FAY-PENN

ECONOMIC DEVELOPMENT COUNCIL

Moving Fayette Forward

Annual Report 1994



Meeting The Global Challenge

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FIGYD C. HUGGINS
First Vice President



ANDREW J. DURAN Second Vice President



JOHN A. BUCHANAN Secretary



RUSSELL B. MECHENG, JR.

MESSAGE FROM THE PRESIDENT

I_{T IS MY PLEASURE} to report to you the accomplishments of the Fay-Penn Economic Development Council for 1994. This past year saw a continuation of the efforts started in 1992 and 1993, in addition to an expansion into new areas of economic development. These accomplishments were only possible through a partnership effort between Fay-Penn, the Greater Uniontown Industrial Fund, the Connellsville Industrial Enterprises and many other organizations supporting our efforts.

In 1994, Fay-Penn helped 14 companies through a variety of projects to make more than \$13.6 million in new capital investments in various communities of Fayette County. Many of these companies are world class, competing and winning in the global market place. We are fortunate that they have selected Fayette County as their choice international location. In total, since 1992, Fay-Penn has assisted in 28 economic development projects involving 1604 jobs and \$14.9 million in local payroll that will result in an estimated \$235,000 in annual tax revenue for the County, our local communities and school districts. In terms of efficiency, we spent less than \$275 for each job that we helped add or retain.

We also embarked on a major new initiative, the Fayette County Strategic Plan. The plan is a blueprint for building Fayette County's future in the global economy and involves specific initiatives such as tourism, education and infrastructure. Although the initial version of the plan is not complete, more than 500 participants have identified over \$250 million worth of revitalization projects that Fay-Penn and many other organizations are committed to implementing.

During the planning process, we learned that Fayette County is on the upswing. Between 1992 and 1993, Fayette County had one of the fastest job growth rates in nearly all business sectors in the State of Pennsylvania, including manufacturing, which saw a 9% employment increase. These statistics, combined with the results described above and the new initiatives identified in the Strategic Plan, signal a brighter future for us all.

We are excited about what lies ahead for us, and we hope that you are excited as well. Fayette County is well positioned to seize the opportunity to take its role in the global economy. On behalf of the Board of Directors and the staff, I thank you for your continued support.

Robert E. Eberly

Tobett. Eberly

President



1994 BOARD OF DIRECTORS



ROBERT M. BERISH Pres. Berish Agency, Inc.



RAYMOND CHESS Pres. Chess Coal Company



IRA B. COLDREN, JR., ESQ. Coldren Adams



Rep. Peter J. Daley, II (D) Dist. 49 - PA House of Representatives



REP. H. WM. DEWEESE (D)
Dist. 50 - PA House of
Representatives



THOMAS DUNCAN Mayor, City of Connellsville



JOHN A. FIESTA Pres., Fiesta Insurance Agency



JAMES R. FOUTZ, CPA McClure & Wolf



GEORGE FRANKS
Pres., Masontown Trophy



JAMES GABRIEL
Pres., Gabriel Brothers



JOSEPH HARDY Pres., 84 Lumber Company



ROBERT E. JONES Fayette County Commissioner



REP. RICHARD KASUNIC (D) Dist. 52 - PA House of Representatives



SEN. J. WM. LINCOLN, (D) Dist. 32 - PA Senate



CHARLES W. McKinley
Retired



GILBERT R. MEANS Pres., Fay. Co. Board of Supervisors



JOANNE RAE Dir., External Affairs Bell Atlantic



BARBARA A. RAHANO General Manager The Daily Courier



GEORGE RATTAY Recording Secretary, Steam Fitters Union



DONALD REDMAN Pres., UMWA Dist. #5



FRANK RICCO Sec.-Treas., Ricco Tire Service



Rep. Larry Roberts (D) Dist. 51 - PA House of Representatives



ELI SHUMAR, JR. Pres., Shumar Welding & Machine Service



WILLIAM SNOODY Pres., Golden Eagle Construction



Rep. Jess Stairs (R) Dist. 59 - PA House of Representatives



Larry Stuckslager VP., Fay. Co. Board of Supervisors



JOSEPH TASSONE Gallatin Fuels



Fred L. Vaughns, D.D.S. (Deceased)



EDWARD E. VIGNALI Chairman, Second National Bank of Masontown



CHAIRMAN
Favette County Board of
Commissioners

SUSANNE TESLOVICH Fayette County Commissioner

Pres., SME, Inc.

CHARLES MACHESKY Mayor, City of Uniontown



Organization Overview

The Mission

Fay-Penn's mission is to maintain and increase employment opportunities (jobs) in Fayette County in an effort to improve the quality of life for all of its residents. This mission is met through a comprehensive strategy of specific economic development objectives. The organization primarily focuses on the manufacturing sector in addition to a concentration on tourism and infrastructure development. The objectives and strategies listed below summarize initiatives in which Fay-Penn is involved and do not include many action items contained in the more comprehensive Fayette County Strategic Plan.

ncorporated in 1991, Fay-Penn was formed to assist in the economic revitalization of Fayette County. The organization is designated by the Internal Revenue Service as a taxexempt, non-profit organization under Section 501(c)(3) of the Internal Revenue Code. As a membership based organization with over 180 members, funding comes from various local public and private contributors and foundations, in addition to grant support from the Commonwealth of Pennsylvania and federal government for specific projects. Funds may not be used for the benefit of or to be distributed to members, directors, officers or private persons. All contributions are used to support the economic revitalization efforts including providing administrative support for other economic development organizations.

OBJECTIVE 1 —

Provide the economic development services that meet the needs of Fayette County by building local capacity and capabilities. Strategy 1-Develop the organization and resources needed to provide top quality, professional economic development services and programs through a strong public and private partnership.

Strategy 2-Build linkages with the Pittsburgh business and economic development community to increase the use of programs and other resources that can support local efforts and strengthen business activity.

Strategy 3-Establish a business assistance network that offers a full range of support services for businesses.

Strategy 4 - Conduct an aggressive outreach to businesses throughout Fayette County to offer assistance.

OBJECTIVE 2 —

Encourage development at existing and future business sites.

Strategy 1-Concentrate marketing on vacant buildings and available land at industrial parks.

Strategy 2-Improve infrastructure capabilities at existing and future development sites.

