

## **Study shows Fayette County and neighbors on economic upswing**

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A recent Brookings Institution study shows that Fayette County and neighboring Pennsylvania counties that are a part of the Pittsburgh Regional Alliance (PRA) have rebounded from the recession.

Andrew French, Fayette County Redevelopment Authority executive director, said that the economic upturn is not only being felt in the larger cities within the PRA, but across the county.

The PRA offers assistance to private and public sector leaders and economic development professions to market the 10-county region, including Fayette County.

Within the past several months, the authority has announced the sale and/or lease of property within the Fayette Business Park for a new medical office and hotel and Fay-Penn Economic Development Council is nearing the groundbreaking on a new business park.

The Allegheny Conference on Community Development along with PRA presented the Brookings Institution report last week that indicates the region is one of three U.S. metropolitan areas to be deemed “fully recovered from the recession.”

“Across all 10 counties of the region and in all five key industry sectors, companies are investing,” said Dennis Yablonsky, Allegheny Conference chief executive officer. “The deals of 2012 represent billions of dollars that will further build up the regional business landscape with new and expanded facilities, in addition to the expectation of job creation and retention in coming years.

“Five years of top-performing, sustainable prosperity — evidenced by a total of 1,315 announced business investment deals and related employment opportunities — has helped to secure Brookings’ ‘recession-recovered’ recognition.”

The alliance is currently aiding the authority, Fay-Penn and the county in marketing several properties that could support manufacturing, industry or real estate development.

“It is all great news,” said French. “We have seen an uptick not only on the redevelopment authority-owned business park properties, but other sites.”

While for several years there was virtually no economic activity throughout the county, French said that of late, new housing construction has begun and restaurants are moving into the area or expanding their facilities.

At the Fayette Business Park in South Union Township, Mountain State Medical Specialties Inc. has purchased a 2-acre parcel to construct a new building for its medical office.

French said that final paperwork should be completed within the next 60 days and construction is scheduled for later this year.

“They are doing their due diligence right now by getting the appropriate approvals and completing some pre-design work,” he said.

The company currently rents office space. The new building will allow for the expansion of the medical office and the hiring of additional staff.

French said that construction should begin in the next few months.

“The intent is for them to be open and operating by the end of the year,” he said.

Synergy Development, a Pittsburgh real estate development firm, is expected to close on a deal within the next three months to construct a new hotel.

Cambria Suites, a Choice Hotel, is to be constructed in close proximity to four existing hotels, including Fairfield Inn, Hampton Inn, Super 8 and Holiday Inn.

French said that a market analysis completed by the developer and the hotel parent company indicated a need for the accommodations and additional facilities.

Although it is unknown where other hotels might be established, French said that the Choice market analysis did encompass the entire county.

He attributes the need to the Marcellus shale natural gas industry.

“We have these rooms being filled by the workers thereby creating a shortage for visitors coming in to the area,” he said, adding that the region is also drawing more visitors to its landmarks, natural resources and the Great Allegheny Passage. “They are finding it difficult to find a place to stay.”

Fay-Penn, too, is seeing an upswing in the number of inquiries of available property for development.

Michael Jordan, Fay-Penn executive director, said that while there has been a lull in the further development of the natural gas industry, drilling is expected to ramp up later this year, and Fayette County will be poised to offer locations to gas and other companies wanting to establish their businesses here.

Although unable to disclose specifics, Jordan said that the county properties are drawing interest from outside companies because of the location and available amenities.

“There are two companies that have expressed interest in the Dunbar Business Park and that’s without us turning one shovel of dirt,” he said. “Because of the location and rail capability, we have interest.”

The potential for additional economic improvement for Fayette County has prompted the county to hire Pittsburgh consulting firm Cranmer Consultants to aid the redevelopment authority, Fay-Penn and the county commissioners as they seek financial and other assistance from state and federal agencies.

Bob Cranmer, company chief executive officer, and John R. Bonassi, senior consultant, recently met with the authority board to outline how the firm can be of assistance.

“We help facilitate relationships to make things easier and get things done,” said Cranmer. “We try to bridge any gap that may exist between a Democratic commission and a Republican state administration or at any level.

“We’re here to help Fayette County interface with PRA, the Allegheny Conference, the state Department of Community and Economic Development or other agencies.”

While the natural gas industry has yet to have a large impact in Fayette County as it has in the neighboring counties of Washington and Greene, French said it is on track to do so.

According to the state Department of Environmental Resources, a total of 16 permits for new wells were issued in January and February, bringing the total number of wells in the county to about 350.

Bonassi said that the consulting firm will utilize its ties to connect Fayette County to companies such as Chesapeake, Range Resources, EQT and others in the nature gas drilling industry.

“We understand the business,” he said.

Cranmer, meanwhile, said that the completion of the Mon/Fayette Expressway will boost the county's economic future as will the Lady Luck Nemaquin casino in Wharton Township.

"I am convinced that with the nature assets of the Laurel Highlands, Nemaquin Woodlands Resort and the easy access to Pittsburgh (via a completed expressway), that someone could live comfortably in Fayette County and work in Pittsburgh," he said.



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## Economic growth

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A sign located on Synergy Drive in South Union Township announces the construction of a new hotel at that location.