

Beaver County Municipalities

CENSUS 2010 COUNTY STATISTICS

CENSUS 2010 COUNTY STATISTICS	
TOTAL AREA (SQ. MILES)	444
MUNICIPALITIES	54
POPULATION	170,539
TOTAL HOUSING UNITS	78,211
TOTAL HOUSEHOLDS	71,383

**EARLY INTERVENTION PROGRAM
SPECIAL CONDITION
ECONOMIC DEVELOPMENT STUDY**

October 15, 2015

TABLE OF CONTENTS

SPECIAL CONDITIONS REPORT – ECONOMIC DEVELOPMENT	2
INTRODUCTION	2
LOCATION	3
PUBLIC SERVICES	4
MARKET CONDITIONS ANALYSIS	7
THE COMMERCIAL MARKET	7
THE RESIDENTIAL MARKET	26
INDUSTRIAL SITE DEVELOPMENT	31
KEY ISSUES FOR CONSIDERATION	33
FACTORS THAT SUPPORT ECONOMIC DEVELOPMENT	33
FACTORS THAT ARE A BARRIER TO ECONOMIC DEVELOPMENT	34
RECOMMENDATIONS	35
APPENDIX A – SALT OF THE EARTH	42
APPENDIX B – MIDDLE CONSTANTS	43
APPENDIX C – TRADITIONAL LIVING	44
APPENDIX D – RECENT HOME SALES IN ROCHESTER TOWNSHIP	45
APPENDIX E – PARCEL INFORMATION FOR INDUSTRIAL SITE	47

SPECIAL CONDITIONS REPORT – ECONOMIC DEVELOPMENT

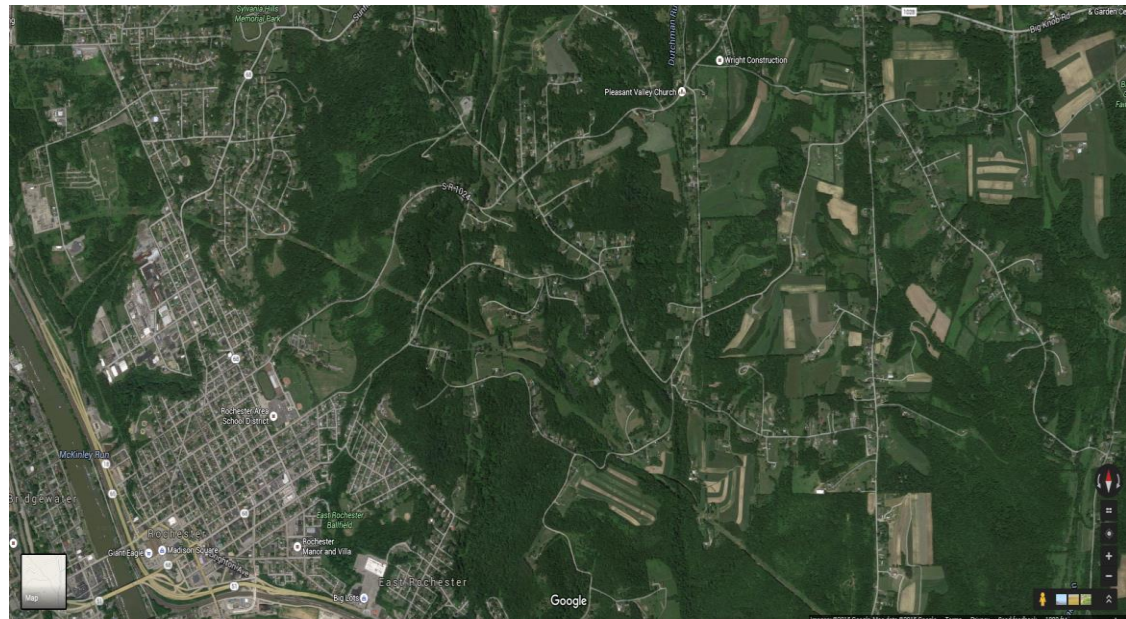
INTRODUCTION

Economic development is typically defined as the “sustained, concerted actions of policy makers and communities that promote the standard of living and economic health of a specific area.”¹ Such decisions by policy leaders may involve the development of personnel, critical infrastructure, regional competitiveness, public safety, and development guidelines. Above all, economic development should result in an improved quality of life for the citizens in the target area.

Economic development occurs in communities when certain factors are present. These include:

1. Location and transportation access
2. Public services including roads, water, and sewer connections
3. Market conditions that identify specific opportunities
4. Land use regulations that facilitate and support sound development practices

MAP 1 – ROCHESTER TOWNSHIP AND SURROUNDING AREA



¹ Wikipedia, https://en.wikipedia.org/wiki/Economic_development

As part of this economic development study each of these factors were examined and specific recommendations for more effective economic development strategies are provided. The key findings and recommendations are provided in the following sections of this report.

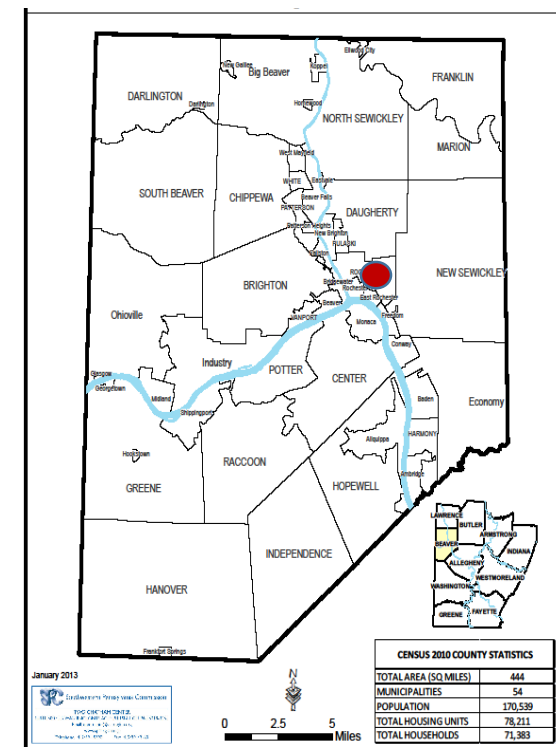
LOCATION

In real estate development, location is everything and Rochester Township has an excellent location. The Township of Rochester is located approximately 35 miles northwest of the City of Pittsburgh and has a total land area of 3.95 square miles. The Township surrounds Rochester Borough, is adjacent to East Rochester Borough, and to the Townships of Brighton, Daugherty, Pulaski, and New Sewickley. It borders the Ohio and Big Beaver rivers. Located just off of the juncture where Route 65 and Route 18 meet, the Township is easily accessible for automobile travel and only a 25 minute drive to the Pittsburgh International Airport. In fact, most residents report a 25 minute commute to all employment locations.