Strategy 3-Improve road, air and rail

transportation systems including preserving rail service in Fayette County for existing and future rail users.

Strategy 4-Develop key sites through improved planning, marketing and management techniques.

OBJECTIVE 3 —

Expand the tourism industry in Fayette County to generate new commerce and jobs, revitalize commercial areas and support new development.

Strategy 1-Advance the image of Fayette County's tourist industry from a weekend mountain, recreation area to a full service, multi-day, vacation destination.

Strategy 2-Serve as a catalyst to develop multi-day tourism packages by building thematic linkages between individual attractions in an effort to increase weekday tourism.

Strategy 3-Assist local businesses in transitioning to better capitalize on growth opportunities presented in a dual manufacturing and tourism based economy. Strategy 4-Build linkages with local, regional and state organizations and the private business sector to develop the resources needed to implement a comprehensive tourism development strategy.

Strategy 5-Assist local historical societies, businesses and community organizations in their efforts to develop new tourism attractions and renovate downtown areas throughout Fayette County.



Fay-Penn Business Services

Fay-Penn: Meeting the needs of the business community

Meeting the needs of the private business sector is Fay-Penn's highest priority. To do this, Fay-Penn offers a full range of confidential services. The staff works very closely with each client to provide quality service and maintain confidentiality.

Left to Right: (front row) Terri Agate, Administrative Assistant; Michael W. Krajovic, Executive Vice President; Robert C. Urban, Jr., Accounting/Business Dev. Specialist; (Standing) Tina W. Wargo, Technical Assistance Specialist; David K. Roger, Heritage/Development Planner; Lori A. Omatick, Economic Dev. Specialist; and Joseph Rutkowski, Small Business Dev. Specialist.



FINANCING ASSISTANCE:

A variety of low-interest financing programs are available for companies in Fayette County through the PA Department of Commerce. Funds may be used for land, buildings, equipment, working capital and even job training. Fay-Penn's staff works "hands on" with each company guiding them through the necessary procedures and coordinates efforts with the company's private lending institution.

SITE SELECTION:

Current listings of available sites or buildings are maintained by Fay-Penn and provided to companies looking for new locations. The staff works closely with the Governor's Response Team and Penn's Southwest Association on potential projects and networks with realtors and property owners to keep abreast of the commercial and industrial real estate market.

LOAN FUNDS:

Fay-Penn administers a \$1 million loan fund to assist manufacturing businesses with financing. Specific guidelines have been developed and approved by the PA Department of Commerce to determine project eligibility. For very small businesses, Fayette County entrepreneurs can turn to the SBA Microloan Program for assistance. Funds are limited, but Fay-Penn hopes to triple the amount of available moneys over the coming years.

BUSINESS TECHNICAL ASSISTANCE:

Fay-Penn offers technical assistance to businesses of all types and sizes throughout the County. The staff provides assistance to existing and potential businesses to help to develop business plans and to access financing sources. The staff also coordinates meetings for local companies with experts from other regional economic development organizations specializing in technology transfer, ISO 9000 and other quality procedures, operations review, prototype design, environmental assessment, etc.

BUSINESS PARK DEVELOPMENT:

Location of new and expanding businesses and related infrastructure development is an important function of Fay-Penn. Working with the Greater Uniontown Industrial Fund. Connellsville Industrial Enterprises and the County, the Fay-Penn staff develops resources to expand the industrial and business parks in the county.

TOURISM DEVELOPMENT:

Fay-Penn is working with businesses, historical societies and other agencies to develop the tourism industry in Fayette County beyond its already wonderful array of visitor ready sites and attractions. Helping to develop new businesses and increasing tourism packaging efforts, are all part of the initiatives to help this industry grow.

LOCAL MARKET RESEARCH ASSISTANCE:

For companies unfamiliar with the local economy or the Pittsburgh regional markets, the Fay-Penn staff can assist companies in developing lists of potential users and suppliers of products and services. Contacts with existing businesses can also be arranged to evaluate the local potential.

QUALITY OF LIFE, ENERGY COSTS, DEMOGRAPHIC AND TAX INFORMATION:

Good schools, housing, recreation and cultural amenities are important considerations for companies looking to locate in a community. Also, how competitive are utility costs? What level of education and skills does the local labor pool have? What are estimated operating costs? What are the tax rates? Answers to questions like these are provided to companies to help them get a 'feel' for our community and make the best site location decision.



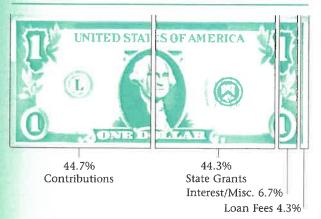
Financial Statements

FAY-PENN ECONOMIC DEVELOPMENT COUNCIL

Summary of Combined Statement of Support, Revenue, Expenditures and Change in Fund Balances for the Period January 1, 1994 thru December 31, 1994

SUPPORT AND REVENUE	TOTALS
Support Contributions Grants	\$ 270,809 302,333
Loan Fees Member Contributions Interest Miscellaneous	29,179 34,999 31,939 13,958
Total Support and Revenue	\$683,217
EXPENDITURES	
Projects: Project Administration CSX Rail Retention Park Marketing Strategic Planning Process Revolving Loan Fund Heritage Development Project Total Projects Supporting Services General Administration Business Assistance Tourism Development IDC Administration Total Support Services	\$ 49,788 27,475 10,034 80,375 189,925 21,886 \$379,483 \$ 66,308 63,923 20,700 109,295 260,226
Total Expenditures	\$639,709
Excess (Deficit) of Support and Revenue Over Expenditures	\$ 43,508
Fund Balances Fund Balance - January 1, 1994 Funds Invested in Revolving Loan Fund Excess of Support and Revenues Over Expenditures	\$1,031,352 189,925
Fund Balance - December 31, 1994	\$1,264,785

SUPPORT AND REVENUE



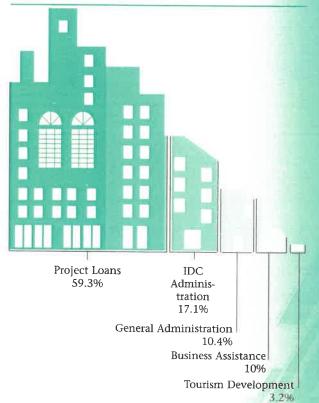
Summarized Combined Balance Sheet as of December 31, 1994

