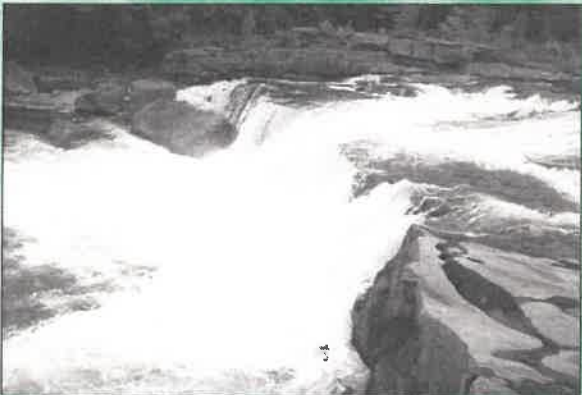


FAY-PENN

ECONOMIC DEVELOPMENT COUNCIL



TOURISM:
A WINDOW
OF OPPORTUNITY

ANNUAL REPORT 1995

MOVING FAYETTE FORWARD

TABLE OF CONTENTS

<i>Message from the President</i>	2
<i>Fay-Penn Officers</i>	2
<i>Fay-Penn Board of Directors</i>	3
<i>Organization Overview</i>	4
<i>Fay-Penn Staff and Services</i>	5
<i>Financial Statements</i>	6-7
<i>Fay-Penn Economic Development Council</i>	
<i>Fayette Industrial Fund (formerly Greater Uniontown Industrial Fund)</i>	
<i>Connellsville Industrial Enterprises</i>	
<i>Summary of Completed Projects - 1995</i>	8
<i>Key Performance Indicators</i>	9
<i>Economic Impact</i>	10
<i>Major Accomplishments</i>	11-15
<i>Business Development Projects</i>	
<i>Development and Planning</i>	
<i>Tourism</i>	
<i>Financial Contribution Acknowledgements</i>	16
<i>Special Contributions</i>	
<i>Membership</i>	
<i>Special Thanks</i>	17



MESSAGE FROM THE PRESIDENT

IT IS MY PLEASURE to report the accomplishments of the Fay-Penn Economic Development Council for 1995. In addition to building upon the previous years' results, Fay-Penn launched two new program initiatives, played a major role in helping to complete Fayette County's Strategic Plan - Fayette Forward, and spear-headed new approaches to economic development through tourism. All of these achievements and those described throughout this annual report could not have been accomplished without the cooperation of the many organizations listed on page 17. Fay-Penn is grateful for their continued support.

OFFICERS



ANDREW J. DURAN
First Vice President



FLOYD C. HUGGINS
Second Vice President



JOHN A. BUCHANAN
Secretary



RUSSELL B. MECHLING, JR.
Treasurer




MICHAEL W. KRAJOVIC
Executive Vice President

In 1995, Fay-Penn assisted 20 companies in making over \$7.1 million in new investment. These companies project to retain and generate 242 jobs. In total, since 1992, Fay-Penn assisted in 48 economic development projects involving 1857 jobs resulting in an estimated \$17 million in new annual payroll. This economic impact also translates into an estimated \$170,000 increase in local tax revenues supporting the County and local governments and the school districts, not to mention the increase in retail sales. In 1995, Fay-Penn spent less than \$254.00 for each job that it helped local companies to add or retain.

In response to the public concern for additional small business technical assistance and workforce development services from participants in the Fayette County Strategic Plan, Fay-Penn launched its Workforce Development Program and opened its Small Business Resource Center. Located in the Fay-Penn offices, the Center has worked with over 12 companies in helping them to raise over \$828,000 in financing to match \$400,000 in equity. The Workforce Development Program is geared towards addressing long term education and job training issues to support existing businesses and to attract new industry.

Focusing on tourism, Fay-Penn developed new strategies that look beyond current promotional efforts to address a broader range of development issues. Fay-Penn began working with various individuals and community groups to refine their tourism projects into well developed action plans. Fay-Penn is now expanding into new areas of tourism *development* - tour packaging, product development, infrastructure and training. As local residents know, Fayette County is a wonderful place to live with its abundant outdoor recreational activities and cultural attractions. We need to build upon these quality of life strengths to help support other business development efforts.

As Fayette County's successes continue to grow, and more is learned about our resources, it becomes clearer every year that Fayette County has a bright future, full of opportunity. The combination of both manufacturing and tourism growth will drive Fayette County's economic revitalization. On behalf of the Board of Directors, I would like to thank you, the Fayette County community, for your ongoing support of Fay-Penn. The organization will continue its commitment to turn opportunity into jobs and create a stronger economy for the benefit of everyone.


Robert E. Eberly
President

1995 BOARD OF DIRECTORS



JAMES BALLING
Pres., Fayette Industrial Fund



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



RICHARD ELLSWORTH
Pres., Stahls' Hotronix



FRANK FERRERI
Mayor, Borough of Belle Vernon



JOHN A. FIESTA
Pres., Fiesta Insurance Agency



JAMES R. FOUTZ, CPA
McClure & Wolf



JAMES GABRIEL
Pres., Gabriel Brothers



ANGELA GRAZIANA
Mayor, Borough of Dunbar



WILLIAM JACKSON
Pres., Jackson Farms Dairy



ROBERT E. JONES
Fayette County Commissioner



SEN. RICHARD KASUNIC (D)
District 32 State Senator



CHARLES MADORE
Pres., Connellsville Industrial Enterprises



CHARLES W. MCKINLEY
Retired



ALFRED ORSINI
Mayor, Borough of Perryopolis



JOANNE RAE
Dir., External Affairs Bell Atlantic



GEORGE RATTAY
Steam Fitters Union



DONALD REDMAN
Pres., UMWA Dist. #5



FRANK RICCO
Sec.-Treas., Ricco Tire Service



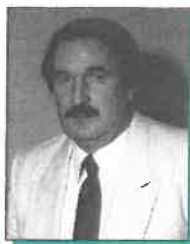
REP. LARRY ROBERTS (D)
Dist. 51 - PA House of Representatives



WALTER SCARTON
Mayor, Borough of Masontown



REP. JAMES E. SHANER (D)
Dist. 52 - PA House of Representatives



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



REP. JESS STAIRS (R)
Dist. 59 - PA House of Representatives



LARRY STUCKSLAGER
VP, Fay. Co. Board of Supervisors



JOSEPH TASSONE
Gallatin Fuels



LARRY WILLIAMS
Pres., Fay. Co Board of Supervisors



Director Emeritus
EDWARD E. VIGNALI
Chairman, Second National Bank of Masontown

NOT PICTURED:

MARK CRAVEN
Plant Manager, Anchor Hocking Corp.
STEVE CURRY
Uniontown Postmaster
DAN HARNES
CEO Sensus Technologies
FRED L. LEBDER
Chairman, Fay. Co. Commissioners

CHARLES MACHESKY
Mayor, City of Uniontown
JAMES MORRISTON
Co-owner, Fayco Plastics, Inc.
HERBERT MYERS
Mayor, Borough of Fairchance
SAM NICOLA
Mayor, Borough of Brownsville

DAN SEDLOCK
Mayor, Borough of Smithfield
SUZANNE TESLOVICH
Fay. Co. Commissioner

Organization Overview

Incorporated in 1991, Fay-Penn was formed to assist in the economic revitalization of Fayette County. The organization was designated by the Internal Revenue Service as a tax-exempt, 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 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.

