

Pennsylvania
WORK SMART. LIVE HAPPY.

ANNUAL REPORT

Governor's Action Team
FY 2021-2022



Harrisburg, PA

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COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR

It is my pleasure to present the annual report of the Governor's Action Team (GAT) for fiscal year 2021-2022.

GAT is a team of economic development professionals who are dedicated to growing Pennsylvania's economy by facilitating business expansions and relocations into the commonwealth. We assist both in-state and out-of-state businesses with technical assistance services, workforce training solutions, land acquisition and construction, infrastructure improvements, environmental remediation, and more. This support, combined with our tailored financial assistance packages, enables us to promote a competitive business environment that puts Pennsylvania in a position to attract business projects that create and retain jobs and invest in our commonwealth.

This past fiscal year, our team assisted with over 200 business engagements and proudly supported the completion of 31 impactful projects that will lead to the pledged creation of nearly 4,000 jobs, the retention of nearly 4,400 existing jobs, and more than \$1.6 billion in new private investment. These projects span the commonwealth and collectively are projected to result in over \$213 million new local and state tax revenue annually. In addition to the \$39 million in combined state financial incentives for these projects, GAT project managers provided our clients true business concierge level services, helping corporate executives and location advisors identify solutions in Pennsylvania and facilitate crucial connections with our vast network of local economic development and workforce partners.

GAT is just one of many competitive advantages in Pennsylvania. From our strategic location providing easy access to markets, to our educational institutions that produce a world-class workforce, to our powerful mix of affordability and quality of life, I'm confident that Pennsylvania is the right location for any business looking to expand or relocate. Additionally, forward-thinking and business-friendly new policies, such as cutting our corporate net income tax in half to 4.99 percent by 2031, means that our commonwealth will only get more competitive in the years ahead.

On behalf of everyone on the Governor's Action Team, I'm looking forward to continuing our critical work in supporting businesses and growing Pennsylvania's economy.

Brent K. Vernon
Executive Director
Governor's Action Team



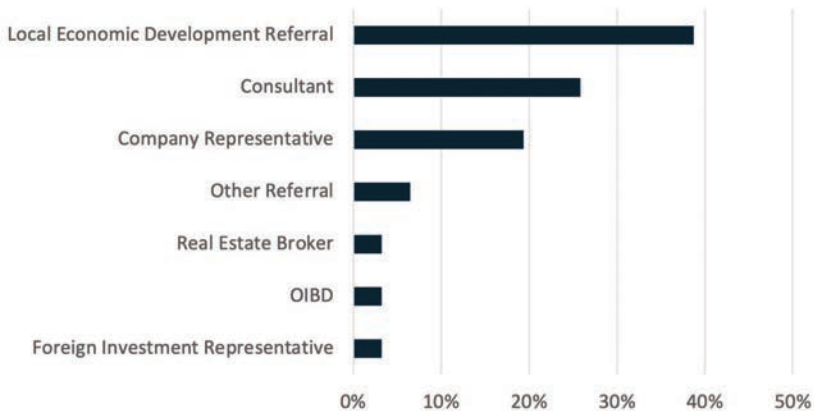
Pittsburgh, PA

PROJECT OVERVIEW

In FY 2021-2022 the economic development professionals of the Governor's Action Team (GAT) engaged in over 210 business leads. These leads resulted in specific project discussions with 88 companies that were considering relocating to or expanding within Pennsylvania. Customized assistance packages were offered to companies for 38 projects. 31 projects were successfully completed, and 32 GAT projects were publicly announced by Governor Wolf during this period.



Source of Project Lead
(Successfully Completed Projects)



31* Successfully Completed Projects Resulted in Pledges of...

3,938

New Jobs Created

4,385

Existing Jobs Retained

\$1.63B

in New Private Investment

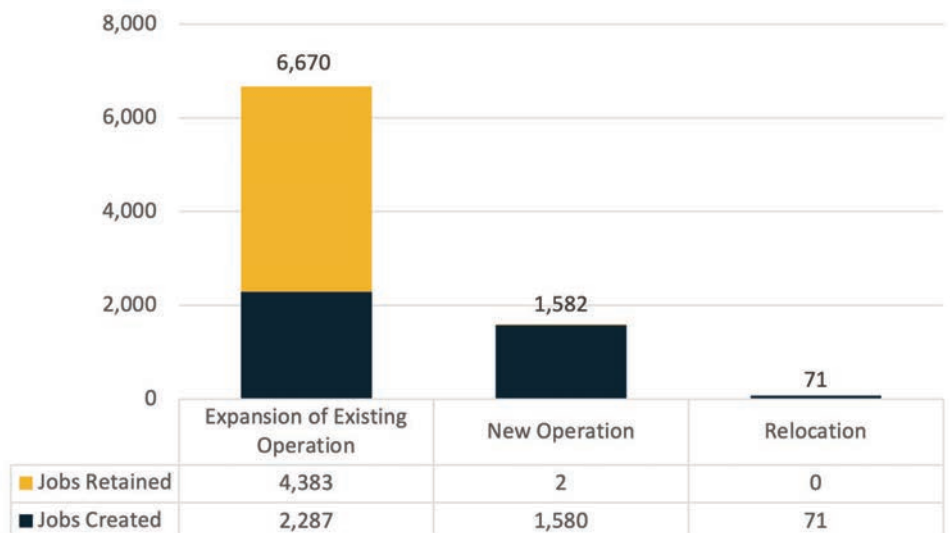
\$39M

in State Incentives

* Pledged new jobs and investment commitments are achieved over the project period. Estimated impact calculations are based on the completion of a project and upon full operation.

