



OUTREACH

*Economic Development News
from Tioga County, Pennsylvania*

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Pennsylvania 's TAX CREDIT PROGRAM Available to Tioga County Small Businesses

Small businesses in Pennsylvania have the opportunity to receive tax credits through a new program. The **Job Creation Tax Credit Program** was developed to help existing businesses expand and to attract new businesses to the Commonwealth of Pennsylvania. The Job Creation Tax Credit Program is available to businesses who agree to hire 25 employees or increase employment by 20% within three (3) years of the starting date. Every new full-time job created that meets minimum wage requirements will result in \$1,000 in tax credits that a business can use to apply towards several state business taxes.

In order to be eligible to receive Job Creation Tax Credits a business must be able to show the following: the business can create the number of jobs required in three (3) years from the start date; has the knowledge and ability to develop new production or product technology and can improve its productivity by incorporating innovative processes; the financial stability of the business and the project's financial viability; and the business's decision to expand or locate in Pennsylvania was due in a large part to the availability of the Job Creation Tax Credits.

The Job Creation Tax Credit Program requires businesses to agree to create at least 25 new full-time jobs or increase employment by 20% and maintain operation at the site for five (5) years from the start date. The start date will be the first day of the calendar year quarter when the application is approved unless the applicant requests and the Department agrees to a later date.

After jobs have been deemed created and certificate is in hand from the **Department of the Community and Economic Development (DCED)** the business can make use of its tax credits. A business may claim a job creation tax credit of \$1,000 for each new job up to an agreed upon amount by the Department. The credits must be claimed within five (5) years of the start date. A business may apply the tax credit to 100% of any of the following: the business's state corporate net income tax, capital stock and franchise tax, gross premium tax, gross receipts tax, bank and trust business shares tax, mutual thrift institution tax, title insurance business shares tax, personal income tax, or any combination thereof. If the business is a Pennsylvania S corporation the credit may also be applied to the capital stock and franchise tax of a shareholder of the business, as well as the personal income tax of the shareholders. Cash refunds will not be issued for unused credits.

To make use of this Job Creation Tax Credit Program the Tioga County Development Corporation (TCDC) can assist you with any questions you may have. We provide assistance to businesses in Tioga County who are interested in expanding and developing in the County. The Tioga County Development Corporation can assist with application and can offer a broader view of the advantages of becoming one of many businesses involved in the Tax Credit Program. To learn more about the Job Creation Tax Credit Program please contact **Deniese Ogden, Administrative Assistant**, at the Tioga County Development Corporation, 114 Main Street, Wellsboro, Pennsylvania, 16901 or at **(717) 723-8232**.

Corporate Contributions Made to TCDC to Foster Economic Development

Westfield Tanning Company, Inc. (WTCO) in January 1997, completed their 1996 contribution to TCDC of \$4,000. **Dennis Huyler**, WTCO Vice President and TCDC Director presented the fourth quarter installment to the Board on January 10, 1997. On March 14, 1997, **David J. Spigelmyer**, General Manager, Public Relations and **Walter Gross**, Manager/Sabinsville Station, presented a check for \$2,000 from **CNG Transmission** to complete their three (3) year commitment of \$3,000. Since 1991, TCDC has received over \$113,000 in corporate and private contributions. The TCDC Board thanks Westfield Tanning Company, Inc., CNG Transmission and all other corporate and individual contributors. Donations and pledges are always welcomed by TCDC and are needed to support the Corporation.

Shared Municipal Services (SMS) Grant from DCED Approved

On February 6, 1997, Secretary of the **Department of Community & Economic Development (DCED)**, **Thomas B. Hagen** informed **TCDC President Rod C. Kelchner** of the award of a **Shared Municipal Services (SMS)** Grant for \$8,000 to TCDC.

The SMS Grant Program replaced the former Department of Community Affairs (DCA) Council of Governments Program, which provided funding to TCDC. The Grant will supplement the countywide intergovernmental economic development program of the Tioga County Development Corporation.

The TCDC Board of Directors are appreciative to the Pennsylvania Department of Community & Economic Development for their continued support of TCDC in carrying out our mission of promoting and fostering economic development throughout Tioga County.

Elkland Borough/IDC Contribution to TCDC

The **Elkland Borough Council** and the **Elkland Industrial Development Corporation** through **President Donald Carman** presented a check to the Tioga County Development Corporation of \$2,000 for their 1997 Contribution. In presenting the check, Carman, a TCDC Director, noted the contributions of TCDC to the creation and administration of the **49 CORRIDOR Enterprise Zone** and the overall countywide economic development efforts of TCDC. Elkland Borough Council annually allocates funds to TCDC. Elkland is a participating community in the Enterprise Zone. Since the inception of TCDC in 1991, Elkland has contributed \$9,000 to the Corporation. The Board of Directors and the Membership extend our sincere appreciation to Elkland for their continued support and commitment to TCDC.

