ECONOMIC DEVELOPMENT PLAN

TODAY’S CONDITIONS

The County’s businesses and institutions form the core of southwestern Pennsylvania’s economy and have driven economic growth trends throughout the region. For nearly 150 years, the region had the luxury of a sizable core of well-paying manufacturing jobs. The concentration of heavy industries was such that it displaced the development of other industries. That lack of diversification did not serve the region well, as the industries long relied upon for economic stability declined rapidly.

Within a short period of time in the early 1980s, the long-term slow decline in the region’s manufacturing industries became a massive freefall. Over 142,000 manufacturing jobs were lost in the region from 1978 to 1998, and all but 11,000 were in durable goods industries, mainly primary metals. The concentrated job loss that the region experienced forced significant changes to all aspects of the regional economy.

Over the past two decades, the County’s economy has shifted away from heavy manufacturing to other industries. This transformation has resulted in a much more diversified economic base for the County that more closely matches national trends. Manufacturing remains an important sector of the County’s economy, but it is no longer the only significant generator of income.

The restructuring of Allegheny County’s economy is seen by examining industry shares of earnings and changes over time. In 1980, over 25% of all County earnings were generated from durable goods manufacturing industries, specifically steel and related sectors. By 2000, durable goods manufacturing had declined to less than 9% of County earnings. Over the same time frame, the services sector share of County earnings increased from 21% to 35%. The contribution of other major sectors stayed relatively the same.

Small businesses represent 99% of the County’s economic enterprises and employ more than 265,000 people.

According to the Pennsylvania Department of Labor, there were nearly 35,000 business establishments in Allegheny County in 2004, more than any other county in the state. Allegheny County’s business establishments comprise nearly 11% of the state’s total.

EMPLOYMENT GROWTH

In 2003, employment within Allegheny County reached almost 881,000, the highest employment in the County’s history. Still, employment growth continues to be slow. Recent job losses have occurred in sectors that depend on population growth – government, retail, construction, and transportation and warehousing.

The County’s population is projected to experience relatively modest growth over the next two decades. Employment and labor force projections mirror that trend.

Total employment today exceeds levels comparable to the period before the decline of manufacturing employment in the 1980s.

GENDER AND THE WORKFORCE

Historically, women in the region have had unusually low rates of participation in the workforce. But as the regional economy shifted away from heavy manufacturing industries, new job opportunities opened for women. The primary reason that employment and workforce participation levels
have been increasing in the County over the last 30 years – despite continuing population declines – is because more women have entered the workforce. This has been one of the most significant transformations in the regional and County workforce in recent decades.

It has only been recently that the County’s rate of female workforce participation has matched national levels.

Between 1971 and 2000, the number of men in the Allegheny County workforce decreased by nearly 18%, while the number of women in the workforce increased by almost 14% (see Figure 4C.1). By 2000, women had become 48% of Allegheny County’s total workforce, a rate is slightly higher than the national average of 46%.

Increased female labor force participation has not eliminated persistent wage disparities between genders. Women were concentrated in lower income earning levels in 2000.

Despite the increase of women in the workforce over the past several decades, men are still the higher wage earners. Figure 4C.2 shows that women in Allegheny County are concentrated in the lower income brackets while men outnumbered women in all of the higher income levels.

**HOUSEHOLD INCOME**

The restructuring of the Pittsburgh regional economy has also had a profound effect on household income levels (see Figure 4C.3). In 1970 and 1980, Allegheny County had a higher median household income than both the U.S. and Pennsylvania. In 1990 and 2000, median household income in the County fell below the median for both nation and state.

Within the County, the lowest household incomes are found in Pittsburgh, the Mon Valley and nearby river communities. The highest median household incomes are found in Fox Chapel, Sewickley Heights, Ben Avon Heights and Marshall (See Figure 4C.4).

For over 30 years, Allegheny County has lost ground in personal income growth in comparison to the region, Pennsylvania and the nation. Average wages in the County were 95% of U.S. average wages in 2003. On the other hand, Allegheny County maintains a concentration of relatively well-paying jobs and a moderately low poverty rate (11%), which contributes to it having a higher per capita income than the region, state or nation.

The lowest household incomes in the County are generally found in the older industrial communities.

**RACIAL DISPARITIES**

As 84% of the region’s African American population lives in Allegheny County, issues of racial disparity are concentrated within its borders.

One disparity that has not lessened over time is the workforce participation of African American men. African American men in Allegheny County have a significantly lower workforce participation rate than the rates for the White alone...
population or any other major race and ethnic group represented in the County. African American men age 16 and over had a workforce participation rate of 59% in 2000, compared to 70% for White males.

Low workforce participation rates for African American men are one component leading to the low household income level for African Americans (see Figure 4C.5). Median household income for African Americans was just over $22,000, or just 54% of the comparable median household income of nearly $41,000 for the White alone population. (Nationally, the median household income for African American men is 66% of that of Whites.)

African American poverty rates greatly impact their diet, health care, housing and child care options.

While the Pittsburgh region experienced a slight increase in the unemployment rate since 2000, the increase was greater for African American females compared to any other group. Among those adults able to work, the rise in unemployment for African American females was nearly 5% (versus 3% for African American males), whereas for White males and females unemployment rose less than 1% between 2001 and 2005, according to the University of Pittsburgh’s Center for Social and Urban Research.

A June 2007 report of the University of Pittsburgh’s Center on Race and Social Problems revealed that the quality of life of African Americans in the region is more difficult and disadvantaged when compared to national averages. The report, Pittsburgh’s Racial Demographics: Differences and Disparities, provides indicators of quality of life by race and ethnicity in the region. Data are provided for four groups
(Whites, African Americans, Asians and Hispanics) and for four geographic areas (City of Pittsburgh, Allegheny County, Pittsburgh Metropolitan Statistical Area and the U.S.).

The report found that:

- African Americans are four times more likely to be poor than Whites in Allegheny County.
- Poverty rates for African Americans are three times higher than rates for Whites in the Pittsburgh MSA and the nation; and 2.5 times higher than rates for Whites in the City of Pittsburgh.
- African Americans in Allegheny County have unemployment rates that are two or three times higher than that of Whites.
- Nearly 60% of working African Americans are employed in low-paying service or sales positions.

The report also found that Asian Americans have the highest median household income in the County, as they do in the region and nation.

**ECONOMIC SECTORS**

As the region’s employment center, Allegheny County attracts significant numbers of workers from not only Pennsylvania, but also Ohio and West Virginia (see Figure 4C.6). Commuting workers total over 143,000 in 2000, which is more than double the 60,000 commuters that traveled into the County for work in 1970. Commuters are attracted to career opportunities within health care, manufacturing, primary metals and educational services.