Conrail provides active rail service to the industrial establishments that are located along the Ohio River. Much of the area adjacent to the rail lines is zoned either "Preservation" or "Outdoor Recreation" and is located in a flood zone limiting development opportunities. Unfortunately, this is also one of the only areas in the Township that is zoned "Commercial" making commercial development unlikely to occur.

The only area that is zoned for "Industrial" use has no direct access to any of the major highways. Some businesses that exist in the industrial area are: Pittsburgh Tubular Shafting, Myers Mobile Tire Service, Al's Alignment, Eric's Auto Service, Valspar Corporation, and Q-Cast. It is necessary to drive through a transitional residential area to access these light industrial uses.

MAP 2 – BEAVER COUNTY MUNICIPALITIES



PUBLIC SERVICES

MANAGEMENT

The Township provides very good public services. The Township Municipal Building serves as the primary source for economic development information. The Township Manager and Secretary are the contacts for development and construction activities. Hours of operation for the Township Offices are from 8:00 a.m. to 4:30 p.m. Monday through Friday. A fee schedule for services is in place.

The Township Manager and Board of Commissioners work together evaluating ideas and projects related to development and redevelopment opportunities for the Township. Development and redevelopment is primarily driven by the property owners as the Township does not have ownership or control of any developable parcels.

PUBLIC SAFETY

The Township operates its own police department with 4 full time and 8 part time officers. The Rochester police are a very busy department responding to over 1,500 calls per year. Of seven adjacent communities in Beaver County, only Rochester Borough and New Sewickley reported more violent crime than Rochester Township in 2012. On a per capita basis, Rochester Township ranked second behind Rochester Borough in violent crime. Compared to adjacent townships, Rochester Township ranked fourth in number of non-violent crimes in 2012 and fourth in non-violent crimes per capita. This could present a challenge for development if there is a perception that crime and/or safety is an issue in the Township.



The Rochester Township Volunteer Fire Department is an all-volunteer fire company with 42 active members that provide fire suppression, hazardous materials response, and rescue services to the Township. It services approximately 4 square miles of land area that includes residential, commercial, and industrial parcels. Station 23 provides one of Beaver County's primary Rapid Intervention Teams that responds to many different communities to provide safety awareness and firefighter rescue to fire suppression crews. It is a minimum 15 firefighter staffing

response. The Rochester Area Fire Service also includes Station 20 which is located in and services Rochester Borough. Talks are currently underway for combining the operations to become a merged area-wide department.

PROPERTY MAINTENANCE CODE ENFORCEMENT

The Township adopted the 2009 International Property Maintenance Code (IPMC). Code enforcement activities are contracted on an annual basis with DL Pella Consulting for twenty (20) hours per month. This contract is entirely complaint driven. The Township does have an online general complaint process where these complaints primarily originate. In 2014, the Township had 27 total complaints with the majority related to trash and weeds. Citations that require additional proceedings have a high conviction rate at the local magistrate's office who has held to the maximum penalties. The Board of Commissioners are provided a monthly and year end activity report by the contractor.

BUILDING INSPECTION

The Township has adopted the PA Uniform Construction Code (UCC) and contracts with BIU of Pennsylvania for all residential and commercial building and zoning inspections. The Township's website redirects visitors to forms and informational links provided on the BIUPA.COM website. Visitors are advised to contact the inspector directly via email or office phone number. There is no fee schedule provided on the website or redirected site. The Township is a member of the Beaver County Council of Governments and by ordinance participates in the UCC Appeals Board organized by the BRCOG.

ZONING HEARING BOARD

The Township has filled all appointed positions on the Zoning Hearing Board at this time. Members are selected based on their interest and receive no formal orientation or ongoing training. The Board has an appointed Solicitor who provides advice on an "as needed" basis. The Township budgets the costs associated with meetings and Solicitor fees.



ROADS

Although the highway system that leads to and is directly adjacent to Rochester Township (including state routes 65 and 18) is very good, the roadway system within the Township especially in the eastern and northwestern parts of the Township is limited due to lack of development in these areas. Route 68 (Sunflower Road) is one major corridor that bisects the Township and provides north-south access to areas of the Township and supports some residential development. Beaver Street provides additional continuous access to industrial and commercial areas.

WATER AND SEWER UTILITIES

Water and sewer utilities are provided, operated, and maintained by the Rochester Area Sewer Authority (RASA) who also provide services to East Rochester, Freedom, New Sewickley Township, and Rochester Borough. RASA recently announced rate increases for 2016 and 2017 due to improvements that must be made based on a PA-DEP consent order. Although the populated areas of the Township have access to water and sewer utilities, much of the Township does not have water and sewer services. RASA prepared a three (3) phase new sanitary sewer installation for the Township that would carry a price tag near \$20 million and is unlikely to occur unless it is development driven. This is a limiting factor for future development.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant program is administered by the Beaver County Community Development Department and provides funding for economic development projects. However, the program is grossly over-committed. In 2014, the CDBG program had 100 applications requesting projects valued at \$12.8 million but only awarded \$1.7 million in competitive projects. Over the last few years, the Township has utilized the CDBG program for storm water management and accessibility projects. In 2014, the Township developed a sidewalk improvement and extension plan for 3rd Avenue. The Township administered 374 household surveys of which 370 met the low to moderate income requirements for the \$45,000 sidewalk installation. In 2015 the survey was completed again and the remaining sidewalk section was developed and funding was again approved for \$45,000 to complete this project.

