

## CONSTRUCTION LEGISLATIVE COUNCIL JANUARY 18, 2002

"There is no reason anyone would want a computer in their home."

Ken Olson, president, chairman and founder of Digital
 Equipment Corp., 1977

"640K ought to be enough for anybody."



- Bill Gates (1955-), in 1981

"The concept is interesting and well-formed, but in order to earn better than a 'C', the idea must be feasible."

- A Yale University management professor in response to student Fred Smith's paper proposing reliable overnight delivery service (Smith went on to found Federal Express Corp.)

"Who the hell wants to hear actors talk?"

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- H. M. Warner (1881-1958), founder of Warner Brothers, in 1927

"We don't like their sound, and guitar music is on the way out.

- Decca Recording Co. rejecting the Beatles, 1962

"Everything that can be invented has been invented."

- Charles H. Duell, Commissioner, U.S. Office of Patents, 1899

THESE ARE JUST A FEW QUOTES I FOUND THAT I

THINK MIGHT HELP ME TO SUPPORT THE

CONTENTION THAT-- WHAT IS BELIEVED TO BE

REAL AND POSSIBLE IS A FUNCTION OF ONE'S

PERSPECTIVE. SOMETIMES IT TAKES ACCEPTING

ON FAITH THAT SOME CHANGE ISN'T NECESSARILY

BAD, UNWELCOME, OR IMPOSSIBLE.

COMMUNITY REVILATIZATION, I BELIEVE, MUST
START BY REALIZING THAT WE CAN RECREATE THE



PAST VIABILITY OF OUR CITIES AND SMALL TOWNS. I KNOW FOR ME THE MEMORY OF GROWING UP IN A SMALL TOWN HAS A WARM AND FUZZY FEEL TO IT. BUT I AM SURE MY MEMORY IS LACED WITH NOSTOLGIA WHICH HAS PRODUCED A COMBINATION OF LIFE EXPERIENCES SIMILAR TO THAT OF FATHER KNOWS BEST & LEAVE TO BEAVER. SOME OF YOU ARE OLD ENOUGH TO REMEMBER ROBERT YOUNG COMING HOME EVERY NIGHT AT THE SAME TIME, TAKING OFF HIS SUIT JACKET AND PUTTING ON A SPORT COAT, WITH LEATHER ELBOW PATCHES, AND SITTING DOWN TO READ THE PAPER WHILE WAITING FOR DINNER; AND JUNE CLEAVER WAS KNOWN TO DO HER HOUSEKEEPER CHORES IN A COCKTAIL DRESS WITH HER STRING OF PEARLS THAT WAS THE PERFECT



FASHION STATEMENT WHEN VIEWED WITH THE UPRIGHT HOOVER.

SOMEONE ONCE SAID "HAPPINESS IS GOOD HEALTH AND A BAD MEMORY" SO I ACCEPT THAT IT MAY NOT HAVE BEEN EXACTLY HOW IT WAS. BUT ASIDE FROM THESE SILLY TV CREATIONS IT SURELY WAS ACCURATE IN TERMS OF SOME OF THOSE QUALITY OF LIFE ISSUES THAT WE ENJOYED AND TOOK FOR GRANTED; AND FOR SOME OF US, IF NOT ALL OF US AT SOME LEVEL, LONG FOR NOW.

THE BUSY MAIN STREET AND IT'S SURROUNDING ENVIRONS OF RESIDENTIAL NEIGHBORHOODS THAT

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WAS ALIVE AND VIBRANT. A GRID PATTERN OF STREET DESIGN THAT ALLOWED FOR EASY ACCESS REGARDLESS OF WHERE YOU LIVED AND WHERE YOU WERE GOING. COMMUNITIES OF RETAIL, COMMERCIAL, RESIDENTIAL AND YES SOME INDUSTRIAL ALL WITHIN CONFINES OF THE CITY BOLDERS WHICH IN MANY CASES WERE WITHIN WALKING DISTANCE ONE FROM THE OTHER.

