



OVERCOMING CHALLENGES

2020
ANNUAL REPORT

PROVIDING
**PANDEMIC
SUPPORT**
FOR THE
**BUSINESS
COMMUNITY**



Mark Fike
Chair

2020 CHAIR'S MESSAGE

As we're all aware, 2020 was a year filled with unprecedented challenges for our generation. To that end, numerous organizations throughout Fayette County stepped up to tackle new and unique responsibilities. Organizing drive-thru food distributions, extensively promoting local businesses to keep them afloat, adapting to remote work and schooling, donating PPE, and assisting in navigating access to government funding programs are just a few of those activities. Additionally, our essential employees, especially our healthcare providers, became heroes for their tireless efforts.

Fay-Penn contributed its share to that community effort. In addition to highlighting our economic development efforts, we've adapted this year's annual report to reflect our pandemic-related business assistance as well. For all the trials 2020 provided, as you'll see Fay-Penn countered with glimmers of hope.

My message to you wouldn't be complete without saying how proud I am of Fay-Penn staff. They seamlessly added that extra work to their regular routines without missing a beat, and did it while also learning about virtual, collaborative technologies. Outside of work, our staff also personally donated their time and money.

Through it all, Fay-Penn continued its work in growing the economy of Fayette County. We'll continue to move forward in 2021 with renewed vigor as the global economy begins to emerge from the effects of the pandemic. It likely will be an interesting time, but Fayette County, and Fay-Penn, have proven they'll be up to the tasks at hand.

ABOUT FAY-PENN

Fay-Penn is a 501(c)3 nonprofit economic development organization that assists in growing and diversifying the economy in Fayette County, PA. Fay-Penn's ultimate purpose is to **sustain a supportive environment for business retention, start-up, expansion, and attraction to attain its primary objectives:**

- Retain and grow existing businesses
- Add new businesses
- Create and retain jobs
- Develop the workforce
- Generate private and public business investment
- Enhance quality of life amenities and services

STAFF

Bob Shark
Executive Director

Brent Filak
Chief Financial Officer

Twila Kendall
Technical Specialist

Traci Klink
Office Manager/HR Officer

Sandy McClelland
Administrative Assistant

Earl Miller
Property Manager

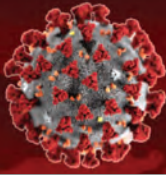
Brenda Sapic
Accountant (AP)

Ben Seibert
Business Development Coordinator

Lori Scott
Business Development Coordinator

Tina W. Wargo
Chief Technical Officer

Kimberly Wyda
Accountant (AR)



COVID-19

Fay-Penn responded to the worldwide COVID-19 pandemic by launching a number of programs and initiatives to assist Fayette County businesses in whatever way possible to stay afloat in the storm. Some of the ways Fay-Penn provided support are described below:

- Donated \$5,000 worth of surgical masks: 8,475 masks distributed to 50 small businesses
- Allocated \$15,000 for PPE Supplies distributed to 100+ Fayette County small businesses reopening.
- Launched a Small Business Emergency Loan Fund (SBELF) as a supplement to other programs offered by the US and PA governments and other public organizations. Eligible Fayette County small businesses could use these funds to pay their bills.
- Provided lists, contact information, and referrals for other public and private loan resources.
- Developed and disseminated a reference guide to provide direction for general concerns such as PPE, sanitizing, social distancing, as well as for industry specific concerns and resources.
- Marketed Covid-19 and non-Covid related information, resources, services, and free webinars via social media, 64 eblasts, and LED digital sign display along Route 119, North Union Township.



2020

PERFORMANCE METRICS



Covid-Related Assistance Inquiries

Paycheck Protection Program Loans (PPP)	25
Economic Injury Disaster Loans (EIDL)	27
Covid-19 Working Capital Access Program Loans	105
Other Funding	3
Personal Protection Equipment (PPE) Supplies	50

Service Inquiries (Non-Covid Related)

Fay-Penn Financing	17
Private Financing	8
Grant Financing	9
Location Assistance	52
Business Plans	7
Other Technical Assistance	23
Keystone Innovation Zone (KIZ)	4
Governor's Action Team (GAT) Projects	4
Miscellaneous Inquiries	18



CUMULATIVE MAJOR BUSINESS DEVELOPMENT PROJECTS ECONOMIC IMPACT

* 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. Does not include 2019 data since it was unavailable.