ASSETS		
Cash	\$	134,188
Grant Receivable		52,113
Net Fixed Assets		60,190
Revolving Loan Fund -Cash		478,978
-Note Receivable		385,623
-Investments		151,797
Prepaid Expenses		3,294
Total Assets	\$1	,266,183

LIABILITIES AND FUND BALANCES

Liabilities Accounts Payable	\$	1,398
Total Liabilities	\$	1,398
Fund Balances Unrestricted Fund Balance Restricted - Revolving Loan Fund		248,387 016,398
Total Fund Balances	\$1,2	264,785
Total Liabilities and Fund Balances	\$1,2	66,183

EXPENDITURES





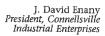


Ernest P. DeHaas, III President, Greater Uniontown Industrial Fund

Greater Uniontown Industrial Fund (GUIF)

Summary of Combined Statement of Support, Revenues, Expenditures and Change in Fund Balances for the Period January 1, 1994 thru December 31, 1994

REVENUE	18	FOTALS
Revenue		
Interest on Mortgages	\$	4,818
Interest on Temporary Investments		21,156
Membership Dues		14,850
Meeting Reimbursements		637
Service Fees		13,679
Commonwealth of Pennsylvania		
Site Development Grant		7,035
Business Infrastructure Grant		69,548
Total Revenues	\$ 1	131,723
EXPENDITURES		
Administration Fees	\$	3,600
Service Fees		13,215
Insurance		276
Real Estate Taxes		2,312
Office Expense		873
Legal and Accounting		1:544
Meetings		837
Property Operations		4,485
Construction - Sewer		60,716
Construction - Waterline		11,020
Engineering/Consulting Fees		10,881
Total Expenditures	\$1	09,759
Excess (Deficit) of Revenues		
Over Expenditures	•	21,964
Gain on Sale of Land	D.	97,980
Excess (Deficit) of Revenues Over Expenditures		27,200
including Gain on Sale of Land	1	19,944
Fund Balance		
Fund Balance - January 1, 1994	\$ 6	70,038
Excess of Revenues Over Expenditures		218.0
including Gain on Sale of Land	1	19,944
Less: Prior Period Adjustment		(2,396)
Fund Balance - December 31, 1994	\$ 7	87,586
Summarized Combined Balance Sl	neet	
as of December 31, 1994	1001	
ASSETS		
Cash in Bank	\$	5,029
Temporary Investments	5	74,124
Accounts Receivable		113
Current Portion of Mortgage Receivable	S	22,986
Accrued Interest Receivable		34,728
Noncurrent Portion		
of Mortgage Receivables		99,311
Fixed Assets - Land		53,805
Total Assets	\$7	90,096
LIABILITIES AND FUND BALANCES		I SILE
Liabilities		4
Deferred Revenue	\$	2,510
Total Liabilities		2,510
Total Fund Balance	\$7	87,586
Total Liabilities and Fund Balances		90,096
Poem Piantiffics affa Fulla Dalaffices	11	70,070





Connellsville Industrial Enterprises (CIE)

Summary of Combined Statement of Support, Revenues, Expenditures and Change in Fund Balances for the Period October 1, 1993 thru September 30, 1994

REVENUE	TOTALS
Revenue Interest Income Gain on Sale of Land	\$ 3,613 62,335
Total Revenue	\$ 65,948
EXPENDITURES	
Engineering Dues Insurance Maintenance Professional Fees Real Estate Taxes Miscellaneous	\$ 10,420 650 1,166 185 705 574 286
Total Expenditures	\$ 13,986
Excess (Deficit) of Support and Revenue Over Expenditures Fund Balances	\$ 51,962
Fund Balances Fund Balance - October 1, 1993 Excess of Revenues Over Expenditures	\$439,009 51,962
Fund Balance - September 30, 1994	490,971
Summarized Combined Bala as of September 30, 1	

ASSETS			
Cash		\$1	69,106
Land - Industr Land Improve		2	17,275
Industrial Parl		1	07,590
Total Assets		\$49	93,971
LIABILITIES AND FUND	BALANCES		
Liabilities			
Liabilities Deposit on La		\$	3,000
Liabilities Deposit on La Tedesco Ma	nd Purchase	\$	3,000
Liabilities Deposit on La	nd Purchase		20001



Summary of Completed Projects 1994

PROJECT	JOBS CREATED AND RETAINED
Nu-Metrics	23
119 Sport Shop	2
Stahls' Hotronix	32
Col. Crawford's Bikes	2
Laurel Machine Co.	11
This 'N' That Furniture	3
R. Bruce Fike & Sons Dairy, Inc.	144
E.I. Systems	2
Fayco Plastics, Inc.	37
Oglevee, Ltd.	21
4-Seasons Taxidermy	1
Pleasant Trucking, Inc.	20
Houze Glass Corp.	120
Timothy & Associates	4
Total:	422

NEW PROJECT RESULTS OVERVIEW 1994

Total Number of Completed Projects
Total Number of Jobs Created and Retained
Total Increase in Annual Payroll Dollars
Total Increase in New Annual Tax Dollars
Total New Investment
Total Public Financing Utilized
Total Private Investment
\$6.2 mill

INCREASED IMPACT OF 1992-93 PROJECTS

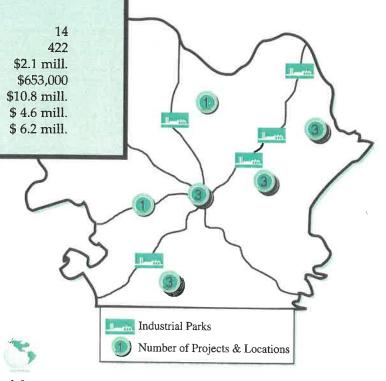
Realized in 1994

Additional Jobs Created

11

New Private Investment

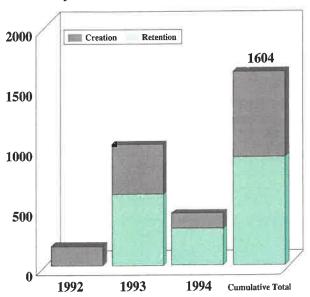
\$2.8 mill.