SIDEWALKS FILLED EVERYDAY AND AT LEAST TWO
OR THREE EVENINGS AWEEK, EXCEPT FOR THE
CHRISTMAS SEASON WHEN THE STORES STAYED
OPEN EVERY NIGHT. SIDEWALKS SO FULL OF
PEOPLE THAT ONE NEEDED TO STEP OFF THE CURB
TO PASS ONE ANOTHER. THERE WERE SIDEWALK
SALES AND PARK CONCERTS IN

THE SUMMER AND THE BRACE OF WINTER COLD EXITING THE DEPARTMENT STORE FOR THE PRARMACY IN THE WINTER.

ELECTRIC TROLLYS AVAILABLE FOR THOSE WNO
NEEDED THEM TO TAKE THEM TO THEIR
NEIGHBORHOODS OR EVEN TO THE NEXT TOWN.
DAILY COMMUTER TRAIN SERVICE TO PITTSBURGH
AND SURROUNDING AREAS WITH STATIONS IN ALL
OF THE TOWNS ALONG THE PENN CENTRAL AND
OTHER RAIL ROAD LINES.

COMMERCIAL DISTRICTS BURSTING WITH TWO AND THREE PHARMACIES, THREE OR FOUR DEPARTMENT STORES, ANY NUMBER OF SPECIALITY SHOPS, WOMENS AND MENS CLOTHING, JEWERLY STORES



AND A PLETHORA OF RESTURANTS FROM FINE
DINNING TO THE LOCAL DINNER, WHICH I THINK
EVERY TOWN HAD ONE. CHURCHES AND TEMPLES
DOTTING THE LANDSCAPE OF THIS

SETTING WHOSE NEED FOR SIDEWALKS
OUTWEIGHED THEIR NEED FOR PARKING SPACES.

RESIDENTIAL NEIGHBORHOODS OF TREE LINED
STREETS, AND SMALL YARDS AND SET BACKS
SERVICED BY ALLIES FOR GARAGES AND TRASH
PICKUP. FRONT PORCHES AND SMALL TOWN
AMENITIES OF PICKET FENCES AND



NEIGHBORHOOD SCHOOLS WERE ALL PART OF THE AMBAINCE THAT MANY OF US REMEMBER FONDLY.

MIXED INCOME, MIXED USE WAS A HIGHLY
SUCCESSFUL CONFLUENCE OF COMMERCE,
RECREATIONAL AND HUMAN INTERACTION THAT
HAS BEEN THE SETTING FOR OUR SPECIES SINCE WE
CAME OUT OF THE FOREST THOUSANDS OF YEARS
AGO.

THERE ARE SOME IN THIS ROOM, MAYBE MORE
THAN A MAJORITY WHO DO NOT BELIEVE IT IS
POSSIBLE OR DESIRABLE TO EVEN ATTEMPT TO
RECREATE THESE COMMUNITES IN THEIR ORIGINAL
DESIGN. AND THE DEBATE ABOUT WHAT
AMERICANS WANT IN THE WAY OF QUALITY OF

LIFE AND HOW THAT'S DEFINED I SUPPOSE COULD CONSUME OUR TIME TOGETHER TODAY. I DO NOT THINK THERE IS ANYONE WHO WOULD DISAGREE HOWEVER THAT OUR SUBURBAN DEVELOPMENTS, STRIP MALLS, AND OFFICE PARKS AND RESULTANT ABANDONMENT AND DECAY OF OUR CITIES WAS A RESULT OF AN UNEVEN PLAYING FIELD. FEDERAL GOVERNMENT HIGHWAY AND HOUSING PROGRAMS, SUBURBAN LOCAL GOVERNMENTS' NEED FOR GROWTH REVENUE AND AN APPROACH TO ZONING THAT WAS UNINSPIRING AT BEST AND THE EQUIVALENT TO A "LETHAL INJECTION" TO THE URBAN CORES AT ITS WORST. AND ALL OF THIS HAS HAPPENED AND CHANGED OUR CONCEPT **OF** 

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COMMUNITY OVER THE LAST FIFTY YEARS, REALLY NOT EVEN A BLINK IN THE HUMAN TIME LINE OF DEVELOPMENT.