Health care and social assistance is the largest job sector in Allegheny County. In 2003, over 120,000 workers in Allegheny County were employed in this sector, which comprised 14% of...
The County has diversified dramatically over the last two decades and now boasts industry clusters such as Environmental Technology, Advanced Manufacturing and Life Sciences, along with emerging clusters such as Cybersecurity, Specialty Metals and Robotics.

As is true in many areas of the country, computer specialists are the fastest growing occupation in the County, growing by nearly 17,000 jobs between 1971 and 2000. The relative increase of almost 730% in computer specialists between those years was second only to personal and home care aides, which increased by over 910% during that period. Other fast growing occupations in the County include health care support, health diagnostics, lawyers and other health professionals and technicians.

Between 1999 and 2004, the rate of growth for science and engineering jobs in the Pittsburgh region exceeded most other major metropolitan regions in the country. The 6,000 new jobs in this sector pay an average of 50% more than the overall average wage for the region.

In 2004, the average annual wage for those employed in education, training, and library occupations in the region exceeded the U.S. average by 12%.

**ECONOMIC COMPETITIVENESS**

Economic competitiveness in a regional sense is broadly defined by an ability to attract new investment and other resources into a particular region. That new investment produces economic activity, which can then produce growth in jobs and wages. The competitiveness of the regional economy is reflected in many ways by its ability to export goods and services. Exports do not refer to foreign sales, but to sales to customers outside of the Pittsburgh region and would include other regions within the U.S.

Nearly 11% of the County’s employment is in the retail trade, the second largest job sector. Over 9% of County residents work for government, 8% work in professional and technical services, and nearly 7% work in finance and insurance.

**Figure 4C.6 – Commuting into Allegheny County, 2000**

the County’s employment. The County’s largest employer is UPMC Health Systems – over 26,000 work for the company.

**Occupational trends in the County now match many national trends.**
Export industries and the promotion of firms that produce for the regional export market are often the focus of economic development strategies, as net exports from the region increase regional income and employment. The traded sector (or export sector) includes most manufacturing and some service sector activities, such as education and research. The non-traded sector includes locally serving industries, such as construction, retail trade, real estate and food services.

Despite absolute losses in employment relative to other parts of the economy, manufacturing industries remain a significant part of the local economy and continue as the largest sources of regional export earnings. In 2005, the County’s manufacturing industries had an estimated product valued at over $23 billion. Of this, an estimated $15 billion of these products are sold outside the region (see Figure 4C.7). The primary metals industry remains the County’s largest generator of export sales – among manufacturing sub-sectors – at $2.1 billion in export sales in 2005.

Transportation and finance were the next largest generators of regional export earnings. Some sectors produce largely for the local market and have only a small portion of regional exports. Included are retail trade, local administration, and real estate activities. Other sectors generate more regional export dollars than local self-supply, including manufacturing, transportation and warehousing, and educational services.

**ECONOMIC DEVELOPMENT ZONES**

A number of tax-exempt districts have been specifically established to attract new business and new jobs. Significant investment within these districts may also generate additional development and reinvestment beyond their boundaries.

**Keystone Innovation Zones**

Keystone Innovation Zones (KIZs) are intended to foster innovation and create entrepreneurial opportunities to keep young, talented graduates in Pennsylvania. KIZs create ‘knowledge neighborhoods’ close to colleges, universities and research institutions that focus talent and resources in clusters, transforming communities into technology and business incubators. Entrepreneurs can find an unbroken chain of ready resources, including research and peer groups, entrepreneurial support, venture capital, and workforce and financial assistance. KIZs also create partnerships between educational institutions, local leaders, banks, businesses, investors and foundations that already exist in the community.

There are two KIZ areas in Allegheny County, both within the City of Pittsburgh:

- **Greater Oakland KIZ (GO KIZ)** – a partnership between the University of Pittsburgh and Carnegie Mellon University, concentrating in software engineering, computer-related technologies and medicine.
Pittsburgh Central KIZ (PC KIZ) – a partnership between Duquesne University and Robert Morris University, concentrating in digital media, cyber security, nanotechnology, pharmaceutics and compliance engineering.

KIZ status will allow eligible companies located within an innovation zone to apply for a pool of $25 million in tax credits.

Keystone Opportunity Zones

Keystone Opportunity Zones (KOZs) are economic development districts, created under the terms of Pennsylvania’s KOZ legislation, to revitalize depressed areas. These zones are defined, parcel-specific areas with tax-free or tax-abated provisions for property owners, residents and businesses. KOZs are partnerships between municipalities, state and local taxing bodies, school districts, economic development agencies and community-based organizations.

Allegheny County has 26 KOZ sites, 17 of which are in the City of Pittsburgh. The location of these KOZ sites can be found on Figure 4C.8:

- Allentown –eltzhoover
- California – Kirkbride
- Central Northside
- Duquesne-Cochrandale Redevelopment Site
- East Liberty (2 Sites)
- Garfield
- Glassport Recycled Resources
- Hazelwood (2 Sites)
- Hill District (2 Sites)
- Homewood (2 Sites)
- Larimer
- McKeesport Firth Sterling Redevelopment Site
- McKeesport Steel Foundry Redevelopment Site
- Mount Washington (South Hills High School)
- Neville Island Development Site
- Perrysville and Charles Streets (Perry South)
- RIDC Riverplace / Duquesne City Center
- RIDC Riverplace / McKeesport Industrial Center
- Rockpointe Business Airpark (West Deer)
- Tarentum-Bakerstown Redevelopment Site
- Uptown (2 sites)

Many Keystone Opportunity Zones are located in areas that are accessible to low-income populations.

RESEARCH AND TECHNOLOGY DEVELOPMENT

Allegheny County’s growing technology sector is a new and robust source of economic vitality. The County has been growing into one of the greatest research and development hubs in the country because it has the essential ingredients that make it possible: prestigious universities, prominent medical centers, companies in a number of technology clusters, national banking providing capital and highly educated employees.

According to the Pittsburgh Technology Council’s State of the Industry Report 2007, there were about 7,300 technology firms in 2005, representing nearly 11% of all companies in the 13-county region. These firms employed more than 207,000 people, accounting for 17.5% of the area’s overall workforce. The $10.8 billion total annual payroll of technology and related companies represents more than 24% of the region’s wages.

Many organizations are working to promote, develop and expand high-tech industry in the region.
New start-ups, especially the proliferation of university-developed technologies, are attracting local and national investors.

Supporting Research

- **The Collaborative Innovation Center** — was developed to create the optimal environment to serve the next generation of university-industry collaboration. The CIC is a four-story, 136,000-square-foot, dry-lab research facility built in 2005 to provide office and lab space for technology companies wishing to collaborate with Carnegie Mellon to create innovative new concepts and products for the marketplace.

