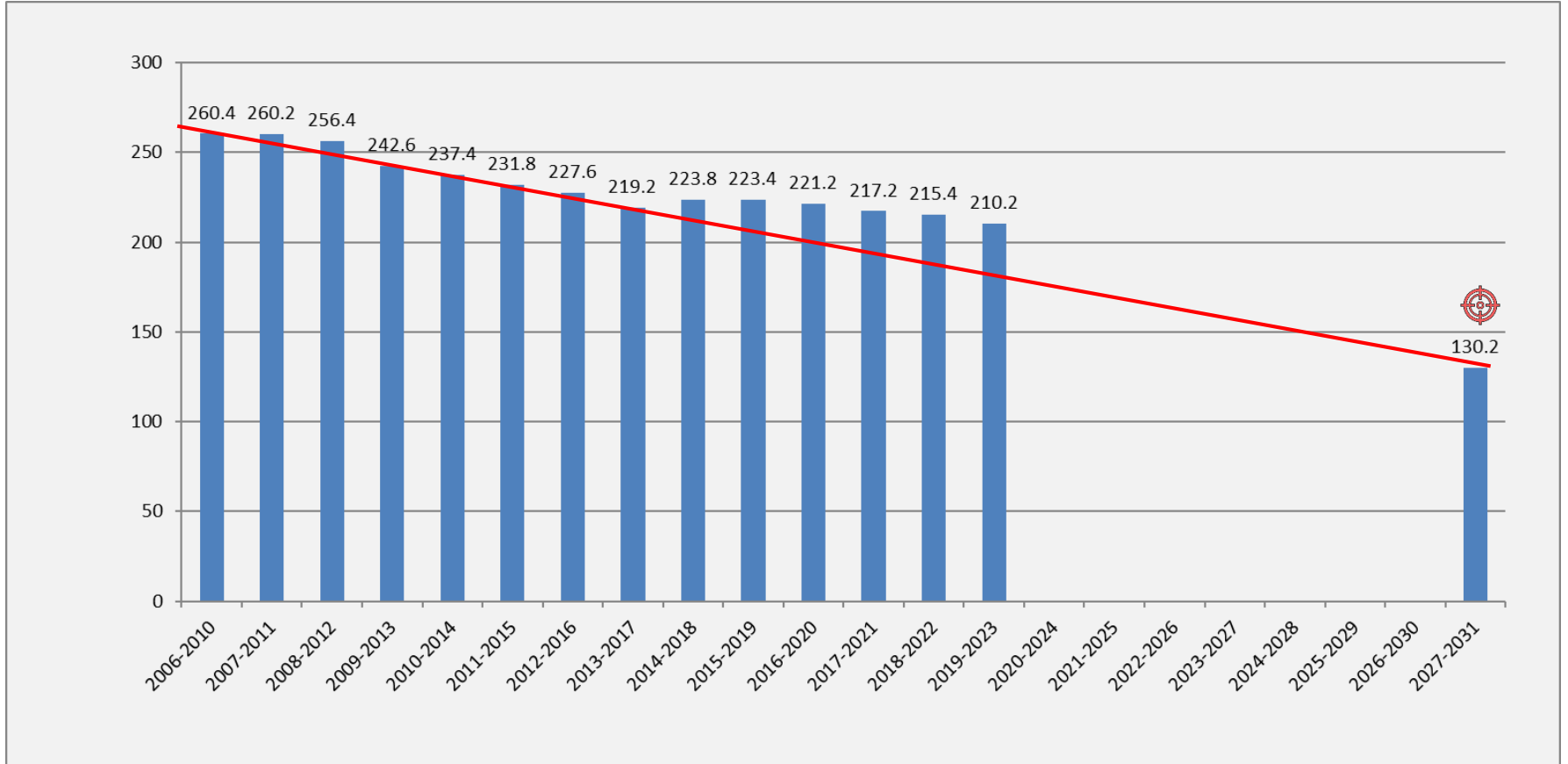
Performance Management – SPC



Measure/Year	2021	2022	2023	2024	2025	2021-2025 SPC Target
Fatalities	206	212	203	2% 198.94	2% 194.96	202.98
Serious Injuries	1041	974	939	0% 939	0% 939	966.4
Non-Motorized Fatals/Serious Injuries	131	113	122	121.42	120.8516	121.65432

31/100	24/89	29/93
--------	-------	-------

SPC Fatalities



Questions?