MARKET CONDITIONS ANALYSIS

THE COMMERCIAL MARKET

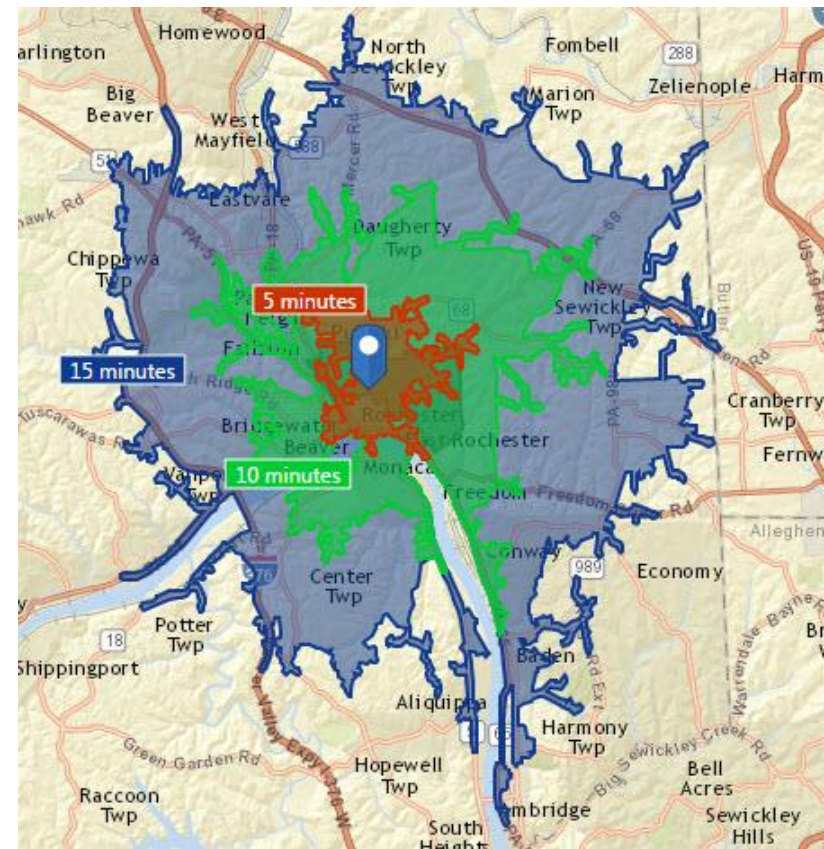
Building on previous studies and research, the GRS team conducted a market analysis to determine the highest and best commercial market potential. A market analysis is in essence a series of tools used to analyze current building uses, business mix, market area size and economic, and consumer data. It provides the foundation necessary to identify potential opportunities in different business and real estate sectors for the Township.

In order to establish a geographic parameter for the market analysis, a Primary Market Area (PMA) has been defined as the borders of Rochester Township and a 5-, 10-, and 15-minute drive time from the geographic center point of the Township. Drive times are considered to be an acceptable definition of market area and are considered an industry standard for market analysis. These drive times will be used throughout the market analysis to quantify population and competitive products for both the commercial and residential sectors.

TOP INDUSTRY SECTORS

The top industries for the Township's targeted market areas (5-, 10-, and 15- minute drive times) were identified in order to examine the business mix of the commercial base and provide a useful snapshot of the types and number of establishments that are located within the PMA. Typically, businesses are categorized

MAP 3 – PRIMARY MARKET AREA WITH DRIVE TIMES



All NAICS code descriptions can be found on the NAICS Website at www.naics.com.

using a grouping system known as the North American Industry Classification System (NAICS). The NAICS divides businesses into defined categories based on the types of products the businesses sell or services they provide.

The industry sector data was derived from the Environmental Systems Research Institute (ESRI), which classifies all businesses and industry sectors using the NAICS. This data is compiled and updated annually by ESRI. Using this data source, the industry sectors are listed separately for each respective drive time. It is important to note that when classifying businesses using the NAICS classification system, each business is placed into only one category. The category used is based on the primary goods or services provided by the business.

The largest industry sectors in the Township are *Construction*, *Other Services (except Public Admin.)*, and *Administrative & Support & Waste Management & Remediation*. According to NAICS, the *Construction* category includes the construction of buildings and the engineering of projects. *Other Services (except Public Admin.)* include those establishments which are, “primarily engaged in activities, such as equipment and machinery repairing, promoting or administering religious activities, grantmaking, advocacy, drycleaning and laundry services, personal care services, death care services, pet care services, photofinishing services, temporary parking services, and dating services.” (www.bls.gov) The *Administrative & Support & Waste Management & Remediation* category includes those companies that provide services and activities that support other organizations. “Activities performed include: office administration, hiring and placing of personnel, document preparation and similar clerical services, solicitation, collection, security and surveillance services, cleaning, and waste disposal services.” (www.bls.gov). The *Retail Trade* and *Healthcare and Social Assistance* segments become much bigger factors in the 5-, 10-, and 15- minute drive time market areas where the Heritage Valley Health System services are captured.



TABLE 1 - ROCHESTER TOWNSHIP INDUSTRY SECTORS - 2015		
INDUSTRY SECTOR	# OF BUSINESS ESTABLISHMENTS	% OF TOTAL ESTABLISHMENTS
MINING	1	0.6%
CONSTRUCTION	30	18.2%
MANUFACTURING	8	4.8%
WHOLESALE TRADE	6	3.6%
RETAIL TRADE	16	9.7%
TRANSPORTATION & WAREHOUSING	3	1.8%
INFORMATION	1	0.6%
FINANCE & INSURANCE	6	3.6%
REAL ESTATE, RENTAL & LEASING	6	3.6%
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SERVICES	12	7.3%
ADMIN. & SUPPORT & WASTE MGMT. & REMEDIATION	17	10.3%
EDUCATIONAL SERVICES	3	1.8%
HEALTHCARE & SOCIAL ASSISTANCE	13	8.0%
ARTS, ENTERTAINMENT, & RECREATION	1	0.6%
ACCOMMODATION & FOOD SERVICES	2	1.2%
OTHER SERVICES (EXCEPT PUBLIC ADMIN.)	26	15.8%
PUBLIC ADMINISTRATION	7	4.2%
UNCLASSIFIED ESTABLISHMENTS	7	4.2%
TOTAL	165	100.0%

SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST

TABLE 2 - 5-MINUTE DRIVE TIME MARKET AREA - 2015		
INDUSTRY SECTOR	# OF BUSINESS ESTABLISHMENTS	% OF TOTAL ESTABLISHMENTS
MINING	2	0.6%
CONSTRUCTION	26	7.6%
MANUFACTURING	14	4.1%
WHOLESALE TRADE	8	2.3%
RETAIL TRADE	45	13.1%
TRANSPORTATION & WAREHOUSING	4	1.2%
INFORMATION	3	0.9%
FINANCE & INSURANCE	31	9.0%
REAL ESTATE, RENTAL & LEASING	12	3.5%
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SERVICES	20	5.8%
ADMIN. & SUPPORT & WASTE MGMT. & REMEDIATION	9	2.6%
EDUCATIONAL SERVICES	5	1.5%
HEALTHCARE & SOCIAL ASSISTANCE	42	12.2%
ARTS, ENTERTAINMENT, & RECREATION	4	1.2%
ACCOMMODATION & FOOD SERVICES	26	7.6%
OTHER SERVICES (EXCEPT PUBLIC ADMIN.)	69	20.1%
PUBLIC ADMINISTRATION	19	5.5%
UNCLASSIFIED ESTABLISHMENTS	4	1.2%
TOTAL	343	100.0%

SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST

TABLE 3 - 10-MINUTE DRIVE TIME MARKET AREA - 2015		
INDUSTRY SECTOR	# OF BUSINESS ESTABLISHMENTS	% OF TOTAL ESTABLISHMENTS
MINING	7	0.4%
UTILITIES	3	0.2%
CONSTRUCTION	120	7.7%
MANUFACTURING	56	3.6%
WHOLESALE TRADE	51	3.3%
RETAIL TRADE	225	14.4%
TRANSPORTATION & WAREHOUSING	22	1.4%
INFORMATION	16	1.0%
FINANCE & INSURANCE	133	8.5%
REAL ESTATE, RENTAL & LEASING	66	4.2%
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SERVICES	108	6.9%
ADMIN. & SUPPORT & WASTE MGMT. & REMEDIATION	50	3.2%
EDUCATIONAL SERVICES	34	2.2%
HEALTHCARE & SOCIAL ASSISTANCE	150	9.6%
ARTS, ENTERTAINMENT, & RECREATION	14	0.9%
ACCOMMODATION & FOOD SERVICES	110	7.0%
OTHER SERVICES (EXCEPT PUBLIC ADMIN.)	274	17.6%
PUBLIC ADMINISTRATION	91	5.8%
UNCLASSIFIED ESTABLISHMENTS	28	1.8%
TOTAL	1,560	100.0%

SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST

TABLE 4 - 15-MINUTE DRIVE TIME MARKET AREA - 2015		
INDUSTRY SECTOR	# OF BUSINESS ESTABLISHMENTS	% OF TOTAL ESTABLISHMENTS
MINING	8	0.3%
UTILITIES	10	0.3%
CONSTRUCTION	247	8.4%
MANUFACTURING	92	3.1%
WHOLESALE TRADE	96	3.3%
RETAIL TRADE	442	15.0%
TRANSPORTATION & WAREHOUSING	43	1.5%
INFORMATION	37	1.3%
FINANCE & INSURANCE	236	8.0%
REAL ESTATE, RENTAL & LEASING	126	4.3%
PROFESSIONAL, SCIENTIFIC, & TECHNICAL SERVICES	190	6.5%
ADMIN. & SUPPORT & WASTE MGMT. & REMEDIATION	100	3.4%
EDUCATIONAL SERVICES	75	2.5%
HEALTHCARE & SOCIAL ASSISTANCE	276	9.4%
ARTS, ENTERTAINMENT, & RECREATION	32	1.1%
ACCOMMODATION & FOOD SERVICES	199	6.8%
OTHER SERVICES (EXCEPT PUBLIC ADMIN.)	493	16.8%
PUBLIC ADMINISTRATION	175	5.9%
UNCLASSIFIED ESTABLISHMENTS	60	2.0%
TOTAL	2,943	100.0%

SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST

RETAIL MARKET ANALYSIS SPENDING POTENTIAL INDEXES (SPI)

Understanding the spending patterns and the spending potential of the targeted customer base and market is important when planning an effective development strategy. It is important to determine how much retail spending can be captured in the market areas that surround Rochester Township. **Table 5** below provides an analysis of the Spending Potential Index (SPI) that reports the amount that consumers spend in specific retail markets in the 5-, 10-, and 15-minute drive time markets relative to a national average of 100. For instance, if the SPI for computers in the local area is 50, it means that local households spend 50% less on computers than the average U.S. household.

Table 5 shows that for Rochester Township as well as for the 5-, 10-, and 15-minute drive time markets, **there are no industry sectors where consumers in the Rochester market areas are spending more than the national average.** Moreover, it appears that in Rochester Township the SPI numbers for all the categories are generally higher than for the 5-, 10-, and 15-minute drive time market areas which means residents in Rochester Township are spending more than the outlying areas. Those areas that have the highest SPIs for all markets are healthcare, entertainment, and retail goods with slightly smaller market



shares in TV, video, and sound equipment. Although all Rochester market areas have spending averages lower than the national average, the Township has higher spending than its surrounding market districts.

However, a number of factors could be attributed to a lower than expected SPI number including a lower household per-capita population, lower incomes, as well as the presence of a larger, saturated market located just outside of the Rochester market areas where consumers are going to spend their retail dollars. In this case, these market areas include the Beaver Valley Mall, the Cranberry Township shopping district and a number of other smaller commercial districts.

TABLE 5 - ESTIMATED MARKET SPENDING POTENTIAL (RESIDENTIAL CONSUMER SPENDING)

SECTOR	ROCHESTER TWP.		5-MINUTE DRIVE TIME*		10-MINUTE DRIVE TIME*		15-MINUTE DRIVE TIME*	
	SPI	HOUSEHOLD SPENDING	SPI	HOUSEHOLD SPENDING	SPI	HOUSEHOLD SPENDING	SPI	HOUSEHOLD SPENDING
APPAREL & SERVICES	82	\$2,153,295	65	\$5,226,462	71	\$23,883,397	76	\$55,739,179
COMPUTER & ACCESSORIES	84	\$243,265	65	\$580,587	72	\$2,666,399	78	\$6,247,793
EDUCATION	77	\$1,337,643	59	\$3,116,270	66	\$14,506,789	72	\$34,952,722
ENTERTAINMENT/REC.	89	\$3,346,938	69	\$7,963,264	75	\$36,129,767	80	\$83,765,012
FOOD AT HOME	88	\$5,236,012	71	\$12,865,859	77	\$58,097,470	81	\$133,373,188
FOOD AWAY FROM HOME	84	\$3,152,287	66	\$7,517,484	72	\$34,324,484	77	\$80,098,321
HEALTH CARE	97	\$5,259,594	75	\$12,374,431	81	\$55,873,046	86	\$128,729,644
HH FURNISHINGS & EQUIP.	88	\$1,851,092	68	\$4,369,026	74	\$19,874,330	79	\$46,214,651
INVESTMENTS	64	\$2,020,029	53	\$5,138,244	60	\$23,918,535	62	\$54,421,879
RETAIL GOODS	91	\$26,345,488	71	\$63,366,319	77	\$285,952,720	81	\$657,232,658
SHELTER	80	\$14,973,741	62	\$35,540,721	69	\$164,389,614	75	\$389,287,555
TV/VIDEO/SOUND EQUIP.	89	\$1,322,505	71	\$3,250,151	77	\$14,693,098	82	\$33,807,441
TRAVEL	84	\$1,879,896	62	\$4,231,204	69	\$19,593,218	76	\$46,814,282
VEHICLE MAINTENANCE & REPAIRS	88	\$1,114,956	68	\$2,653,4434	75	\$12,077,923	79	\$28,071,214

SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST

*SPI= SPENDING POTENTIAL INDEX

**5- AND 10- MINUTE DRIVE TIMES ARE BASED ON DONUTS AND ARE NOT CUMULATIVE SMALLER DRIVE TIMES

MAJOR SHOPPING CENTERS

To better understand where a majority of retail spending occurs, it is important to be aware of nearby major shopping centers. Market areas can often have multiple trade areas. These areas typically include major

shopping centers as well as downtown business districts. By being aware of the major shopping centers within the market areas for Rochester Township, it will help provide insight into where retail spending is occurring.