The CIC is a partnership between Carnegie Mellon, the Carnegie Museums and local economic development organizations, and is funded with $8 million in Commonwealth of Pennsylvania tax support. It also represents the hub of Carnegie Mellon’s engagement in the KIZ program. The facility promotes regional economic development as Carnegie Mellon researchers work with industry to develop new technologies, business ventures, and jobs.

- **The Pittsburgh Regional Alliance** — globally markets southwestern Pennsylvania and targets cluster-specific industries to grow the regional economy.

- **The University Partnership of Pittsburgh** — is a joint economic development initiative between the University of Pittsburgh and Carnegie Mellon University that actively collaborates with and serves as a university liaison to a variety of economic development agencies in the region. The University Partnership actively targets and helps attract businesses focused in specific R&D areas that align with the research strengths at the universities.

**Technology Incubators**

The Pittsburgh region does have cluster-specific incubators providing support to young businesses trying to expand locally. Research facilities close to campus, like the Collaborative Innovation Center, provide space and access for corporate labs to interact with cutting edge university research.

*There are more than 170 research laboratories located here, and the County has more doctoral scientists and engineers per capita than Boston, Los Angeles or San Francisco.*

- **Pittsburgh Life Sciences Greenhouse** — is a focused facility designed to support very early-stage life science companies, as well as provide temporary space for life sciences companies relocating to southwestern Pennsylvania. The 17,000-square-foot space is on the...
fourth floor of the Bridgeside Point building located in the Pittsburgh Technology Center. Other tenants of the building include Cellomics, the University of Pittsburgh McGowan Institute for Regenerative Medicine and UPMC Health Systems.

- **The Technology Collaborative** – offers business incubation facilities, technical and managerial recruiting support and business assistance support. It is a newly formed economic development organization that is the direct result of merging the Pittsburgh Digital Green house and the Robotics Foundry. Its mission is to help increase Pennsylvania’s technology-based economy by developing collaborating industry clusters that leverage the region’s world-class assets in Advanced Electronics, Cyber Security and Robotics.

**Economic Development Organizations**

Allegheny County Economic Development (ACED) is the lead economic and residential development agency for Allegheny County. ACED provides a variety of services such as loan programs and site selection services in addition to sponsoring a variety of State and Federal funding programs. Detailed information about ACED programs is available at [http://economic.alleghenycounty.us/](http://economic.alleghenycounty.us/).

Other local economic development organizations in Allegheny County that provide training, funding, technical assistance, and general support for attracting and nurturing new businesses include the following entities:

- **Idea Foundry** – a nonprofit organization that supplies the critical ingredients to transform an entrepreneur’s business idea into a Pennsylvania-based, fundable start-up.

- **Innovation Works** – a state-sponsored organization working to seed technology companies in southwestern Pennsylvania and grow them to the point of being self-sustaining. Innovation Works provides risk capital, business expertise and other resources to high-potential companies with the greatest likelihood for regional economic impact.

- **Pennsylvania NanoMaterials Commercialization Center** – the goal of the Center is to establish southwestern Pennsylvania as an industry innovator/leader. As an industry and university collaboration, this new center will seek to award research funding to organizations that advance projects with strong commercial potential in NanoMaterials.

- **Pittsburgh Gateways Corporation** – a business accelerator with the mission of generating new business growth. Utilizing a proven process, Gateways partners with leading academic and research institutions to establish and develop centers of Technology and to effectively connect these institutions and Centers with industry. Its team also helps to commercialize technologies related to these centers and industry in various ways, including the creation of new businesses and the transfer and application of technology to existing companies.

- **Pittsburgh Technology Council** – a trade organization that advocates for issues affecting technology companies in the Pittsburgh region.

**Tech 21**

The County has nurtured the technology sector by spearheading the development of Tech 21 Research Park in Marshall Township, a $200 million complex envisioned as a magnet for technology firms – and the high-salaried jobs they bring. Tech 21 can accommodate 16 building parcels averaging 80,000 square feet each. The park will provide pad-ready sites as well as a number of ‘green’ features, including conservation areas, forested and landscaped buffer zones and open spaces.

Medrad Inc., a leading global provider of medical devices and services with annual revenue exceeding $300 million and over 1,400 employees worldwide, signed on as the initial tenant. In 2007 Medrad completed a 125,000-square-foot corporate headquarters building.

Long-term plans for Tech 21 include development of a hotel, two restaurants and a 120-unit multifamily residential community. At full development, Tech 21 is expected to create more than 4,000 jobs.

*In the past 30 years, more than 25,000 patents have been awarded to inventors in the region, according to the Pittsburgh Technology Council. That’s an average of more than three a day.*
Pittsburgh Tissue Engineering Initiative – the mission of PTEI is to improve the health of individuals by establishing the Pittsburgh region as an internationally recognized center of excellence in research, education and commercial development for the advancement of tissue-related medical therapies. PTEI recognizes that the best way to ensure regional success is to promote tissue engineering – and the broader field of regenerative medicine on a global scale.

The Electro-Optics Center – created in 1999 under a cooperative agreement with the Office of Naval Research and managed by Penn State University, The EOC promotes the development of electro-optic materials, components and systems needed to advance electro-optic science and technology for defense forces. EOC-sponsored programs include research and development, manufacturing process development and improvement and the active transfer of new and/or improved technology to its commercial partners.

Urban Redevelopment Authority of Pittsburgh – URA’s business-assistance efforts are coordinated by its Business Development Center, which provides an appealing variety of services for qualified city and neighborhood business organizations. These services include business financing programs, such as the Pittsburgh Business Growth Fund and the Urban Development Fund, tax-exempt financing for manufacturers and staff support for the Pittsburgh Economic and Industrial Development Corporation, which can provide Pennsylvania Industrial Development Authority (PIDA) loans.

Southwestern Pennsylvania Angel Network – Angel Investors are high-net worth individuals who have a demonstrated interest in early stage, private investments. Over the last 30 years nationwide, the cumulative investments made by angels have been double that of venture capitalists. The Southwest Pennsylvania Angel Network (SPAN) was created in November 2002 as a quarterly forum for angel investors to view a select number of Innovation Works’ highest-potential portfolio companies. In addition to providing a source of follow-on funding, the mission of SPAN is to keep the angel community invigorated and involved on an ongoing basis.

Pittsburgh Angel Venture Fair – Now in its second year, the Fair provides angel investors an occasion to explore the region’s most exciting and promising technology start-ups in one room, in one day. It provides a forum to give angel investors and financial advisors an opportunity to meet and evaluate select and highly qualified entrepreneurs and candidate start-up companies for pre-seed or early-stage investment.