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.

Objectives:

Provide the economic development services that meet the needs of Fayette County by building local capacity and capabilities.

Encourage development at existing and future business sites.

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

Strategies:

- 1- Develop the organization and resources needed to provide top quality, professional economic development services and programs through a strong public and private partnership.
 - 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.
 - 3- Establish a business assistance network that offers a full range of support services for businesses.
 - 4- Conduct an outreach to businesses throughout Fayette County to offer assistance as part of an aggressive business retention and expansion effort.
-
- 1- Concentrate marketing on vacant buildings and available land at industrial parks.
 - 2- Improve infrastructure capabilities at existing and future development sites.
 - 3- Improve road, air and rail transportation systems including preserving rail service in Fayette County for existing and future rail users.
 - 4- Develop key sites through improved planning, marketing and management techniques.
-
- 1- Continue to advance the image of the Laurel Highlands from a weekend mountain get-a-way to a multi-day, vacation destination.
 - 2- Serve as a catalyst to develop multi-day tourism packages by building thematic linkages between individual attractions in the Laurel Highlands in an effort to increase weekday tourism in Fayette County.
 - 3- Assist local businesses in transitioning to better capitalize on growth opportunities presented in a dual manufacturing and tourism based economy.
 - 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.
 - 5- Assist local historical societies, businesses and community development organizations in their efforts to develop new tourism attractions and renovate downtown areas throughout Fayette County.

Fay-Penn Business Services



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.

Seated from left to right: Robert C. Urban, Jr., Manager, Loan & Accounting Services; Terri D. Agate, Administrative Assistant; Michael W. Krajovic, Executive Vice President; Lori A. Omatick, Economic Development Specialist. Standing from left to right: David K. Roger, Tourism/Heritage Development Planner; Margaret Fusco, Secretary/ Receptionist; Joseph T. Rutkowski, Small Business Development Specialist; Louise A. D'Isadoro, Workforce Development Specialist; Ronald M. Nehls, Business Development Coordinator and Tina W. Wargo, Technical Assistance Specialist.

Financing Assistance:

A variety of low-interest financing programs are available for companies in Fayette County through the Pennsylvania Department of Commerce. Funds may be used for land, buildings, equipment, working capital and job training. Confidentially, 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. Other funds are available through various regional and local financing programs. The Fay-Penn staff knows which programs can be used to fit a company's specific needs.

Business Technical Assistance:

Fay-Penn, with the support of its regional economic development team of organizations, offers technical assistance to businesses of all types and sizes throughout the County. The staff will do whatever is possible to assist companies in meeting their needs and accommodating their business development projects. This includes areas of financing, marketing, training, technology development, manufacturing process improvement, government procurement, exporting, quality improvement, etc.

Loan Funds:

Fay-Penn administers a \$1.35 million loan fund to assist manufacturing businesses with financing expansions. Specific guidelines have been developed and approved by the Pennsylvania Department of Commerce to determine project eligibility. Over 11 companies were helped to date. For very small businesses, Fayette County entrepreneurs can turn to the Small Business Administration Microloan Demonstration Program for assistance.

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, community projects and increasing tourism packaging efforts are all part of the initiatives to help this industry grow.

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 Action Team and Penn's Southwest Association on potential projects and networks with realtors and property owners to keep abreast of the industrial real estate market. Site proposals are prepared with current market, utility and quality of life information in addition to various financing options that may be available.

Business Park Development:

Location of new and expanding businesses and related infrastructure development is an important function of Fay-Penn. Working with the Fayette Industrial Fund (formerly Greater Uniontown Industrial Fund), Connellsville Industrial Enterprises and the County redevelopment and municipal authorities, the Fay-Penn staff develops resources to expand infrastructure with special focus on the industrial and business parks in the County.

Small Business Technical Assistance:

One of the newest initiatives within Fay-Penn's organization is the establishment of a Small Business Technical Assistance Resource Center. The staff now provides confidential hands-on assistance to start-up and existing businesses with writing business plans on a private, individual basis, in an effort to secure loan financing, equity and to improve business success.

Workforce Development Assistance:

Another of Fay-Penn's newest initiatives is the creation of a Workforce Development Specialist position to help meet the job training needs of both the workforce and local businesses. Assessments of businesses' job training needs and capabilities of service providers are being conducted. The staff also coordinates meetings for local companies with experts from other regional economic development organizations specializing in individually customized job training programs, ISO 9000 and other quality procedures.

Financial Statements

FAY-PENN ECONOMIC DEVELOPMENT COUNCIL

Statement of Activities Period January 1, 1995 thru December 31, 1995

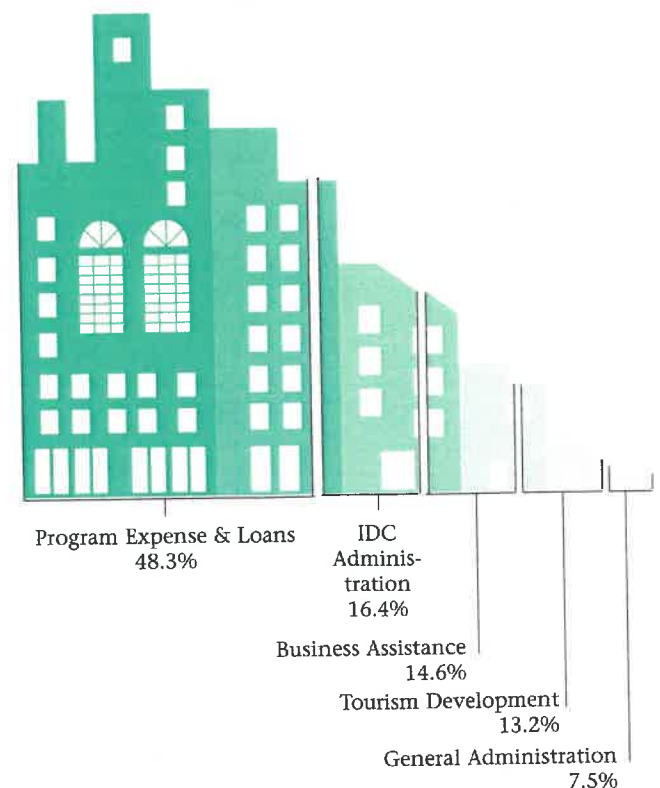
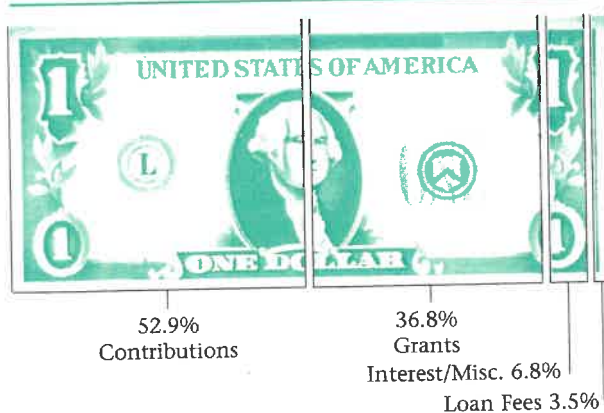
CHANGES IN NET ASSETS	TOTALS
Support	
Contributions	\$ 425,929
Grants	321,727
Member Contributions	36,958
Revenues	
Loan and Administration Fees	30,967
Interest-Revolving Loan Fund	50,372
Interest-Other	2,661
Miscellaneous	6,427
Total Support and Revenues	\$875,041
EXPENSES	
Program:	
Program Administration	\$ 26,017
CSX Rail Retention	56,983
Business Park Marketing	11,348
Strategic Planning Process	38,700
Revolving Loan Fund	260,000
Small Business Programs	59,816
Heritage/Tourism Development	43,417
Total Program Expenses	\$496,281
Support Services	
General Administration	\$ 61,396
Business Assistance	59,485
Tourism Development	63,620
IDC Administration	133,605
Total Support Services	318,106
Total Expenses	\$814,387
Increase in Net Assets	\$ 60,654
Net Assets:	
Net Assets - January 1, 1995	\$1,264,785
Assets Invested in Revolving Loan Fund	260,000
Increase in Net Assets	60,654
Net Assets - December 31, 1995	\$1,585,439