1992 - 2020	TOTAL
Completed Projects (Unique)	424
Direct Jobs Created & Retained *	11,444
Increase in Annual Payroll **	\$206,417,009
Increase in Payroll Taxes **	\$8,848,788
New Investment	\$1,400,538,388
FP RLF Loans	\$30,533,852
Other Public Financing	\$223,052,627
Private Investment	\$1,146,951,909

PROGRAM HIGHLIGHTS "AT A GLANCE"

SERVICES • INITIATIVES • ACTIVITIES • EVENTS

Fay-Penn delivers ongoing business support through a variety of services, initiatives, and other activities. What follows is a highlight of some of the 2020 activities:

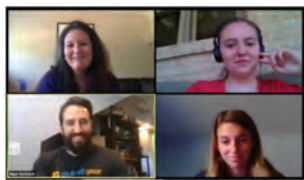


2019-2020 Cohort



Graduated the fourth cohort of the Fayette Leaders Academy to develop the next generation of the region's business professionals.

Offered 1,273 sq. ft. of co-working space in the Eberly Building with shared kitchen, waiting room, restrooms, parking, secure building access, free use of the FNB Business Event Center and Fay-Penn Conference Room.



Five students of Penn State Fayette, The Eberly Campus will receive mentorship, microgrants and access to Fayette LaunchBox to develop their promising entrepreneurial ideas.

Fayette LaunchBox is a no-cost business accelerator designed to help regional entrepreneurs and University affiliates develop their ideas into commercially viable products and services.



In concert with the Community Foundation of Fayette County, provided 8 scholarships totaling \$11,000 through the Orville and Ruth Eberly Workforce Fund to support local technical/trade education.



Assisted in statewide effort to promote participation in the 2020 Census to preserve the Fayette County's representation and access to benefits.



Introduced FP ProServe, a no-cost professional services program providing up to 16 hours of one-on-one, on-site training services to Fayette County small businesses from select professionals in the fields such as accounting, human resources, legal, and marketing.

Proactively addressed current and future needs by undertaking special initiatives designed to chart the way in the future, i.e.,

- Strategic Plan
- Site Selection Strategy
- Springhill Twp. Best Use



Successful in Keystone Opportunity Zone (KOZ) extension approval for 39 strategically located, unoccupied parcels containing 1,079+ acres for a period of 10 years beginning 2021.

Maintained designation by the state as a Certified Economic Development Organization (CEDO) as a result of perfect portfolio and application performance ratings, and satisfying requirements.

Collaborated with the Saint Vincent College Small Business Development Center (SBDC) to guide companies through the business planning process.



Marketed and promoted resources, services, and free webinars via social media, eblasts, and a LED digital sign display along Route 119, North Union Township.

REAL ESTATE

Land • Buildings • Facilities

2020 REAL ESTATE ACTIVITY

(land & bldgs)

LEASES (new & renewals)

- 84,080 sf bldg space

ACQUISITIONS

- 32.5035 acres

- \$117,230 invested

CAPITAL IMPROVEMENTS

(Including acquisitions)

- \$5,602,249 invested



\$7 MILLION CONSTRUCTION PROJECT CURRENTLY UNDERWAY ON A NEW 100,500 SQ. FT. SPECULATIVE BUILDING AT THE FAYETTE BUSINESS PARK, GEORGES TOWNSHIP

TOTAL REAL ESTATE HOLDINGS

19 PROPERTIES

- 8 vacant land sites totaling 1,535 acres

- 12 buildings totaling 648,608 sf with a 91% occupancy rate



LOTS AND LEASE SPACE AVAILABLE - BUILD-TO-SUIT

- KOZ TAX-FREE SITES - KIZ DESIGNATED SITES



Dunbar Township Business Park



University Business Park
North Union Township



Fayette Business Park
Georges Twp.