The results of all these efforts are yielding big dividends. In 2006 alone, new companies attracted $230 million in investment dollars, giving the region the largest growth in venture capital investment of any area in the country.

ISSUES AND ANALYSIS

This section examines issues that affect the County’s plans for economic revitalization and growth.

KEY CHALLENGES

In developing the Economic Development Plan, the Economic Development Resource Panel helped to identify these key challenges:

- Slow employment growth
- Increased tax burden in older communities
- Need for better access to jobs
- Lack of jobs to retain graduating students
- Complex development approval process
- Targeting subsidies

Venture Capital

Seed, start-up, or early-stage venture capital is typically sought by new or small firms that have an innovative product with high earnings potential to develop and/or market. More than half of all venture capital investments are made within high technology-related industries.

The County has three venture or risk capital programs:

- 3 Rivers Venture Fair – provides a forum for the region’s technology companies to interface with investors and financiers from throughout the northeastern U.S.
The following provides an understanding of these issues.

**SLOW EMPLOYMENT GROWTH**

Employment growth in Allegheny County has been and is projected to remain at a slow pace over the next few years. However, the County’s economy is expected to expand in the coming decades. Pittsburgh Regional Economic Model (REMI) projects the total Gross Regional Product (GRP) will grow from $68 billion in 2005 to $127 billion by 2030, a growth of 87%. Total Regional Output, the equivalent of total sales, will increase by 83% to over $200 billion by 2030.

According to the University of Pittsburgh’s Center for Social and Urban Research, over the coming decade employment growth is projected to be relatively flat and then is expected to experience moderate growth after 2015. Specifically, employment in the County is projected to increase by 15% between 2005 and 2030, or 0.6% per year. By 2030, County employment is expected to exceed 1 million.

The employment forecast shows that the gains in employment over the next decades will be concentrated in service sectors. The largest employment gains to 2025 are projected to occur in the health care and social assistance sector, continuing the longer term trend of growth in that sector. Similarly, most of the employment gains to 2025 will occur in other service sectors, including educational services, administrative and waste services, and professional and technical services. In nonservice sectors, construction, as well as transportation and warehousing, are projected to add jobs through 2025.

On the other hand, several sectors are projected to lose jobs over the next two decades, including wholesale and retail trade, and manufacturing. The largest employment losses are expected in the retail trade sector, due to productivity gains (such as through automation) over the next two decades, coupled with slow population growth.

Continuing demographic shifts in the region will prolong a dampening of overall employment growth. This is due to two factors, which together impact labor demand in local service and retail industries:

- The elderly population is declining, lessening the demand for social and medical services
- Low or negative natural population change

Health care, which is projected to reach nearly 195,000 workers by 2025 and 215,000 workers by 2030, will remain the largest job sector. Education will grow to nearly 66,000 jobs in the County by 2025. Manufacturing employment in the County is projected to total just over 43,000 by 2025.

The County’s economy will continue its transition as local industries shift away from heavy manufacturing with growth in multiple industries. This economic transition may become a perpetual state as local industries continue to adapt to changing market conditions. In recent years, a number of economic specializations have emerged, a mark of resilience and recovery.

As long ago as 1960, a regional economist at the University of Pittsburgh, Ben Chinitz, suggested that the massively specialized nature of the Pittsburgh economy, not only in terms of the small numbers of industries represented in the region, but also the large size and narrow ownership structure of local firms, set Pittsburgh apart from other places.

Eventually, the lack of diversity hampered the development of entrepreneurial activity in the region. Without a wide range of industries to form the initial markets for potentially new products, it was difficult for an entrepreneur to succeed. Today, the issue of making the region competitive in terms of its ability to foster entrepreneurial activity is at the forefront of economic development.

**INCREASED TAX BURDEN IN OLDER COMMUNITIES**

One legacy of the County’s industrial past is the many communities that were financially devastated by its collapse. During the 1980s, when no less than six large steel mills in the region were closed or downsized, communities that were essentially company towns lost their main source of employment and income. Many have never fully recovered.

There has not been enough growth in Allegheny County to sustain all 130 of its municipalities equally.

The 20-year trend of people moving away from the urban core and out to suburban communities has taken a toll as well. As the older communities lost both residents and businesses, local municipal governments and school districts faced increased difficulties in providing services. Declines in property values forced local taxing bodies to increase millage rates in an attempt to meet the demand for services. When
higher tax rates are coupled with lowered property values and an eroding quality of life, it is difficult to retain existing residents and businesses or to attract new ones. It is a cycle of decline that is hard to break.

NEED FOR BETTER ACCESS TO JOBS

Pittsburgh and Oakland have long been the major employment centers in Allegheny County. In the past, public transportation served primarily to bring suburban workers into and out of the urban core where the majority of jobs were located. Today, employment centers are more widely dispersed. Although Pittsburgh and Oakland are still major employment centers, there are others located in outer ring suburbs and along major highway corridors.

According to the Brookings Institution Center on Urban and Metropolitan Policy, between 1994 and 2001 almost 57% of new private sector jobs created in the Pittsburgh region were located 10 miles outside of traditional urban centers. In 2000, 71% of Pittsburgh-area residents commuted to jobs located in the suburbs.

In Allegheny County, a number of outlying municipalities show concentrated employment compared to the number of residents of the municipality. The municipalities with the largest employment-to-residents ratios include Neville Township, Leetsdale Borough and Findlay Township, all of which had over four times the number of jobs than resident workers.

Dispersed work sites often are not readily accessible via public transit. People who are dependent on transit either face difficulties reaching, or are completely unable to reach, jobs that are located far from the urban core. Examples include the Robinson Town Center and the Mall at Robinson in Robinson Township and the Pittsburgh Mills in Frazer Township.

Decentralized employment patterns isolate unskilled workers from job opportunities.

Carnegie Mellon University’s Center for Economic Development (CED) analyzed the issue of access to jobs in the Airport Corridor in 2004. According to the CED, most unemployed people in the Pittsburgh region live in places that are not “well connected” to the Airport Corridor. Many workers who do live in the Airport Corridor are professionals or skilled labor, and do not help to meet the demand for unskilled labor.

Development patterns in the Airport Corridor are currently not supportive of transit. As a result, public transit is significantly underutilized, falling far below national averages. CED concluded in its 2004 study that one reason may be the disproportionately higher commuting time for transit, as compared to privately-owned vehicles. Furthermore, public transit may not be an option for workers with more than one job, or who work ‘off-peak’ hours.

LACK OF JOBS TO RETAIN GRADUATING STUDENTS

The County’s educational institutions are a tremendous attractor of people. Today, over 91,000 students are enrolled in Allegheny County colleges and universities. Many graduating students want to stay in the area to live and work, but are unable to find adequate employment. State and regional organizations are working to retain more students after graduation and prevent what is known as the ‘brain drain’.