Statement of Financial Position as of December 31, 1995

ASSETS	
Cash	\$ 164,311
Cash - Escrow	34,254
Grants Receivable	28,703
Net Fixed Assets	64,450
Revolving Loan Fund	
-Cash	343,216
-Notes Receivable	780,547
-Investments - Loan Guarantee Program	203,008
Other Assets	4,287
Total Assets	\$1,622,776
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts Payable	\$ 3,083
Escrow - Fayette Forward Program	34,254
Total Liabilities	\$ 37,337
Net Assets	
Operating - Unrestricted	\$ 258,668
Revolving Loan Fund:	
Unrestricted	1,226,771
Temporarily Restricted	100,000
Total Revolving Loan Fund	\$1,326,771
Total Net Assets	\$1,585,439
TOTAL LIABILITIES AND NET ASSETS	\$1,622,776

EXPENDITURES

SUPPORT AND REVENUE





James Balling
President
Fayette Industrial Fund

Fayette Industrial Fund

Statement of Revenues, Expenses and Changes In Fund
Balance for the Period January 1, 1995
thru December 31, 1995

REVENUE	TOTALS
Revenue	
Interest on Mortgages	\$ 2,645
Interest on Temporary Investments	31,998
Membership Dues	14,850
Meeting Reimbursements	598
Service Fees	17,539
Miscellaneous	2,510
Total Revenues	\$70,140
EXPENSES	
Administration Fees	\$ 3,600
Service Fees	17,112
Insurance	502
Real Estate Taxes	1,906
Office Expense	1,393
Legal and Accounting	1,022
Advertising	182
Meetings	694
Contribution to Fay-Penn R.L.F.	100,000
Security - ITEC Facility	6,820
Construction - Sewer	4,900
Construction - Engineering Fees	1,812
Miscellaneous	2,868
Total Expenses	\$142,811
Excess of Revenues Over (Under) Expenses	(\$ 72,671)
Gain on Sale of Land	31,427
Excess of Revenues Over (Under) Expenses including Gain on Sale of Land	(\$ 41,244)
Fund Balance	
Fund Balance - January 1, 1995	\$ 787,586
Excess of Revenues Over (Under) Expenses including Gain on Sale of Land	(\$ 41,244)
Fund Balance - December 31, 1995	\$ 746,342

Balance Sheet as of December 31, 1995

ASSETS	
Cash in Bank	\$ 10,155
Temporary Investments	599,912
Accounts Receivable	69
Current Portion of Mortgage Receivables	23,016
Accrued Interest Receivable	7,074
Noncurrent Portion of Mortgage Receivables	76,295
Fixed Assets - Land	881,596
Total Assets	\$1,598,117
LIABILITIES AND FUND EQUITY	
Liabilities	
Deferred Revenue	\$ 27,775
Fund Equity	
Contributed Capital	\$ 824,000
Unrestricted Fund Equity	746,342
Total Fund Equity	\$ 1,570,342
Total Liabilities and Fund Equity	\$1,598,117



Chuck Madore
President, Connellsville
Industrial Enterprises

Connellsville Industrial Enterprises (CIE)

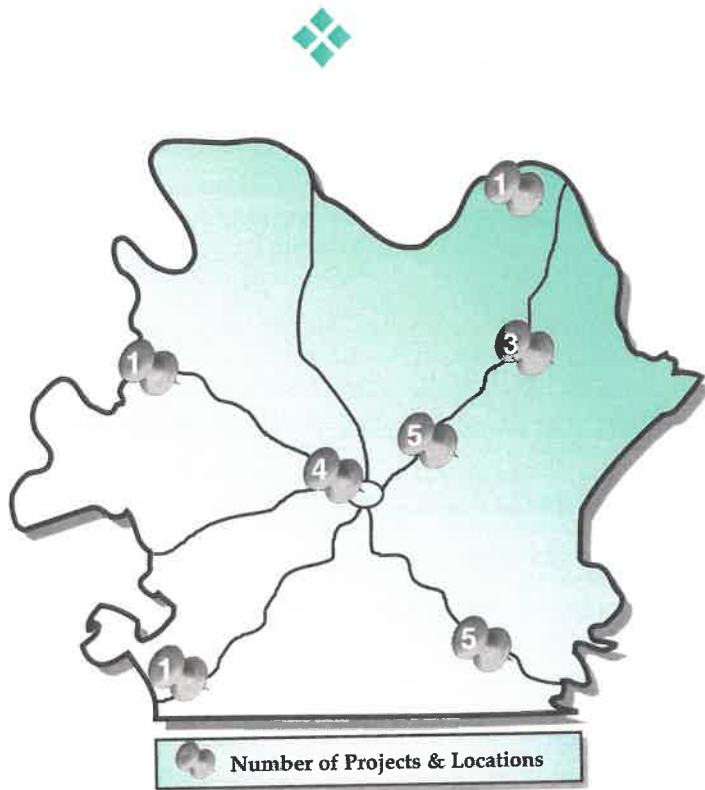
Summary of Combined Statement of Support, Revenues,
Expenditures and Change in Fund Balances for the Period
October 1, 1994 thru September 30, 1995

REVENUE	TOTALS
Revenue	
Interest Income	\$ 7,759
Total Revenue	\$ 7,759
EXPENDITURES	
Dues	\$ 250
Engineering	915
Insurance	1,211
Maintenance	50
Professional Fees	706
Real Estate Taxes	184
Lease Expense	117
Office Supplies	37
Total Expenses	\$ 3,470
NET INCOME FROM OPERATIONS	\$ 4,289
OTHER INCOME AND EXPENSES	
Loss on Sale of Land	(\$19,100)
TOTAL OTHER INCOME AND EXPENSES	(\$19,100)
NET LOSS	(\$14,811)
Fund Balance - October 1, 1994	\$490,971
Expenses Paid in Excess of Revenue Received	(\$14,811)
Fund Balance - September 30, 1995	476,160