CONSEQUENTLY, LET ME PROCEDE ON THE BASIS
THAT AT LEAST SOME OF US ACCEPT AS TRUE THAT
QUALITY OF LIFE ISSUES IN TERMS OF OUR
MUTUAL CONSTITUENTS' DESIRES SHOULD
CONTAIN AT LEAST A MENU OF OPTIONS THAT
INCLUDE A CITY SETTING WITH IT'S UNIQUE
AMENITIES. AND FURTHER LET ME SUGGEST THAT
THESE KINDS OF URBAN OPTIONS ARE NOT IN LIEU
OF BUT IN ADDITION TO THE MORE PREVALENT

SUBURBAN DEVELOPMENT AND CAN BE MADE TO BE JUST AS PROFITABLE FOR THOSE OF YOU WHO DO THAT TYPE OF WORK.

THERE ARE THREE ITEMS OF PUBLIC POLICY THAT I WOULD LIKE TO MENTION WHICH COULD PROVIDE INCENTIVES FOR THE CITY OPTION TO BE VIABLE FOR THE CONSUMER OF THOSE HOMES AND BUSINESSES IF THAT'S THEIR DESIRE.

FIRST, AND PERHAPS THE MOST OBVIOUS, IS TO CHANGE THE METHOD BY WHICH WE FUND OUR SCHOOL DISTRICTS AND MUNICIPAL AND COUNTY GOVERNMENTS, THE PROPERTY TAX. THE HEADLINES AND THE LEADING STORIES ON THE TV

NEWS IN THE LAST FEW WEEKS ABOUT THIS

MATTER IS PARTICULARLY SENSITIVE TO THOSE OF

YOU FROM ALLEGHENY COUNTY. BUT I CAN

ASSURE YOU THAT ALL OF PENNSYLVANIA SUFFER

FROM THE BURDEN OF THIS ANCRONISTIC, UNFAIR

AND REGRESSIVE TAX; THE REASSESSMENT IS

ALMOST AS PAINFUL IN ITS UNFAIRNESS WHEN

IT'S IMPOSSED AS WHEN IT'S ALLOWED TO REMAIN UNTOUCHED FOR THIRTY YEARS AS IT HAS BEEN IN WESTMORELAND COUNTY.

THE "CATCH 22" IS THE DIFFERENCES IN TERMS OF
NEEDS FOR THE CITIES AND SMALL TOWNS FOR
MORE AND MORE REVENUE BECAUSE OF AN
INCREASE DEMAND FOR SERVICES RESULTING

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FROM THE POPULATION DECLINE BUT WITH AN EXACERBATED LOSS OF THE TAX BASE. LESS JOBS, LESS PEOPLE, RESULTS IN MORE CRIME AND THE NEED TO PAY FOR ADDITIONAL POLICE SERVICES. THIS IS A VISCIOUS CYCLE OUR URBAN CENTERS. THIS SAME UNFORTUNATE SCENERIO APPLIES TO THE NEED FOR OTHER HUMAN SERVICES AS WELL.

RELUCTANTLY I CAN TELL YOU HOWEVER, THAT
THIS WAS THE HOT ISSUE WHEN I WENT TO THE
LEGISLATURE 14 YEARS AGO. AND

AT THE RISK OF OVER KILL TO MAKE THE POINT EVEN MORE, A FRIEND OF MINE TOLD ME ON THE OCCASION OF HIS RETIREMENT IN JULY, AFTER 30 YEARS WORKING FOR THE HOUSE OF

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REPRESENTATIVES STAFF, IT WAS THE FOCAL POINT OF THE LEGISLATURE WHEN HE STARTED.