The major shopping center closest to Rochester Township is the Wal-Mart Plaza located in Center Township. The center is anchored by a Wal-Mart and also includes other retailers such as Staples, Taco Bell, Applebee's, and McDonalds restaurants.

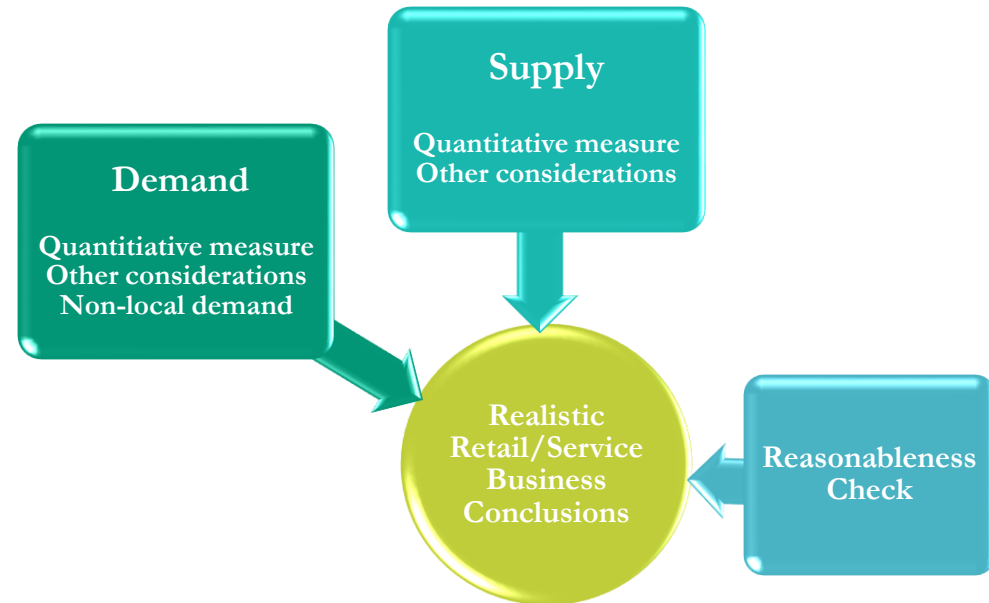
The largest shopping center within Rochester's market areas is the Beaver Valley Mall with 1,162,000 square feet of potential leasable space. The mall is anchored by JC Penny's, Macy's, Sear's, Boscov's, and Dick's Sporting Goods retail stores.

TABLE 6 - MAJOR SHOPPING CENTER LOCATIONS			
SHOPPING CENTER	MILES FROM TWP.	YEAR OPEN	GROSS LEASABLE AREA IN SQUARE FEET
Wal-Mart Plaza (Rtes 51 & 18)	2.05 SW	1992	273,370
Township Marketplace (SR 18 & Wagner Rd.)	2.36 SW	1997	253,110
Beaver Valley Mall	3.08 SW	1970	1,162,000
Northern Lights Shopping Center	4.50 SE	1956	398,016
Chippewa Plaza (SR 51 & Shenango Rd.)	6.80 NW	2000	284,846

SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST

RETAIL AND DINING GAP ANALYSIS

Another method to help determine potential retail opportunities for the Rochester market area is performing a retail surplus/leakage analysis or what is frequently referred to as a “gap analysis” or a “supply and demand analysis.” The retail gap analysis is an effective tool for identifying retail and service needs in a community by examining the quantitative aspect of the community’s retail opportunities. It is a guide to understanding retail opportunities but it is not an analysis that reveals absolute or unconditional opportunities. The surplus/leakage index is generated by dividing the community’s actual sales by the community’s sales potential for a specific industry sector that is classified using the NAICS classification system. Among the industry sectors, 27 sub-industry groups make up a larger group called the *Retail Trade* sector and four other sub-industry groups make up the larger *Food and Drink* sector.



Performing the retail surplus/leakage analysis can aid Rochester Township in the following ways. It can:

- Indicate how well the retail needs of residents in each market area are being met
- Uncover unmet demand and possible opportunities
- Identify the strengths and weaknesses of the local retail sector
- Measure the difference between actual and potential retail sales

A **retail leakage** (an index more than 1.0) means that residents are spending more for products than what the local businesses are providing. Retail leakage suggests that there is an unmet demand for a particular good or service in that particular industry sector. A leakage also suggests that the community can support

additional square feet of store space for that type of business or industry sector. Identifying significant leakages can be an excellent tool to use in presenting a case for retailers to come to the community.

A **retail surplus** (an index less than 1.0) means that the community's businesses in a particular industry sector are capturing the local market spending as well as attracting non-local shoppers and consumers.

The surplus/leakage factor presents a snapshot of retail opportunity for Rochester Township. While the analysis serves as a guide to opportunity, or the lack thereof, there will be instances when leakages do not translate into opportunity and when surpluses do not mean that a community cannot support additional businesses in that sector.

ROCHESTER TOWNSHIP MARKET AREA

There are an estimated 1,185 households in Rochester Township and the median household income is \$65,707. Rochester Township has a total of 18 *Retail Trade* businesses and 3 *Food & Drink* businesses. The total retail potential is \$29,469,887 (demand) and the total retail sales are \$8,103,158 (supply), resulting in a total surplus factor of 56.9 meaning that the PMA consumers are spending more than what the local businesses are capturing.

TABLE 7 – RETAIL AND DINING SUPPLY AND DEMAND

INDUSTRY SUMMARY	RETAIL POTENTIAL (DEMAND)	RETAIL SALES (SUPPLY)	RETAIL GAP	LEAKAGE (+) / SURPLUS (-) FACTOR	# OF BUSINESSES
TOTAL RETAIL TRADE	\$26,751,565	\$6,332,701	\$20,418,864	61.7	18
TOTAL FOOD & DRINK	\$2,718,322	\$1,770,457	\$947,865	21.1	3
TOTAL RETAIL TRADE AND FOOD & DRINK	\$29,469,887	\$8,103,158	\$21,366,729	56.9	21
SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST					

In reviewing the 27 NAICS industry sectors for the Township, the overall *Retail Trade & Food & Drink* market sectors have large leakages. This means that residents in the Township are spending more in the respective industries than what the Rochester market is capturing. This could mean there is an unmet need in the Township and that there is the potential to attract businesses in those specific sectors that have large leakages. There are a number of sectors that have leakages of 100, which means there are no businesses within the Township where residents are spending money in that particular sector. These sectors include *Grocery Stores, Health and Personal Stores, Book Periodicals, Music Stores, and Used Merchandise Stores*

There are only a few sectors where the Township is experiencing a surplus in spending. Most notably these include *Auto Parts, Accessories, and Tire Stores; Specialty Food Stores; Beer, Wine, and Liquor Stores; Jewelry, Luggage, and Leather Goods Stores; and Florists*. These are sectors where the Township appears to be attracting outside consumers to those specific industries within the market area. **Figure 2** provides a complete overview of surpluses and leakages.