Summarized Combined Balance Sheet as of September 30, 1995

ASSETS	
Cash	\$222,681
Land - Industrial Park	169,531
Land Improvements - Industrial Park	83,948
Total Assets	\$476,160
LIABILITIES AND FUND BALANCES	
Total Fund Balances	\$476,160
Total Liabilities and Fund Balances	\$476,160

Summary of Completed Projects 1995



Company Name	Jobs Committed Created and/or Retained*
Nu-Metrics	15
Houze Glass	**
Berkley Surgical	50
Newborn Enterprises	14
Rugged Liner	29
Ohiopyle Prints	20
E&G Gabriel	60
Anchor Glass Container Corp.	**
Poulos Company	3
American Ambulance	26
AVR Technologies	2
Choice Optical	3
LIFE Information Emergencies	4
Zephyr Glenn Bed & Breakfast	2
GTT Recharge-A-Card	2
Colonel Crawford's Bikes	**
Woodland Zoo and More	3
Murray Landscaping	1
Wilderness Odysseys, Ltd.	4
Cosba Fashions	4
Total Jobs Created/Retained	242*

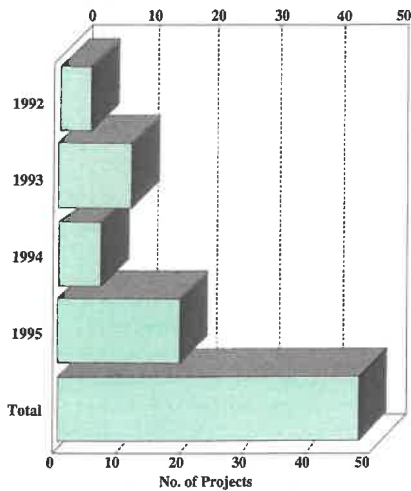
New Project Results Overview 1995 Totals

- Completed Projects20
- Jobs Created & Retained*242
- Increase in Annual Payroll Dollars . . .\$2,050,000
- Increase in Annual Tax Dollars \$ 255,000
- New Investment \$7,100,000
- Public Financing Utilized \$2,300,000
- Private Investment \$4,800,000

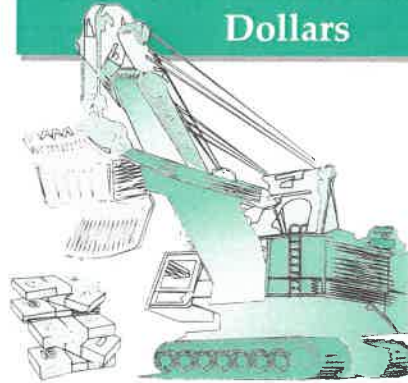
*The data recorded is based upon information provided and committed to by the companies - 3-year projections.
 **Additional projects were completed in previous years - job numbers are included in previous year reports and will be reflected in cumulative totals

Key Performance Indicators 1992 – 1995

Total Completed Projects

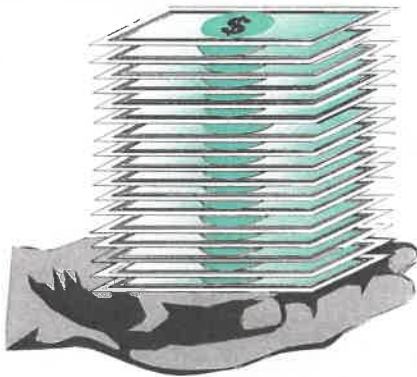


New Construction Dollars

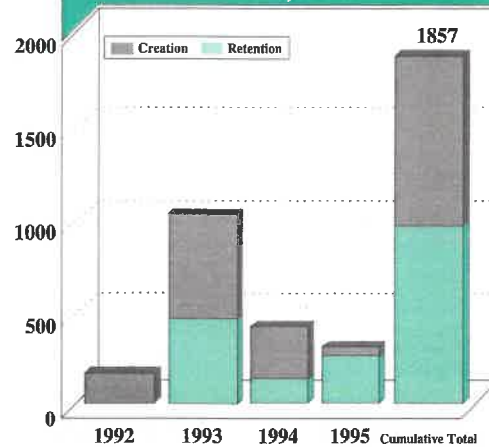


\$12,625,000

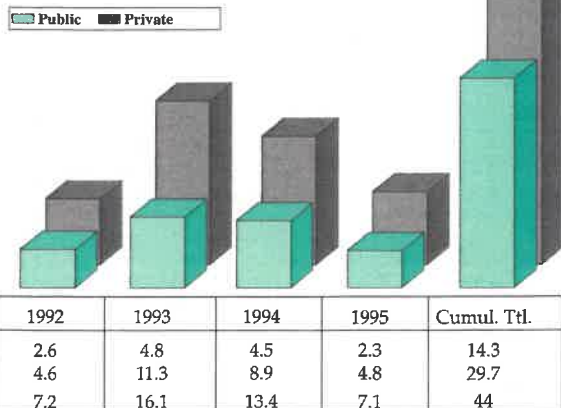
New Annual Payroll Dollars Generated \$16,950,000



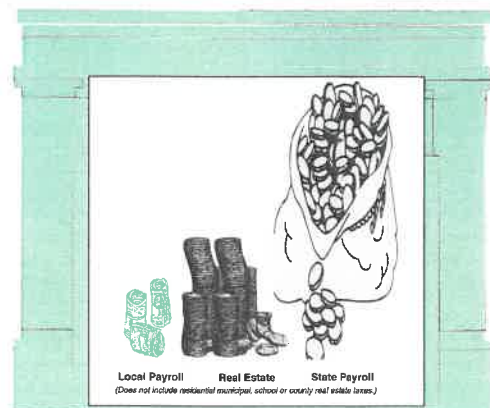
Job Creation/Retention Projected*



Investment Dollars (in millions) \$44.0



New Annual Taxes Generated \$908,000



Economic Impact

- Keeping your taxes lower by increasing the tax base in your local community.
- Providing business with new customers and sales opportunities.
- Generating new job opportunities for local residents.
- Improving your community's overall quality of life.

Increased Tax Base

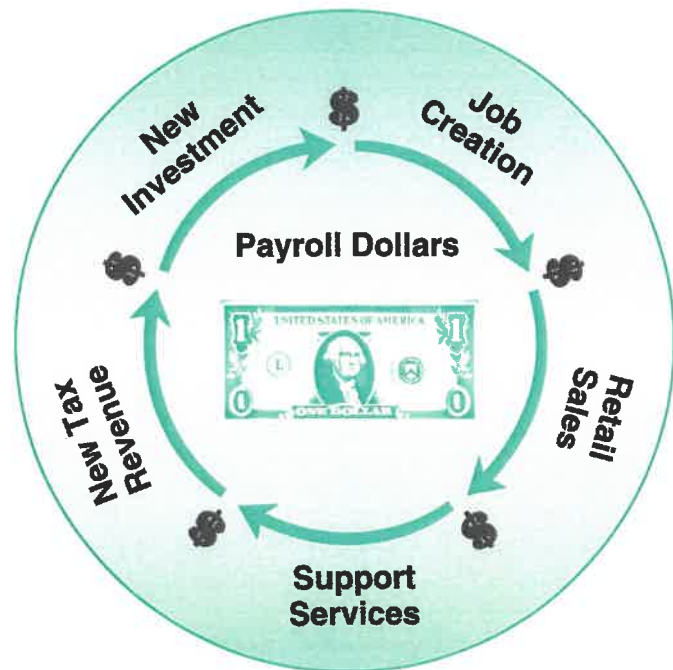
Local School Taxes
Municipal Wage Taxes
County Real Estate Taxes
Municipal Property Taxes
State Retail Taxes
State Wage Taxes
Federal Wage Taxes

Increased Services

Insurance
Maintenance Services
Accounting Firms
Legal Services
Car Repairs
Real Estate Sales
Wholesale Distributors
and more . . .

