ANNUAL REPORT 2015

CELEBRATING

1991



2016

25 YEARS

ROBERT E. EBERLY, SR. FAY-PENN FOUNDER

2015 CHAIR'S MESSAGE



William B. Blaney
Chair

This past December, I ended my term as Chair of the Fay-Penn Board of Directors. I've been involved with the organization for 18 of its 25 years, and have been privileged to celebrate the triumphs and share the disappointments along with other long-time board members that I've worked with side-by-side. It's been a fantastic experience.

Fay-Penn has grown synonymous with business growth in Fayette County over the past 25 years. The numbers are hard to ignore. Since the beginning, Fay-Penn's efforts have helped our county with nearly 9,000 jobs created or retained, many of which are housed in our 3 developed business parks and 15 business centers and buildings. We have applied for more than 300 federal, state and private grants and loans, which, when coupled with additional private capital invested, resulted in more than \$1.5 billion spent on Fayette County economic development projects. That is new money that came into the county invested by individuals and organizations that believe in our local people, appreciate our county's resources, and trust in our area's future.

These statistics may be somewhat difficult to comprehend, but the bottom line is this: Fay-Penn helps businesses. These businesses put people to work creating personal wealth to buy goods and services and overall wealth to improve infrastructure, provide government services, add recreational amenities, and to develop a host of other comforts that improve the quality of life in Fayette County. Our County's 135,000 residents are significantly better off because of what Fay-Penn has done and what it continues to do. We have made a difference.

None of this would have been possible without significant input from numerous groups and individuals. From the initial vision, leadership and support of Robert E. Eberly, Sr. -- to our continuing support from our members, board, committees, partners, donors, elected officials and staff -- it really has been a team effort. It's impossible for me to specifically recognize each of you that contributed in some way, so please accept a sincere "Thank You." You also have made a difference.

As I join Leo Krantz and Steve Neubauer as a Past Chair, I wish the best for Fay-Penn going forward. Like them, I will continue to be active in the organization. I am very optimistic for the future of our area, and am certain Fay-Penn will be right in the middle of the progress. There will be even better things coming in the next 25 years!

William B. Blany

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ABOUT FAY-PENN

Fay-Penn was incorporated in 1991 as a 501(c)(3) nonprofit organization to assist in growing the economy of Fayette County. The organization provides comprehensive, second-to-none business development services through its staff and partners to make clients more competitive in a global marketplace.

HISTORY OVERVIEW

In 1990, Fay-Penn's founder, Robert E. Eberly, Sr. and a number of state and local elected officials were successful in attracting a \$500,000 Economic Revitalization Grant from the Commonwealth of Pennsylvania that led to the formation of Fay-Penn on January 16, 1991.

Throughout the years, Fay-Penn administered, created and/or merged with a number of local industrial and economic development organizations having a similar purpose. Fay-Penn is now the only organization in Fayette County designated by the Commonwealth of Pennsylvania as a Certified Economic Development Organization (CEDO).

Thanks to strong leadership and support, the organization continues to thrive and maintains a reputation as one of the most well-respected economic development organizations, not only in PA but throughout the entire US.

While the organization's primary mission remains, its strategies continually expand and evolve. From establishing a multi-million dollar Revolving Loan Fund, to saving 26 miles of rail line from abandonment, to constructing business parks, to developing new business support initiatives, the impact of Fay-Penn's efforts are forever written in the history of Fayette County.

PRIMARY OBJECTIVES

- Create and retain jobs
- Generate private and public business investment
- Develop the workforce
- Increase quality of life amenities and services
- Sustain a supportive environment for business start-up, expansion and attraction

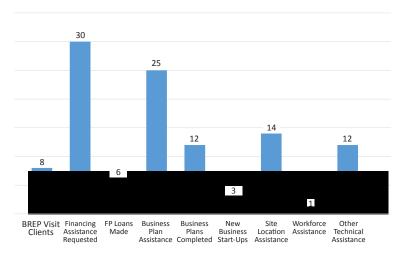


- Finance Business Needs
- Provide Business Sites
- Build Workforce Capabilities
- Promote Fayette County Business Amenities
- Develop Entrepreneurship
- Generate Business Opportunity Awareness
- Enhance Tourism
- Establish Business Partnerships
- Facilitate Exporting and Government Contracting
- Coordinate Government Program Assistance and Tax Credits
- Support Local Agriculture

PERFORMANCE METRICS

2015 CLIENT INQUIRY/ SERVICE SUMMARY 1

TOTAL CLIENT INQUIRIES: 69



Note: Table reflects the types of services and/or assistance requested. Some clients received one or more services.