Collegia Inc. recently ranked Pittsburgh the second best college town of its size in the nation.

Although many see brain drain as a problem, a high proportion of Allegheny County residents are college educated relative to other regions. According to the 2000 census, over 28% of County residents over 25 years of age have at least a Bachelors Degree, which is higher than the national average of 24%. The American Community Survey indicated that the number rose to nearly 33% in 2005. This is strong evidence that the County is retaining more graduating students.

According to economist Richard Florida, lively downtowns, charming traditional neighborhoods and a vibrant cultural scene are essential to attract innovative companies that are seeking young educated workers. It seems clear that Allegheny County needs to offer such settings, and several of them, in order to be competitive with other metropolitan areas that are magnets for this demographic. Oakland has made a good start, with its concentration of universities, cultural amenities, and medical and technology research facilities, along with unique shops, cafes and restaurants, but it needs to be supplemented with more housing and
retail. And other mixed-use, vibrant places need to come into being if Allegheny County is to achieve the ‘vibe’ it needs to attract and retain young, educated people.

**COMPLEX DEVELOPMENT APPROVAL PROCESS**

Allegheny County’s 130 local governments present challenges for development. Although the PA Municipalities Planning Code establishes minimum requirements and procedures for land use planning, there is still considerable variation in municipal land use regulations and in how municipalities apply them. Developers therefore must understand the regulations and processes of each municipality that they work in. Some municipalities have the capacity and resources to manage development well and assist developers; however, others do not. Developments that span multiple jurisdictions can be a challenge, as there is no system in place to coordinate the timing of multiple approvals.

The development approval process requires a considerable investment of time and money on the part of both municipalities and developers. Builders and developers, for example, pay interest every month on money borrowed to purchase property and hold it until approvals are obtained. Multiple, continued, and uncoordinated approval processes increase administrative, engineering and legal costs for the municipality.

Lengthy design and review processes can hinder affordable housing development.

A transparent, predictable, and coordinated development process benefits everyone including consumers, to whom the final cost of development is often passed.

**TARGETING SUBSIDIES**

Grants, loans, tax credits, and real estate tax abatements are commonly used tools of economic development. Although many argue a stable tax system does more to ensure economic vitality than the availability of incentives, their use remains popular in the continued attempt to encourage new private investment and employment opportunities. It is critical that these programs are utilized to create growth and avoid the shifting of resources from one area to another. Further, incentives should not be offered to relocate businesses at the expense of existing businesses.

As municipalities face budgetary pressures, capital funding for economic development has become scarce. Tax Increment Financing (TIF) has become one of the most effective tools for municipalities to encourage private investment and the revitalization of blighted properties. TIF utilizes a portion of future real estate tax revenues to finance public improvements necessary to facilitate new development in these areas. Controversy surrounds the use of TIF given to past projects where TIF provided an incentive to develop greenfield sites for retail use. These projects not only promote further sprawling development patterns but often provided an unfair advantage over existing businesses.

Projects must be closely evaluated and prioritized accordingly to allow for the most efficient allocation of limited resources. Public investment should not provide an incentive to develop greenfield sites or shift economic activity.

**RECOMMENDATIONS**

**GOAL OF THE PLAN**

The economy of the County and region is strong, stable, equitable and diversified.

**OBJECTIVES OF THE PLAN**

The objectives of the Economic Development Plan are to:

A. Prioritize development and redevelopment in accordance with the County development policies established in the Guiding Principles.

B. Target investment to increase job opportunities where low- and moderate-income people live.

C. Match development types to Places identified in the Future Land Use Plan.

D. Support and recruit industry targets identified in the Future Land Use Plan.

E. Work with the educational system to produce and attract skilled workers.
F. Advance a uniform, streamlined development process throughout the County.

G. Require that new developments provide for pedestrians and are completely accessible to individuals with disabilities.

H. Promote an efficient transit system to provide access to jobs.

I. Target Incentives in accordance with Preferred Development Scenarios.

J. Attract investment and tourism by enhancing our cultural, environmental, educational and historic resources.

The following provides an understanding of the objectives.

A. Prioritize Development and Redevelopment in Accordance with the County Development Policies

The Economic Development Plan supports ongoing economic development initiatives in existing towns, urban centers, brownfields, and major transportation corridors, including:

- The Airport area (including Future I-376 and I-79)
- Downtown Pittsburgh and the Pittsburgh Central Keystone Innovation Zone (PC KIZ)
- Oakland (Oakland and Universities Initiatives) and the Greater Oakland Keystone Innovation Zone (GO KIZ)
- The river valley places along the Monongahela River (the Mon Valley Economic Development Strategy Hubs), particularly the Carrie Furnace site
- Other river valley places along the Ohio and Allegheny Rivers
- Brownfields
- Major corridor development (including Routes 8, 19, 28, 30, 50, 51, 65, 88, 837, and 910)
- Transit-oriented development
- Allegheny Together central business district revitalization

The County also identified the following projects as key to the economic growth needed to sustain Allegheny County:

- Carrie Furnace Development
- Edgewater Steel Brownfield Redevelopment
- Imperial Business Park
- Leetsdale Industrial Park
- Imperial Land Company Sites/ Chapman Commerce Center
- Nichol Avenue Site Redevelopment
- Industrial Center of McKeesport
- City Center of Duquesne
- Tech One Business Park
- Jefferson Technology Center
- Tech 21 Research Park
- Newbury Market
- Northfield Site
- Clinton Commerce Park
- McClaren Business Park
- Route 30 Development Site
- Cherrington Business Park
- Imperial Business Park
- Chapman Commerce Center
- Imperial Land Corporation Sites

The projects are compatible with the Allegheny Places initiatives identified above.

Allegheny Places supports sharing the benefits and burdens of development among all the communities in the County.

The goal of Allegheny Places is to proactively guide redevelopment and direct growth to the identified target areas in order to make better use of limited resources.

Some older communities targeted for redevelopment have disproportionately higher levels of crime, lower performing schools, distressed housing, and commercial areas greatly in need of revitalization. Nonetheless, many also have good existing or potential access to transportation and transit, and proximity to current and future employment opportunities within the greater Pittsburgh area.

While local municipalities have control over land use within their boundaries, County funding and support will be directed to those projects that are consistent with the Future Land Use Plan. To be consistent with Allegheny Places, major developments should be located in the Places identified on the Future Land Use map. The County will not support (through financial or
other assistance) locating major projects in areas outside of designated Places. However, smaller infill development is encouraged in the Infill Areas designated on the Future Land Use map.

State agencies are also required to prioritize grant awards and permit approvals for projects that are consistent with Allegheny Places. Therefore, municipalities and developers will greatly benefit by consulting the Future Land Use Plan when preparing development plans and proposals.