Increased Retail Sales

Dry Cleaning
Home Purchases
Restaurants
Furniture
Groceries
Video Rentals
Automobiles
and more . . .



When a job is created or retained, over 50% of those payroll dollars will be spent in the retail and service sectors. Each time a dollar is spent in the local economy it circulates 5 to 7 times over, positively impacting every business and person in Fayette County. Over \$84 million impact to date.

Major Accomplishments

Business Development



Ohiopyle Prints, Wharton Twp.

Starting as a small operation in 1981, Ohiopyle Prints has been one of the fastest growing manufacturing operations in Fayette County. To continue servicing the 5,000 customers nationwide, the company recently completed its fourth building expansion project in the last five years. Fay-Penn participated in this two-fold building expansion and manufacturing equipment purchase project with a \$100,000 Fay-Cap Loan. In addition, the Southwestern Pennsylvania Industrial Resource Center (SPIIRC) performed an operations review to improve productivity. Currently employing 94 people, Ohiopyle Prints expects to create 20 new jobs over the next three years as a result of this project.

Houze Glass Corp., Pt. Marion

In 1994, Fay-Penn, through its Loan Guarantee Program (LGP), assisted the new ownership of Houze Glass in securing a bank line of credit. The line of credit was needed to keep Houze, the oldest mug and glass decorating company in the world, competitive on a national level. To accommodate additional cash flow needs as the company expanded its market, Fay-Penn purchased an additional \$50,000 Certificate of Deposit to guarantee an increased bank line of credit. This effort helped to secure the employment of the 120 people currently working at the Point Marion facility.



Berkley Surgical Georges Twp.

Fay-Penn is part of a regional network that assists companies in accessing available resources. A prime example is that of Berkley Surgical, a division of Berkley Medical Resources that was a recent recipient of a \$60,000 Challenge Grant. The program, offered through the Ben Franklin Technology Center of Western Pa, awards Challenge Grants to assist in the research and development of new products or manufacturing technologies. Berkley will use the funds for both new product and process development in the manufacturing of surgical face masks.



Newborn Enterprises North Union Twp.

Fay-Penn provided site location services to Newborn Enterprises and helped secure land for construction of a new, larger 7,000 sq. ft. distribution facility in the Greater Uniontown Business Park in North Union Township. Fay-Penn offered additional assistance through its Fay-Cap Loan Fund by providing a \$120,000 loan towards the construction of the new facility. Through Fay-Penn's participation, this Altoona-based magazine, book and video distribution company expanded its Fayette County operation and retained 14 area jobs.

Rugged Liner North Union Twp.

One of Fayette County's facilities operating as a warehousing and distribution center for a chain of the company's retail stores has recently entered the manufacturing sector. Rugged Liner, an affiliate of Eastern Off Road Equipment, will manufacture truck bed liners at its location in the Greater Uniontown Business Park. The necessary equipment purchase was financed, in part, by a \$200,000 loan from the Fay-Cap Loan Fund and an additional \$200,000 loan from the Pennsylvania Capital Loan Fund. New job creation as a result of this expansion is estimated by the company to be 29.



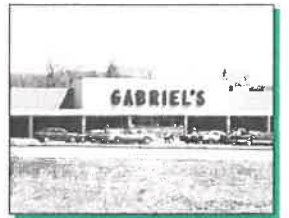
Nu-Metrics, North Union Twp.

During June of 1995, Fay-Penn joined with Nu-Metrics as they celebrated the opening of its new headquarters, research and technology center located in the Greater Uniontown Business Park on Route 119 in North Union Township. In conjunction with the building expansion, Nu-Metrics' management envisioned bringing certain sub-contracted manufacturing processes in-house. In August, 1995, Fay-Penn assisted in the purchase of manufacturing equipment by providing a \$75,000 loan through the Fay-Cap Loan Fund. This manufacturing equipment purchase is expected to create 15 new jobs at the facility.



E & G Gabriel, Redstone Twp.

In addition to industrial development, Fay-Penn also recognizes the importance of commercial growth in Fayette County. To this end, Fay-Penn has assisted in the location of a new Gabriel's store in Redstone Township. E&G Gabriel, with stores throughout Western Pennsylvania and Ohio, opened its first Fayette County retail outlet in August, 1995, at the former Fisher's Big Wheel Store near Brownsville. The project was financed using a \$1.3 million loan from the Pennsylvania Economic Development Financing Authority (PEDFA) which was sponsored by Greater Uniontown Industrial Fund. The company estimates that 60 new jobs will be created locally.



Anchor Glass Container Corp. South Connellsville

A Customized Job Training (CJT) Grant was funded for Anchor Glass Container Corp. in the amount of \$150,000 from the Pennsylvania Department of Commerce. The incorporation of new technology into the company's manufacturing process necessitated the training which will upgrade the skills of over 500 employees.



Small Business and Workforce Development

Determined to be the top economic development need in the Fayette Forward Strategic Plan, Fay-Penn launched its small business initiative in 1995 with support from the Southwestern Pennsylvania Regional Development Council, U.S. Appalachian Regional Commission and University of Pittsburgh Small Business Development Center.



Poulos Company

Poulos Company constructed a new 1,024 sq. ft. addition to their current facility located in the Greater Uniontown Business Park. The new building addition will accommodate the manufacturing of a recently developed motorized scaffold truck. Fay-Penn assisted Poulos Company with the preparation of a Ben Franklin Prototype Grant which was used to assist in financing the cost of building a prototype and bringing the new product to the market place. The expansion is expected to create three jobs over the next three years.



American Ambulance

Assisting with the preparation of a business plan played a crucial role in helping buyers obtain the needed financing to purchase the company and retain 24 jobs as well as create two new jobs. American Ambulance is an emergency and non-emergency transport provider in Fayette County. It has a membership of 13,000 people from the private sector, and also services various nursing homes, personal care homes and group homes in the area. On a rotation basis, American Ambulance contracts with several hospitals, emergency departments and hospital discharge.



AVR Technologies

With business plan assistance provided by Fay-Penn, AVR Technologies was able to obtain financing from a local banking institution to consolidate its debts and successfully expand its existing operations. In business since 1993, AVR Technologies was formed to provide sales and service of 2-Way Land-Mobile communication equipment for use by businesses, municipalities and public safety departments. With the recent acquisition of growth capital, sales are expected to exceed \$250,000 annually, and two new employees will be added. Within the next three years, AVR Technologies expects to become a highly visible company increasing its number of service centers to accommodate its growing service area.