2015 PROGRAM ACTIVITY SUMMARY 2

NON-BUSINESS PROJECT SPECIFIC

Workshops/Trainings Held	10
Workshop/Training Attendees	117
Activities/Events Held	7
Initiatives Established/Managed and/or Supported	2
GED Assistance Provided	4
Scholarships Provided	39
Scholarship \$'s Awarded	\$16,425
Internships Funded	2
Farmer's Markets Held	12

MAJOR BUSINESS DEVELOPMENT PROJECTS ECONOMIC IMPACT ³

	ALL COMPANY PROJECTS		FAY-PENN REVOLVING LOAN FUND PROJECTS (included in "All Company Projects" Column)	
	2015	CUMULATIVE 1992-2015	2015	1993-2015
Completed Projects (Unique)	13	334	6	179***
Jobs Created & Retained *	220	8,990	-	-
Increase in Annual Payroll	\$4,732,643	\$195,734,279	-	-
Increase in Payroll Taxes **	\$189,306	\$8,413,992	-	-
Construction Dollars	\$4,950,275	\$533,434,695	-	-
New Investment	\$16,210,096	\$1,321,690,524	\$5,390,446	\$67,790,446
FP RLF Loans	\$425,056	\$25,910,281	\$425,056	\$25,910,281
Other Public Financing	\$310,000	\$221,365,977	-	-
Private Investment	\$15,475,040	\$1,074,414,266	\$4,965,390	\$41,880,165

- * Based on current and three-year projections provided by companies. The cumulative data is not adjusted to reflect reductions or increases in original estimates.
- ** Includes State and Local Payroll Taxes only. Does not include residential, municipal, school or county real estate taxes.

 *** Represents # of projects funded, including those that received multiple loans from different RLF programs. Actual # of individual loans made is 223.

Footnotes:

- 1 Includes all client-related activity during 2015, including those listed in the "Major Business Development Projects Economic Impact" table.
- See Pages 7-8 for program descriptions related to the Program Activity Summary metrics.
- See Pages 5-6 for a listing of Major Business Development Projects whose data is reflected in this table.



North Union Business Center (Lease Space Available)



500 Mountain View Drive Fayette Business Park (Lease Space Available)

FAY-PENN REAL ESTATE ACTIVITY/HOLDINGS

	2015 ACTIVITY ⁴	HOLDINGS (AS OF 12/31/2015)
TOTAL # OF PROPERTIES OWNED (LAND AND BUILDING SITES)	-	21
NUMBER OF LAND ONLY SITES	-	7
Total Acres:	-	1,487
Developed (w/Infrastructure)	-	275
Undeveloped	-	1,212
# Parcels Sold:	3	-
# of Acres Sold:	12.414	-
Land Sales \$:	\$372,650	-
New Capital Investment:	\$1,988,178	-
NUMBER OF BUILDING SITES	-	14
Total # of Buildings:	-	15
Total Sq. Ft. (Includes Common Areas)	-	656,438
% Leased (Leasable space only)	-	80%
# of Buildings Sold:	1	-
# of Sq. Ft. Sold:	53,379	-
Building Sales \$:	\$1,000,000	-
New Capital & Leasehold Investment	\$269,539	-



100 Laurel VIew Drive Fayette Business Park (Lease Space Available)



Fayette Business Park (Lots Available)



University Business Park (Lots Available)

Dunbar Township Business Park (Lots Available)



BUSINESS DEVELOPMENT PROJECT HIGHLIGHTS



Darr Hughs Construction: "... Funding is a major obstacle in any start-up business and Fay-Penn helped me overcome this obstacle ... the lessons I learned from the entire process with Fay-Penn were invaluable." - Taylor Barnickel, Owner

Trailside Lodging, LP: "Fay Penn has been great to work with on our hotel project by providing important funding to the project capital stack; they've been well engaged and responsive from day one. Most importantly, they've proven to be resourceful, with a hands-on professional approach to all aspects of coordination with our investors and other lending resource teams. With Fay-Penn's commitment to economic growth in Fayette County, they continue to be a valuable resource to small businesses like ours – they've been a great partner." - Tom Rosselot, Managing Partner

