

**SOUTHERN ALLEGHENIES  
PLANNING AND DEVELOPMENT COMMISSION**

**COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs)  
COMMITTEE**

**April 20, 2016**

**10:00 AM**

**Catalyst Space**

**Altoona, PA**

**MEETING MINUTES**

**I. Welcome**

The following members were present at the meeting:

- Justin Merrell, Catalyst Space
- Beth Futrick, Blair Conservation District
- Rick Trucello, The EADS Group
- Matt Price, Huntingdon County Visitors Bureau
- Hank Parke, Somerset Trust Company
- Josh Summits, Somerset Borough
- Katie Kinka, SAP&DC

Others in attendance included:

- Brian Krier, Ben Franklin Technology Partners
- Donna Bon, Penn State Altoona Sheetz Center for Entrepreneurial Excellence
- Rachelle Reasy, KIZ Resources, LLC
- John Horell, KIZ Resources, LLC
- Angie Berzonski, Community Foundation for the Alleghenies
- Brandon Carson, SAP&DC

Each participant received a meeting packet that included:

- Agenda

**II. Update on 2015-2019 CEDs**

Katie welcomed the committee and asked everyone to introduce themselves. She gave some background on the CEDs document for those not familiar with the committee explaining that it is a roadmap for guiding our economic development investments in our six county planning footprint. The strategy is updated every five years, with the last update being approved by the SAP&DC Board of Directors in July of 2015.

### **III. Federal POWER Program**

Since the approval of the last CEDS update, the SAP&DC has been focusing on projects that directly support the four CEDS goals. One of the goals is to support the growth of local agriculture-related businesses, specifically “support the growth of value added agriculture through technical assistance and financial lending programs”. The committee has been addressing that goal with its work on the Shared Use Kitchen in Johnstown, which will be discussed in more detail later in this meeting. The SAP&DC began working on the creation of a Shared Use Kitchen with Beth Futrick from Blair Conservation District (representing the Southern Alleghenies Local Food Network) and Hank Parke about a year and a half ago to try and incorporate local food initiatives to boost economic growth in the region. Many in the agriculture business use value added products (using more than one raw product to produce another product) to supplement their larger farming business. These producers currently do not have access to a shared use space within the region to produce their value-added products. This topic came up in many of the public meetings for the last CEDS update. Because of this need, SAP&DC began to work with John Augustine at the Johnstown Career and Technology Center whose cafeteria was underutilized because students only attend school half of the day. The culinary arts portion of the kitchen is currently the only one being used. The Greater Johnstown Career and Technology Center has a partnership with an organization through the American Restaurant Association called Pro-Start where students who intend to go on in culinary arts get hands-on experience working in the industry. Students need to work 200-400 hours with a for-profit business in the industry to finish the course; making the shared use kitchen a perfect fit for students who wish to expand their internship opportunities. The business plan for the shared kitchen is almost complete and there will need to be a part time kitchen manager to handle scheduling and operations of the shared kitchen, but Johnstown Career and Technology Center is willing to provide funding for that position. Since the kitchen already exists and is maintained in a non-profit facility, the cost of producing products at the Tech Center will be able to remain very low compared to other kitchens just outside of the region. Once the feasibility of the project was determined, the SAP&DC assisted in securing two different grants through the Community Foundation for the Alleghenies to support the initiative. This allowed the Tech Center to outfit a controlled area to store jars, dry ingredients etc., and to purchase additional equipment, including a new pressure steamer and a food dehydrator for producers with extra yield at the end of the season. The kitchen is expected to open by September 2016.