FIGURE 1 – MARKET FACTORS



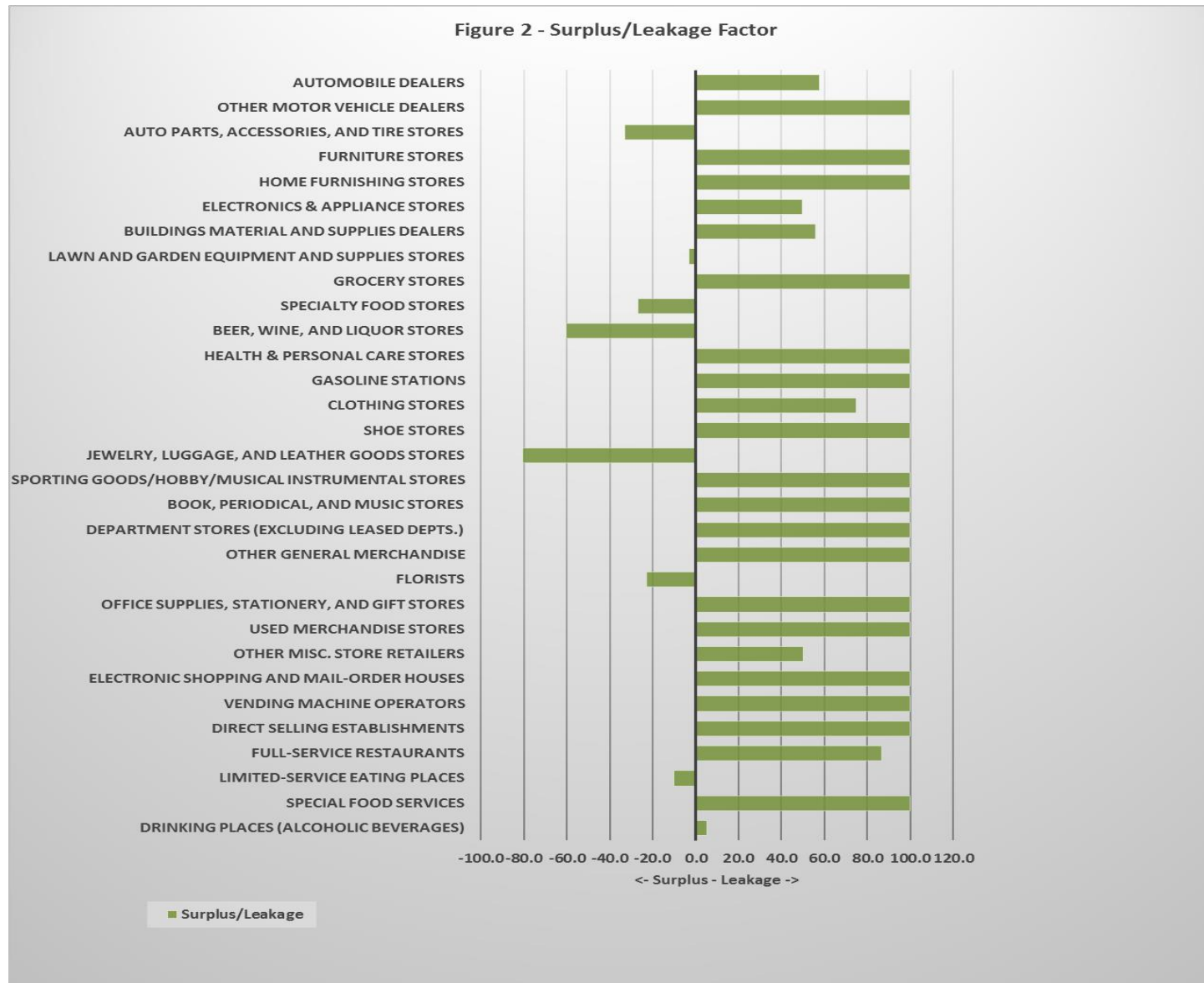


TABLE 8 – SURPLUS/LEAKAGE FACTOR BY INDUSTRY GROUP - ROCHESTER TWP.

INDUSTRY GROUP	DEMAND	SUPPLY	RETAIL	SURPLUS/ LEAKAGE	# OF BUSINESSES
	(RETAIL POTENTIAL)	(RETAIL SALES)	SURPLUS/ LEAKAGE	FACTOR	
AUTOMOBILE DEALERS	\$4,916,462	\$1,315,045	\$3,601,417	57.8	2
OTHER MOTOR VEHICLE DEALERS	\$312,178	\$0	\$312,178	100.0	0
AUTO PARTS, ACCESSORIES, AND TIRE STORES	\$323,484	\$643,628	(\$320,144)	-33.1	3
FURNITURE STORES	\$306,601	\$0	\$306,601	100.0	0
HOME FURNISHING STORES	\$235,529	\$0	\$235,529	100.0	0
ELECTRONICS & APPLIANCE STORES	\$657,882	\$221,148	\$436,734	49.7	2
BUILDINGS MATERIAL AND SUPPLIES DEALERS	\$750,911	\$213,586	\$537,325	55.7	1
LAWN AND GARDEN EQUIPMENT AND SUPPLIES STORES	\$180,618	\$191,962	(\$11,344)	-3.0	1
GROCERY STORES	\$4,161,168	\$0	\$4,161,168	100.0	0
SPECIALTY FOOD STORES	\$132,524	\$228,890	(\$96,366)	-26.7	1
BEER, WINE, AND LIQUOR STORES	\$470,764	\$1,899,552	(\$1,428,788)	-60.3	2
HEALTH & PERSONAL CARE STORES	\$1,598,094	\$0	\$1,598,094	100.0	0
GASOLINE STATIONS	\$2,624,669	\$0	\$2,624,669	100.0	0
CLOTHING STORES	\$1,092,916	\$157,393	\$935,523	74.8	1
SHOE STORES	\$233,273	\$0	\$233,273	100.0	0
JEWELRY, LUGGAGE, AND LEATHER GOODS STORES	\$132,309	\$1,210,847	(\$1,078,538)	-80.3	1
SPORTING GOODS/HOBBY/MUSICAL INSTRUMENTAL STORES	\$565,059	\$0	\$565,059	100.0	0
BOOK, PERIODICAL, AND MUSIC STORES	\$153,514	\$0	\$153,514	100.0	0
DEPARTMENT STORES (EXCLUDING LEASED DEPTS.)	\$1,585,116	\$0	\$1,585,116	100.0	0
OTHER GENERAL MERCHANDISE	\$2,159,144	\$0	\$2,159,144	100.0	0
FLORISTS	\$50,407	\$80,359	(\$29,952)	-22.9	1