Evan Schoss

Manager, Transportation Operations and Safety Programs



Traffic Counting in SPC Region Update

*Cort McCombs, Manager of Data Acquisition,
GIS and Travel Monitoring*

Agenda Item: 9



What is HPMS?

- Developed in 1978.
- National level highway information system that includes data on the extent, condition, performance, use, and operating characteristics of the Nation's highways.
- Contains administrative and extent of system information on all public roads.
- A nationally unique source of highway system information that is made available to those in the transportation community for highway and transportation planning.



What is the purpose of HPMS?

- Support data-driven decision processes within FHWA, the DOT, and the Congress.
- Data is used in the analysis of highway system condition, performance, and investment needs that make up the biennial Condition and Performance Reports to Congress.
- Ultimately determines the scope and size of the Federal-aid Highway Program, as well as the level of Federal highway taxation.



How is SPC involved?

- Funded through SPC's Unified Planning Work Program (UPWP), with directives from PennDOT & FHWA.
- Since 1987.
- Over 5,000 unique sites and over 20,000 counts.



How does SPC count traffic?

- 348 counts assigned By PennDOT annually throughout the entire SPC region.
- Additional counts to support other SPC programs and initiatives as needed.
- March-November - Mon-Thurs Only – No Holidays
- Data collection methods:
 - Machine
 - Manually
 - AI Camera



Machine Counts

- Most common collection method
 - 24-hour data
 - Volume data
 - Classification data
 - 13 Classes (FHWA)



Machine Vehicle Classification

1 - Motorcycle



2 - Passenger Car



3 - Pick-up, SUV, Full Van, Limo



4 - Buses



5 - Truck: 2 Axle (6 tire, single unit)



6 - Truck: 3 Axle (single unit)



7 - Truck: 4 Axles (single unit)



8 - Truck: Single Trailer: 3 or 4 Axle



9 - Truck: Single Trailer: 5 Axle



10 - Truck: Single Trailer: 6+ Axles



11 - Truck: Multi-Trailer: 5 Axle



12 - Truck: Multi-Trailer: 6 Axle



13 - Truck: Multi-Trailer: 7+ Axles



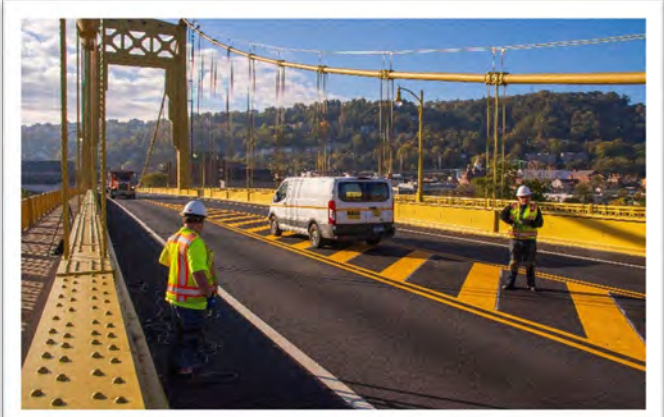
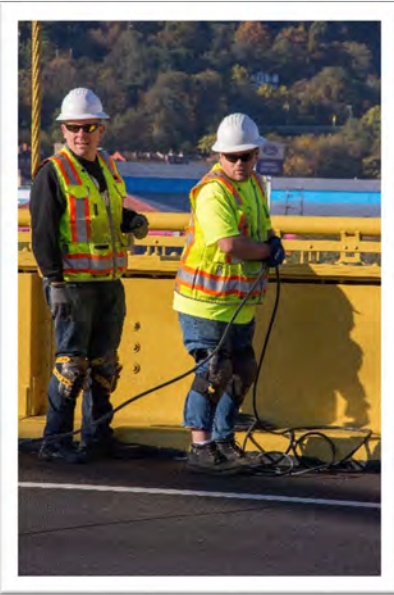
14 - None

15 - Other

Vehicle classification is designated by the Federal Highway Administration.