New Job Creation and Retained Jobs Pledged by Project Type FY 2021-2022

58 percent (2,287) of all new jobs pledged to be created were associated with expansions by established businesses within Pennsylvania, and 40 percent (1,580) of new jobs pledged were considered as part of new operations established in Pennsylvania.

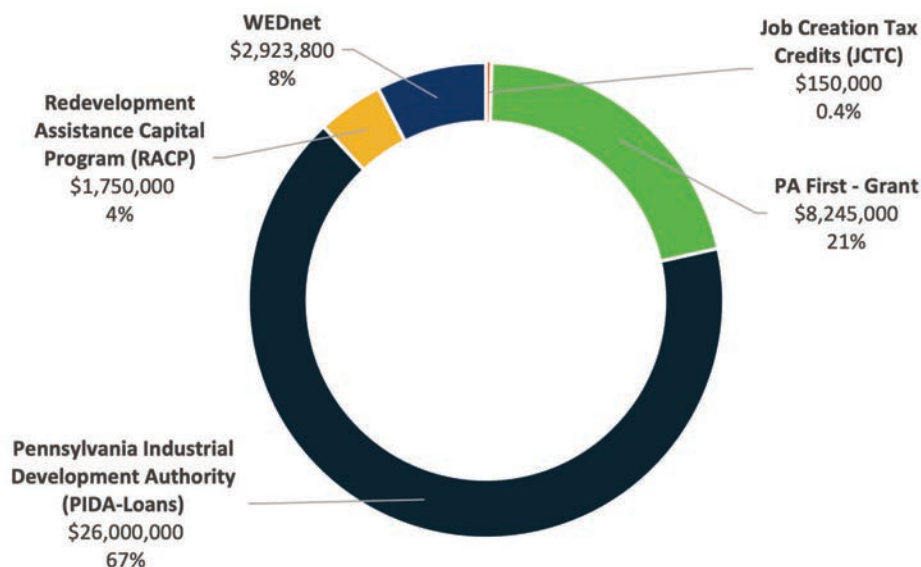




STATE ASSISTANCE AND CAPITAL INVESTMENT

In FY 2021-2022, 67 percent of Pennsylvania's assistance to GAT's portfolio clients was comprised of Pennsylvania Industrial Development Authority (PIDA) loans while 21 percent was PA First grants.

Successfully Completed Projects FY 2021-2022



**Every \$1 awarded
in state incentives
leveraged \$121.77
in new private
investment***

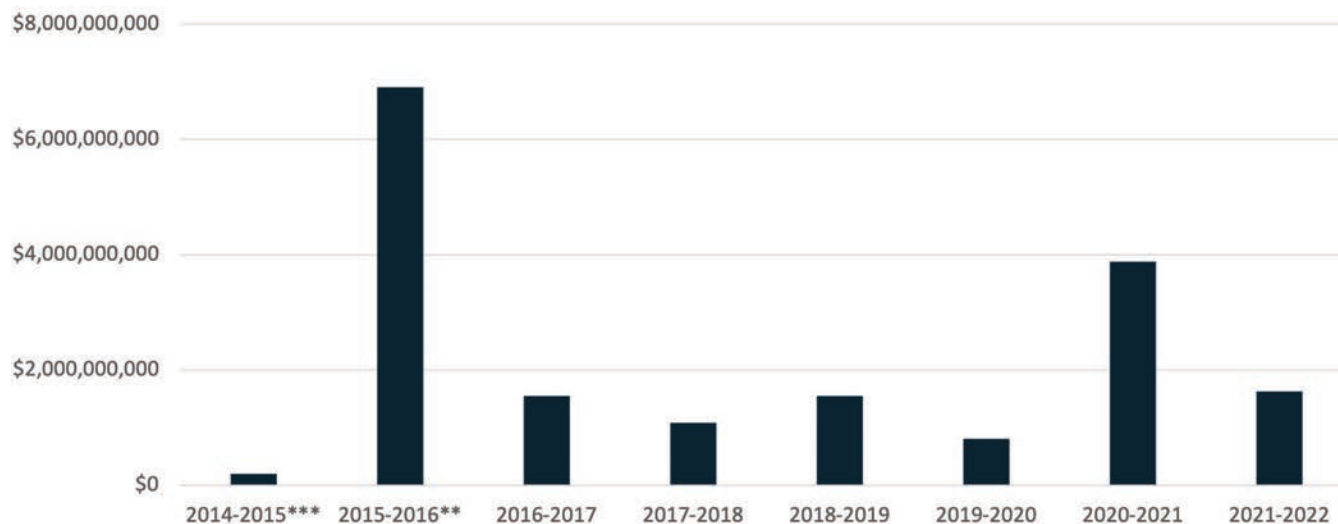
* State incentives included discretionary grants and tax credits (excludes state loans). Total private investment equals project cost less state incentives (includes state loans).



Philadelphia, PA

STATE ASSISTANCE AND CAPITAL INVESTMENT

Total Capital Investment (Project Cost)



Total Capital Investment	\$198,740,969	\$6,903,034,190	\$1,554,304,740	\$1,061,868,307	\$1,558,592,571	\$807,552,035	\$3,879,473,396	\$1,630,441,551
State Incentives	2.60%	0.40%	3.50%	3.10%	2.49%	2.62%	1.65%	0.80%
State Loans	4.10%	0.20%	1.80%	4.10%	3.20%	3.09%	0.48%	1.59%
Private Investment	93.30%	99.30%	94.70%	92.80%	94.31%	96.91%	97.87%	97.60%
Jobs Created / Retained	1,466 / 5,442	6,920 / 12,076	8,992 / 36,126	6,339 / 14,214	6,012 / 21,029	3,926 / 16,545	9,554 / 33,641	3,938 / 4,385
State Incentives*: Total Private Investment *	1:38	1:234	1:27	1:31	1:39	1:38	1:61	1:122
Jobs Created: State Incentives*	1:3,464	1:4,239	1:6,154	1:5,165	1:6,452	1:5,380	1:6,688	1:3,319
Jobs Created & Retained: State Incentives*	1:735	1:1,544	1:1,219	1:1,593	1:1,434	1:1,277	1:1,899	1:2,980

* State incentives include grants and tax credits (excludes state loans). Total private investment equals project cost less state incentives (includes state loans).