INDUSTRY GROUP	DEMAND (RETAIL POTENTIAL)	SUPPLY (RETAIL SALES)	RETAIL SURPLUS/ LEAKAGE	SURPLUS/ LEAKAGE	# OF BUSINESSES
OFFICE SUPPLIES, STATIONERY, AND GIFT STORES	\$219,734	\$0	\$219,734	100.0	0
USED MERCHANDISE STORES	\$76,187	\$0	\$76,187	100.0	0
OTHER MISC. STORE RETAILERS	\$515,177	\$170,291	\$344,886	50.3	3
ELECTRONIC SHOPPING AND MAIL-ORDER HOUSES	\$2,746,515	\$0	\$2,746,515	100.0	0
VENDING MACHINE OPERATORS	\$72,334	\$0	\$72,334	100.0	0
DIRECT SELLING ESTABLISHMENTS	\$478,996	\$0	\$478,996	100.0	0
FULL-SERVICE RESTAURANTS	\$1,179,215	\$83,808	\$1,095,407	86.7	1
LIMITED-SERVICE EATING PLACES	\$1,247,477	\$1,531,200	(\$283,723)	-10.2	1
SPECIAL FOOD SERVICES	\$118,562	\$0	\$118,562	100.0	0
DRINKING PLACES (ALCOHOLIC BEVERAGES)	\$173,068	\$155,449	\$17,619	5.4	1
SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST					

RETAIL MARKET POTENTIAL INDEX

Another measure that can be used to analyze consumer spending and to determine the overall market potential of a specific geographic area or drive time market area is the Market Potential Index (MPI). The MPI measures the probability or likelihood that adults within a specific market area will exhibit particular consumer behavior or purchasing patterns. An MPI number of 100 represents the U.S. average. There are a number of different categories where Rochester Township consumers exhibit a significantly higher MPI than the national average. These are consumer behaviors that the Township should consider when thinking about attracting new businesses to the area.

ESRI's Market Potential database measures the likely demand for a product or service in an area. The database includes an expected number of consumers and a Market Potential Index (MPI) for each product or service. An MPI compares the demand for a specific product or service in an area with the national demand for that product or service. The MPI values at the US level are 100, representing overall demand. A value of more than 100 represents higher demand, and a value of less than 100 represents lower demand. For example, an index of 120 implies that demand in the area is likely to be 20 percent higher than the US average; an index of 85 implies a demand that is 15 percent lower. (ESRI website, www.esri.com/library)

TABLE 9 - RETAIL MARKET POTENTIAL INDEX RESULTS

	ROCHESTER TOWNSHIP		5-MINUTE DRIVE TIME*		10-MINUTE DRIVE TIME*		15-MINUTE DRIVE TIME*	
PRODUCT/CONSUMER BEHAVIOR	% OF ADULTS	MPI	% OF ADULTS	MPI	% OF ADULTS	MPI	% OF ADULTS	MPI
Household owns any pet	64.8%	122	55.8%	105	54.8%	103	56.2%	106
Bought gas at convenience store in last 30 days	42.6%	128	42.8%	129	41.2%	124	39.9%	120
Spent at convenience store in last 30 days: \$100+	29.3%	127	29.1%	126	28.0%	122	27.1%	118
Have interest checking account	35.4%	122	28.5%	99	29.9%	103	30.8%	107
Household has satellite dish	39.0%	153	28.6%	112	27.0%	106	27.7%	109
SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST								
*5- AND 10- MINUTE DRIVE TIMES ARE BASED ON DONUTS AND ARE NOT CUMULATIVE SMALLER DRIVE TIMES								

A common theme that may be seen by looking at the consumer behaviors above are the preponderance of convenience items. Rochester Township has an MPI of 128 and 127 respectively for those who have bought gas at a convenience store within the last 30 days and those that spend over \$100 a month at a convenience store. This bodes well for the recruitment of a large, full service, convenience store such as Sheetz, GetGo, or Speedway.

Rochester Township also has an MPI of 153 for households who have a satellite dish. This could be a result of a lack of standard television cable options in the Township.

TAPESTRY SEGMENTATION

Another market assessment tool is the *Community Tapestry Segmentation*, provided by ESRI, which classifies U.S. neighborhoods into 65 segments based on their socioeconomic and demographic variables such as age, income, home value, occupation, household type, education, and other consumer behavior characteristics.

Segmentation systems operate on the theory that people with similar tastes, lifestyles, and behaviors seek others with the same tastes – hence the adage “like seeks like.” These behaviors can be measured, predicted, and targeted. Community Tapestry combines the “who” of lifestyle demography with the “where” of local neighborhood geography to create a model of various lifestyle classifications, or segments, of actual neighborhoods with addresses – district behavioral market segments.² Understanding the lifestyle and behavior of households in the trade area is just as important as understanding their basic demographic profile and buying power.



In Rochester Township there are only two major tapestry segments that are identified, the largest of which is the *Salt of the Earth* with approximately 59.2% of households falling into this category. This tapestry segment consists of households of persons with a median age of 43.1. Although the residents are older, the employment rate within this group is higher than that of the U.S. The median household income of this segment is \$53,000. This group has large concentrations in Pennsylvania, Ohio, and Indiana. Eighty-four percent (84%) of this group owns their own homes. In general, this group can be described as settled, traditional, and hardworking. They spend time and money on home and garden projects. Many individuals in this group own their own cars (which are typically American made) and like to perform their own maintenance. In their spare time, this group generally enjoys eating out at family restaurants, reading fishing and hunting magazines, and listening to country music. This segment type is also found in the 5-, 10-, and 15-minute drive time markets.

The second tapestry segment found in Rochester Township is *Midlife Constants*. This segment type is also found in the 5-minute drive time, and is the top segment in the 10-, and 15-minute drive times. This group generally consists of residents who are seniors or those approaching retirement ages. This group has a median

² Environmental Systems Research Institute, <http://www.esri.com/>

age of 45.9 and a median household income of \$48,000. Most residents in this group are married and live in older homes that they own. This group prefers more practical automobiles such as SUVs and trucks. They are active in the community and are involved in groups such as local church organizations, fraternal orders, veterans' clubs, and charitable organizations. Similar to the *Salt of the Earth* group, they enjoy home projects such as remodeling and gardening. They enjoy movies at home, reading, fishing, and listening to country music.