The second CEDS goal the committee has been working on is “Seek Expansion of the Regional Economy through Diversified Job Growth”, specifically “Create an entrepreneurial environment to support start-up enterprises and strengthen existing businesses”. Katie turned the discussion over to Brandon Carson who gave an update on the POWER Project. He informed the committee that POWER stands for Partnership for Opportunity and Workforce and Economic Revitalization. Last year the SAP&DC was able to secure a POWER planning grant for a project in Somerset County and this year is looking at implementation projects. A sizeable investment is being made in communities

that have been negatively impacted by the downturn in the coal industry. The ARC Area Development Program has \$45 M available and the EDA Economic Adjustment Assistance Program has \$20 M available. The ARC is anticipating awards of up to \$1.5 M per project. The SAP&DC is looking at potentially bundling similar projects together into a larger application in excess of \$1.5 M. A meeting to discuss an application with potential partners will be held at the SAP&DC tomorrow. The four main objectives of the POWER program are economic diversification, job creation, capital investment, and workforce development and re-employment opportunities. There is currently a great deal of focus on broadband and entrepreneurial projects. The two projects the SAP&DC is looking to develop fall into these categories. He reviewed eligible applicants and match requirements for the grants. Pre-applications are to be submitted online and if approved, full applications will then be requested. The first round of funding will likely be released by the end of September 2016. There is a workshop being held at Hidden Valley Resort in Somerset on Wednesday, April 27, 2016. It is highly recommended that anyone planning to apply attend. Registration for the workshop is required; Brandon will send a link to the committee members following the meeting.

One concern for this region is that with a rolling application process, the smaller communities that need the funding the most will also require more time to put their applications together and may miss out on the funds. This concern was expressed to ARC. There may be a second round of POWER funding included in the President's budget next year.

To get out in front of this, SAP&DC developed a very brief pre-application interest form to collect the basic information and see what could be bundled together. There will be two applications submitted on behalf of SAP&DC; one for broadband and one for entrepreneurial projects. Because the SAP&DC is working on these competitive applications, assistance cannot be provided to other applicants from the region.

#### **IV. Regional Entrepreneurship Ecosystem Discussion**

Katie introduced Justin Merrell, Acting Executive Director of the Catalyst Space, to tell a little bit about how Catalyst Space got started. Justin came to Altoona from Maryland and saw the need for STEM resources in the area. It is similar to the kitchen project in that it provides shared resource's for the community to take advantage of, such as a 3D printer and laser cutter. Over the past few months, he and Andrew Trexler have been developing the next phase of the location. They would like to offer resources for not only hobbyists or independent people to create their products but for companies to be able to produce products here as well. This involves not only having production grade equipment on site but also having people trained and capable of using it. Andrew added that one of the things they realized through their research was that a lot of education programs are extremely lengthy and provide a lot of impractical information. They have been developing a program or platform that actually tiers up and focuses more on using the facility then learning how the equipment runs. Justin and Andrew gave the group a tour of the facility showing the group the class room area, cubicle work space for longer term

projects, a 3D printer in action and a finished product from it that was actually pitched to the “Sharks” when they were in town. The equipment available also included hand tools for metal and wood working, electronics, power equipment, and laser engraving.

Angie Berzonski from the Community Foundation for the Alleghenies gave an update on the Creator Square Project in downtown Johnstown and other entrepreneurship based initiatives that have come out of the Vision 2025 Project. The Community Foundation for the Alleghenies mainly focuses on Bedford, Cambria, Somerset, and Indiana Counties. The entrepreneurial program in Johnstown began around 2012 with a \$10,000 award to the Young Professionals of the Alleghenies (YPA). They were looking for a co-working space and administrative support. In 2014 a group came together and applied for and received a \$200,000 grant from DCED that will be ending in June of 2016. This has allowed the administrator, Donald Bonk, to identify goals, work on a talent pipeline, work to grow the idea lab, work with UPJ on the innovation review board, continue to do the resource connection and work on the idea pitch competition. Cambria County took the next step and submitted an application to the Department of Defense (DOD) Office of Economic Adjustment in 2015. This was to plan local strategies to transition away from defense spending. The DOD was pleased with the plan and invited them to reapply for additional funding to implement the plan. The Community Foundation for the Alleghenies has provided the match for both of these projects. They have identified five phases to implement over the next year: coordinate a brain trust, formalize the county’s entrepreneurial plan including Entrepreneurial Alchemy and the development of Creator Square, conduct a pilot networking conference, identify opportunities to assist local defense department metal manufactures to diversify their existing products, and coordinate implementation of everything else in plan. There may be one more opportunity to continue funds for another year.