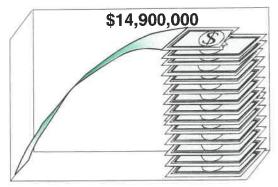
Key Performance Indicators

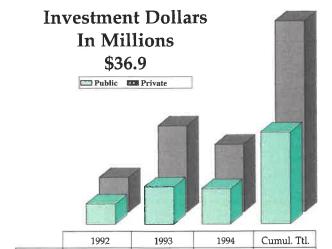
1992-1994

Job Creation/Retention



New Annual Payroll Dollars Generated





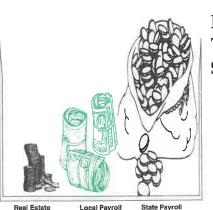
4.8

11.3

16.1

New Construction
Dollars

\$12,300,000



New Annual Taxes Generated \$653,000

Total Completed Projects

Public

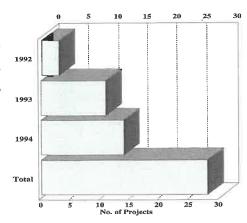
Private

Total

2.6

4.6

7.2



4.6

8.9

13.6

24.9

36.9



Major Accomplishments

Business Development



Fike's Uniontown facility produces a wide range of dairy products from Ice Cream to Skim Milk.



Stables continues to launch new products that will be



Fayco Plastic's recent expansion makes it one of Fayette County's fastest growing companies.



Located in Pt. Marion, House Glass has been a major competitor in the glass making industry for nearly a century.

R. Bruce Fike & Sons, Inc., Uniontown

orking with existing business to preserve existing jobs in Fayette County is a top priority. To this end, Fay-Penn, with the assistance of the Governor's Response Team, assisted in the retention of 144 jobs at R. Bruce Fike & Sons Dairy of Uniontown. The recent expansion at the facility was made possible, in part, by a \$337,678 PA Industrial Development Authority loan sponsored by the Greater Uniontown Industrial Fund. We also assisted the company in receiving a \$292,500 loan from the PA Department of Commerce's Machinery and Equipment Loan Fund (MELF) toward the purchase of new equipment. The project included an operation review by the Southwestern PA Industrial Resource Center (SPIRC), which was partially funded by West Penn Power. This major expansion will help Fike's, in operation since 1913, to maintain long-term competitiveness.

Stahls' Hotronix, Connellsville

Ine of Fay-Penn's primary goals is to foster steady growth of companies from the ground up. Perhaps the best example of this type of growth is demonstrated by Stahls' Hotronix, an operation which evolved and matured in the Connellsville Business Incubator. Also, thanks to the support of the Connellsville Redevelopment Authority, the Michigan-based manufacturer of heat presses for garments and caps employed 5 people and produced 5-10 machines a week at the Connellsville facility shortly after Stahls' was incorporated in early 1989. With assistance from Fay-Penn and loan sponsorship by Connellsville Industrial Enterprises (CIE), Stahls' received a \$480,000 PA Industrial Development Authority loan towards the purchase of a 62,000 square foot facility in Masontown. Fay-Penn also helped with the building acquisition in the form of a \$200,000 loan from the Fay-Cap Loan Fund. An operation review was conducted by Southwestern PA Industrial Resource Center (SPIRC) prior to the move into the new facility. Today, the more than 40 employees at the Stahls' Hotronix Manufacturing and Technology Center are capable of producing up to 75 machines each day, and sales have soared as national and international markets have expanded. Engineering, machining, welding, vacuum forming of plastics, powder and Teflon coating are a few of the in-plant processes performed at the new state-of-the-art production and research facility.

Fayco Plastics, Inc., North Union Twp.

ay-Penn has been successful in helping companies combine several sources of low interest financing for large projects. Fayco Plastics, Inc. is a prime example. This plastic recycling company has recently expanded into a 115,000 square foot building in the Greater Uniontown Business Park. Low interest financing for the total project included a \$612,500 PA Industrial Development Authority loan (sponsored by GUIF), a \$75,000 Fay-Cap loan, and \$200,000 from the Appalachian Regional Commission Revolving Loan Fund through the Southwestern Pennsylvania Regional Development Council. Quality control is an integral part of all Fayco departments, including size reduction, blending, compounding and repackaging. This efficiency has translated to rapid growth, with the company meeting its three year job creation projections in the first six months to currently having over 40 employees.

Houze Glass Corp., Point Marion

nder its Loan Guarantee Program, Fay-Penn purchased a \$50,000 Certificate of Deposit to guarantee a bank line of credit for Houze Glass Corporation needed to reduce cost and expand its market. Fay-Penn also worked with the Governor's Response Team to help resolve outstanding environmental issues. Houze Glass Corp., the oldest glass and mug decorating company in the world, has sustained the test of time and continues to compete on a national level. In operation for nearly a century, Houze employs 150 people and looks forward to its continued future in Fayette County.



Oglevee, Ltd., Connellsville

any Fayette County companies are expanding their operations to service a growing international market. One example is Connellsville-based Oglevee, Ltd., a world leader in geranium production. Founded in 1880, the family-owned business has grown to be one of Fayette County's most progressive high-tech companies. Oglevee currently employs 81 people. Fay-Penn recently assisted the company in procurement of a \$420,000 PA Industrial Development Authority loan and a loan of \$1.3 million from the PA Economic Development Financing Authority (PEDFA), both sponsored by Connellsville Industrial Enterprises. The project, which includes the addition of three greenhouses, will create 20 new jobs.

Pleasant Trucking, Inc., Bullskin Twp.

Anufacturing business growth supports other growth in all parts of Fayette County. For example, twenty new jobs will be created as a result of construction of a new trucking terminal at Connellsville Industrial Enterprises' Bullskin Township Industrial Park. Pleasant Trucking, Inc., a local company since 1988, recently acquired 10 acres in the park to construct a new 17,000 square foot office and service/distribution facility. Fay-Penn participated in the project by providing a \$100,000 loan from the Fay-Cap Loan Fund to assist in the financing. Thanks to the move, the company expects to grow to one hundred employees within the next three years.

Nu-Metrics, North Union Twp.