LPG, LLC: "Thanks to Fay Penn and WCCED, their funding and business strategies have allowed us the opportunity to become a viable business." - Jeff Gill, Owner



The Edge Sports Academy: "Fay-Penn has helped a small business owner such as myself turn what was once a dream of expansion into a reality. Fay-Penn's guidance and support throughout this process was essential to my success." - Clint Weibl, Owner

JLE Industries, LLC: "This state of the art facility, which will house more than 150 JLE associates, will be the epicenter and strategic hub for the continued growth of our business. The Fay-Penn team is fantastic to work with." - Jason Adamsky, CEO and Co-owner.



Republic Investments, LLC: "We came to Fay-Penn because they offered help in financing our business venture by offering a lower interest rate than any of the local banks." - Debra Cochrane, Co-owner "The staff and services offered are a true asset to Fayette County. They have aided me for the second time within the past year to help grow my business." - Tom Richards, Co-owner

U.S. Congressman Bill Shuster with JLE Indusries Owners Jason Adamsky and Evan Pohaski

CLIENT NAME/ LOCATION:	CLIENT PRODUCT/ SERVICE:	SERVICE(S) PROVIDED:	PROJECT DESCRIPTION:	TOTAL EST. NEW INVESTMENT
DARR HUGHS CONSTRUCTION CO. SMITHFIELD	RESIDENTIAL AND COMMERCIAL CONSTRUCTION & EXCAVATING	RLF LOAN	NEW BUILDING AND MACHINERY & EQUIPMENT	\$162,000
STEPHEN WRIGHT & ASSOCIATES, INC. HOPWOOD	RESIDENTIAL CONSTRUCTION CONTRACTOR	RLF LOAN	DEBT REFINANCING	\$66,667
EDGE SPORTS FACILITY, LLC MT. PLEASANT	INDOOR SPORTS TRAINING FACILITY	RLF LOAN	EQUIPMENT PURCHASE	\$48,300
TRAILSIDE LODGING, LP CONNELLSVILLE	HOTEL/LODGING	RLF LOAN	ACQUISITION OF FURNITURE, FIXTURES & EQUIPMENT	\$5,000,000
REPUBLIC INVESTMENTS, LLC CARDALE	RESTAURANT	RLF LOAN	NEW EQUIPMENT, FACILITY IMPROVEMENTS, MARKETING & WORKING CAPITAL	\$66,479
LPG, LLC UNIONTOWN	CONCRETE AND MASONRY CONTRACTOR	RLF LOAN	EQUIPMENT & WORKING CAPITAL	\$61,110
JLE INDUSTRIES, LLC DUNBAR TWP.	COMMERCIAL TRUCKING	- SITE LOCATION ASSISTANCE - STATE FUNDING & JOB TAX CREDITS - SOLD A 53,379 SF BLDG. IN DUNBAR TWP.	- NEW BUSINESS LOCATION - LAND & BUILDING ACQUISITION	\$10,391,000
UNIONTOWN PROPERTIES ASSOCIATES, INC. UNIONTOWN	SENIOR CARE FACILITY	SOLD .43 ACRE PARKING LOT IN UNIONTOWN	BUSINESS EXPANSION PROJECT	\$190,000
PRESET 31 GEORGES TWP.	PRIVATE DEVELOPER	SOLD .568 ACRES IN GEORGES TWP.	PROPERTY ACQUISITION TO CONSTRUCT NEW FACILITY	\$1,040,000
SOUTHWEST PA RAILROAD LEMONT FURNACE	SHORTLINE RAIL OPERATOR	SOLD 11.4 ACRES IN LEMONT FURNACE	EXPAND RAIL OPERATIONS	\$142,650
MONTGOMERY MEDICAL ASSOCIATES GEORGES TWP.	MEDICAL SERVICES	LEASE EXPANSION & BUILD-OUT	BUSINESS EXPANSION	\$87,000
ADVANCED ACOUSTIC CONCEPTS NORTH UNION TWP.	HIGH TECHNOLOGY MANUFACTURING	LEASE EXPANSION IN NEW FACILITY & BUILD-OUT	BUSINESS EXPANSION	\$50,000
REP. RYAN WARNER NORTH UNION TWP.	PA HOUSE REPRESENTATIVE	SITE LOCATION & NEW LEASE SPACE	NEW OFFICE LOCATION	N/A

PROGRAMMATIC HIGHLIGHTS

Fay-Penn provides ongoing business support and development services through numerous programs, initiatives and partnerships. In addition to responding to inquires, Fay-Penn takes a proactive approach to economic development through its outreach programs. This section contains a highlight of some of those activities and partnerships.

