

Written Testimony for Pennsylvania Senate Transportation Committee

Pittsburgh's Airways and Inland Waterways

June 18, 2024

Pittsburgh International Airport

Matt Smith, Chief Growth Officer, Allegheny Conference on Community Development

As Chief Growth Officer at the Allegheny Conference on Community Development, one of the United States' foremost civic leadership organizations, I am pleased to provide testimony regarding transportation and infrastructure investment in southwestern Pennsylvania. For 80 years, the Conference has been bringing together public and private sector leaders, and together, we are improving the economic future and quality of life of the 10-county Pittsburgh region.

I would like to thank Senator Wayne Langerholc, Jr. and the other members of the Senate Transportation Committee for the opportunity to testify and commend the members of our legislature who have been working tirelessly to ensure transportation and infrastructure investments in Pennsylvania are allocated effectively and in the best interest of the commonwealth's residents and businesses.

State investments, specifically in the transportation and infrastructure sector, are key to the future of the Pittsburgh region, as they support business investment, in-market expansion, and our ability to attract and retain talent and improve our region's quality of life. Securing investments for projects across the region - from the new terminal modernization program at the Pittsburgh International Airport (PIT) to investments in our waterways and public transit systems - is vital to southwestern Pennsylvania's future.

A strong, well-connected network of infrastructure is essential for business attraction in our region. As prospects from outside the region consider locating to southwestern Pennsylvania, proximity to highways, rail spurs, waterways, and air travel to ensure they can efficiently move employees, materials, and finished products in and out of the region is always top of mind. Additionally, investment in pedestrian and bicycle accessibility, multimodal corridors, and water and sewage systems support attraction and retention of talent in our region, helping Pittsburgh to remain a top place to live.

It is imperative that the commonwealth, as well as local and federal entities, support the construction and maintenance of infrastructure required to attract and

retain these business opportunities. In turn, the return on investment for this funding can have lasting impacts on regional job creation and Gross Regional Product. For example, according to an IMPLAN analysis conducted by the Allegheny Conference in 2021:

- Each \$100 million invested in the construction of new highways and streets supports 839 jobs over the life of the project and provides a \$95.9 million positive impact on the region's Gross Regional Product.
- Each \$100 million invested in the maintenance and repair construction of highways, streets, bridges, and tunnels supports 1,690 jobs over the project's lifetime and provides a \$114.5 million positive impact on the region's Gross Regional Product.
- Infrastructure-related construction sectors employed 15,712 people in 2020, 67% more than in 2010. This was largely driven by substantial growth in the oil and gas pipeline and related structures construction sector due to the need to develop infrastructure that supports the natural gas industry.

Each of these impacts is scalable, meaning that a \$1 billion investment instead of a \$100 million one could result in tenfold employment and dollar impacts.

In conjunction with this investment, enhanced funding for site development will also be key to moving our region and our state forward so that we can compete with peer states for business investment. Organizations across the region, including PIT, have successfully remediated former industrial and coal sites. In addition to existing programs, enhanced funding for site preparation and development, like the \$500 million PA SITES proposed in the administration's FY 2024-2025 budget, will be critical to support our region's continued growth and Pennsylvania's competitiveness.

Continued and enhanced investments in southwestern Pennsylvania's waterways, air transportation, roadways, bridge infrastructure, and multimodal corridors will further support the growth of our region's economy. We look forward to continued partnership with our elected officials and state agencies to enhance the business competitiveness of our region and of our state as a whole.