North Union Business Center

2020 PROJECTS TABLE

CLIENT NAME:	LOCATION:	PRODUCT/ SERVICE:	PROJECT DESCRIPTION:	TOTAL EST. NEW INVESTMENT:	SERVICE(S) PROVIDED:
ADVANCED ACOUSTIC CONCEPTS - A DRS/ THALES COMPANY	NORTH UNION TWP.	ADVANCED MANUFACTURING	ONE YEAR LEASE EXTENSION OF 5,046 SF IN THE NORTH UNION BUSINESS CENTER FACILITY	N/A	
ARGON ST - A BOEING COMPANY	GEORGES TWP.	ADVANCED MANUFACTURING	ONE YEAR EXTENSION OF 14,040 SF IN THE NORTH UNION BUSINESS CENTER FACILITY	N/A	
EATZA MY PIZZA	GEORGES TWP.	RESTAURANT	FIVE YEAR LEASE RENEWAL OF 1,800 SF AT THE RIDGEVIEW PLAZA	N/A	
FAYETTE PIPE/ SPECIALTY CONDUIT	NORTH UNION TWP.	MANUFACTURING	KIZ TAX CREDIT APPLICATION ASSISTANCE	N/A	
GEORGE R. SMALLEY COMPANY, INC.	VILLAGE OF HOPWOOD	ELECTRICAL SERVICES	FP RLF LOAN TO PURCHASE MACHINERY	\$30,837	
GEOSHOPS.COM, LLC	NORTH UNION TWP.	GEOLOGICAL MAPPING, GEMS, ROCKS, ETC.	FOUR YEAR RENEWALS ON TWO LEASES, I.E, 1,500 SF IN THE NORTH UNION BUSINESS CENTER, AND 2,881 SF FT IN THE 1040 EBERLY WAY FACILITY.	N/A	
GHX INDUSTRIAL, LLC	GEORGES TOWNSHIP	GAS/OIL INDUSTRY GASKET AND HOSE EQUIPMENT SUPPLIER	THREE YEAR LEASE RENEWAL OF 21,500 SF AT 500 MOUNTAIN NEW DRIVE FACILITY	N/A	
HEALTHWORKS	GEORGES TWP.	PHYSICAL THERAPY REHAB AND FITNESS FACILITY	SEVEN YEAR LEASE RENEWAL OF 2,639 SF AT THE RIDGEVIEW PLAZA	N/A	
MATUSZKO TRUCKING	NORTH UNION TWP.	TRUCKING	ONE YEAR LEASE OF 670 SF IN THE 1040 EBERLY WAY FACILITY	N/A	
PTC	CITY OF UNIONTOWN	ADVANCED TECHNOLOGY - DIGITAL SOLUTIONS	FIVE YEAR LEASE RENEWAL WITH TWO- FIVE YEAR NEWAL OPTIONS OF 24,000 SF IN THE FAY-PENN BUSINESS CENTER FACILITY	N/A	
SPA FACES	CITY OF UNIONTOWN	SPA AND SALON SERVICES	FP RLF LOAN TO ACQUIRE A 1,762 SF BUILDING IN UNIONTOWN	\$137,165	
STAGE 3 SEPARATION, LLC	GEORGES TWP.	GAS/OIL INDUSTRY EQUIPMENT SUPPLIER	THREE YEAR RENEWAL WITH ONE-THREE YEAR OPTION OF 8,424 SF AT THE 999 MOUNTAIN VEW DRIVE FACILITY.	N/A	
REP. RYAN WARNER	NORTH UNION TWP.	ELECTED OFFICIAL	TWO YEAR RENEWAL OF 1,580 SF AT THE 1040 EBERLY WAY FACILITY	N/A	