SERVICES

Provided a network of trained experts to help local companies start, grow and prosper via the PARTNERSHIPS FOR REGIONAL ECONOMIC PERFORMANCE (PREP) PROGRAM through one-on-one counseling, specialized workshops, online training and financial incentives. Conducted ON-SITE OUTREACH interviews with business

PLANNING AND FINANCING

owners. Supplied BUSINESS

INITIATIVES

Developed a permanent **WORKFORCE DEVELOPMENT SCHOLARSHIP FUND**through the Community Foundation of

Fayette County to support GED and postsecondary technical education within Fayette County. Launched the **FAYETTE LEADERS ACADEMY** to empower and enrich the leadership qualities of our region's business professionals.



WORKSHOPS/ TRAINING

Coordinated workshops to enhance our business's successes, such as the third annual BANKERS'

BREAKFAST, which generated support for higher risk business investment by partnering conventional lenders with economic development groups. Sponsored business assistance training such as FIRST STEP TO BUSINESS SUCCESS, QUICKBOOKS, PEOPLE COMPLIANCE, UNDERSTANDING FINANCIAL STATEMENTS, and OSHA-10. Provided SUMMER INTERNSHIPS to students from the Laurel Highlands High School Academy of Finance.

EVENTS

Hosted events including a FAMILIARIZATION **TOUR** of various Fayette County business and educational locations and amenities for the PITTSBURGH REGIONAL ALLIANCE and an **AUSTRALIAN DELEGATION** to assist in generating business partnerships and marketing the benefits of doing business in Fayette County. Sponsored the WILLIAMS FLUID POWER CHALLENGE, a competition designed to introduce middle-school students to STEM careers. Assisted with the second annual FAYETTE COUNTY BUSINESS **PITCH COMPETITION** that rewarded area high school students for their entrepreneurial business proposals. Facilitated a grant for the USCAA NATIONAL BASKETBALL TOURNAMENT at Penn State Fayette, the Eberly Campus that helped the tournament attract over \$500,000 tourism dollars to Fayette County.

ACTIVITIES

Sponsored activities such as

FARMER'S MARKETS in Uniontown
and Connellsville. Collaborated
on MANUFACTURING DAY to
generate awareness of the advanced
manufacturing capabilities and related
educational opportunities in Fayette
County. Participated in the FAYETTE
COUNTY 8TH GRADE CAREER

AWARENESS FAIR and the EDUCATION WORKS! STUDENT OF THE MONTH PROGRAM.



Bankers' Breakfast Event

Quickbooks Training



Pittsburgh Regional Alliance (PRA) Austrailian Deligation Familiarization ("FAM") Tour

FAYETTE COUNTY - A GREAT PLACE TO LIVE, WORK & PLAY



2015 OFFICERS, BOARD OF DIRECTORS & STAFF

Officers



CHAIR

William Blaney Vice President/ General Manager Blaney Farms

1ST VICE CHAIR

James Foutz

2ND VICE CHAIR

Mark Fike Account Executive Sprowls Insurance Group



Lawrence Kiefer Treasurer Scottdale Bank & Trust

SECRETARY

Greg Parsons Owner, Parsons Insurance



Stephen Neubauer President/General Manager Neubauer's Flowers, Inc.

Directors

Ed Balling

President, Fairchance Construction

Dave Berish

President, Berish Agency, Inc.

Brian Boyle

Vice President, TecEng Solutions

Nancy Dean Burke

Former Gen. Mgr., Microdiamant

Todd Casteel

President & CEO, Casteel Corporation

John F. Coleman

Branch Mgr./1st VP., Janney Montgomery Scott

Michelle Cunningham

Chief Executive Officer, Highlands Hospital

Nancy Decker

President & CEO, Laurel Business Institute

Henry A. Dunham

Vice President, Community Bank

Fd Fike

Mayor, City of Uniontown

Edward J. Franczyk

Market President, United Bank

George Franks

President, Masontown Trophy & Embroidery

Wayne Freed

Vice Pres., Business Banking, First National Bank

Johnathan Garlow

President, Ford Business Machines, Inc.