Other Small Business Development Projects

A quality business plan is a crucial element in the financing process, especially for business start-ups. Fay-Penn offered technical assistance to businesses of all types and sizes throughout the County in 1995. The following companies have all received some form of small business technical assistance from Fay-Penn's staff resulting in over \$1,223,978 in new capital investment and the creation and/or retention of 64 local jobs: Choice Optical, LIFE Information for Emergencies, Zephyr Glenn Bed & Breakfast, GTT Recharge-A-Card, Colonel Crawford's Bikes, Woodland Zoo and More, Murray Landscaping, Wilderness Odysseys LTD, and Cosba Fashions.

Workforce Development

Having a trained and skilled workforce is critical to being successful at economic development. In 1995, Fay-Penn launched a new workforce development initiative supported by the Southwestern Pennsylvania Regional Development Council and the U.S. Appalachian Regional Commission. In an effort to expand job training opportunities that match the needs of local businesses, Fay-Penn has developed a workforce needs assessment and a local wage survey. Collaborative efforts to develop training programs based on what our businesses describe as essential employability skills are underway. Fay-Penn utilizes a job training resource network to facilitate funding for current and future workforce training projects that will eventually lead to a resource directory.

Information/Training Seminars

Fay-Penn participated in the sponsorship and/or organization of several informational and training seminars during 1995. An international trade seminar designed to inform Fayette County companies of the available resources in export assistance was offered with the co-sponsorship of Southwestern Pennsylvania Regional Development Council (SPRDC). Fay-Penn, Southwestern Pennsylvania Industrial Resource Center (SPIRC), and Ben Franklin Technology Center of Western Pennsylvania (BFTC/WP) also presented a briefing on services provided by their respective organizations. A seminar was also held in conjunction with Regional Economic and Community Development (RECD) to discuss the Water 2000 Needs Assessment. These programs were well attended by representatives from various Fayette County companies.



Development and Planning

Fayette County Strategic Plan

Known as Fayette Forward, Fayette County's strategic plan is an informal association of individuals and organizations interested in revitalizing their community. With the support of the Fayette County Commissioners, Fay-Penn, Pennsylvania Economy League and the Eberly Foundation, a facilitator was hired in late 1995 to help coordinate the activities of Fayette Forward. Since the plan's initial development by over 500 Fayette County residents, significant progress has been made by many of the participating organizations in implementing several of the strategic action items. Many of the projects listed in this annual report are included as priority projects in the Strategic Plan.

The implementation effort is being led by both the public and private sectors and is currently co-chaired by the Chairman of the County Commissioners. Specific areas being targeted in the Plan include: Economic Development, Infrastructure, Education, Tourism, Marketing, Social Concerns and Healthy Communities.

CSX Rail Line Acquisition/ Rehabilitation Project

Fay-Penn has been working for over four years to preserve rail service in Fayette County. Fay-Penn Industrial Development Corp. (IDC) has been formed to own and manage the rail line once it is acquired. A shortline operator has been selected to operate the line. To date, Fay-Penn IDC has been successful in obtaining ownership and rehabilitating a 3.3 mile section of rail from Connellsville to Mt. Pleasant. The \$90,000 rehabilitation project is being funded with a \$68,000 Rail Freight Assistance Grant from PennDOT with the balance being provided by Fay-Penn IDC.



Efforts are still underway to secure ownership of the 21.6 mile section from Connellsville to Smithfield at a cost of \$5.3 million. PennDOT allocated \$3.5 million towards the cost of acquisition. Fay-Penn continues to work to secure the additional \$1.8 million to finalize the acquisition. In the meantime, Fay-Penn IDC is preparing grant applications to rehabilitate the 21.6 mile section once it is acquired.

Revolving Loan Fund

Since 1993, using funds from various sources, Fay-Penn has been successfully developing two programs within its \$1.35 million Revolving Loan Fund (RLF). The Fay-Cap Loan Fund (FCLF) program assists eligible businesses by funding capital expansion projects involving fixed assets such as new equipment and facilities. The Loan Guarantee Program (LGP) will guarantee a percentage of private lending institution loans to eligible companies. The goal of the fund is to encourage job growth in the private sector. To date, 11 companies utilized the program, resulting in over \$10 million in private investment and the potential creation and/or retention of over 456 jobs. The RLF Programs have proven to be an important funding tool to help companies make capital investments in the Fayette County area.

Infrastructure

Fay-Penn has been working with various state and federal agencies in assessing Fayette County's water and sewer infrastructure needs. With assistance from the Redevelopment Authority, information on priority projects has been collected from municipalities all over the county. The offices of Congressmen Murtha and Mascara have been actively seeking federal funding sources to help construct many of the projects.

Enterprise Zone Planning Grant

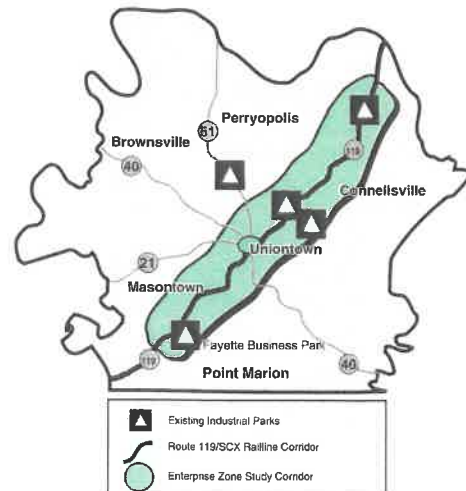
The Pennsylvania Department of Community Affairs recently approved a \$50,000 Enterprise Zone Planning Grant for the preparation of a 5-year strategic plan for the establishment and development of a proposed enterprise zone in Fayette County. The Redevelopment Authority of the County of Fayette served as the official applicant for the grant and Fay-Penn has been designated as the organization to administer the project.

The purpose of the Enterprise Zone Program is to help stabilize financially distressed and disadvantaged municipalities through local government capacity building for economic recovery activities.

The areas to be studied as a potential Enterprise Zone are located along the Route 119/CSX rail line corridor from Connellsville to Smithfield encompassing 11 municipalities. The final Enterprise Zone boundaries will be determined upon completion of the project based upon specific criteria set forth in the State's program guidelines.

The importance of being designated as an Enterprise Zone is that it can mean increased business activity and job creation through the formation of public/private partnerships with local governments and the business community.

Fayette County Proposed Enterprise Zone Study Area





Fayette Business Park

(formerly named Fairchance Business Park)

Through the cooperative effort of numerous organizations and funding agencies, the Fayette Business Park will be developed and marketed as a prime business location in Fayette County.

Fayette Industrial Fund (formerly Greater Uniontown Industrial Fund) re-acquired the Fayette Business Park from the County in 1995 to move forward with major development activities in 1996. In addition, all taxing bodies enacted the LERTA (Local Economic Revitalization Tax Assistance Act) program as an incentive for new construction.

Several initiatives for the Park development are currently underway and others are being planned, such as: approximately \$1 million in infrastructure improvements, design and construction of Park entrance signs, professional landscaping, construction of a 20,000 sq. ft. multi-tenant facility, rezoning, sub-division and protective covenants and restrictions to ensure quality, new site design standards to maximize the orderly park development.