THERE IS A SERIOUS BIPARTISAN EFFORT ON GOING PRESENTLY, IN WHICH WE MAY SEE THE START OF A USEFUL AND PERHAPS SUCCESSFUL DIALOGUE IN THIS REGARD. BUT IT'S TOO EARLY TO TELL, ESPECIALLY IN LIGHT OF THE BUDGET SHORTFALL PREDICTIONS. BUT SUFFICE IT TO SAY THAT IT WILL TAKE ENORMOUS POLITICAL WILL AND MORE IMPORTANTLY LEADERSHIP FROM THE TOP FOR THIS BURDEN TO BE REFORMED. WITHOUT IT, AS YOU KNOW THE LOW TAX RATE AS A RESULT OF

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CONTINUAL GROWTH (SPRAWL) AND LACK OF
MANDATED SERVICES IN THE SUBURBS HAS
PRODUCED AN IMBALANCE OF SIGNIFICANT
PROPORTIONS.

A SECOND PUBLIC POLICY ITEM TO REINVIGORATE OUR CITIES IS THAT WE MUST HAVE A VIABLE, EFFICIENT, RELIABLE COST EFFECTIVE TRANSIT SYSTEM THAT PROVIDES THE KINDS INCENTIVES TO MAKE ITS USE A MATTER OF CHOICE FOR THOSE WHO DON'T NEED IT. BY THAT I MEAN I BELIEVE THAT FOR THE VAST MAJORITY OF THOSE WHO USE THE PUBLIC TRANSIT, WHERE IT IS AVAILABLE, ARE THOSE WHO HAVE NO OTHER CHOICE: SENIOR CITIZENS AND THE POOR FOR THE MOST PART.



## THOSE WHO ARE LOCKED OUT OF THE AUTO CENTRIC WORLD BECAUSE THEY

CAN'T AFFORD OR UNABLE TO OPERATE AN INTERNAL COMBUSTION ENGINE.

BUT I BELIVE WE CAN PROVIDE THAT TRANSIT

SYSTEM BUT IT'S GOING TO TAKE SOME MORE OF

THAT HARD TO FIND POLITICAL WILL, THAT-UP TO

THIS POINT HAS BEEN MISSING. AND BY TRANSIT

SYSTEM I'M TALKING REGIONALLY—THE TEN

COUNTY AREA. A SYSTEM THAT CONNECTS THE

OUTLYING AREAS WITH THE URBAN CENTERS BUT

ALSO ONE THAT WOULD PROVIDE SERVICE FROM

PART OF THE REGION TO ANOTHER.



REGARDLESS THOUGH THERE ISN'T ANYONE WHO WOULDN'T DISAGREE THAT AUTO DEPENDENCY HAS CHANGED OUR ENVIRONMENT ON A NUMBER OF LEVELS; IT HAS CHANGED OUR INTERACTSION WITH ONE ANOTHER, OR MORE TO THE POINT OUR LACK OF IT; AND IT HAS CHANGED OUR LIVING AND BUSINESS DECISIONS AND CONCOMITANTLY OUR EMPLOYMENT NEEDS IN TERMS OF TYPES OF JOBS AND WHERE THEY ARE.



TO HARKEN BACK TO A TIME WHEN COMMUNITIES COMPRISED OF MAIN STEET COMMERCE, RESIDENTIAL NEIGHBORHOODS, RECREATIONAL OPPORTUNITIES, AND INDUSTRAIL EMPLOYMENT ALL BEING ACCESSED BY PUBLIC TRANSIT IS NOT UNREALISTIC.

PERHAPS AS ALLEN KAY SAID "THE BEST WAY TO PREDICT THE FUTURE IS TO INVENT IT". AND IT'S NOT AS IF WE DON'T HAVE A TEMPLATE!