B. Target Investment to Increase Job Opportunities where Low- and Moderate-Income People Live

Often new jobs aren’t really accessible to low-and moderate-income residents, since the costs of transportation to and from work would consume a disproportionate percentage of earnings from that work. As well, commuting may consume a disproportionate percentage of time compared to other income groups, since low- and moderate-income workers rely on public transit. Low- and moderate-income residents in particular will benefit from jobs close to where they live, which will help improve their financial stability and quality of life.

The goal of the Economic Development Plan is to provide better access to jobs for all County residents by decreasing the ‘spatial mismatch’ that exists today.

‘Spatial mismatch’ refers to employment opportunities for low-income workers being located far from areas where low-income people live.

A number of the designated Places correspond with existing centers for commerce in communities that have concentrations of low- and moderate-income residents. The Economic Development Plan supports the revitalization of these centers through reinvestment. Reliable existing infrastructure can provide a sound economic basis for rehabilitating older buildings into new housing and business establishments, and adding new ‘infill’ development on vacant and underutilized sites.

Concentrations of residents in an area provide built-in market support for new retail uses and transit which, in turn, makes the area more attractive as an employment center. In many urban areas of the country, demographic and lifestyle changes have increased consumer preferences for traditional neighborhoods, loft residences, live-work space and other creative housing. Meeting these preferences will increase the marketability of existing neighborhoods and business districts over the next twenty years.

Policies to promote economic inclusion help residents in need, as well as improve the economic viability of the region.

To help provide job opportunities for low- and moderate-income residents, the County will continue to explore Community Benefit Agreements (CBAs). CBAs are agreements made between a community-based organization and a developer to provide benefits to a community in which a major development or development of regional impact will be located. CBAs can help to gain community support for projects and bring economic, social, and environmental benefits to the community.

C. Match Development Types to Places Identified in the Future Land Use Plan

The locations that have been recommended for employment centers and concentrations of commercial and industrial uses will, to a large extent, guide where people work and shop in the future. The location of employment and business centers and the characteristics of these centers will work in tandem with:

- Job creation
- Infrastructure rehabilitation
- Low- and moderate-income housing
- Workforce training
- Brownfield cleanup
- Capital improvement programs

The Future Land Use Plan will reinforce and revitalize targeted existing centers and create new, tightly-knit, walkable, and transit-supportive centers. These mixed-use developments will offer mixed-income housing,
shopping, employment, community facilities and open space.

**Recommendations by Type of Place**

Recommended development types for the different Places are described below.

**Airport-Industrial** – The Airport-Industrial Places have been a focus of Allegheny County’s economic development efforts for many years. The County has established ‘shovel ready’ sites and been successful in attracting major employment centers which include office, business park and light industrial uses, and specific warehousing and transportation uses. The trend is expected to continue over the planning period, bringing even more development to the area. Businesses that need to be close to a good ground and air transportation network will be expected to locate here.

Projected transportation impacts include increased, heavy commuting on I-376 and on I-79, and are a concern. The provision of mass transit will be critical to relieving highway congestion and to ensuring that jobs are more readily accessible to the labor force.

Housing, mostly single-family, is widely available in nearby communities. Additional housing, including mixed-income housing, is recommended for infill areas around Airport-Industrial Places. Diversifying the housing stock to bring it within reach of more people will enable more workers to live near their places of employment, and help reduce congestion on major roadways.

**Core** – Downtown Pittsburgh remains the office, commercial, and cultural hub of Allegheny County. However, its historical role as a retail center is continually challenged by suburban commercial development. A key to the economic revitalization of many urban centers has been increasing their residential sectors.

Urban resident populations provide a market for shops and restaurants, help support cultural activities, and complement the office environment. To help create and nurture a vital, 24-hour Downtown, the continued development of housing in and around Downtown, North Shore, and the Strip District is essential.

Oakland has a balance of uses, in what is now an exemplary mixed-use district. Accommodating expanding employment centers, maintaining a mix of uses, and increasing residential and retail components is essential for the continued success of this Core Place. ‘Branding’ the Oakland District through grand entrance features, destination signage, landscaping, public art, and pedestrian amenities is recommended.

![Pittsburgh International Airport Development Sites](source: Allegheny County)

![Photo credit: McCormick Taylor](image)
A fixed transit system connecting Downtown, Oakland and the airport is planned. It is critical to the success of the Core Places, and to the future of the Region as whole.

In Core Places it is generally expected that much new development will be through infill development and the rehabilitation and reuse of existing buildings, including the adaptive reuse of former industrial or warehouse sites and structures.

**Corridor** – Corridor Places have access to major highways and interchanges, and are relatively intense, mixed-use hubs of development. A range of office, industrial, commercial, and residential uses are provided for, as well as uses that require larger amounts of land, such as regional shopping centers and business parks.

Topographic and other natural features will favor certain types of uses over others at some locations, but there are a sufficient number of designated Corridor Places to ensure there is choice in the marketplace.

A Corridor Place is not a strip-type development with multiple access points along a major roadway. Rather, a Corridor Place is built around either a street grid or modified street grid that has limited access points and promotes clustered, mixed-use development.

**Urban Neighborhood and Community Downtown** – Urban Neighborhoods are located primarily in established business districts and mixed-used areas in older, densely developed neighborhoods in the Cities of Pittsburgh and McKeesport. Community Downtowns are similarly sited but include other municipalities, and are in areas that may or may not be as densely developed.

Urban Neighborhoods offer more regionally-oriented businesses and services, and a mix of housing types in a walkable setting. Urban Neighborhoods will build on infill development opportunities and take advantage of existing transit and the ability to connect with nearby cultural and recreational amenities.

Several Community Downtowns include Business Districts targeted by Allegheny Together, an Allegheny County Economic Development program created to help revitalize established urban commercial districts. Allegheny Together encourages property owners and businesses to reinvest in traditional business districts, and assists them by providing matching grants and low-cost financing for interior and exterior improvements.

Both Places include a number of hubs identified in the Mon Valley Economic Development Strategy: the City of Pittsburgh, Carrie Furnace, McKeesport/Duquesne, and Clairton.

Access conditions vary widely. Some Places, for example, are suitable for uses that rely on trucking while others are not. Many Places currently have excellent transit service. For the Mon Valley Places, completion of the Mon Fayette Expressway will improve access and further support their revitalization.

**Village and Rural** – Village and Rural Places are the least intensively developed Places of the Future Land Use Plan.

Village Places are lower-density, walkable communities characterized by a mix of businesses and residences on streets laid out on grids or modified grids. Non-residential uses will be small-scale, low-intensity businesses and services that primarily serve neighborhood needs. Non-residential development
in Village Places should neither generate, nor depend on, large volumes of vehicular traffic.