Document prepared by the Southwestern Pennsylvania Commission.

Machine Count Pictures



















Manual Counts

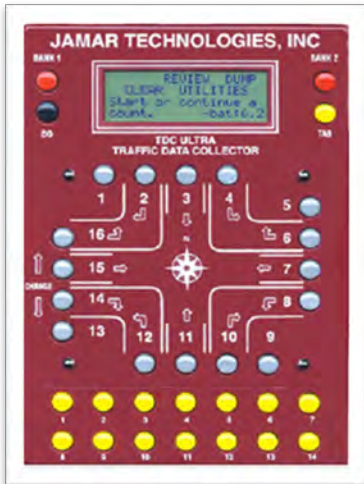
- Alternative collection method
 - 6-hour data
 - Noon-6pm
 - Classification data
 - 16 Classes (PennDOT)

Manual Vehicle Classification

FD-5034 (06/01)

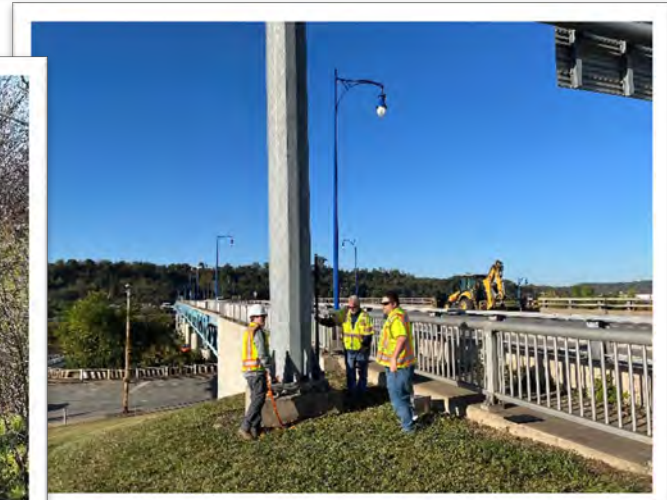
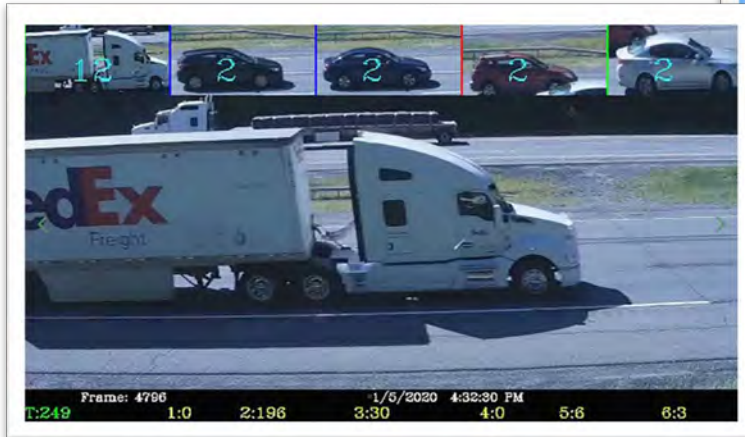
1 - Car, Mini-Van, Crossover 	2 - Motorcycle 	3 - Pick-up, SUV, Full Van, Limo 	4 - Truck: 2 Axle (single tires) 
5 - Truck: 2 Axle (Dual tires) 	6 - Truck: 3 Axle (single unit) 	7 - Truck: 4+ Axles (single unit) 	8 - Single Trailer: 3 Axle 
9 - Single Trailer: 4 Axle 	10 - Single Trailer: 5 Axle 	11 - Single Trailer: 6+ Axles 	12 - Multi-Trailer: 5 Axle 
13 - Multi-Trailer: 6 Axle 	14 - Multi-Trailer: 7+ Axles 	15 - Commercial Bus 	16 - School Bus 

Vehicle Classes defined by PennDOT Document prepared by Southwestern Pennsylvania Commission.