** FY 2015-16 reflects the Shell Pennsylvania Petrochemicals Complex project in Beaver County announced in June 2016.

*** Represents January – June of fiscal year.



Columbia, PA

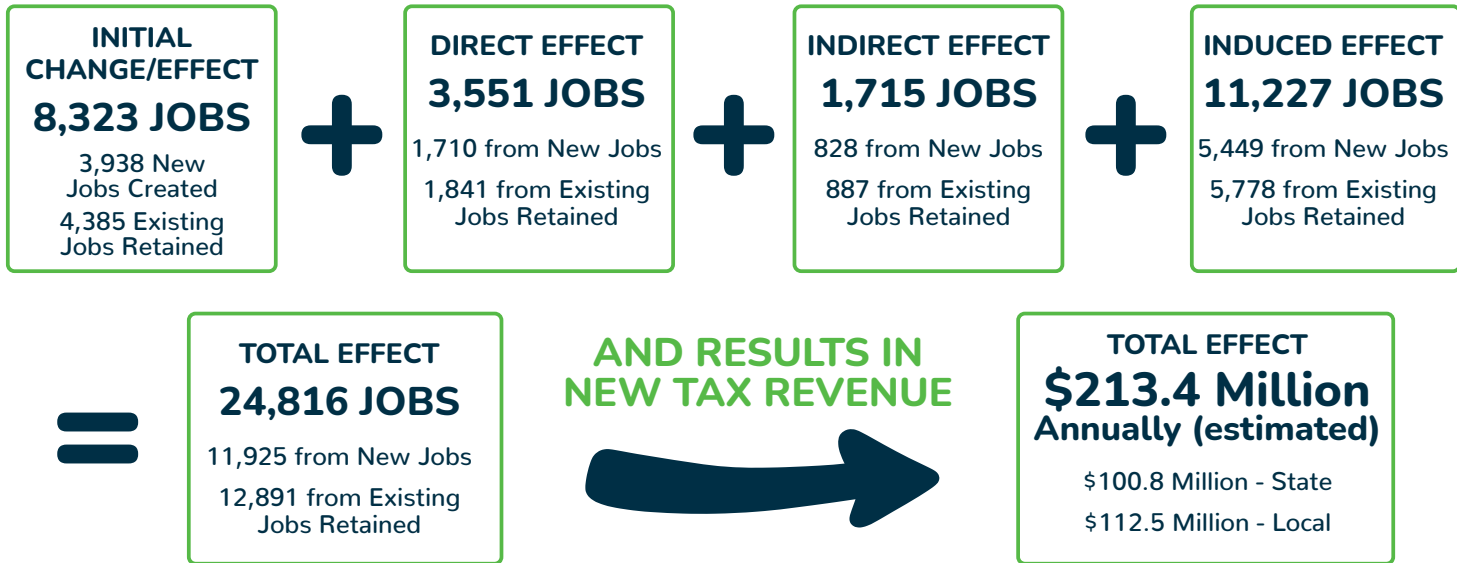




EFFECTS OF PROJECT ACTIVITY ON PA'S ECONOMY

The relocation or expansion of a business in Pennsylvania – and the new and retained jobs attached to it – has far-reaching ripple effects on the state's economy. The 3,938 pledged new jobs created and 4,385 existing jobs retained by GAT projects in FY 2021-2022 are expected to create or support more than 16,493 additional jobs and generate as much as \$213.4 million in state and local tax revenue each year as their effects ripple through the state's economy.

GAT's 31 successfully completed projects in FY 2021-2022
are estimated to affect a total of
16,493 JOBS IN PENNSYLVANIA'S ECONOMY.



Source: Lightcast (EMS)

HOW THE EFFECTS OF NEW AND RETAINED JOBS RIPPLE THROUGH THE STATE'S ECONOMY

- ☒ **INITIAL EFFECT**
The initial effect represents the initial change in jobs, earnings, and sales.
- ☒ **DIRECT EFFECT**
The first round of ripple effects is the new purchase of goods, supplies, and services by the business as a result of the initial effect.
- ☒ **INDIRECT EFFECT**
The next round of effects is the subsequent ripple further down the supply chain resulting from the direct effects.
- ☒ **INDUCED EFFECT**
The next round of effects is the impact of the new earnings created by the initial, direct, and indirect changes. These earnings enter the economy as employees spend their paychecks in the region on housing, food, clothing, and other goods and services.



JOBS & WAGES BY INDUSTRY

The Central region (30 percent) and Southwest region (22 percent) led the commonwealth in job creation. The manufacturing industry's largest job creation regions were the Central region (46 percent) and Lehigh Valley (20 percent).