TCDC on Line

The Tioga County Development Corporation has entered the telecommunication field with the addition of **Internet** and **eMail Service** thanks to the **Blue Ridge Cable Company, Inc.**, in conjunction with **PenTeleData, Inc.**, by providing TCDC with PROLOG Access through an Annual Contribution. **Thomas Freeman**, Resident Manager with Blue Ridge, arranged for the In-Kind Service to TCDC.

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TCDC Submits DCED Grant for Liberty Area Visioning Process

On December 12, 1996, the TCDC Board of Directors approved the submission of a Grant Application to the **Department of Community & Economic Development (DCED)** through the **1996-97 Strategic Community Partnerships Program** on behalf of the communities of **Liberty Borough** and **Liberty Township**, Tioga County and **Jackson Township**, Lycoming County. The three (3) municipalities joined together in May 1996 to undertake a Visioning Process. The Visioning Process began with assistance from the **Center For Rural Pennsylvania**. The DCED Grant will allow TCDC to contract with a professional consultant to undertake a Strategic Plan for the communities and develop Goals & Strategies to prepare the Liberty Area for future growth and development. Growth is evident in the Liberty communities with two (2) major land development projects underway; construction of **U.S. Route 15** from Buttonwood to Sebring; acquisition of the former Liberty Lingerie, Inc. plant by **Ward Manufacturing, Inc.**; opening of **Partners-In-Progress Sheltered Workshop**; and the construction of a restaurant/truck stop at the Liberty Interchange. Word on the Grant should come in March 1997.

During the discussion of the submission of the Grant by TCDC, **TCDC President Kelchner** noted, "This project is part of the very Mission why TCDC was formed, to assist our communities in the area of economic development."

The Visioning Process is a follow-up to the **1995 International Stewardship Exchange** held in **Tioga County** in June 1995. The Tioga County Development Corporation, **Tioga County Countryside Council**, **Tioga County Planning Commission** and **Tioga County Penn State Cooperative Extension Service** are providing technical assistance.

Deerfield Township Commits Portion of Taxes to Development: A Return on Their Investment

For the second year, the **Deerfield Township Board of Supervisors** committed one percent (1%) of their General Fund Taxes to TCDC to promote economic development. In 1996, Deerfield contributed \$600 and on March 14, 1997, **Karl Kroeck**, Township Secretary and TCDC Director, presented a check for \$600 for 1997. The Supervisors believe their investment in TCDC has already reaped benefits with the designation of the **49 CORRIDOR Enterprise Zone**. "With each Township resident who secures a job or builds a home in the Township we see a return on our investment," noted Karl Kroeck.

49 CORRIDOR Enterprise Zone

Business Development Strategy Complete/ Year 2 Application Submitted Committees Continue to Undertake Projects/1st New Industry Locates in Zone

The **49 CORRIDOR Executive Council** has a Business Development Strategy, an identified Enterprise Zone Boundary and has begun to address the Strategy through the activities of the Executive Committee, Business Development Committee, Site/Infrastructure Development Committee, Work Force Development Committee, Revolving Loan Fund Committee and TCDC, the Enterprise Zone Program (EZP) Administrative Entity. The Year 2 Basic Grant Application was submitted in February to the **Pennsylvania Department of Community & Economic Development (DCED)** for \$50,000 for the 1996-97 Program Year.

Several development projects are underway by some of the industries in the EZP including an expansion at **K & L Medical Specialties, Inc.; Metamora Products Corporation; Westfield Tanning Company, Inc.; Kaminski Lumber Company, Inc.** (See Page 4) and the **Ward Manufacturing, Inc. ACP Division. Liberty Enterprises** began manufacturing operation in July in Knoxville, becoming the first new industry to develop in the **49 CORRIDOR Enterprise Zone**. Two (2) sites were presented to **Corning, Inc.** and one (1) site was visited by Corning. Corning has selected the Town of Erwin, New York State for its new operation. Being a major contributor in the Corning labor market for several generations, our County and the **49 CORRIDOR Enterprise Zone** should benefit positively with the selection of the Erwin site.

The EZP Committees are working on several projects including: a Business Directory for the 310 businesses located in the Zone and are identifying and logging potential industrial sites on TCDC's *SiteSources* System for additional expansion. During Year 2 an Industrial Park Site Analysis Study will be conducted. Both Industrial Parks in the Zone are now occupied and a new greenfield Industrial Park development should be considered for future attraction of industries. The EZP Consultant, **Richard C. Sutter & Associates, Inc.**, will conduct the Study.

Tioga County Countryside Council

The former Local Organizing Committee (LOC) created for the 1995 International Stewardship Exchange recently developed a Mission Statement and became the *Tioga County Countryside Council* and elected Officers: Marianne Bishop, President; James Weaver, Vice President; Sam Cooke, Treasurer and Earl Robbins, Secretary.

MISSION STATEMENT

The *Tioga County Countryside Council* shall:

Facilitate countywide communications; planning and visioning; and cooperative action throughout Tioga County. The Countryside Council is a citizens organization with a full diversity of interest. Our goal is to bridge and cross existing political, social and economic boundaries. Our major function will be to facilitate.