I WOULD BE REMISS IF I DIDN'T MENTION MAG LEV
IN THIS DISCUSSION. BUT I'M A REALIST. I'M AN
ENTHUASTIC SUPPORTOR AND BELIEVE IT WOULD



BE A TRULY REMARKABLE ECONOMIC

DEVELOPMENT OPPORTUNITY. BUT IN THE BEST

CASE IT WILL BE FIVE TO SIX YEARS BEFORE IT

REACHES THE HINTERLANDS. SHOULD WE WAIT OR

SHOULD WE EXPLORE MORE CONVENTIONAL

TRANSIT OPPORTUNITIES AS AN ADJUNCT TO THE

HIGH SPEED EAST-WEST SERVICE? I THINK THE

ANSWER IS OBVIOUS.

THESE TWO PUBLIC POLICY INITIATIVES ARE NOT NEW, NOR EASY. THEIR ACHIEVEMENT WILL BE LONG TERM AND PROBABLY INCREMENTAL. BUT THE THIRD ITEM I WOULD LIKE TO TALK ABOUT I THINK CAN MAKE AN ALMOST IMMEDIATE IMPACT IN OUR EFFORTS. WE MUST MAKE IT AS PROFITABLE FOR THE DEVELOPERS AND HOME



PURCHASES AND BUSINESS INVESTORS TO MAKE
THEIR SELECTION FOR DOWNTOWN AREAS AS IT
MAY BE FOR THE GREENFIELDS.

THERE ARE SOME WHO CAN MAKE THE ARGUMENT NOW WITHOUT EVEN VISITING THE KOZ'S AND **BROWNFIELD DEVELOPMENTS BY CONSIDERING** THE COST SAVINGS OF THE HIGHER DENSITIES, UTILIZING EXISTING INFRASTRUCTURE, SMALLER SET BACKS AND OTHER SUCH CONSIDERATIONS THAT ALREADY EXIST. AND FURTHER A CONSIDERABLE BABY BOOMER, EMPTY NESTER MARKET THAT IS JUST WAITING TO BE TAPPED ARE JUSTIFICATION FOR DOWNTOWN INVESTMENT.



I BELIEVE THOSE ARE TRUE. AND THERE ARE PROBABLY OTHER REASONS FOR DOWNTOWN DEVELOPMENT THAT SOME OF YOU IN THE BUSINESS CAN MAKE. BUT I THINK THERE IS ONE OTHER; PROVEN A POLICY THAT NEEDS TO BE ENCOURAGED: THE PRESERVATION OF THE HERITAGE OF OUR CITIES AND SMALL TOWNS AND SYMULTANOUSLY USING THAT HERITAGE AS A REVITALIZING TOOL. THE GLORIFICATION, IF YOU'LL PERMIT, OF THE PRACTICAL REASONS FOR THE ORIGNINAL DEVELOPMENT OF EACH ONE OF OUR DOWNTOWN CENTERS IN THE FIRST PLACE. THE REESTABLISHING OF THAT SENSE OF COMMUNTIY THAT IS SO ELUSIVE IN THE SUBURBS.



TOWARD THAT END I HAVE DEVOTED A

CONSIDERABLE PART OF MY LEGISLATIVE LIFE,

DEVELOPING LEGISLATION THAT WOULD

PROVIDE TAX INCENTIVES TO HOME SELLERS,
HOMEBUYERS, AND DEVELOPERS THAT WOULD
MAKE HISTORIC PROPERTIES AND PROPERTIES IN
HISTORIC DISTRICTS AN OPTION OF MAGNIFIED
PROPORTIONS.

WITHOUT BORING YOU WITH THE ARCANE
LEGISLATIVE HISTORY LET JUST SAY THESE BILLS
HAVE PASSED THE HOUSE ON NUMEROUS
OCCASIONS ONLY TO BE STALLED IN THE SENATE.
THE APPROACH IS SIMPLE. WE WOULD EXEMPT THE
SALES, REALITY TRANSFER AND CAPITAL GAINS



TAXES AND PROVIDE A TWENTY PER CENT ON THE PERSONAL INCOME TAX TO PROVIDE INCENTIVES FOR RESIDENTIAL PROPERTIES IN THOSE HISTORIC DISTRICTS. (WE HAVE SINCE ADDED THE DEVELOPERS PIECE). THE BUYER WOULD COVANENT WITH PHMC TO REHABILATE THAT PROPERTY

TO DEPARTMENT OF INTERIOR STANDARDS AND TO AGREE TO LIVE IN THE PROPERTY FOR A MINIMUM OF FIVE YEARS.