Jobs Created and Retained by Facility Use/Function at Project Site FY 2021-2022

3,938

New Jobs
Created

4,385

Existing Jobs
Retained

8,323

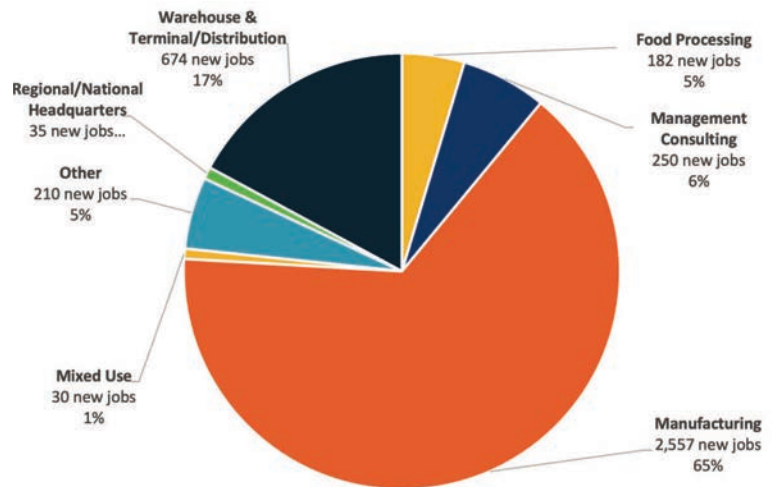
Total Jobs

\$55,413

Weighted
Average Wage

\$181,811,137

Annual Payroll for New Jobs



MANUFACTURING

% of Total Jobs Created65%

New Jobs Created2,557

- Central1,181
- Lehigh Valley501
- Northeast223
- Northwest100
- Southeast355
- Southwest197

Existing Jobs Retained4,069

Total Jobs6,626

Annual Payroll for New Jobs\$105,287,774

Weighted Avg. Wage\$53,994



Philadelphia, PA

JOBS & WAGES BY INDUSTRY

FOOD PROCESSING

% of Total Jobs Created	.5%
New Jobs Created	.182
• Lehigh Valley	.146
• Northwest	.36
Existing Jobs Retained	.206
Total Jobs	.388
Annual Payroll for New Jobs	\$.5,605,728
Weighted Avg. Wage	\$.42,468

MANAGEMENT CONSULTING

% of Total Jobs Created	.6%
New Jobs Created	.250
• Southeast	.250
Total Jobs	.250
Annual Payroll for New Jobs	\$.16,750,000
Weighted Avg. Wage	\$.67,000

MIXED USE

% of Total Jobs Created	.1%
New Jobs Created	.30
• Southeast	.30
Total Jobs	.30
Annual Payroll for New Jobs	\$.3,965,010
Weighted Avg. Wage	\$.132,167

OTHER

% of Total Jobs Created	.5%
New Jobs Created	.210
• Southeast	.210
Total Jobs	.210
Annual Payroll for New Jobs	\$.16,208,850
Weighted Avg. Wage	\$.77,185

REGIONAL/NATIONAL HEADQUARTERS

% of Total Jobs Created	.1%
New Jobs Created	.35
• Northeast	.35
Existing Jobs Retained	.76
Total Jobs	.111
Annual Payroll for New Jobs	\$.1,324,995
Weighted Avg. Wage	\$.37,857

WAREHOUSE & TERMINAL/DISTRIBUTION

% of Total Jobs Created	.17%
New Jobs Created	.674
• Northeast	.674
Existing Jobs Retained	.34
Total Jobs	.708
Annual Payroll for New Jobs	\$.32,668,780
Weighted Avg. Wage	\$.48,470



Pittston, PA



EFFECTS OF PROJECT ACTIVITY ON PA'S UNEMPLOYED WORKERS

The attraction of private investment by new and expanding businesses had a total effect on Pennsylvania's unemployed workforce by creating nearly 12,000 additional employment opportunities and preserving nearly 13,000 existing jobs for Pennsylvanians while generating more than an estimated \$213 million in annual state and local tax revenues.

Jobs Created by GAT Projects Compared to Pennsylvania Unemployed Workers by Sector (NAICS Code) FY 2021-2022

Industry	New Jobs Pledged by Successfully Completed Projects	Number of Unemployed Workers in Pennsylvania	% of Pennsylvania Unemployed Workers	% of Unemployed Workers in the U.S.
Manufacturing	2,585	25,522	9%	9%
Retail Trade	824	21,096	7%	9%
Finance and Insurance	250	6,400	2%	3%
Wholesale Trade	219	7,486	3%	3%
Agriculture, Forestry, Fishing and Hunting	60	2,796	1%	4%
Mining, Quarrying, and Oil and Gas Extraction		4,016	1%	1%
Utilities		634	0%	0%
Construction		73,419	25%	19%
Transportation and Warehousing		18,128	6%	4%
Other		132,999	45%	47%
Total	3,938	292,495	100%	100%

Source: Lightcast (EMSI)

Annual Unemployment Trends



* Average through June

Source: US Bureau of Labor Statistics

Total New Payroll at Project Sites (Annual)

\$181.8 Million **\$886.8 Million**

Total New Payroll
at Project Sites (Annual)

