



News for Immediate Release

Sept. 5, 2013

Corbett Administration Announces \$30 Million in Economic Growth Initiative Awards

Projects to Support more than 24,300 Jobs

Harrisburg – Governor Tom Corbett today announced the award of six Economic Growth Initiative grants, totaling \$30 million. These funds will support the continued redevelopment and construction of four multi-round projects as well as initial funding for two new projects. It will also support the creation and retention of more than 24,300 jobs across the commonwealth.

Awarded projects include continued funding for the Lower Hill Infrastructure Project in Pittsburgh, the Philadelphia Energy Solutions Catalytic Cracker facility, the Project Clarity-Marcus Hook Splitter project in Delaware County, and the Majestic Bethlehem Center in Northampton County. In addition, two new projects have been awarded including Project Global/Johnson Controls, Inc. in York County and the Erie Bayfront Place Hotel facility.

The program provides grants to local communities for the acquisition and construction of regional economic, cultural, civic, and historical improvement projects.

“These grants are investments in our state, in our people and in our economy,” Corbett said. “These projects will help create jobs here in Pennsylvania and continue our trend toward prosperity.”

Allegheny County

The Lower Hill Infrastructure project in downtown Pittsburgh, which received an initial grant in February, is beginning the second phase of redevelopment and construction of traditional urban blocks for shopping, recreation and living. This project is expected to revitalize the Lower Hill district of Pittsburgh and support existing businesses, sports complexes and residents and slated for completion by March of 2015 and will support more than 7,100 jobs. The grant award is \$5 million.

Philadelphia County

Five million dollars was also awarded to the Philadelphia Energy Solutions Catalytic Cracker facility in South Philadelphia. The project includes upgrading the existing 100,000 barrel per day residual fuel catalytic cracker to improve both operational

reliability and efficiency. The upgrade is critical to the ongoing viability of the refinery's operations and will help protect approximately 850 permanent positions and create 1,000 new non-permanent construction jobs within the facility, as well as support the creation of more than 10,500 jobs in the immediate and surrounding area.

Delaware County

Delaware County's Marcus Hook Splitter project also received an additional \$5 million for the continued optimization and integration of a portion of the former Sunoco Marcus Hook refinery, preserving hundreds of jobs and keeping the company's operations and North American headquarters in southeast Pennsylvania. Braskem America, the facility's new owner, processes chemicals for use in its adjacent plastics plant. These plastics are used in a wide variety of applications including automotive, housewares, packaging and textiles.

Sunoco announced the closure of the Marcus Hook facility last year, threatening the jobs of more than 200 employees and potentially 1,500 workers from surrounding businesses.

Northampton County

Also receiving a \$5 million grant installment is Northampton County's Majestic Bethlehem Center. This 441-acre former Bethlehem Steel plant is being redeveloped to hold a multimodal shipping and distribution center for several businesses. Funding will be used to continue the construction and improvement of existing infrastructure to the facility. Fully completed, the Majestic Bethlehem Center is envisioned to have approximately 8 million square feet of state-of-the-art new logistics, light industrial and data center space. Crayola LLC, the facility's first tenant, moved in earlier this year and is fully operational. It is expected that nearly 1,600 jobs will be created or supported through this project.

York County

A new project in York County was also funded at \$5 million. The project will be used to acquire and provide infrastructure construction for Johnson Control, Inc.'s Global Engineering and Test Laboratory facilities in Hopewell Township. The 300,000 square foot facilities are used to develop, test and qualify commercial air conditioning equipment.

Earlier this year, Johnson Controls considered moving this facility along with 440 jobs to Maryland. The commonwealth's assistance with this project will ensure the protection of those jobs, as well as the creation of more than 500 other employment opportunities for the area.

Erie County

The final grant announced was for Erie's Bayfront Place Hotel complex. The \$5 million project will support the activities of the existing Erie County Convention Center and be used to cover costs related to the construction of the hotel property, pedestrian walkways connecting the hotel, a 450-space parking garage and the Convention Center.

The Convention Center, which opened in August of 2007, has experienced an average annual growth rate of nearly 5 percent annually over the four years following its first full year of operation. This growth, however, has been constrained by a lack of hotel rooms in immediate proximity to the Convention Center. This project is expected to create nearly 300 jobs.

In 2012, Corbett reformed the state's method of funding capital projects with a significant redesign, making the process more transparent and objective. Projects are now selected based upon their job-creation potential, their economic impact, as well as their viability and construction readiness.

Prior to Corbett's taking office, the state's spending and borrowing for capital redevelopment assistance had become unsustainable for the state and its taxpayers, growing from \$400 million in 1986 to slightly more than \$4 billion in 2010. It had also strayed considerably from its intended purpose of encouraging and assisting job growth through regional economic development projects.

For a full listing of selections, selection criteria and for more information, visit the Budget Office online at www.budget.state.pa.us and select the Redevelopment Assistance Capital Program link.

Media contact: Jay Pagni, 717-265-8067

###

Editor's note: For statutory and legislative purposes, the program will continue to be known as the Redevelopment Assistance Capital Program. For a list of approved projects, visit the Budget Office online at www.budget.state.pa.us and select the Redevelopment Assistance Capital Program link.