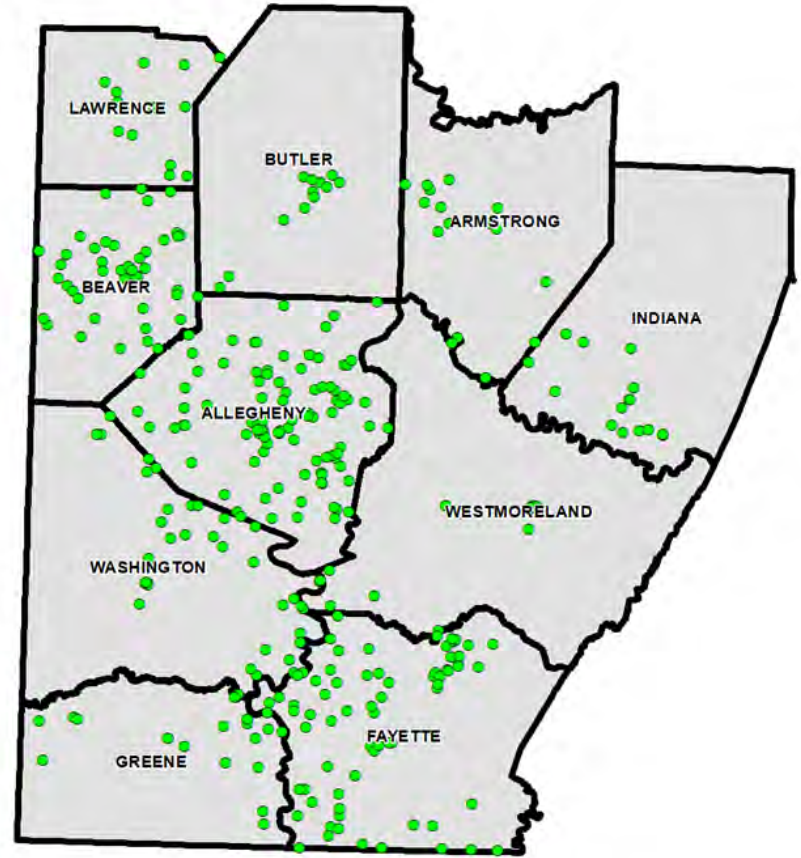
AI Camera

- Video-Based Traffic Counting and Classification
 - Purchased Fall 2023
 - Advantages:
 - Increases safety
 - Reduces manual counts
 - Provides more data, more accurately



2025 Traffic Count Season

- Commences March 3rd
- Ends November 20th
- 348 Locations



Traffic Count Data

- SPC Traffic Counts & Statistics App
 - SPC GIS Hub Website

Traffic Information Repository (TIRe)

TMS Site 2441: Traffic Monitoring Report

Location Description: Between 15th St & Rodney St

Details		Location		Map
Type of Count	VOLUME	County	INDIANA (32)	
Type of Site	Portable	Route	0286	
Schedule	1 TIME/YR	Segment	0750	
Duration	24 HRS	Offset	0250	
Frequency Cycle	03	Latitude	40.66231	
Cycle Year	02	Longitude	-79.01905	

Traffic Data

Timeframe: All Years Traffic Report Summary

Date	Volume	Truck Volume	Truck %	Volume Graph
Apr 13, 2022	7,438			
May 28, 2020*	6,224	575	9.2	
Jun 01, 2017	8,829			
May 23, 2012	8,428	751	8.9	
Aug 23, 2007	11,580			
May 21, 2002	8,919			
July 25, 1995	8,108			
Jun 21, 1988	6,051	718	11.9	

Note: Traffic volumes and classification breakdowns may be lower than normal due to the COVID-19 pandemic.

Note: Traffic volumes displayed above may not be comprehensive.

Traffic Counts and Statistics SPC Traffic Counts

Traffic Counts Legend:

- Green Circle: Current Class
- Blue Circle: Manual Count
- Red Circle: Manual Class
- Yellow Circle: Manual Volume

SPC Traffic Counts

The Southwestern Pennsylvania Commission (SPC) under the direction of the Federal Highway Administration (FHWA) and the Pennsylvania Department of Transportation (PennDOT), have been collecting volume and classification traffic count data on the region's roadway since 1987.