New Earnings
from Projects **



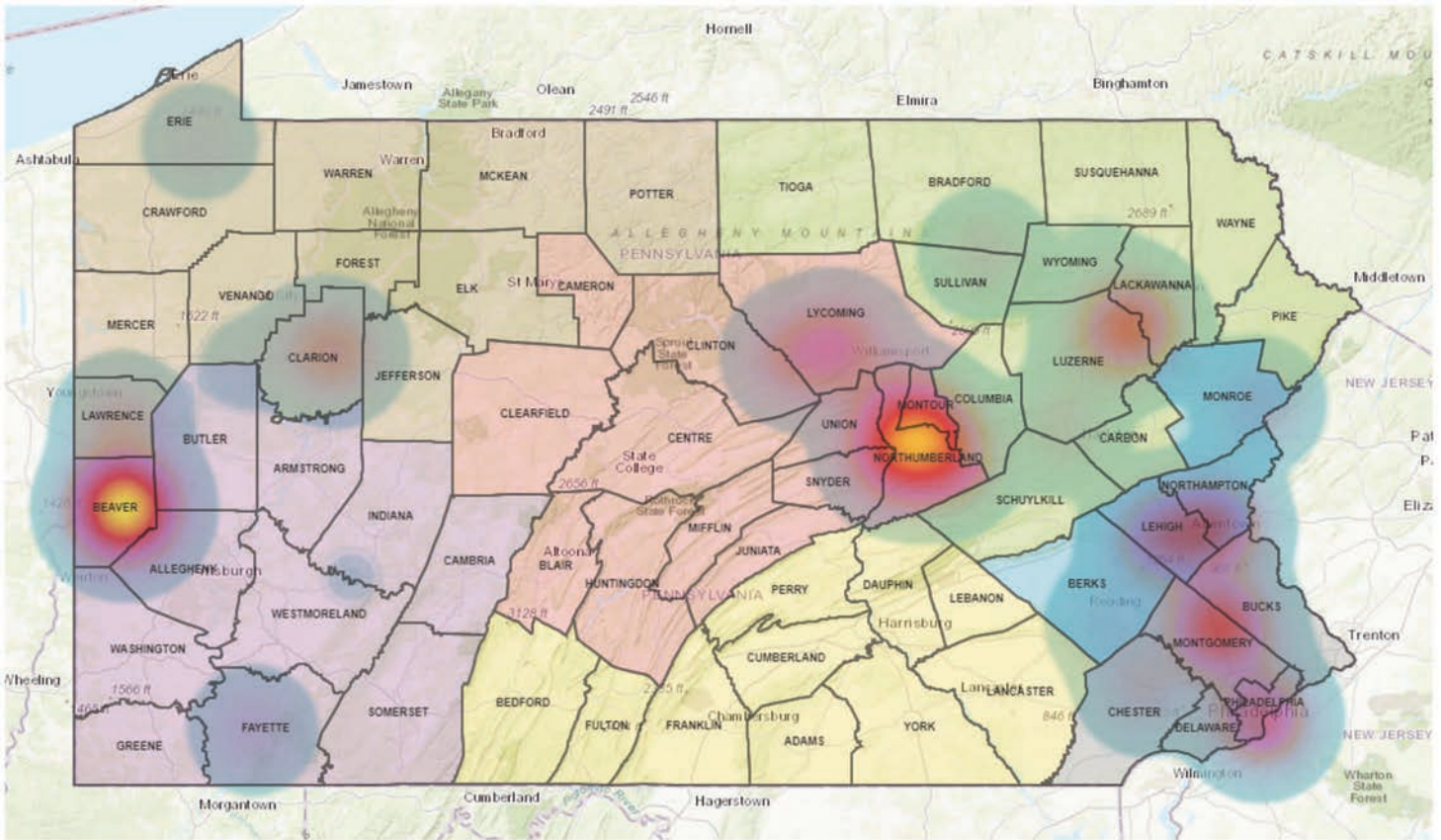
** Earnings include wages and salaries, supplements to wages and salaries (e.g. employer contributions to employee pension and insurance funds as well as employer contributions to government social insurance) and proprietors' earnings

Source: Lightcast (EMSI)

GEOGRAPHIC DISTRIBUTION OF PROJECT ACTIVITY

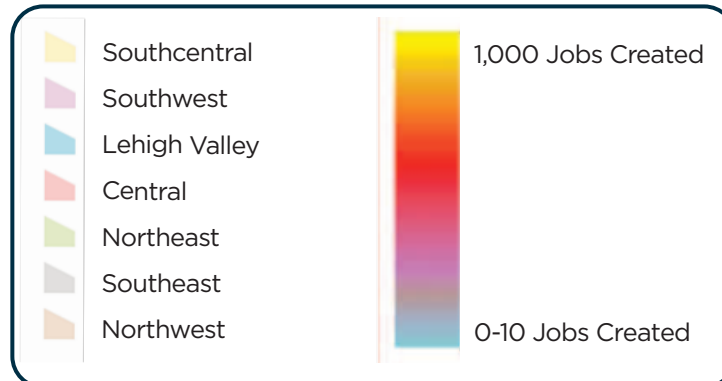
Successfully completed projects during FY 2021-2022 pledged to create 3,938 new jobs at project sites across Pennsylvania. In addition, companies associated with these projects also committed to retaining 4,385 jobs within the commonwealth. Regarding job creation, projects in three regions accounted for nearly 70 percent of all new jobs pledged to be created: central – 1,181 (30 percent), southwest – 871 (22 percent), and Lehigh Valley – 647 (16 percent).

Locations of Successfully Completed Projects*

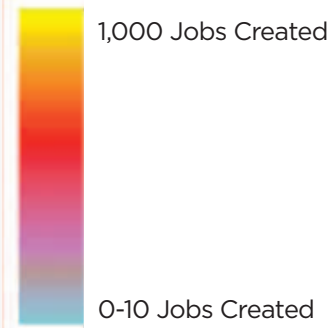


* Locations are based on a per project basis using the location by physical address of the pledged jobs created.