Dan Gearing

Mgr., Specialty Conduit & Manufacturing., LLC

James Gnagey

Owner, Gnagey Gas & Oil, Inc.

Tiffany R. M. Guittap

Branch Mgr.- ISP/Asst. VP, First Niagara Bank

Max R. House, Jr.

President, House Financial Service

William K. Jackson

Owner, Jackson Farms

Dr. Ed Jeffreys

Exec. Dir., Fayette County Career & Technical Institute

Richard Kasunic

PA Senator, Retired

Corbin Kearns

Plant Manager, Johnson Matthey

Bryan S. Kisiel

Managing Shareholder, Kisiel & Associates, PC

Sharon Klay

Owner/President, Christian W. Klay Winery

Terri Knupp

Area Mgr., First Energy/West Penn Power

Senator Pat Stefano

PA Senate

Raymond J. Koffler, II

Senior Vice President, PNC Bank

Leo T. Krantz, Jr.

Retired

Greg Lincoln

Mayor, City of Connellsville

John Malone

Vice President, Somerset Trust

Pat McCulloch

Partner, Computer Trends/OffSite Datasafe

Robert McKeown

President, Keystone Gas Solutions, LLC

James Means

Fayette County Assoc. of Twp. Supervisors

Pamela Moore

General Manager, Uniontown Mall

Dennis Noonan

VP of Sales, Nemacolin Woodlands Resort & Spa

Clara Pascoe

Exec. Dir., Community Foundation of Fay. Co., PA

Dr. Charles Patrick

Chancellor, Penn State Fayette - The Eberly Campus Robert Pinarski

Vice Pres/Publisher, Uniontown Newspapers

George Rattay

Retired

Frank Ricco

Secretary/Treasurer, Brownsville Bus Lines

Charmaine Sampson

Administrative Assistant, The Eberly Foundation

Terrance Shallenberger

President, Shallenberger Construction

Eli Shumar, Jr.

Pres., Shumar's Welding & Machine Service, Inc.

Rusty Smalley

President, George R. Smalley Co., Inc.

Reid Smith

Loan Officer, Bridgeway Capital

Mark Wasler

President, Kingfish Worldwide, Inc.

Fred E. Wright

President, Ohiopyle Prints, Inc.

Edward Yankovich

Vice President, International UMWA Dist. #2

Vince Zapotosky

Chairman, Fay. Co. Board of Commissioners

Staff Executive

> Bob Shark Executive Director

Administration

Traci Klink

Executive Assistant/Office Manager

Sandy McClelland

Secretary/Administrative Assistant

Cindy Tucker

Administrative Assistant

Assets & Contracts

Tina W. WargoAsset & Contract Department Manager

- 9 1/2 1 10

Twila Kendall
Technical Assistance Specialist

_ _ .

Construction/Property Coordinator

Accounting and Finance

Linda Wahaniali

Linda Yuhaniak Accounting & Finance Department Manager

. . .

Brenda Sapic Senior Accounting Assistant

Kimberly Wyda

Accounting Assistant

Gloria Calabro

Loan Servicing Specialist

Brooke Coffman Special Project Dev. Coordinator

.

Jessica Firmstone Loan Program Coordinator

Economic Development

- ...

Dana Kendrick Economic Development Department Manager

Alicia Thompson

Economic Development Specialist

Lori Scott

Economic Development Specialist

Jennifer Kooser

Small Business Specialist

Workforce Development Tom Cramer

Workforce Development Specialist

Heather Fani

Workforce Development Specialist

MAJOR CONTRIBUTORS

- US APPALACHIAN REGIONAL COMMISSION
- US DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT
- COMMONWEALTH OF PENNSYLVANIA

- LAUREL HIGHLANDS VISITORS BUREAU
- COMMUNITY FOUNDATION CHEVRON GRANT

MEMBERS

84 Lumber AAA East Central Argon ST, Inc. Atlantic Broadband

Bear Construction Berish Agency, Inc. Berkley Medical Blaney Farms, Inc.