Fayette Business Park

Carnegie Mellon Entrepreneurial Management Scholarships

Fay-Penn, for the fourth consecutive year, has been able to offer joint scholarships thanks to a grant from the Eberly Foundation. In cooperation with Ben Franklin Technology Center of Western PA, Fay-Penn provided matching scholarships to several local business executives to attend a twelve-week program offering updated information and training on current management issues. This successful program is designed to build 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 global markets. The 1995 scholarship recipients were Laurel Business Institute, Ball Transfer Systems, Inc., Berkley Medical Resources and PSI Packaging Services, Inc.

SBA Microloan Program

Fay-Penn made its second \$15,000 contribution to the Small Business Administration (SBA) Microloan Program established in 1993 by Fay-Penn, the Redevelopment Authority of Greene County and the Washington County Council on Economic Development. Loans can be used for working capital, inventory or machinery and equipment. Eligible applicants include small, existing and start-up companies in the three-county area. Five Fayette County small businesses utilized this financing resource during 1995.

State Regional Initiative Grant

Thanks to the efforts of our state legislators, Fay-Penn received a \$250,000 Regional Initiative Grant from the Pennsylvania Department of Commerce to support its efforts to improve the business climate and quality of life in Fayette County. This was the fifth consecutive year that Fay-Penn was successful in receiving the grant. Funds are earmarked for specific economic development projects approved by the Pennsylvania Department of Commerce. The 94/95 appropriation was used to capitalize our 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 development of industrial parks. The annual grants have been a direct result of the support and efforts of the Fayette County legislators: Rep. Peter J. Daley, Rep. H. William DeWeese, Rep. Richard Kasunic (now Senator), Rep. Lawrence Roberts, Rep. James Shaner, Rep. Jess Stairs and former Senator J. William Lincoln. The Pennsylvania Department of Commerce's Office of Regional Initiatives has been very helpful in guiding the proper use of the funding.

Ben Franklin (BEST) Network

Through the Ben Franklin Technology Center of Western Pennsylvania, Business and Entrepreneurial Service and Training (BEST) Program, Fay-Penn received a \$20,200 grant for the 95/96 funding period to assist Fayette County small technology-based manufacturing firms. The BEST Network is a new service delivery partnership between Ben Franklin service providers located throughout southwestern Pennsylvania. Through our participation in the BEST Network, Fayette County firms will be better positioned to access the technical support services and financial resources available throughout the region to assist with research and development efforts and, ultimately, company and employment growth.

Marketing Assistance Program

One means of strengthening the positive impact of an economic development organization is by incorporating additional resources available throughout the region that are not directly offered through the local organization. Four Fayette County manufacturing firms - Ball Transfer, Inc., Houze Glass Corp., Image Time, Inc. and Ohiopyle Prints - recently participated in an assessment of their marketing plans and strategies through marketing grants received from the "Marketing Assistance Program" offered by the Mon Valley Progress Council, Inc. in conjunction with Ben Franklin Technology Center of Western PA. Each situation audit focused on current marketing practices, available areas to capture new markets, needs and requirements of the current customer base, and an analysis of competition in the market. A thorough understanding of these matters can help define business development opportunities. The companies are currently implementing many of the recommendations of the audit.

Tourism Development

Planning for Tourism Development

Within the framework of Fayette Forward, several initiatives have been identified as critical to the successful development of tourism in Fayette County: professional planning assistance to community groups; development of tour packages for Fayette County attractions; increased recognition of the Laurel Highlands region (Fayette, Somerset and Westmoreland Counties) as a tourist destination area; institution of a county tourist information computer kiosk; production and distribution of a Fayette County visitors information brochure; businesses transitioning to service tourists; and training for tourism business employees. Fay-Penn will be working with other Fayette Forward organizations dedicated to tourism development in Fayette County to implement these and other initiatives in coming years.



Coke Ovens

Helping Businesses to Capture Tourism Commerce

In 1995, Fay-Penn initiated an effort to encourage tourism and hospitality training at local businesses. A focus group of business owners was held and their training needs were identified. Also, a videoconference was co-hosted by Fay-Penn that outlined the development of national skill standards for the hospitality and tourism industry. Fay-Penn continued its efforts to support the development of Bed and Breakfasts by providing business planning and technical assistance to five developing projects. In one case, Fay-Penn was able to assist in the development of a business plan and the successful combination grant/loan application from the Southwestern Pennsylvania Heritage Preservation Commission for Zephyr Glenn Bed & Breakfast, a new business located near Scottsdale.



Zephyr Glenn Bed & Breakfast



Ohiopyle State Park

Planning Assistance

Fay-Penn assisted the State Theatre Center for the Arts in the successful application for a Keystone Historic Preservation Grant and has now assembled a team to create a development and fund-raising strategy. Technical assistance was also provided to the Lyric Mountain Festival for the Performing Arts, a new project proposed to be located near Laurel Caverns that will initiate a summer classical music concert series in the months of July and August held under a pavilion tent. Planning is also continuing with the restoration and development of George Washington Gristmill Park, Nemacolin Castle, the Sheepskin Trail and future National Road capital projects.



Mt. Washington Tavern

Capital Projects

Final plans and specifications are now complete for the Searight's Toll House, Old Petersburg (Addison) Toll House, and Flatiron Building in Brownsville. These major restoration projects are a collaborative effort with the Redevelopment Authority of the County of Fayette and are being funded with a \$2 million grant from the Commonwealth Redevelopment Capital Assistance Program. Already recognized internationally as a premier bike-hike trail, the Youghioghney River Trail was connected into the City of Connellsville in 1995 and will be completed to McKeesport by 1997. Significant progress was made towards establishing a high-quality tourist railroad on the soon to be acquired rail line between Connellsville and Uniontown.

Fayette County Heritage Development Plan

The Fayette County Heritage Development Plan is the culmination of a year-long planning process conducted by Fay-Penn and the Fayette County Heritage Committee with funding provided by the Southwestern Pennsylvania Heritage Preservation Commission. Fay-Penn was designated by the Fayette County Board of Commissioners to complete this plan to serve as a framework for developing Fayette County's heritage resources into high quality visitor attractions. Utilizing these heritage resources creates an opportunity for generating new jobs in an economically distressed area through increased tourism and tourism related commercial activity. Completion of the Plan is a Tourism Action Initiative of Fayette Forward, the Fayette County Strategic Plan.



Fayette County Courthouse,
Uniontown

Contribution Acknowledgements

Fay-Penn received major 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 1995, 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 1995.

\$1,000 to \$10,000

Allegheny Power System
Bell Atlantic
Coldren Adams
Columbia Gas Co. of PA

Fayette Bank
Integra Bank
Wal-Mart Stores, Inc.