Site Location



Technical Assistance



Financing Assistance

1040 Eberly Way, University Business Park



MAJOR CONTRIBUTORS

- US APPALACHIAN REGIONAL COMMISSION
- US DEPARTMENT OF AGRICULTURE, RURAL DEVELOPMENT
- US DEPARTMENT OF REVENUE
- COMMONWEALTH OF PENNSYLVANIA
- FAYETTE COUNTY LOCAL SHARE ACCOUNT (LSA) GRANT
- LAUREL HIGHLANDS VISITORS BUREAU
- COMMUNITY FOUNDATION OF FAYETTE COUNTY

MEMBERS

Officers



Mark Fike
Account Executive
Sprowls Insurance
Group



Dan Gearing
President
Specialty Conduit
& Mfg., LLC.



Todd Casteel
CEO
Compass
Technologies



Lawrence Kiefer
Treasurer
Scottdale Bank
& Trust/Mid-Penn Bank



Greg Parsons
Owner
Parsons Insurance
Services, LLC



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



William Blaney



James Foutz
Zodiac Management
Services, LLC

Directors

John Baker
Ed Balling
David Berish
CJ Callahan
John Cipriani
Ron Cole
Jacquelyn Core
Renee Couser
JD Ewing
Deborah Fox
Wayne Freed
Johnathan Garlow
Michael George

BPU Investment Management, Inc.
Fairchance Construction Co.
Berish Agency, Inc.
United Bank
Microdiamant USA, Inc.
Individual Member
YMCA - Uniontown
Community Foundation of Fay. County
JMJS Inc. dba COE Distributing
Individual Member
First National Bank of PA
Ford Business Machines
MountainCreek Properties

Jim Gnagey
Max House
Ed Hyjurick
William Jackson
Kristen Kaib
Sen. Richard Kasunic
Raymond Koffler
Leo Krantz, Jr.
Judy Lynn-Craig
Pat McCulloch
Robert McKeown
Pam Moore
Scott Myers

Gnagey Gas & Oil Co. Inc.
House Financial Services
Somerset Trust
Jackson Dairy Farm
Community Bank
Individual Member
PNC Bank
Individual Member
Lynn's Dairy Queen
Computer Trends, LLC
Keystone Gas Solutions, LLC
Uniontown Mall
Demco Excavating

Dennis Noonan
David Omatick
Dr. Charles Patrick
George Rattay
Rusty Smalley
Reid Smith
James Stark
Senator Pat Stefano
Fred Wright

Virtue of Office:
Vince Vicites
Bill Gerke
James Means
Greg Lincon

Individual Member
First Energy/West Penn Power Co.
Penn State Fayette, The Eberly Campus
Plumbers & Pipefitters Local 354
George R. Smalley Co., Inc.
Bridgeway Capital, Inc.
Fayette County Community Action Agency
Stefano's Printing, Inc.
Ohiopyle Prints, Inc.

Fayette County Commissioner
Mayor, City of Uniontown
Chair, Board of Twp. Supervisors
Mayor, City of Connellsville

General Members

Bear IC, LLC
Berkley Medical
Brier Hill Steel
Brothers Lazer Service, Inc.
Brownsville Area Revitalization Corp.
Carlisle Construction Materials dba Hunter Panels
Chevron, U.S.A., Inc.
Coldwell Banker Laurel Ridge Realty
Columbia Gas of PA, Inc.
Connellsville Redevelopment Authority
DeFrank Development
Donald M Miller, Inc.
Fayette Chamber of Commerce
Fayette Co. Behavioral Health Admin.
Fayette Co. Career & Technical Institute
Fayette Co. Housing Authority
Fayette Parts Service, Inc.
First Federal Savings & Loan of Greene
Gallatin Fuels
Gerome Manufacturing Co., Inc.
Greater Connellsville Chamber of Commerce
Guittap, Tiffany
Hazemag USA, Inc.
Heartland Fabrication, LLC
Highlands Hospital