AS ALL OF YOU KNOW WITHOUT THE SUPPORT OF THE ADMINISTRATION, GOVERNOR'S OFFICE, DEPT.



OF REVENUE, BUDGET OFFICE ONE WOULD NOT BE ABLE TO BE REMOTELY SERIOUS ABOUT SUCH A CHANGE TO THE TAX CODE. CONSEQUENTLY OVER THE LAST SIX YEARS WE HAVE NEGOTIATED AND AMENDED OUR BILLS WHICH REALLY HAS WATERED DOWN THE IMPACT THAT THESE INCENTIVES WOULD HAVE. THE BEAN COUNTERS WERE AFRAID OF THE IMPACT TO THE REVENUE STREAM OF THE COMMONWEALTH NOTWITHSTANDING OUR ARGUMENTS ABOUT THE OFFSETTING BENEFITS TO THE CONTRARY. BUT WE ACCEPTED THE HALF A LOAF THEORY.

HOWEVER, AT THE LAST MINUTE IN THE BUDGET
NEGOTIATIONS THE BUDGET OFFICE RENIGED AND
WOULD ONLY AGREE TO A DEMONSTRATION PLAN



OF A \$500,000 GRANT PROGRAM IN LIEU OF ANY CHAGES TO THE TAX CODE. BUT EVEN THIS HAS STALLED BECAUSE OF THE BUDGET SHORTFALL. I STILL HOLD OUT HOPE BECAUSE OF THE OVERWELMING SUPPORT IN THE LEGISLATURE AND THE ADVOCACY COMMUNITY THAT WE STILL MIGHT GET SOMETHING DONE ON THIS GRANT PROGRAM BEFORE THIS SESSION ENDS. REGARDLESS THOUGH I HAVE REINTRODUCED THE LEGISLATION IN IT'S ORIGINAL FORM OF, ADDING THE DEVELOPERS PIECE, IN ANTICIPATION OF A NEW ADMINISTRATION AND PERHAPS A NEW PERSPECTIVE.



THIS IS A VERY TARGETED COMMUNITY
REVITAIZATION EFFORT THAT HAS PROVEN
SUCCESSFUL IN ALL TYPES OF CITIES AND TOWNS
ACROSS THIS COUNTRY. EXAMPLES OF HISTORIC
TOURISM SUCCESSES ARE LEGENDARY, AS WELL AS
BEING A NATURAL DRAW FOR MANY DIVERSE
GROUPS WHO PREFER THE LIVABILITY OF THIS
ENVIRONMENT. WITH THIS STRATEGY
COMMUNITIES CAN PLAY TO THEIR STRENGTHS TO
REGAIN THEIR VIABILITY.

THE CULTURAL, HISTORIC AND ARCHTECTURAL STRENGHT OF WESTERN PENNSYVANIA IS RICH



AND DIVERSE AND SHOULD BE PERSERVED SO WE KNOW WHO WE ARE AND WHY WE ARE HERE AND HOW THAT MAY EFFECT OUR FUTURE AND MORE TO THE POINT OUR CHILDREN AND GRANDCHILDENS FUTURES. BUT ALSO

TO BE USED AS A VERY SIGNIFICANT ECONOMIC DEVELOPMENT TOOL.

WE CAN DO SO MANY THINGS TO HELP OUR
REVITALIZE OUR DOWNTOWN AREAS. AND WE CAN
DO IT SO THAT IT IS NOT MUTUALLY EXCLUSIVE
FROM THOSE WHO PREFER ANOTHER LIFE STYLE.



SOMEONE ONCE SAID" WE CANNOT DIRECT THE

WIND BUT WE CAN ADJUST THE SAILS" .

I SUBMIT MAYBE IN THIS CASE WE CAN DO BOTH.