Each year, SPC programs its traffic counts under the **Business Performance, Monitoring System (BPM)**.

The **BPM** is a national, first highway administration system that collects data on the system, condition, performance, use and operating characteristics of the nation's highway. The **BPM** contains administrative and extent of system information on all public roads, other information on other characteristics is represented as **SPC** in a bank of network and target data for manual and collector facilities systems. Limited information on travel and period rates is included as necessary data for the best facilities systems.

SPC was developed in 1979 as a continuing database, replacing the special financial condition studies that had been conducted since 1967. The **SPC** has been modified several times since its inception. Changes have been made to reflect changes in the highway system, legislation, and national priorities, to reflect new technology, and to coordinate or coordinate reporting requirements.

SPC Traffic Counts

Volume and Classification Traffic Count Data

Annual Average Daily Traffic (AADT)

Year Volume of All Traffic (Volume) & Roadway Class (By Day)

Annual Average Daily Truck Traffic

- PennDOT Traffic Information Repository (TIRe)

Southwestern Pennsylvania Commission Traffic Count Program Traffic Volume Report

SR 286

Site Limits: **BETW 2ND ST/SR 403 & TAYLORVILLE RD/SR 1027**

Count Location: **BETW 2ND ST/SR 403 & DIAMONDVILLE RD**

Count Coordinates: 42.684528, -78.996136

County:	INDIANA	State Route:	286	Federal ID:
Municipality:	CHERRYHILL TOWNSHIP	Even Segment:	790	Fed Section:
Count Date:	Tuesday, July 2, 2024	Odd Segment:		Speed Limit:
Count Type:	MACHINE	CLASS	DIRECTIONAL	Direction:
				# of Lanes:
				2

	E	W	TOTAL
MID - 1 AM	18	10	28
1 AM - 2 AM	10	3	13
2 AM - 3 AM	9	14	23
3 AM - 4 AM	8	17	25
4 AM - 5 AM	7	49	56
5 AM - 6 AM	28	86	124
6 AM - 7 AM	30	148	178
7 AM - 8 AM	65	206	271
8 AM - 9 AM	65	150	215
9 AM - 10 AM	83	121	204
10 AM - 11 AM	96	151	247
11 AM - NOON	124	121	245
NOON - 1 PM	117	116	233
1 PM - 2 PM	150	132	282
2 PM - 3 PM	161	125	286
3 PM - 4 PM	220	123	343
4 PM - 5 PM	234	122	356
5 PM - 6 PM	212	110	322
6 PM - 7 PM	141	89	230
7 PM - 8 PM	98	61	159
8 PM - 9 PM	68	69	137
9 PM - 10 PM	46	41	87
10 PM - 11 PM	33	28	61
11 PM - MID	33	11	44
TOTAL	2954	2093	4147

2442

* This data represents a snapshot of a period in time that could be affected by many factors when determining the volume of traffic. SPC is not responsible for any omissions or errors in the data and makes no warranty with respect to its quality or usefulness for a particular purpose. The user assumes the responsibility as to its quality, performance, and application.

1/14/2025 For Questions Please Contact Curt McCombs at 412-381-5580 x3330 or cmccombs@spc.org

18770 SPC sr286

Thank You!
Any Questions?

Cort McCombs
Manager, Data Acquisition, GIS, & Travel Monitoring
cmccombs@spcregion.org



Transportation Department Plans

SPC Transportation Department
2025 Planning Initiatives

		2025											
		Q2 (FFY 25)			Q3 (FFY 25)			Q4 (FFY 25)			Q1 (FFY 26)		
		Jan 25	Feb 25	March 25	April 25	May 25	June 25	July 25	August 25	Sept 25	Oct 25	Nov 25	Dec 25
Plan Title	Survey Link												
NEVI Community Charging Feedback	Paused			PO			Submission						
Active Transportation Plan Update	Concluded	PO					C						
Human Services Coordinated Plan	Concluded		C										
Allegheny County Safety Action Plan	Link	PO	PO	PO					PO	PO	PO		Adoption
SPC Regional Safety Action Plan	Link		PO	PO	PO		C						