Holt & Bugbee Hardwoods
Janney Montgomery Scott, LLC
John A. Fiesta Agency, Inc.
Johnson Matthey, Inc.
Key Bank
KIZ Resources, LLC
Laurel Business Institute
Laurel Caverns
Laurel Highlands School District
Laurel Highlands Visitor's Bureau
Laurel Machine Co.
Masontown Borough
Masontown Trophy & Embroidery Co.
McClure and Wolf, LLP
McMillen Engineering
Meloni's Restaurant
Mon Valley Regional Chamber of Commerce
Nemacolin Woodlands
North Fayette County Municipal Authority
O.C. Cluss Lumber Co., Inc.
Pine Hollow Mechanical, Inc.
Redev. Auth. of the City of Uniontown
Redstone Excavating
Shallenberger Construction
Sisters of the Order of St. Basil the Great

Sleighter Engineering
Somerset County Chamber of Commerce
Southwest PA Railroad
Southwestern PA Commission
State Theatre Center for the Arts/GUHC
Stephen R. Haky Funeral Home
Township of Brownsville
Township of Bullskin
Township of Georges
Township of German
Township of Luzerne
Township of Redstone
Township of Saltlick
Township of Springhill
Township of Upper Tyrone
Township of Wharton
Uniontown Hospital
Vermin Control Co.
Vitalink
Washington Co. Chamber of Commerce
West Penn Warehousing
Western PA Conservancy/Fallingwater
Westmoreland-Fayette WIB
Westmoreland Co. Chamber of Commerce
WSW Holdings, Inc.



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UNIVERSITY BUSINESS PARK . 1040 EBERLY WAY . SUITE 200 . LEMONT FURNACE, PA 15456





2020 FINANCIAL STATEMENT

Statement of Activities For the Year Ending December 31, 2020

Support and Revenue

Grants	\$ 999,304
Contributions	\$ 14,955
Membership Contributions	\$ 51,325
Loan and Administrative Fee Income	\$ 17,478
Building Rental Income	\$ 2,630,004
Gas Lease Revenue and Royalties	\$ 81,456
Investment Income - Net	\$ 54,078
Interest Income - Revolving Loan Fund	\$ 188,165
Interest Income - Investments	\$ 101,587
Annual Dinner	\$ 500
Unrealized Gain on Investments	\$ 352,696
Realized Gain on Sale of Investments	\$ 42,412
Realized Gain (Loss) on Sale of Assets	\$ (21,443)
Other	\$ 4,100
Total Support and Revenue	\$ 4,516,617

Functional Expenses

Program	\$ 3,142,329
Management and General	\$ 628,268
Fund Raising	\$ 8,188

Total Functional Expenses \$ 3,778,785

Change in Net Assets \$ 737,832

Net Assets:

Net Assets - Beginning	\$ 44,376,397
Change in Net Assets	\$ <u>737,832</u>

Net Assets - Ending \$ 45,114,229

Statement of Financial Position For the Year Ending December 31, 2020

Assets

Cash and Cash Equivalents	\$ 2,262,699
Accounts Receivable, Net of Allowance	\$ 40,869
Investments	\$ 10,048,178
Other Assets, Net of Accumulative Amortization	\$ 436,073
Revolving Loan Fund	
Cash and Cash Equivalents	\$ 2,197,029
Loans Receivable, Net of Allowance	\$ 2,894,230
Property, Plant and Equipment, Net of Depreciation	\$ <u>33,642,803</u>

Total Assets \$ 51,521,881

Liabilities and Net Assets

Liabilities	
Accounts Payable	\$ 631,492
Accrued Expenses	\$ 47,233
Security Deposits	\$ 151,169
Deferred Revenue	\$ 347,608
Mortgage Payable	\$ <u>5,230,150</u>

Total Liabilities \$ 6,407,652

Net Assets

Unrestricted	
Revolving Loan Fund	\$ 14,607,067
Operating	\$ <u>30,507,162</u>
Total Unrestricted	\$ 45,114,229
Temporarily Restricted	
Revolving Loan Fund	\$ -
Operating	\$ <u>-</u>

Total Net Assets \$ 45,114,229

Total Liabilities and Net Assets \$ 51,521,881