REGION KEY



HEAT MAP KEY

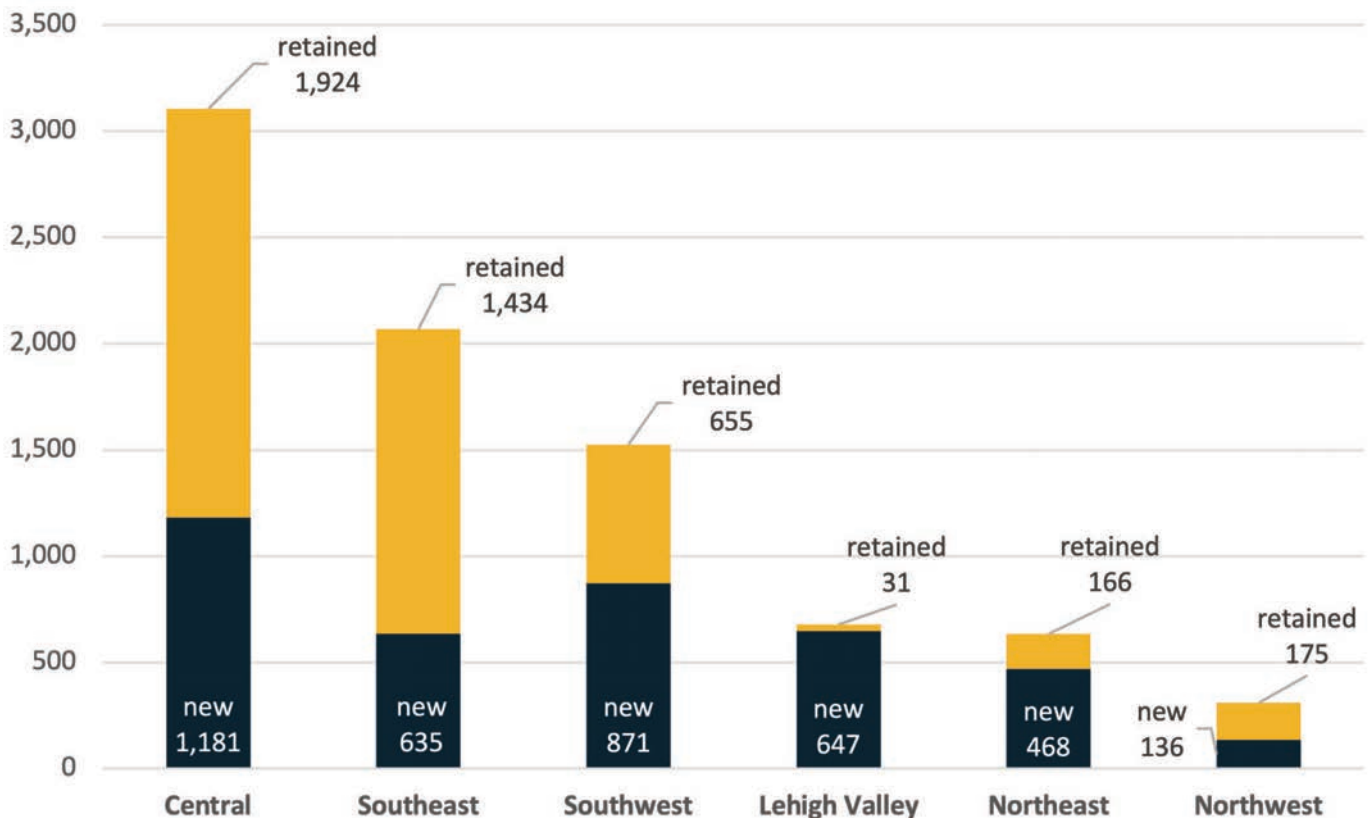


JOBS CREATED & RETAINED BY REGION

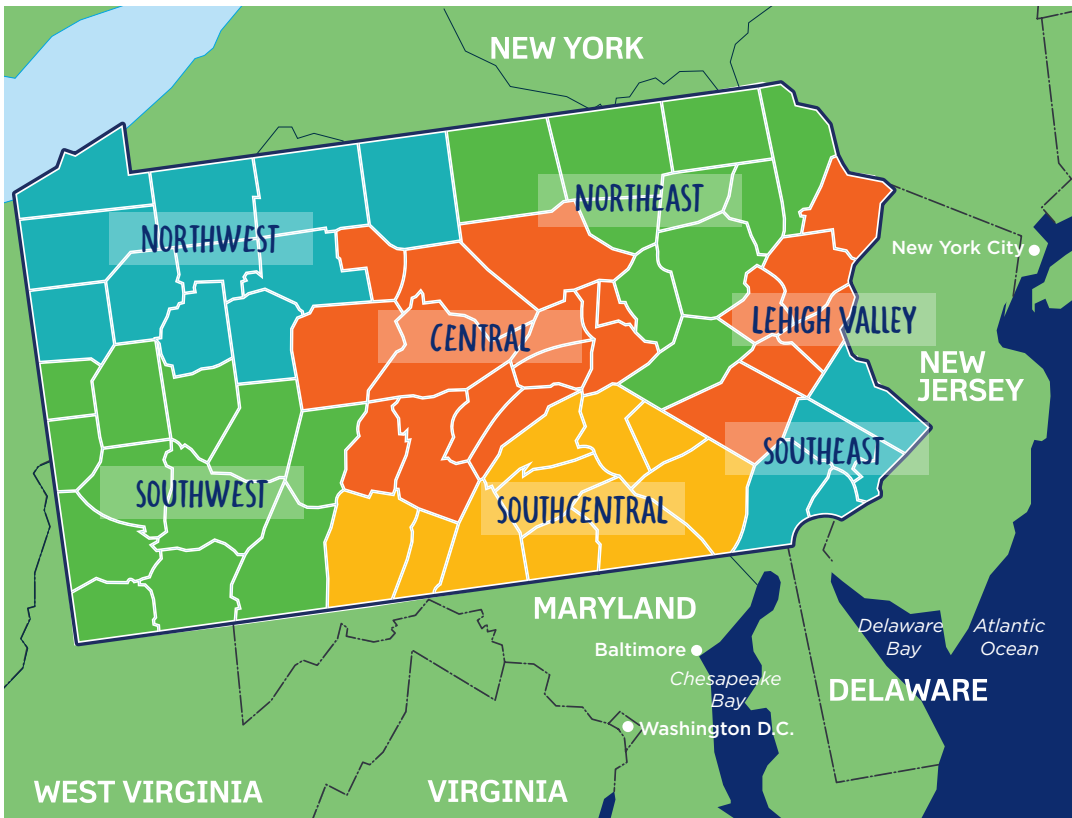
The jobs created and retained from expansion and relocation projects in FY 2021-2022 are mostly clustered in the Central, Southwest, and Lehigh Valley regions of Pennsylvania. GAT's efforts resulted in commitments to create more than 3,900 new employment opportunities while preserving more than 4,300 existing jobs.