\$10,000 to \$100,000

Fayette County Commissioners
Mr. & Mrs. Robert E. Eberly
The Hardy Family Trust
Fayette Industrial Fund

Over \$100,000

The Eberly Foundation
Commonwealth of PA -
Regional Initiative Grant

In addition, with a supportive membership of 189, Fay-Penn Economic Development Council acknowledges with much thanks the following area businesses, organizations and individuals whose annual financial contributions have aided in the success of the accomplishments to date:

Alden Oil Co.	Fay-West Travel, Inc.	Jackson's Dairy Farm	Solomon Accounting Service
All Around Fence Co., Inc.	Fayco Plastics Co., Inc.	Thomas J. Kalman, Esq.	Spartan Construction
Allegheny Power System	Fayette Bank	William B. Kania, CPA	Paul Sprowls Agency
American Legion Post 51	Fay. Co. Airport Authority	Senator Richard A. Kasunic	Stahls' Hottronix
Anchor Glass Container Corp.	Fay. Co. Community Action Agency, Inc.	Laurel Business Institute	Rep. Jess Stairs
Anchor Hocking Packaging Co.	Fay. Co. Medical Society	Laurel Caverns	Stefano's Printing
Assad Iron & Metals, Inc.	Fay. Co. Mental Health/ Mental Retardation	Laurel Highland School District	Stone & Co.
Bell Atlantic	Fay. Co. Redevelopment Authority	Laurel Highlands, Inc.	Summit Inn Mountain Resort
Belvetone Systems	Fayette Engineering Co., Inc.	Lynn's Dairy Queen Franchisor	Summit Products Co.
Berish Agency, Inc.	Fayette Fuel, Inc.	Robert Lynn Construction Co.	Swan's Appliance & Furniture
Perryopolis Borough	Fay. Institute of Commerce & Technology, Inc.	M & Y Services, Inc.	Tedesco Manufacturing Co.
Smithfield Borough	Fayette Labor Management Committee	Margolis, George & Port	Mark Thompson Distributing
Bradley Paint Co.	Fayette Parts	Masontown Industrial Dev. Corp.	Brownsville Township
Brodak's Shop N Save	Fayette Positive Action Citizens	Masontown Trophy Co.	Bullskin Township
Brownsville Bus Lines	Fayette Realty Company	McClure & Wolf	Connellsville Township
Brownsville General Hospital	Fayette Tire Co.	The Medicine Shoppe	Dunbar Township
Brownsville School District	Joe Fida's Auto Plate Service	Meloni's Restaurant	Georges Township
Cardello Electric Supply Co.	John A. Fiesta Agency, Inc.	MONY	Henry Clay Township
Dr. F.P. Cardenas, MD	R. Bruce Fike & Sons Dairy, Inc.	N.A.A.C.P.	Jefferson Township
Centennial Chevrolet -Geo-Dodge, Inc.	First Fed. Savings & Loan of Greene Co.	Nat'l Road Heritage Park Project	Luzerne Township
Central Fay. Chamber of Business & Industry	First Fed. Savings Bank	N. Fayette Co. Municipal Auth.	Menallen Township
Bruce Chambers	Fosco, Inc.	Nu-Metrics Instrumentation	Perry Township
Champion Lumber Co., Inc.	Fox Glass Co.	Oglevee, Ltd.	Saltlick Township
Chess Coal Co.	Frank's Auto Supply	PA-American Water Co.	Stewart Township
City of Uniontown	Gabriel Brothers	Park's Moving & Storage, Inc.	Upper Tyrone Township
James Edward Clarke	Garbart Engineering Co.	Parker/Hunter, Inc.	Wharton Township
O.C. Cluss Lumber Co.	Gatlings's Auto Stores	Patwil Homes	Tri-Town Industries, Inc.
Cameron Coca Cola Corp.	Gerome Manufacturing Co., Inc.	PennState Fayette Campus	James A. Ulmer, Jr.
Coldren Adams	Goodwill Industries	Peoples Natural Gas Co.	Uniontown Area School Dist.
Columbia Gas Co. of PA	Gr. Brownsville Ind. Dev. Corp.	Perma-Cote Plastics	Uniontown Downtown Bus. Dist. Auth.
Conn Realty	Gr. Brownsville Chamber of Comm.	PNC Bank (U'town)	Uniontown Hospital
Connellsville Corp.	Gr. Connellsville Chamber of Comm.	Poulos Company, Inc.	Uniontown Mall
Connellsville Ind. Enterprises	Hagan Ice Cream Co.	Private Industry Council of Westmoreland/Fayette, Inc.	Uniontown Motor Club
Connellsville Printing Co.	Haky Funeral Home	PSI Packaging Services, Inc.	Uniontown Newspapers, Inc.
Connellsville Redev. Auth.	Dr. Paul A. Hartley, MD	Republic Chamber of Commerce	Uniontown Redev. Auth.
City of Connellsville	Helicon Cablevision	Rep. Larry Roberts	United Defense LP
Crimbly Trucking Service	Helicopter Aviation Services, Corp.	Romeo & Sons, Inc.	US Cellular Mobile Tele. Serv.
Culligan Water Conditioning	Highlands Hospital & Health Center	Rupp Medical Associates	Unlimited Housing for the Elderly
Daily Courier	Highlands Lumber Co., Inc.	Martha S. Sanger	Valley Welding
Rep. Peter J. Daley	Honisek Tool Co., Inc.	Norma Santore, Fay. Co. Sheriff	Vulcan Insurance Co.
Daniel's Men's Store	Murray 1. Horewitz, Esq.	Scottdale Bank & Trust Co.	White Swan Flower Shop
Davis & Davis	Houze Glass Corp.	Seaton & Bowman, Inc.	Widmer Engineering Co.
DeMuth Florist, Inc.	Dr. Ronald E. Hugh, DDS	Second Nat'l Bank of Masontown	Williamhouse Regency
Berwyn S. Detweiler Pontiac, Inc.	The Insurance People	Sensus Technologies, Inc.	Wright Poster Advertising
Rep. H. Wm. DeWeese	Integra Bank	Rep. James Shaner	Yezbak Lumber Co.
Dow Construction Co.	Interstate Thermal Energy Conver. Corp.	Shumar's Welding & Machine	
Eat N' Park Restaurant		SME Industries	
Eberly & Meade, Inc.		Smithfield Hardware & Appliance	
W. H. Farwell Co.		Art Snyder Sanitary Supply	

Special Thanks

Cooperation and assistance was the key to generating the results contained in this report. Every day 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 these organizations:

Allegheny Conference on Community Development
Appalachian Regional Commission
Ben Franklin Technology Center of Western PA
Brownsville Area Revitalization Corp.
Brownsville Chamber of Commerce
Builders Association of Fayette County
California University of PA Entrepreneurial Assistance Center
Carnegie Mellon University
Central Fayette Chamber of Business & Industry
Connellsville Industrial Enterprises
Connellsville Redevelopment Authority
Economic Development Administration, U.S. Dept. of Commerce
Enterprise Corporation of Pittsburgh
Fay-Penn Industrial Development Corporation
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 Industrial Fund
Fayette Labor Management Committee
Greater Connellsville Chamber of Commerce
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 Owners
National Road Heritage Park Project
Office of Vocational Rehabilitation
PennState 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 Action 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 Council
Southwestern PA Regional Planning Commission
Southwestern PA Growth Alliance
St. Vincent College Small Business Development Center
Three Rivers Labor Management Committee
U.S. Small Business Administration
Uniontown Downtown Business District Authority
Uniontown Redevelopment Authority
United States Department of Agriculture Forest Service
University of Pittsburgh Small Business Development Center
Washington County Council on Economic Development
Waynesburg College
Westmoreland County Industrial Development Corp.
Westmoreland Economic Development Corporation