PO = Public Outreach
C = Commission Adoption

State Budget Update

Dj Ryan, Director of Strategic Initiatives and Policy

Agenda Item: 10





Southwestern Commission 2025-2026 Proposed State Budget Overview



Overview

Governor's 2025-2026 State Budget Proposal

Items of Interest to SPC

- Increase in Transportation Funding (transit, roads, bridges)
- Accelerating the CNI tax rate cuts
- Eliminate Delaware tax loophole
- Creates the new \$50 million PA Innovation Program
- Create the Pennsylvania Regional Economic Competitiveness Challenge
- Increase the Minimum wage to \$15 per hour

Overview

Governor's 2025-2026 State Budget Proposal

Items of Interest to SPC (con't)

- Streamlining tax credits for high paying job creation
- Increasing funding for the Marketing to Attract Businesses Program
- \$50 million to restore bad housing stock (replaces Whole Homes Repairs Program)
- \$10 million for first time home buyer grants
- Legalization of recreational marijuana, \$536 million generated
- Skill games legalized and taxed at a 52% rate, \$368 million generated

Transportation Funding

Public Transit Funding

- Currently, 7.68 percent of all Sales and Use Tax receipts are deposited into the Public Transportation Trust Fund. This budget builds on that investment by proposing to increase that transfer by an additional 1.75 percent
- This increase in available funding will inject an additional \$292.5 million into mass transit across the Commonwealth in 2025-26, growing to more than \$330 million in 2029-30

PA Roads and Bridges Funding

- The last two enacted budgets reduced reliance on the Motor License Fund to supplement the Pennsylvania State Police
- This budget continues to step down this reliance on Motor License Fund by \$50 million a year, until reliance is completely removed in 2029-30
- As a result, this cumulative step down will provide an additional \$750 million for road and bridge projects over the next five years

Transportation Funding (con't)

The Following Authorities in the SPC area will receive a 22% increase in state funding if Governor Shapiro's Transit funding proposal is enacted:

- Allegheny: Pittsburgh Regional Transit (PRT)
- Armstrong: Mid-County Transit Authority (Town and Country Transit)
- Beaver: Beaver County Transit Authority (BCTA)
- Butler: Butler Transit Authority (BTA)
- Fayette: Fayette Area Coordinated Transportation (FACT)
- Indiana: Indiana County Transit Authority (IndiGO)
- Lawrence: New Castle Area Transportation Authority (NCATA)
- Washington: County Transit Authority (WCTA/Freedom Transit)
- Westmoreland: County Transportation Authority (WCTA)
- Washington, Westmoreland: Mid Mon Valley Transit Authority (MMVTA)

Proposed State Tax Changes

- This budget cuts corporate taxes by nearly \$1.4 billion in 2025-2026 and by \$10.5 billion through 2029-2030
- Closes tax loopholes, in line with 28 other states, to create a level playing field among PA businesses
- Eliminates three separate business taxes for financial institutions to ensure equity with other businesses under CNIT umbrella:
 - Bank and Trust Company Shares Tax
 - Mutual Thrift Institutions Tax
 - Private Bank Tax
- Proposes to regulate and tax Skill Games and VGTs at the same rate, allowing 30,000 combined VGTs and Skill Game machines in the Commonwealth:
 - 47% of Gross Terminal Revenue (GTR) to the General Fund
 - 5% of GTR to the Lottery Fund

Economic Development, Job Creation and Innovation

PA Innovation Economy

- Creates the new \$50 million PA Innovation program – Includes a one-time \$30 million to spur life sciences job growth and innovation through coordination among research universities to assist businesses in bringing cutting edge technology to market. Provides \$20 million in annual funding to support large-scale innovation, match federal awards to mitigate risks for start-ups, and leverage Pennsylvania's best-in-class research and development assets
- Invests an additional \$13 million in agriculture innovation, to help support and attract new agricultural businesses
- Creates and launches the Pennsylvania Regional Economic Competitiveness Challenge – invests \$3.5 million to provide different regions with resources they need to plan and implement local economic development strategies