Created and Retained Jobs by Region



REGIONAL SNAPSHOTS

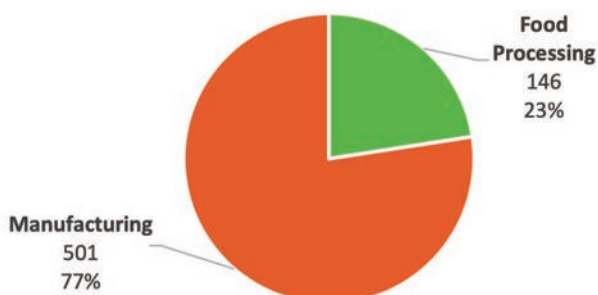


New job creation resulting from manufacturing projects was prevalent in every region, especially in the Central region with nearly 1,200 manufacturing jobs pledged to be created. Projects in the Lehigh Valley region have over 500 manufacturing jobs pledged to be created with the Southeast region having more than 350 new manufacturing jobs expected to be created by businesses.

LEHIGH VALLEY REGION

Jobs Created	647
Jobs Retained	31
Total Job Created and Retained	678
Ripple Effect Jobs	1,607
Jobs Multiplier	3.37
Average Wage (jobs created)	\$57,337
Total Project Cost	\$76,301,857
Total State Assistance	\$4,564,000

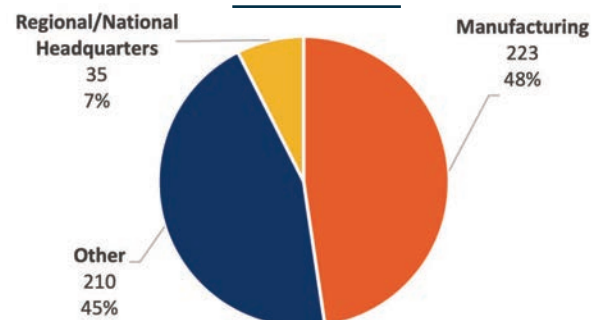
JOBS CREATED



NORTHEAST REGION

Jobs Created	468
Jobs Retained	166
Total Job Created and Retained	634
Ripple Effect Jobs	707
Jobs Multiplier	2.11
Average Wage (jobs created)	\$58,422
Total Project Cost	\$153,324,454
Total State Assistance	\$14,566,800

JOBS CREATED



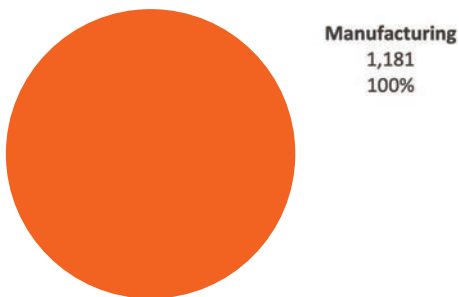
Source: Lightcast (EMSI)

REGIONAL SNAPSHOTS

CENTRAL REGION

Jobs Created	1,181
Jobs Retained	1,924
Total Job Created and Retained	3,105
Ripple Effect Jobs	6,173
Jobs Multiplier	2.99
Average Wage (jobs created)	\$47,094
Total Project Cost	\$1,208,352,000
Total State Assistance	\$8,652,000

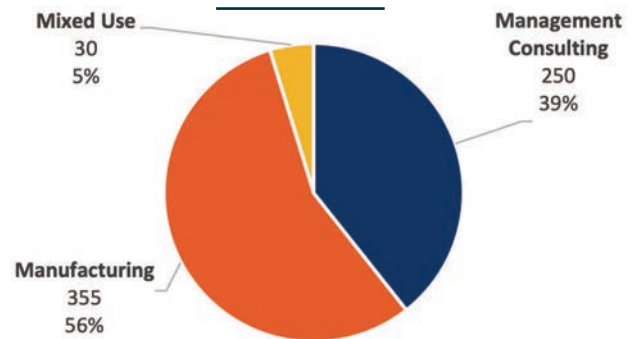
JOBS CREATED



SOUTHEAST REGION

Jobs Created	635
Jobs Retained	1,434
Total Job Created and Retained	2,069
Ripple Effect Jobs	6,043
Jobs Multiplier	3.92
Average Wage (jobs created)	\$79,132
Total Project Cost	\$104,770,000
Total State Assistance	\$2,425,000

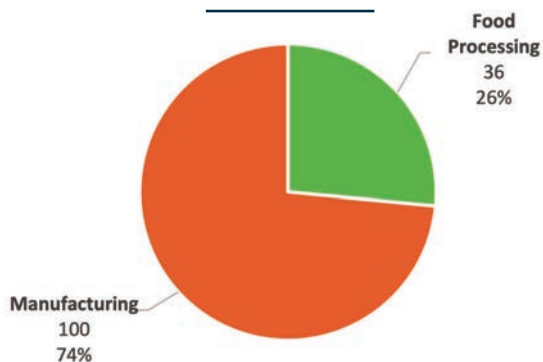
JOBS CREATED



NORTHWEST REGION

Jobs Created	136
Jobs Retained	175
Total Job Created and Retained	311
Ripple Effect Jobs	513
Jobs Multiplier	2.65
Average Wage (jobs created)	\$36,586
Total Project Cost	\$42,706,240
Total State Assistance	\$4,425,000