BPU Investment Management, Inc.

Bridgeway Capital, Inc.

Brier Hill Steel Brodak's Shop-N-Save

Brother's Lazer Service, Inc.

Brownsville Bus Lines

Brownsville Marine Products, LLC Builders Association of Fayette County

Carlisle Construction Materials dba

Hunter Panels
Casteel Corporation
Catalyst Connection
Chevron, U.S.A., Inc.
CHL Development Corp.
Christian W. Klay Winery

Coldwell Banker Laurel Ridge Realty

Columbia Gas of PA, Inc.

Community Bank

Community Foundation of Fay. County

Computer Trends, LLC Connect to Classrooms, Inc. Connellsville Area School District

Connellsville Chamber of Commerce Connellsville Redevelopment Authority

Dairy Queen of SWPA, Inc.

Day Centennial

DeFrank Development Demco Excavating, Inc. Donald M. Miller, Inc. Fairchance Construction Co.

Fayette Co. Rehavioral Health Admin

Fayette Co. Behavioral Health Admin. Fayette Co. Career & Technical Institute

Fayette Co. Community Action Agency

Fayette Co. Housing Authority Fayette Parts Service, Inc.

First Energy/West Penn Power Co.

First Federal Savings & Loan of Greene First National Bank of PA

First Niagara Bank

Ford Business Machines Foutz, James, CPA

Gallatin Fuels

Gene & Boots Candies, Inc. George, Port & George George R. Smalley Co., Inc. Gerome Manufacturing Co., Inc.

Gnagey Gas & Oil Co. Inc.

Goodwill Industries of Fayette Co.

Greater Uniontown Heritage Consortium/ State Theatre Center for the Arts

Hazemag, USA Inc. Highlands Hospital

Hilton Garden Inn Uniontown Holt & Bugbee Hardwoods House Financial Services

Jackson Dairy Farm
Janney Montgomery Scott, LLC

JLE Industries

John A. Fiesta Agency, Inc. Johnson Matthey, Inc. Kasunic, Richard, Senator Keystone Gas Solutions, LLC

Kingfish Worldwide Kisiel & Associates PC

Koval Building & Plumbing Supply

Krantz, Leo T. Jr.

Laurel Business Institute

Laurel Caverns

Laurel Highlands School District Laurel Highlands Visitor's Bureau

Laurel Machine Co. Mark IV Office Supply Masontown Borough

Masontown Trophy & Embroidery Co.

Matheson - Midwest Zone McClure and Wolf, LLP McMillen Engineering Meloni's Restaurant

MLP Steel

Microdiamant USA, Inc. Nationwide Payment Solutions Nemacolin Woodlands Resort & Spa

Neubauer's Flowers, Inc.

North Fayette County Municipal Authority

O.C. Cluss Lumber Co., Inc. Ohiopyle Prints, Inc.

Parsons Insurance Services, LLC

Penn State Fayette, the Eberly Campus

Pine Hollow Mechanical, Inc.

Plaid Group, LLC

Plumbers & Pipefitters #354

PNC Bank Ptak's

Redev. Auth. of the City of Uniontown

Redev. Auth. of the County of Fayette

Sampson, Charmaine L. Scottdale Bank & Trust Co. Sepic Orthodontics

Shallenberger Construction Shane Felter Industries

Shumar's Welding & Machine Service Sisters of the Order of St. Basil the Great

Sleighter Engineering Somerset Trust Company Specialty Conduit & Mfg., LLC Sprowls Insurance Group Stefano's Printing, Inc.

Stephen R. Haky Funeral Home

TecEng Solutions

Township of Brownsville
Township of Bullskin
Township of Georges
Township of German
Township of Luzerne
Township of Redstone
Township of Saltlick

Township of Saltlick
Township of Springhill
Township of Upper Tyrone
Township of Wharton
TriState Capital Bank

Uniontown Area School District

Uniontown Hospital Uniontown Mall Uniontown Newspapers United Bank

United Dairy

United Mine Workers of America

Vermin Control Co. Vertex Outsourcing, LLC

Vitalink

West Penn Warehousing

Western PA Conservancy/Fallingwater

Westmoreland-Fayette WIB WSW Holdings, Inc.

ZRM Enterprises