In Rural Places, new development will be primarily single-family residential. Non-residential development will be limited mainly to recreation and essential, supporting services.

D. Support and Recruit Industry Targets Identified in the Future Land Use Plan

During the development of Allegheny Places, the Center for Economic Development at Carnegie Mellon University (CED) identified several industry targets for the County (see Supporting Documents). They are acknowledged industry targets or ‘driver industries’ because they represent growing specialties. Some of the driver industries identified include:

- Management of Companies
- Health Care Services
- Educational Services

The work completed by CED was intended to only provide a starting point for identifying the appropriate industries for the County to pursue. The County will work with local economic development agencies to carry out the report’s recommendations in order to provide the entire picture for attracting and retaining industry targets. The primary recommendations from the report are to:

- Examine and compare industries to identify targets for business expansion and retention services.
- Conduct a supply chain analysis to identify desired business supplier and customer industries for growing firms in order to identify business attraction targets.
- Supplement the numbers with targeted interviews of relevant local employers. This should be done to validate trends in growth and decline and to confirm employer needs for business services (retention and expansion). Interviews to assess the relative fit of community assets vs. industry needs should also be conducted with officials in relevant public services, real estate professionals, training providers (including post-secondary institutions) and university faculty/staff in industry-relevant fields.

In addition to the industry targets, the County has identified economic initiatives and areas targeted for investment and reinvestment (listed in Objective A of the Economic Development Plan). The County will retain professional experts to work with the identified initiatives and programs, and to recruit industries to locate in the appropriate Places designated on the Future Land Use map.

E. Work with the Educational System to Produce and Attract Skilled Workers

With a changing economy, there is a need to provide training and retraining opportunities to ensure the availability of a workforce ready to meet the demands of the County’s businesses. Computer specialists are the fastest growing occupation sector in the County, as it is in many other areas of the country. Other fast growing occupations include health care support, health diagnostics, lawyers, and other health professionals and technicians.

The Community College of Allegheny County (CCAC) is the largest provider of educational services and the largest workforce training provider in western Pennsylvania. To maximize the institution’s impact on the regional workforce, CCAC has launched three initiatives:

- The Frieda G. Shapiro Center for Learning – designed to support CCAC’s remedial educational programs, partner with public high schools, and develop programs to help disenfranchised populations.
- The Center for Health Careers – developing new models for delivering health care education with improved student outcomes to a more diverse population.
- The Center for Professional Development – transforming the college’s current workforce training division into a quality-driven, sales-oriented enterprise.

The Workforce Investment Board will continue to monitor the changing job market and suggest suitable training for an expanding County workforce. The CCAC is committed to support the economic development of the region with responsive, solution-driven workforce
training programs. In order to produce and sustain a skilled workforce, the CCAC will develop a high quality market-driven community enrichment and workforce training enterprise that will be integrated with CCAC programs and services.

Additionally, the CCAC will align workforce development with the identified Industry Targets. Skilled workforce development is most effective when it is customized to meet specific industry needs. This approach encourages business participation because businesses can anticipate a better, on-target service for their current and potential employees.

By cross-marketing between workforce development and economic development, training programs can be marketed to businesses, and businesses can be marketed to students and other potential employees. Workforce providers should partner to develop coordinated marketing materials that can be delivered by economic development professionals.

F. Advance a Uniform, Streamlined Development Process throughout the County

Competition is stiff across the country in terms of attracting businesses. The County will work with its municipalities to create a more receptive environment for business development.

Allegheny County’s large number of municipalities, each with their land use regulations and approval processes, can be an obstacle to business development in the County. Municipalities cannot be required to change their development review and approval processes, and must remain in compliance with the Pennsylvania Municipalities Planning Code. However, the County can help to educate municipalities on the benefits of developing more effective development processes, and ways in which it can be accomplished.

Municipal officials have access to hands-on training and education about the responsibilities of local planning through a number of organizations, and are encouraged to take advantage of them. For example, the Pennsylvania Municipal Planning Education Institute (PMPEI) provides courses in community planning and administering land use regulations for elected officials, planning commissions, zoning hearing boards, zoning administrators and others. PMPEI is a cooperative effort of Penn State Cooperative Extension and the Pennsylvania Planning Association, with support from other agencies.

The Local Government Academy (LGA) also provides training for local municipal officials. LGA also offers educational workshops on a range of topics, including attracting businesses and developers to the area. Workshops on partnering with adjacent communities will provided in the future, as an important part of implementing Allegheny Places.

The County supports the State Planning Board’s initiative to require minimum training for local municipal officials. The County supports and encourages multimunicipal partnerships through multimunicipal planning.

G. Require that New Developments Provide for Pedestrians and are Completely Accessible to Individuals with Disabilities

Walkability is the cornerstone of efficient ground transportation in urban areas, as all trips begin and end with walking. A walkable community is the most affordable transportation system to design, build and maintain. Communities that are designed to be walkable contribute to sustainability through increased conservation of natural and economic resources; lead to more social interaction; improve community health; and diminish crime and other social problems.

According to the Center For Community Economic Development, University of Wisconsin-Extension, walkable communities provide many significant economic benefits:

- **Housing Values are Higher where it’s Walkable**
  A 1999 Urban Land Institute study of four new pedestrian communities found that homebuyers were willing to pay $20,000 more for homes in walkable areas, compared to similar homes in surrounding areas. New Urbanism (walkable) communities enjoy significantly higher housing values than traditional suburban developments. In a growing number of small and medium sized cities, downtown condominium and townhouse prices and apartment rents are commanding a premium price compared to comparable suburban, auto-dependent real estate.
Walkable Communities Attract "New Economy" Workers
In a 1998 report, Collaborative Economics, a Silicon Valley think tank, studied the relationship between the physical design of communities and the dynamic elements of the new knowledge-driven, service-oriented economy. The new economy, with its smaller, decentralized firms, thrives on land use patterns that mirror the towns of early industrial years. Walkable downtowns have a similar mix of restaurants, shops, offices, and housing that promotes interaction. Interaction is key, since the new economy thrives on accessibility, networking and creativity.

Walkable Communities are Becoming a Business Relocation Alternative
The automobile has defined mobility and convenience for many decades. However, Atlanta and Silicon Valley have become prime examples of how dependence on automobiles can also gridlock economic development. Some major firms around the country are advocating pedestrian and transit-friendly development as a result, according to a 1999 report by the National Association of Local Government Environmental Professionals.

Walkable Communities Cost Taxpayers Less
Regional and national business leaders say that low-density, discontinuous, and automobile-dependent land use patterns can cause higher direct business costs and taxes. The federal Office of Technology Assessment estimates that a single house built on the urban fringe requires $10,000 more in public services than one built in the urban core.