## **V. EDA/ARC Projects Update**

Brandon reviewed the process of applying for EDA and ARC funding with the group. The most recent EDA award was the Somerset POWER Planning Project that was awarded in September 2015. This was a \$40,000 grant with a total project cost of \$80,000. The project is to develop an economic diversification strategy or basic business development attraction plan for Somerset County. EntreWorks Consulting from Arlington VA was selected by the project steering committee to work on the project. The project is moving forward and is expected to be completed by the end of August 2016.

There are two ARC project applications currently pending; the Tyrone Industrial Park Access Improvements Project in Blair County, which includes the reconstruction of a little over a mile of Back Vail Road in Snyder Township. The road was not constructed for the heavy truck traffic it is experiencing and there are several companies located there with a total of approximately 390 jobs. The application requested \$577,500 from ARC with a total project cost of just under \$750,000.

The other project is located in Fulton County. The Center for Community Action is requesting \$9,000 from ARC for a Market Analysis and Preliminary Engineering Study and Business Pro forma for a 10,000 sq. ft. commercial space building they own. The purpose of the project is to determine the highest and best use of the space and a cost estimate to repair the space. The total project cost is \$18,000. The SAP&DC expects to receive news from ARC on these projects within the next few months.

The SAP&DC is actively seeking projects for next year's ARC Investment Package. If you have a project, contact Brandon and/or Katie.

Katie updated the group on an application for a Regional, Implementable Comprehensive Plan submitted to DCED for the six county Southern Alleghenies Region. This project idea came out of the Planning Advisory Committee (PAC), which consists of the six county Planning Directors, a representative from JARI, and a representative from ABCD Corporation. Comprehensive plans drive all things planning and are mandated by the state for land use purposes. A Request for Information (RFI) was released last year to initially determine the approximate cost for the project. Once it was determined that the cost and scope of work for a six-county comprehensive plan was feasible, the PAC and Commissioners from the respective counties decided to move forward with a funding application to support the effort. The DCED Municipal Assistance Program (MAP) application requesting \$180,000 was coordinated among the six counties and would require a 50/50 match that would be provided by the counties. The scope of work for the project that was included in the grant application moved away from the traditional data plan to a more action-oriented and implementable plan. If awarded, the project would begin in the spring. There has never been a regional comprehensive plan of this size completed in the State of Pennsylvania. There are some who are skeptical about the success of the plan, but Katie believes the regional differences can be overcome and still see a cost savings for the counties.

## **VI. Member Updates**

Matt Price from Huntingdon County Visitors Bureau informed the committee that this weekend Huntingdon is hosting its first Downtown Opportunity Showcase. On Saturday there will be a series of seminars and workshops followed by a "Shark Tank" style competition. The idea came from a discussion with the Board of Huntingdon Landmarks Incorporated, which Matt is a member of, on how to stimulate investment in downtown buildings and make them economically viable. There are currently seven individuals who are interested in investing in business's locally and five entrepreneurs pitching ideas at the competition for the cash prize. They are also currently working on monthly art walks from Juniata College to downtown Huntingdon with Gallery and restaurant open houses. These would occur monthly at a regularly scheduled time and hope to start in August or September.

He also gave an update on the ARC funded Allegrippis Trail Project. The trail was originally opened in 2009 and funded by ARC. This most recent project was for the

construction of a Mountain Bike Skills Park and is expected to be completed in two weeks. This is a 1.5 acre site with .75 mile of trail.

Angie Berzonski informed the group that the Community Foundation for the Alleghenies' energy fund will open on June 1, 2016. This energy audit program is open to small business as well as non profits this year and covers Penelec's service area of 20+ counties. Applications are available online at [www.cfalleghenies.org](http://www.cfalleghenies.org) and the program runs from June to August 2015.

Donna Bon from the Penn State Altoona Sheetz Center for Entrepreneurial Excellence added that their student showcase will be held on April 29, 2016, at the Devorris Center in downtown Altoona from 8:45 AM to 4:00 PM. At the showcase students come together to present their projects. Justin Merrell will be competing in the Pechter Business Plan Competition. All are welcome to attend.

## **VII. Adjournment**

<p><b><u>NOTE:</u></b> The next meeting of the CEDS Committee is scheduled for a date and time to be determined.</p>
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