Business Attraction and Expansion through Business PA

- Reorganizes DCED to move at the speed of business, by consolidating resources to form the BusinessPA Team
- Increases Marketing to Attract Business by \$3 million to enhance site selection, business attraction marketing, and business retention
- Provides additional \$5 million in programmatic funding for the proven PA First program

Economic Development, Job Creation & Innovation (con't)

Reforming Tax Credits that Businesses Will Fully Utilize

- Converting the Local Resource Manufacturing Tax Credit Program to a Reliable Energy Investment Tax Credit – Up to \$100 million per year per facility for 3 years to help bring new, reliable energy sources onto the grid.
- Semiconductor Manufacturing, Biomedical Manufacturing and Research Tax Credit Program– Reduce investment requirement and lower the permanent jobs requirement
- Pennsylvania Milk Processing Tax Credit Program– Provide credits to projects that invest \$50 million or create 100 jobs in the production of Class I, II,III or IV dairy products using PA milk
- Regional Hydrogen Clean Hydrogen Tax Credit Program – Allow up to 7 regionally dispersed qualified taxpayers to claim up to \$7 million per year and lowers thresholds to qualify
- Sustainable Aviation Fuel – Utilize up to \$15 million per year for a taxpayer who makes a \$250 million capital investment and creates 400 jobs at a facility to produce sustainable aviation fuel (SAF)
- Create the new AdvancePA tax credit – A \$10 million flexible tax credit to secure important deals and incentivize high-paying jobs creation

Resource Evaluation and Mission Alignment Project (REMAP)

- This fiscal year, the Office of the Budget (OB) and the Governor's Policy Office (GPO) launched the Resource Evaluation and Mission Alignment Project (REMAP)
- REMAP is a data-driven initiative designed to evaluate programs for effectiveness and alignment with statutory mandates, strategic goals, and the department's mission
- The project seeks to ensure state resources are directed to programs that deliver measurable results and advance the Commonwealth's objectives
- OB and GPO partnered with three agencies to pilot the initiative in its first year – the Department of Community and Economic Development (DCED), the Department of Corrections (DOC), and the Pennsylvania Commission on Crime and Delinquency (PCCD)
- Through REMAP, agencies identified inefficiencies, program misalignments, and areas where cost savings could be realized. REMAP helps ensure taxpayer dollars are being used as effectively as possible and the resulting recommendations are incorporated in budgets for DCED, DOC, and PCCD in order to realign resources, improve efficiency, and enhance the Commonwealth's ability to achieve impactful long-term outcomes

Addressing Critical Housing Needs

- In September 2024, Governor Shapiro signed an Executive Order to create Pennsylvania's first comprehensive Housing Action Plan
- Provides \$50 million for DCED to restore the Commonwealth's housing stock
- \$10 million for First-Time Homebuyer Grants
- The 2024-25 budget nearly doubled the Pennsylvania Housing Affordability and Rehabilitation Enhancement (PHARE) program over the next few years. This budget proposes to further increase total funding to \$110 million by 2028-29
- \$1 million to the State Planning Board to assist in providing technical assistance to municipalities related to zoning and code enforcement
- Calls for legislative action to seal eviction records for Pennsylvanians

Legalizing Adult Use Cannabis

- The 2025-26 budget proposes the legalization of adult use cannabis effective July 1, 2025, with regulated sales within Pennsylvania beginning January 1, 2026.
- In addition to the immediate expungement of the records of those convicted for only a possession-related offense attributed to cannabis, the budget proposes to invest \$10 million in restorative justice initiatives from adult use cannabis proceeds
- The proposal also includes \$25 million to assist new small and small diverse businesses attempting to enter the new marketplace

Existing State Programs of Interest to SPC

- PA SITES: \$400 million over three years; 2024-2025 \$125 million, 2025-2026 \$175 million, 2026-2027 \$100 million. Rolling applications, first group currently being reviewed.
- DCED Multimodal Grants: 2024 awards yet to be announced (next Commonwealth Finance Committee meeting March 18), 2025 application period to open on March 1.
- Broadband Equity, Access and Deployment Program (BEAD): Application period open.



QUESTIONS?



Other Business

Agenda Item: 11



Next Meeting: April 28th, 2025

Agenda Item: 12



Adjourn

Agenda Item: 13