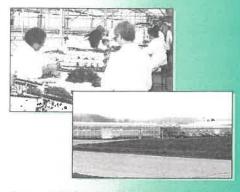
As worldwide technological advances are made at an ever-increasing rate, Fayette County companies are meeting the challenges that these changes present. Nu-Metrics, a manufacturer of distance measuring instruments and traffic counters/classifiers, is the world leader in this dynamic, high technology field. Fay-Penn worked with Nu-Metrics to complete the construction of a new headquarters, research and technology center located in the Greater Uniontown Business Park on Route 119 in North Union Township. This beautiful facility, which has set future business park development standards in the County, was funded, in part, by a \$460,000 PA Industrial Development Authority loan sponsored by Greater Uniontown Industrial Fund. The project will result in over 20 new jobs at the new facility.

Laurel Machine Co., North Union Twp.

Growth continues in the Greater Uniontown Business Park, North Union Township. In operation since 1986, Laurel Machine Co. recently constructed a new 5,000 square foot building in the park. Besides site location services, Fay-Penn assisted in the expansion by providing a \$66,000 Fay-Cap Loan toward the purchase of a new state-of-the-art CNC lathe. The company, which performs general machine and repair work, light fabrication and welding, currently employs eleven people.

Small Business Development Projects

Inquiries from small businesses increased 28% from 1993 to 1994. The majority of those inquires were concerning available financing options and technical assistance. One of the ways Fay-Penn is attempting to respond to the needs of small business is by increasing its technical assistance capabilities and by participating in a multi-county SBA Microloan Demonstration Program with Washington and Greene Counties. This new program presents a great opportunity for the small business owner to acquire needed financing for working capital, equipment purchase and buying inventory. During 1994, microloans were approved for six Fayette County businesses including, Colonel Crawford's Bikes, Timothy and Associates Mechanical Engineers, This 'N That Furniture, 119 Sport Shop, E.I. Systems, and Four Seasons Taxidermy. Collectively, these projects resulted in the creation and/or retention of 14 jobs.



Thanks to technology and leadership. Ogleves continues to be the top producer of geraniums in the world.



From its new facility in Connellsville, Picasont Trucking continues to grow, providing freight services for many local companies throughout the custom U.S.



Nu-Metrics' beautiful, new world headquarters building is one of Fayette County's newest landmarks



Laurel Machine's recent expansion continues our region's tradition of hi-tech metal working capabilities.

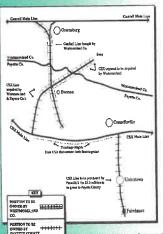


Development & Planning

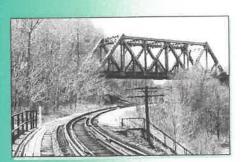


Over 500 residents of the county have participated in developing the Strategic Plan through numerous planning sessions and public forums.

SHORTLINE RAIL SYSTEM



Negotiating trackage rights over CSX's main line was critical to terming this two-county, 60 mile rail



As called for in the Strategic Plan, Fay-Penn will be working to acquire the necessary funds to complete the CSX Rail acquisition

Strategic Plan for Fayette County

In June of 1994, a major, new public/private partnership initiative was launched to develop a Strategic Action Plan to help direct the revitalization efforts in Fayette County. Thanks to the support of the Claude Worthington Benedum Foundation and the Eberly Foundation, Fay-Penn was able to provide the necessary funding to undertake the plan's development. The ongoing effort is being co-sponsored by the Pennsylvania Economy League, the Chambers of Commerce of Brownsville, Connellsville, Central Fayette and Republic.

Specific areas being targeted in the Action Plan include: Economic Development, Infrastructure, Education, Tourism, Marketing and Healthy Communities. The initial kick-off to start the implementation phase of the plan is scheduled for June of 1995. Completing the initiatives will have a profound impact on Fayette County's future economic growth.

CSX Rail Retention

I dentified as a priority in Fayette County's strategic plan, Fay-Penn has been working for over three years to preserve the County's rail service. The rail line is used by several companies that collectively employ over 500 people. Thanks to the support of Congressman John Murtha, former Senator H. William Lincoln, Senator Richard Kasunic and our state legislators, county commissioners and the PA Department of Transportation, we were successful in reaching an agreement with CSX to not only acquire the rail line in Fayette County, but preserve the rail line north into Westmoreland County to the Sony plant. To date, \$3.5 million in funding for the project has come from the PA Department of Transportation. We are still working to secure the remaining funding.

In addition to the rail line acquisition agreement, Fay-Penn has been working to complete its 1993 objective of linking the CSX rail lines in Fayette County with the ConRail lines in Westmoreland County. Providing Westmoreland and Fayette rail users with access to two class one railroad companies - both CSX and ConRail - will improve the rail's competitiveness and eventually lead to increased traffic. Fay-Penn is working with the Westmoreland County Industrial Development Corporation in the selection of a shortline railroad company to operate the new 60 mile rail system.

Pennsylvania Regional Initiative Grants

Thanks to the efforts of our state legislators, Fay-Penn received a \$250,000 Regional Initiative Grant from the PA Department of Commerce to support its efforts to improve the business climate and quality of life in Fayette County. This was the fourth consecutive year that Fay-Penn was successful in receiving the grant. Funds are earmarked for specific economic development projects approved by the PA Department of Commerce. The 1994 appropriation was used to capitalize an existing Revolving Loan Fund, to aid in the retention of the CSX Rail Line, to assist in the implementation of a Business Service Demonstration Project, and for marketing and developing industrial parks. The annual grants have been the direct result of the support and efforts of the Fayette County legislators, Rep. Peter J. Daley, Rep. H. Wm. DeWeese, Rep. Lawrence Roberts, Rep. Jess Stairs, Rep. Richard Kasunic (now Senator), Rep. James Shaner and Sen. J. Wm. Lincoln. The PA Department of Commerce's Office of Regional Initiatives has been very helpful in guiding the proper use of the funding.



Revolving Loan Fund

Using funds from the Regional Initiative Grants as seed money, Fay-Penn established two programs within its Revolving Loan Fund (RLF) in 1993. Through the initial capitalization and 1994 loan activity, the RLF fund balance has grown to over \$1 Million. The Fay-Cap Loan Fund (FCLF) program assists eligible businesses by funding capital expansion projects involving fixed assets such as new equipment and facilities with loans ranging from \$20,000 to \$200,000. The Loan Guarantee Program (LGP) will guarantee a percentage of private lending institution loans to eligible companies ranging from \$15,000 to \$100,000. One of the top priorities of the Fayette County Strategic Plan is to increase the Fund's growth to several million dollars over the next few years. The goal of the fund is to encourage job growth in the private sector. To date, the companies assisted through the RLF have committed to the creation and retention of over 370 jobs. The RLF programs have proven to be an important funding tool to help companies make capital investments in our area.



