

The Intergovernmental Cooperation Authority for Harrisburg 922 N 3rd Street Harrisburg, PA 17102

May 21, 2025

The Honorable Patty Kim Senate Box 203015 Harrisburg, PA 17120-3015

The Honorable David Madsen P.O. Box 202104 Harrisburg, PA 17120-2104

The Honorable Nate Davidson P.O. Box 202103 Harrisburg, PA 17120-2103

Dear Senator Kim, Representative Madsen, and Representative Davidson:

At the end of April the Intergovernmental Cooperation Authority for Harrisburg (ICA) submitted its <u>annual report</u> to the Governor and General Assembly on the City's progress toward fiscal recovery and sound fiscal management, as required by Act 124 of 2018, the Intergovernmental Cooperation Authority Act for Cities of the Third Class. The ICA finds that while the City of Harrisburg's financial condition is currently stable, ongoing economic forces require development of a comprehensive economic development plan to maintain that stability.

The public profile of this issue has risen considerably, reemphasizing the need for concerted and constructive action. The ICA is pleased to let you know that we and the City, along with community stakeholders, have developed a conceptual plan to move forward toward this objective. As a group, we are asking your consideration and assistance in securing a partnership with the Commonwealth in moving the City's planning process forward.

The Commonwealth is our signature employer and our closest ally in understanding the need for a vibrant and vital downtown and its importance as the economic and social anchor of the central Pennsylvania region. Yet state and corporate workforce telework policies arising from the Covid-19 pandemic continue their downward pressure on our urban core. Related impacts have been felt in the precipitous decline in parking revenues and an accelerating series of real estate assessed value reductions triggered by reduced office occupancy.

A comprehensive planning effort requires resourcing paired with broad community and regional involvement. It begins with State buy-in with funding adequate for comprehensive multi-year planning and implementation, and it requires a solid and experienced community-focused leadership team with private- and public-sector participation.

While the City has restructured staffing around economic development, in reality resource and time limitations constrain most of the City's actual economic development effort to attracting or retaining individual businesses. By contrast, successfully crafting and implementing an economic development plan requires both task-focused leadership and broad public support and input – residents, businesses, developers, and neighborhood groups.

The ICA, the City, and our community partners are prepared to assist in any way you deem suitable to achieve this objective, and we look forward to working with you to further develop this strategy.

Sincerely,

Douglas E. Hill

Board Chairman, ICA

cc: The Hon. Wanda R.D. Williams, Mayor

The Hon. Members, Harrisburg City Council

The Hon. Rick Siger, Secretary, DCED

Ryan Unger, President and CEO, CREDC