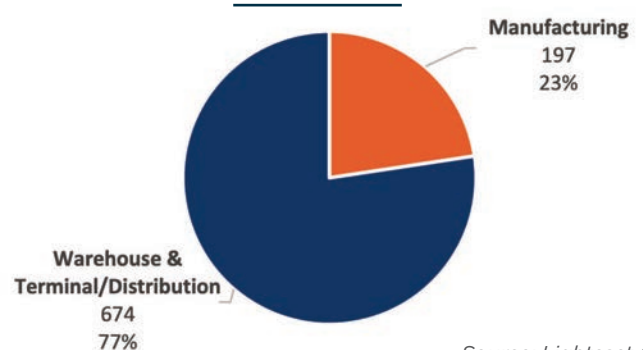
JOBS CREATED



SOUTHWEST REGION

Jobs Created	871
Jobs Retained	655
Total Job Created and Retained	1,526
Ripple Effect Jobs	1,449
Jobs Multiplier	1.95
Average Wage (jobs created)	\$47,137
Total Project Cost	\$44,987,000
Total State Assistance	\$4,436,000

JOBS CREATED



Source: Lightcast (EMSI)

PROJECT HIGHLIGHTS



ALMAC GROUP INC. (Almac)

Lower Salford Township, Montgomery County

Almac, a contract pharmaceutical development and manufacturing organization that provides integrated services to companies in the pharmaceutical and biotech sectors, is expanding operations at its US headquarters in Souderton, Montgomery County. The company plans to add 100,000 square-feet to its existing 246,000 square-foot headquarters and production facilities, which it owns. The \$93.5 million expansion will include both cold and ambient storage and office space. The expansion will also include upgrades to nearby leased office space for its pharma services group. This project is a continuation of the company's successful 2016 expansion project where Almac invested over \$24 million, retained 1,110 jobs and created 312 jobs.

Project Type	Expansion
Capital Investment	\$93,570,000
State Assistance	\$2,025,000
Jobs Created	355
Jobs Retained	1,434
Average Wage	\$83,194



CHANCE ALUMINUM CORP.

Williamsport City, Lycoming County

Chance Aluminum Corp. will follow on its asset purchase of the recently closed JW Aluminum facility in Williamsport, Lycoming County. In doing so, Chance Aluminum will manufacture aluminum and other common alloy coils, and will serve as the lead domestic supplier for Chance Aluminum's sister company, AA Metals based in Orlando, FL. To restart operations, the company will install additional equipment to transform the facility into a fully integrated, state-of-the-art aluminum rolling mill.

Project Type	New Operation
Capital Investment	\$18,750,000
State Assistance	\$3,600,000
Jobs Created	113
Average Wage	\$56,112

PROJECT HIGHLIGHTS

American Flooring is a subsidiary of:



AMERICAN FLOORING, LLC

Pittston Township, Luzerne County

American Flooring has located a 250,000 square-foot facility in Pittston, Luzerne County and will lease it for 75 months with a 5-year option. The project will create 115 jobs with a capital investment of \$25 million. The project includes leasehold improvements, upgraded electrical and parking capacity, the acquisition of equipment, and training its employees.

Project Type	.....New Operation
Capital Investment	.....\$25,203,000
State Assistance	.....\$425,000
Jobs Created	.....115
Average Wage	.....\$43,947



EXPRESS MED PHARMACEUTICALS

Center Township, Beaver County

SelectQuote, Inc. acquired Express Med and intends to expand its existing operation located at 3950 Brodhead Road in Monaca (Beaver County). The capital expenditure of \$8 million will create 674 new jobs, which includes a portion of the jobs working remotely. Onsite operations will include inventory, process flow, staging, shipping, and receiving.

Project Type	.....Expansion
Capital Investment	.....\$8,000,000
State Assistance	.....\$1,000,000
Jobs Created	.....674
Jobs Retained	.....34
Average Wage	.....\$48,470

PROJECT HIGHLIGHTS



ROQUETTE AMERICA, INC. (Roquette)

Lower Gwynedd Township, Montgomery County
Roquette's Pharmaceutical Solutions division will establish a new U.S. Innovation Center to serve as a combination R&D lab and regional headquarters facility in Montgomery County. The project will create 30 new jobs with a starting average salary of \$132,167. The company will sign a long-term lease of no less than 10 years, invest a total of \$8.7 million in tenant buildout of office and R&D space, and purchase IT and laboratory equipment.

Project Type	.....New Operation
Capital Investment	.....\$8,700,000
State Assistance	.....\$150,000
Jobs Created	.....30
Average Wage	.....\$132,167



WEST PHARMACEUTICAL SERVICES, INC.

Chester, Delaware, and Lycoming Counties

West Pharmaceutical will expand and modernize its Williamsport manufacturing plant. The project includes the construction of a 12,000 square-foot addition and the purchase of production equipment for a new product mixer line. The project is expected to modernize the plant, increase manufacturing output, and improve the plant's overall efficiency. The total project cost is approximately \$18.3 million, with 204 new jobs to be created collectively at the Williamsport site, Jersey Shore site and its corporate headquarters in Exton. West will also retain 1,181 existing jobs statewide.

Project Type	.....Expansion
Capital Investment	.....\$18,367,000
State Assistance\$1,945,000
Jobs Created204
Jobs Retained1,181
Average Wage\$67,925



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PA Department of Community & Economic Development

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