The Fay-Penn Revolving Loan Fund Committee meets on a monthly basis to review loan fund applications

Microloan Demonstration Project

In 1993, through a cooperative effort between Fay-Penn, the Washington County Council on Economic Development and the Redevelopment Authority of Greene County, the US Small Business Administration (SBA) approved funding for a microloan demonstration program to provide financing assistance to small businesses in the three county area. Fay-Penn, in 1994, made a \$15,000 contribution in accordance with the SBA Microloan Program guidelines to guarantee Fayette County's portion of the loans. Most of the available financing programs are geared to manufacturing industry, but this new program presents a great opportunity for the small business owner to acquire needed financing up to \$25,000 for working capital, equipment purchase and buying inventory. To date six Fayette County businesses have benefitted from this program.



he need for small business technical assistance was identified as the number one economic development priority in the Fayette County Strategic Plan, Fay-Penn has been working to create a full-time position to meet the constant demand. We were successful in acquiring a grant to help fund this new effort through the Appalachian Regional Commission with the help of the Southwestern PA Regional Development Council (SPRDC). Working in conjunction with Small Business Development Centers (SBDC's) and participating in a multi-county SBA Microloan Program, Fay-Penn will be able to assist start-up and existing businesses with planning, development and financing on an individual basis.

Business Infrastructure Projects

The availability and capacity of infrastructure is of primary concern to existing and potential new businesses in determining location. In cooperation with the local industrial development corporations, Fay-Penn has taken a pro-active approach to developing existing industrial parks to insure a "ready-to-go" site location. Fifteen thousand dollars of infrastructure extensions were made in the Greater Uniontown Business Park which not only accommodated a new business location project, but prepared it to meet future accommodation. Fay-Penn and GUIF continued to refine the master development plan for the Fairchance Business Park, the county's largest, developable site, located along the planned Mon-Fayette Expressway, which includes over \$850,000 in infrastructure improvements and raising additional monies to help with the Fayette County rail line rehabilitation.

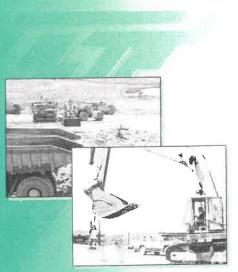


Developing a strong business plan is important for any business to be successful in raising operating funds



Infrastructure construction projects provide for permanent job creation as well as a significant number of new construction robs

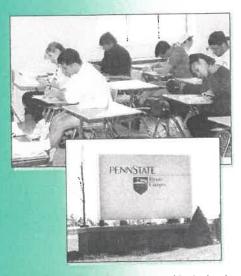




Construction of the Mon-Fayette Expression makes the Fairchance Business Park a prime business location.



Mullions of dellars are being invested at the Foreignee Business Park.



Fay-Penn cooperates with local educational institutions in meeting the educations and job training needs of business.

Industrial Park Marketing

With fewer vacant manufacturing buildings to market, Fay-Penn has shifted its marketing focus to the industrial parks in Fayette County. This initiative has proven successful in the case of the Greater Uniontown Business Park in North Union Township which is now near full occupancy. Attention is currently being focused on promotion of the 311 acre Fairchance Business Park in Georges Township. The 16 mile stretch of the Mon-Fayette Expressway that will connect with Interstate 68 near Morgantown is expected to be completed in 1997 and 1998. Groundbreaking for the Fairchance Interchange occurred in the fall of 1994. In anticipation of the completion date, Fay-Penn is preparing to launch a targeted marketing effort for the site. A four-color park brochure is being developed for use as a primary marketing tool.

Business Park Development

Economic opportunity is knocking at Fayette County's door like never before. The Fairchance Business Park's location makes it is one of Fayette County's major assets in terms of prime industrial development locations. Fay-Penn and the Greater Uniontown Industrial Fund (GUIF) has devoted much time and money towards marketing and developing the site for economic opportunity. With over \$100 million being invested in the expressway alone, there is an unprecidented level of positive momentum. The park has its first anchor tenant and both Fay-Penn and GUIF are continuing to work to preserve and prepare the rail line, erect a park sign, develop a sub-division plan, and prepare a marketing brochure that is currently in the design stage. Infrastructure improvements are also planned for the near future. It is anticipated that the Park will be developed at an extremely rapid rate of occupancy.

Job Training

aving a skilled workforce is extremely important to both existing and prospective companies. In an effort to expand job training services, Fay-Penn is working to provide better job training assistance to companies on an individual basis and to assist in the implementation of educational initiatives identified in the Fayette County Strategic Plan. Fay-Penn utilizes a job training resource network which includes the PA Governor's Response Team, Southwestern Pennsylvania Industrial Resource Center (SPIRC), Private Industry Council and Uniontown Job Center. In addition, Fay-Penn assisted Penn State Fayette Campus and the Fay. Co. Area Vocational-Technical School in being designated Local Educational Agencies (LEA) by the Commonwealth. LEA designation qualifies schools as eligible applicants for Department of Commerce Customized Job Training grants on behalf of area companies.

CEO Ben Franklin Scholarship Program

Thanks to support from the Eberly Foundation, Fay-Penn has been able to offer joint scholarships in cooperation with the Ben Franklin Technology Center of Western PA to local companies in Fayette County to attend Carnegie Mellon University's Entrepreneurial Management Program. The twelve week program offers executives the opportunity to keep abreast of current management issues. Companies like Gerome Electric, Stahls' Hotronix, Fayette Engineering Company, Sensus Technologies, Inc., Cavert Wire, to name a few, have taken advantage of the opportunity. The successful program was initiated to help rebuild business linkages between Fayette County companies and the Pittsburgh business community, and to help business leaders learn modern techniques to help manage their companies in today's very competitive global markets.



Tourism Development

In the past, Fayette County's economic strength came from the manufacturing and mining industries. In the future, it will also come from the tourism industry which already annually accounts for \$67 million in our local economy. In addition to its emphasis on manufacturing, Fay-Penn is beginning to work on strengthening the tourism industry in Fayette County.