The *Tioga County Countryside Council* is involved in the Liberty Visioning Process (see Page 2), development of a countywide public awareness campaign and the creation of an Eco-Tourism Program through the **Tioga County Tourist Promotion Agency**. Meetings are held on the fourth Tuesday of each month beginning at 9:00 AM in the TCDC Building. The Public is invited and new Members are welcome.

Commonwealth Commits to Northern Tier Welcome Center

Tioga County is included in the plans of the **Commonwealth of Pennsylvania** to construct a Welcome Center. For the first time, the State has committed to build and operate a State Welcome Center in Tioga County. Local efforts for the past three (3) years through the **Northern Tier Welcome Center (NTWC) Steering Committee** are now paying off. The final site will be selected upon the completion of a PennDOT Feasibility Study presently underway.

Rebecca Yearick, Executive Director of the Office of Communications & Customer Relations, PennDOT, informed a gathering of nearly fifty (50) persons of the NTWC on February 12, 1997, of the intent of the Commonwealth to construct the Welcome Center. Prior to this time, the State had indicated they would provide funding to construct a Welcome Center, but it would have to be operated locally. To keep the project moving forward, TCDC agreed to assume ownership with operations being provided by the **Tioga County Tourist Promotion Agency, Keystone Mountain Country TPA** or a related organization. Everyone locally was apprehensive as to where the \$200,000-\$400,000 would come from to operate the Center annually.

Indications are the Welcome Center, with a full north/south interchange, will be completed by 2002, the year **US Route 15 (Appalachian Thruway)** is expected to be completed according to **Governor Thomas Ridge**.

Development News from Tioga County



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KAMINSKI LUMBER COMPANY, INC. EXPANSION

Kaminski Lumber Company, Inc., of **Lawrence Township**, closed on a **Northern Tier Regional Planning & Development Commission (NTRPDC)** Revolving Loan Fund (RLF) Loan for \$93,000 on February 28, 1997. In addition, Kaminski is committing \$100,000 to expand its operation. Kaminski is under contract with **Georgia Pacific** to mill 4 million board feet annually, providing for one more step in the added value of Northern Pennsylvania hardwood before it leaves Tioga County. The project will add three (3) manufacturing jobs.

KINGDOM COMPUTER OPERATIONS CONTINUE TO GROW

Kingdom Computers of **Richmond Township**, is undergoing an expansion to accommodate company-wide growth. 1996 was a record-breaking year for the computer manufacturer, and there is every indication 1997 will be the same. Kingdom produces computers for educational institutions, corporations, non-profit organizations and the consumer market; and has recently launched a sales division specifically for government agencies. On February 4, 1997, Kingdom announced the release of its private brand notebook computer, the **Kingdom EPIC**. Founded in 1990 by **Michael Umer**, as a division of **Kingdom, Inc.**, Kingdom Computers is now being recognized on a national scale as one of the industry's fastest growing computer hardware manufacturers. **Kingdom, Inc.**, presently employs 150 with annual sales of \$22 Million.

From the Executive Director . . .

1996 was a good year for Tioga County. Several industrial development projects broke ground, several new industrial jobs were added, some new small businesses were created adding even more jobs, tourism was very successful drawing more people and hosting more events. **1996 was a good year for Tioga County.** Several communities began constructing municipal sewer systems and others continued in planning for new systems. Unemployment fell below six percent (6%) for the first time in several years. **1996 was a good year for Tioga County.** Work force development issues and career development received a boost with the award of a **School-To-Work Program Grant** for Tioga County and the designation of the **49 CORRIDOR Enterprise Zone**. **1996 was a good year for Tioga County.** Construction began on **US Route 15, the Appalachian Thruway**. For the first time in history, Tioga County will have a four lane limited access highway. **1996 was, indeed, a good year for Tioga County.** TCDC is proud to be a part of what is happening in Tioga County, but we are but a small part.

Working together all of Tioga County has contributed to this success. From the companies who have invested their capital to grow and expand and place their confidence in our labor force . . . to the private lending institutions who place their capital into our growing economy with business loans and home mortgages. . . to the **Tioga County Tourist Promotion Agency** and the **Chambers of Commerce of Elkland, Mansfield, Tioga, Wellsboro and Westfield** for their downtown promotion and tourism development . . . to **BOOM, GROW, Tioga County Industrial Development Authority** and the **NTRPDC** for their economic development commitment in Tioga County.

Even though 1996 was a good year there is still much to do to make Tioga County better. The agricultural sector continues to struggle and efforts must continue to reduce underemployment, as well as continue to increase employment. We must continue to strive to educate our children for employment opportunities which have not even been created yet. We must continue to provide adequate housing and preserve our farm land and protect our environment. We must continue to fight for improved and safer highways throughout all of Tioga County.

Working together we can continue to make **Tioga County . . . a place to call home.**