Walkability Attracts Tourists
Communities with active, walkable, friendly downtowns are capturing a greater share of tourist dollars. Vermont has become a major draw for tourists who want experience the State’s pedestrian and bicycle friendly scenic, human-scale towns. It has proved to be an economic boon for the state.

Walkable Communities Capture the Emerging ‘Lifestyle’; Retail Market
Developers have recognized the appeal of walkable shopping centers with a ‘sense of place’, and are building more lifestyle centers and New Town Centers that replicate traditional community downtowns and neighborhood shopping districts.

The economic potential of the lifestyle segment can be captured in existing walkable downtowns through business expansion and recruitment to create an appropriate mix of retail, entertainment and service businesses.

Most Places in the Future Land Use Plan will have mixed-use centers with a variety of housing types and affordability options, shopping, employment, community facilities and public open space. The ability to move within the community without the use of a car is a key feature. Places with existing or planned transit access will also provide the ability to travel to and from the community without the use of a car.

Street systems in new Places should be grids or modified grids that maximize connectivity, convenience, safety and efficiency for pedestrians and bicyclists. Bicycle lanes, sidewalks, pathways and crosswalks should be incorporated to promote accessibility and allow pedestrians to travel safely.

The Americans with Disabilities Act (ADA) provides a solid foundation for providing accessibility to jobs for individuals with disabilities, both in terms of a legal mandate and the technical support to supply the physical conditions to allow access to occur. While ADA has been successful in making new developments accessible, the retrofit of older establishments, buildings, and neighborhoods has lagged. As the development of Places proceeds in accordance with the Future Land Use Plan, the upgrade of conditions of access for individuals with disabilities needs to be a central part of the effort, so that Places provide tangible benefits to all residents of Allegheny County, including access to jobs and businesses.

Promote an Efficient Transit System to Provide Access to Jobs
More efficient transit service to outlying job centers will provide better access to more jobs for more workers. The concentrated, mixed-use development patterns envisioned by Allegheny Places are intended to support transit use and improve access to jobs and other opportunities.

The County has several objectives with respect to providing more efficient service to major employment centers:
Oakland Circulator (in and around Oakland)
Rapid Transit linking Downtown, Oakland, and the Airport
West Busway Extension to Robinson Town Center
East Busway extension to Rankin/East Pittsburgh

Linking Downtown Pittsburgh, Oakland and the Airport via rapid transit is a priority, as Oakland is one of the largest employment centers in the region. Providing additional transit in and around Oakland is also a priority. While many students and employees live in and around Oakland, many more commute. Shuttles operated by a consortium of business owners or a public-private transportation management association can help to link transit stops and provided additional services.

The Airport Corridor is an important employment center, but current development patterns are not supportive of transit. The re-envisioned growth for this corridor includes concentrated development that will support transportation alternatives to facilitate travel between the Airport and other Places in the County. Improving transit access may include partnerships, such as shuttle service provided by the Airport Corridor Transportation Association between transit stops and major destinations.

Convenient transit to the Airport Corridor is needed so that workers needed to fill low wage jobs can reach them without incurring high commuting costs.

Allegheny Places promotes the use of TOD, or transit-oriented development, to help connect people and employment. Transit-oriented, mixed-use Places are strategically located around existing transit facilities such as the ‘T’ line and busways, and around future transit facilities such as the East and West Busways extensions and proposed rapid transit lines.

TOD has not been used much in the County, despite the potential benefits. TOD can boost transit ridership, reduce traffic congestion, improve air quality, and generate new economic activity. To support TOD, the County will partner with the PAAC to increase coordination among County departments, enhance relationships with municipalities, and promote walkable communities and mixed-use development along transit-development corridors.

It is important that the County communicate a clear vision of its priority transit stations for TOD. A shifting focus can cause uncertainty for developers and discourage interest. The County will adopt a systematic method for evaluating development potential of transit station areas with strong market potential, its list of priority transit stations, and where and how it intends to target incentives. The County will target economic development funds to TOD places identified in the Future Land Use Plan.

A new program, Transit Revitalization Investment District (TRID), provides grants to study the feasibility of developing TOD in an area. Allegheny County is currently completing TRID studies for areas adjacent to the light rail stations in the South Hills.

I. Target Incentives in Accordance with Preferred Development Scenarios

Grants, loans, tax credits, and real estate tax abatements are commonly used tools of economic development. All such incentives, including TIF, will be utilized to facilitate sustainable development patterns throughout Allegheny County.

Of critical importance is the geographic targeting of incentives consistent with the preferred development scenarios outlined in Allegheny Places. Public investment must be guided to projects located within areas identified on the Future Land Use map. Projects should be prioritized with approval of incentive packages contingent upon development type and location.

J. Attract Investment and Tourism by Enhancing our Cultural, Environmental, Educational and Historic Resources

A strong, vital and innovative regional tourism industry can make a major contribution to the economic, social, and environmental well being of all citizens of the County. Tourism is a powerful economic development tool. It creates jobs, provides new business opportunities and strengthens local economies. The County’s spectacular natural setting, renowned cultural institutions, rich history, and myriad of distinctive neighborhoods and communities are attractive to visitors. The County will support the work of local and...
state tourism promotion agencies to attract more visitors to Allegheny County and the City of Pittsburgh.

**Primary tourism destinations in the County include Downtown Pittsburgh, the North Shore attractions and the County’s rivers and trails systems.**

There is great potential for a boom in the region’s tourism industry. Pennsylvania is the fifth most visited state in the nation. It is a ‘drive-in’ state, meaning that most visitors travel to Pennsylvania from neighboring states. The Pittsburgh region is within driving distance of at least three states. The region needs to do all it can to draw people from those states, and from other parts of the country. Marketing the area as a regional tourism destination would help achieve this goal.

Marketing the area regionally would also encourage tourists to make multi-day visits, instead of an occasional day trip. A well-designed, regional wayfinding signage program would help to promote the area as a regional tourism destination, make it more tourist-friendly, and increase patronization of attractions and establishments.

Allegheny County is well-situated for heritage tourism. The National Trust defines heritage tourism as “traveling to experience the places and activities that authentically represent the stories and people of the past and present. It includes historic, cultural and natural resources.” Allegheny County and the surrounding area is rich in historic resources.

Studies have consistently shown that cultural heritage travelers stay longer and spend more money than other kinds of travelers. Perhaps the biggest benefit of heritage tourism is that it provides economic opportunities, while preserving the very qualities that have made a place unique.

The County will continue to support the work of the Greater Pittsburgh Convention and Visitors Bureau and its Pittsburgh and its Countryside and VisitPittsburgh campaigns. They are the key to a regional marketing consortium including Allegheny and surrounding counties.