Tourism Development and Planning

ourism as the fastest growing industry in the world accounts for over \$18 billion in Pennsylvania's Economy and has been identified as a critical element of Fayette County's economic revitalization plan. Through major attractions such as Joe Hardy's Nemacolin Woodlands the industry has grown to over \$67 million in the County. Fay-Penn is currently engaged in a regional planning project with other counties to develop the tourism industry in the Laurel Highlands destination area. The planning effort is focused towards coordinating attraction development, business and commerce development, and marketing and promotion at a regional level with the mission of generating new business and commerce growth, creating new employment opportunities, and improving the quality of life. A successful tourism development effort will improve our ability to succeed in recruiting manufacturing companies due to the revitalization of our communities.



Fay-Penn, along with the Central Fayette and Connellsville Chambers of Commerce, sponsored an initial evening seminar, followed by a two-day "how to" seminar on starting and operating a Bed and Breakfast. The two programs drew over 100 participants. Prospective Bed and Breakfast developers were addressed by nineteen different speakers on topics such as marketing, reservations, insurance, legal issues, industry standards, financing, and tourism. Fay-Penn is currently providing ongoing assistance to several of these potential bed and breakfast owners in an effort to develop this industry in our area. In 1994, Fay-Penn played an instrumental role in the adoption of a specific Bed & Breakfast zoning category to the Fayette County Zoning Ordinance.

Fayette County Heritage Development Plan

Fay-Penn, in cooperation with the Fayette County Heritage Committee, began work on the Fayette County Heritage Development Project financed through a grant from the Southwestern Pennsylvania Heritage Preservation Commission. Work completed on the Heritage Development Plan includes the compilation of a database of historic resources integrated with the geographic information system (GIS) of the Southwestern Pennsylvania Regional Planning Commission (SPRPC). Over 500 historic sites were mapped and identified according to historic theme, location, and state of development. The plan was used to help determine priority projects in the tourism section of the Fayette County Strategic plan. Ultimately, the plan will be one component in the broader effort of generating economic development through tourism development.

Capital Assistance Projects

Fay-Penn successfully teamed-up with the Redevelopment Authority of Fayette County, the National Road Heritage Park and the Southwestern PA Heritage Preservation Commission in applying for a \$1 million Commonwealth Redevelopment Assistance Capital Program grant. The \$1 million grant is matched with \$1 million in local funds for a \$2 million total project to implement the National Road Historic Building Restoration Project. Restoration of the Searight's Toll House, Flatiron Building in Brownsville, and Old Petersburg Toll House in Addison are planned to be completed over the next three years. Local support from the Brownsville Area Revitalization Corp., Daughters of the American Revolution and Fayette County Historical Society is a very important part of this project. Fay-Penn also assisted in securing additional funding to complete the Yough River Trail and to facilitate the completion

Public Outreach

of major bridge work on the Hike/Bike Trail just east of Connellsville.

Tublic information and participation sessions were held at over 20 community organizations at various locations throughout the county to inform citizens of the mission of the Heritage Development Project, and to solicit their input on which are the most important resources to their community. Based on an analysis of the database of sites and respective public input, particular resources will be prioritized for development. Fay-Penn plans to offer support to develop capital and operating plans for specific projects identified and prioritized through both the public outreach effort and through input from the Fayette County Strategic Plan.



Nemacolin Woodlands, Pennsylvania's only four star resort, attracts visitors to Fayette County from all over the world.



One of only two remaining toll houses along the National Road in PA, Searights Toll House will receive much needed remains



Recently touted by "Travel & Leisure" Magazine is one of the top 20 rail-trails in the world, the Youghney Recent Trail is projected to draw over 500,000 years annually. Fay-Penn was able to resolve last minute modes to be ensure that the trail connection from Onopule to Connellsville would be completed in 1995.



Restoration of the Flatiron Building is an important element of Brownsville's commercial district regularization.



Contribution Acknowledgements

With a supportive membership of 185, Fay-Penn Economic Development Council acknowledges with much thanks the following area business, organizations, and individuals whose annual financial contributions have aided in the success of the accomplishments to date:

Alden Oil Co. All Around Fence Co., Inc. **American Legion Post 51** Anchor Glass Container Corp. Anchor Hocking Packaging Co. Assad Iron & Metals, Inc. **Bell Atlantic Belvetone Systems** Berish Agency, Inc. Brownsville Borough Perryopolis Borough Smithfield Borough Brad Ragan, Inc. Bradley Paint Co. Brodak's Shop N Save **Brownsville Bus Lines** Brownsville General Hospital **Brownsville School District** Cardello Electric Supply Co. Dr. F.P. Cardenas, MD Centennial Chevrolet -Geo-Dodge, Inc. Central Fay. Chamber of Business & Industry **Bruce Chambers** Champion Lumber Co., Inc. City of Uniontown James Edward Clarke O.C. Cluss Lumber Co. Cameron Coca Cola Corp. Coldren Adams Columbia Gas Co. of PA Conn Realty Connellsville Corp. Connellsville Ind. Enterprises Connellsville Printing Co. Connellsville Redev. Auth. City of Connellsville **Crimbly Trucking Service Culligan Water Conditioning Daily Courier** Daniel's Men's Store Davis & Davis DeMuth Florist, Inc. Berwyn S. Detweiler Pontiac, Inc. Eat N' Park Restaurant Eberly & Meade W.H. Farwell Co. Fay-West Travel, Inc. Fayco Plastics Co., Inc.

Fay. Co. Community Action Agency, Inc. Fay. Co. Medical Society Fav. Co. Mental Health/ Mental Retardation Fay. Co. Redevelopment Authority Fayette Engineering Co., Inc. Fayette Fuel, Inc. Fay. Institute of Commerce & Technology, Inc. Fayette Labor Management Committee **Fayette Positive Action Citizens Fayette Realty Company** Joe Fida's Auto Plate Service John A. Fiesta Agency, Inc. R. Bruce Fike & Sons Dairy, Inc. First Fed. Savings & Loan of First Fed. Savings Bank Foseco, Inc. Fox Glass Co. Frank's Auto Supply **Gabriel Brothers** Garbart Engineering Co. Gatling's Auto Stores Gerome Manufacturing Co., Inc. **Goodwill Industries** Gr. Brownsville Ind. Dev. Corp. Gr. Brownsville Chamber of Commerce Greater Connellsville Chamber of Commerce Hagan Ice Cream Co. Haky Funeral Home Dr. Paul A. Hartley, MD Helicon Cablevision Helicopter Aviation Services, Corporation Highlands Hospital & Health Center Highlands Lumber Co., Inc. Honisek Tool Co., Inc. Murray I. Horewitz, Esq. Houze Glass Corp. Dr. Ronald E. Hugh, DDS The Insurance People Integra Bank/South

Interstate Thermal Energy

Conver. Corp.

Jackson's Dairy Farm

Thomas J. Kalman, Esq. William B. Kania, CPA Laurel Business Institute Laurel Caverns Laurel Highlands School District Laurel Highlands, Inc. Lynn's Dairy Queen Franchisor Robert Lynn Construction Co. M & Y Services, Inc. Margolis, George & Port Masontown Industrial Dev. Corp. Masontown Trophy Co. McClure & Wolf The Medicine Shoppe Meloni's Restaurant MONY Morris Men's Store N.A.A.C.P. Nat'l Road Heritage Park Project North Fayette Co. Municipal Authority **Nu-Metrics Instrumentation** Oglevee, Ltd. PA-American Water Co. Park's Moving & Storage, Inc. Parker/Hunter, Inc. **Patwil Homes** PennState Fayette Campus Peoples Natural Gas Co. **Perma-Cote Plastics** Perryopolis Industrial Enterprises PNC (Uniontown) Poulos Painting Co. Private Industry Council of Westmoreland/Fayette, Inc. PSI Packaging Services, Inc. Republic Chamber of Commerce Romeo & Sons, Inc. Rupp Medical Associates Norma Santore, Fay. Co. Sheriff Scottdale Bank & Trust Co. Seaton & Bowman, Inc. Second National Bank of Masontown Sensus Technologies, Inc. Shumar's Welding & Machine Service **SME Industries** Smithfield Hardware &

Paul Sprowls Agency Stahls' Hotronix Stefano's Printing Stone & Co. Summit Inn Mountain Resort Summit Products Co. Swan's Appliance & Furniture Tedesco Manufacturing Co. Mark Thompson Distributing **Brownsville Township Bullskin Township** Connellsville Township **Dunbar Township** Georges Township Henry Clay Township Jefferson Township Luzerne Township Menallen Township Perry Township Saltlick Township Stewart Township Upper Tyrone Township Wharton Township Tri-Town Industries, Inc. James A. Ulmer, Jr. Uniontown Area School Dist. Uniontown Construction Uniontown Downtown Business District Authority Uniontown Hospital Uniontown Mall Uniontown Motor Club Uniontown Newspapers, Inc. Uniontown Redev. Auth. US Cellular Mobile Tele. Serv. Unlimited Housing for the Elderly Valley Welding Dr. Fred L. Vaughns, DDS West Penn Power Co. White Swan Flower Shop Widmer Engineering Co. Williamhouse Regency of Delaware, Inc. Wright Poster Advertising Yezbak Lumber Co.

In addition to the above mentioned annual membership contributors, Fay-Penn received valuable financial support from individuals and businesses who share in the same desire of strengthening Fayette's economy. Among our major contributors, the Eberly Foundation has been a strong supporter of Fay-Penn since its inception in 1991. In 1994, the Eberly Foundation contributed over \$200,000 in support of Fay-Penn's administration. Fay-Penn takes this opportunity to say "Thank You" to the following who have also provided significant financial support in 1994.

Appliance

Art Snyder Sanitary Supply

Solomon Accounting Service

Fayette Bank & Trust Co.

Special Thanks

Cooperation and assistance was the key to generating the results contained in this report. Everyday Fay-Penn works with many different organizations all dedicated to Moving Fayette Forward. Fay-Penn wishes to thank everyone who assisted in these accomplishments. Below is a listing of many of these organizations:

Allegheny Conference on Community Development America's Industrial Heritage Project Appalachian Regional Commission Ben Franklin Program of Western Pa. Brownsville Area Revitalization Corporation Brownsville Chamber of Commerce Builders Association of Fayette County California University of PA Entrepreneurial Assistance Center Carnegie Mellon University Central Fayette Chamber of Business & Connellsville Industrial Enterprises Connellsville Redevelopment Authority Economic Development Administration, U. S. Dept. of Commerce Enterprise Corporation of Pittsburgh Fayette Association of Positive Action Citizens Fayette County Board of Township Supervisors Fayette County Community Action Agency Inc. Fayette County Industrial Development Authority

Fayette County Historical Society

Fayette County Redevelopment Authority Fayette Festival Association Fayette Labor Management Committee

Greater Connellsville Chamber of Commerce Greater Uniontown Industrial Fund Greene County Redevelopment Authority

Laurel Highlands Inc. Middle Monongahela Industrial Dev.

Assoc., Inc. Mon Valley Education Consortium Mon Valley Progress Council

Mon Valley Renaissance Mon Valley Tri-State Network

National Association of Women Business

National Road Heritage Park Project

Office of Vocational Rehabilitation Penn State Fayette Campus Penn's Southwest Association Pennsylvania Department of Commerce Pennsylvania Department of Community Affairs

Pennsylvania Department of Transportation Pennsylvania Economy League Pennsylvania Governor's Response Team Pennsylvania Job Service Pennsylvania Small Business Development Centers

Pittsburgh High Technology Council Private Industry Council of Westmoreland/Fayette Inc. Regional Industrial Development Corporation

Regional Trail Corporation Republic Chamber of Commerce Service Corps. of Retired Executives Southwestern PA Hardwoods Council

Southwestern PA Heritage Preservation Commission

Southwestern PA Industrial Resource Centers Southwestern PA Regional Development

Southwestern PA Regional Planning Commission

Southwestern Pennsylvania Growth Alliance St. Vincent College Small Business Development Center

Three Rivers Labor Management Corp. U. S. Small Business Administration Uniontown Downtown Business Authority Uniontown Redevelopment Authority University of Pittsburgh

Washington County Council on Economic Development Waynesburg College

Westmoreland County Industrial Development Corporation

Westmoreland Economic Development Corporation