TABLE 10 - TAPESTRY SEGMENTS FOUND IN ROCHESTER MARKET AREA

ROCHESTER TWP.		5-MINUTE DRIVE TIME		10-MINUTE DRIVE TIME		15-MINUTE DRIVE TIME		PENNSYLVANIA	
TOP TAPESTRY SEGMENTS	PERCENT	TOP TAPESTRY SEGMENTS	PERCENT	TOP TAPESTRY SEGMENTS	PERCENT	TOP TAPESTRY SEGMENTS	PERCENT	TOP TAPESTRY SEGMENTS	PERCENT
Salt of the Earth	59.2%	Small Town Simplicity	28.5%	Midlife Constants	24.7%	Midlife Constants	24.3%	Salt of the Earth	8.4%
Midlife Constants	40.8%	Salt of the Earth	20.0%	Heartland Communities	19.5%	Salt of the Earth	11.6%	Green Acres	6.2%
		Traditional Living	19.7%	Salt of the Earth	12.0%	Heartland Communities	11.0%	Rustbelt Retirees	6.1%
		Midlife Constants	15.1%	Small Town Simplicity	11.8%	Comfortable Empty Nesters	9.7%	Urban Rows	6.0%
		Heartland Communities	12.2%	Traditional Living	10.6%	Traditional Living	8.7%	Prosperous Empty Nesters	4.8%

SOURCE: ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE (ESRI) BUSINESS ANALYST

FUTURE INDUSTRY PROJECTIONS

The Southwestern Pennsylvania Commission (SPC) is charged with providing planning guidance and technical support for the Pittsburgh Metropolitan Statistical Area (MSA) including for each of the counties and municipalities in the region. The SPC recently completed a future planning document that provides a wide array of data and workforce employment projections through 2040. Based on census data, ACS data, ESRI data, and statistical models, the SPC has made the following employment projections for Rochester Township for sectors that are grouped into retail, manufacturing, services, and other jobs through the year 2040. The results are shown in **Table 11**.

TABLE 11 - ROCHESTER TOWNSHIP INDUSTRY PROJECTIONS					
Year	Retail Employees	Manufacturing Employees	Service Employees	Other Employees	Total
2010	115	304	1998	383	2800
2015	122	316	2199	410	3047
2020	126	284	2221	458	3089
2025	120	243	2161	439	2963
2030	113	211	2102	440	2866
2035	103	195	1980	389	2667
2040	93	181	1881	399	2554
Gain (+) or Loss (-)	-22	-123	-117	+16	-246

SOUTHWESTERN PA COMMISSION, [HTTP://SPCREGION.ORG/DATA.SHTML](http://SPCREGION.ORG/DATA.SHTML)

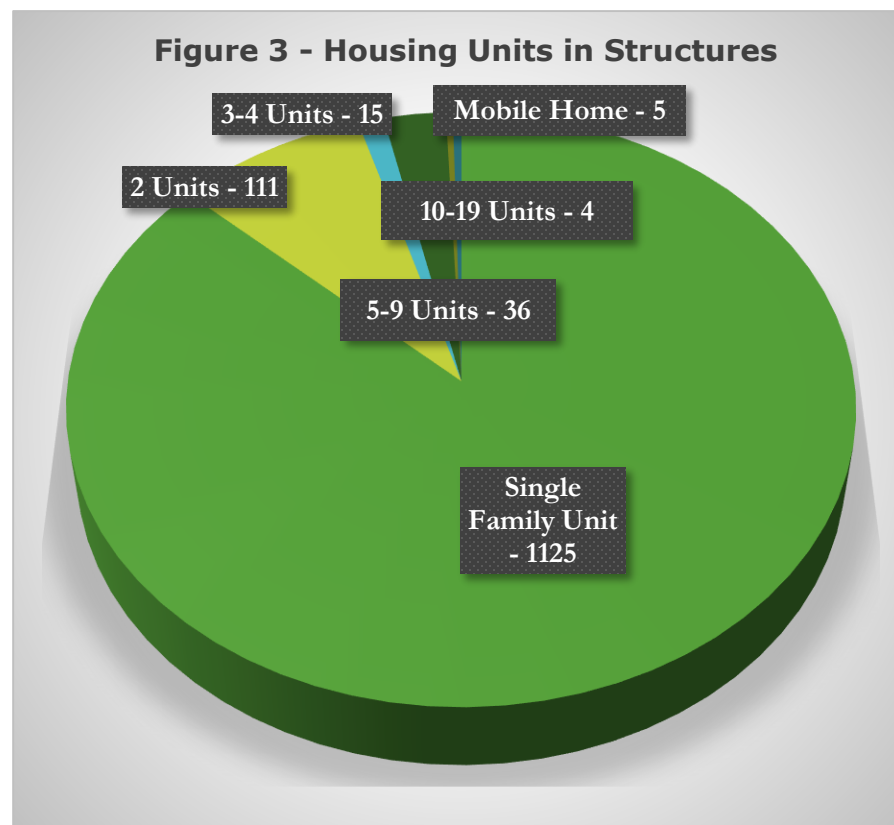
Overall, SPC is projecting a loss of approximately 246 jobs in the Township over the next 25 years, mostly in the manufacturing and service industries with a slight gain in the “other” sector. In order to avoid these projected losses, it will be necessary for Township leadership to create a “development rich” environment that will support and sustain additional commercial activity in the Township.

The recommendations included in this report, as developed by the GRS team, will provide specific actions that can be taken to achieve this goal.

THE RESIDENTIAL MARKET

HOUSING PROFILE

According to the American Community Survey (2009-2013), the Township has 1,296 housing units, 85% of which are single family homes. There are also 111 duplexes and five (5) mobile homes. **Figure 3** provides a breakdown of the housing units in the Township.



SOURCE: SOUTHWESTERN PLANNING COMMISSION, DATA SERVICES, WWW.SPCREGION.ORG

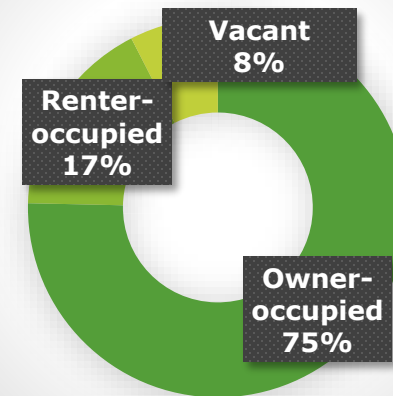
Only 8% of the Township's 1,296 housing units are vacant as compared to the national average which is 10.9%. **Figure 4** provides a profile of housing vacancy rates in the Township according to the most recent ACS. Many of the vacant units are not permanently vacant but are for sale or for rent. This is a positive marketing factor that supports additional residential housing development in the Township.

The largest group of homeowners (about 29%) moved into the Township between 2000 and 2009 but most residents have resided in the Township for more than 15 years. The chart below provides a breakdown of when homeowners moved into their current housing unit and how long they have lived in the unit. Only 9% of all residents moved into their current housing unit in 2010 or later. About 61% of residents have lived in their current homes for over 15 years.

TABLE 12 - MOVED INTO HOUSING UNIT		
YEAR MOVED IN	# OF HOUSEHOLDERS	% OF HOUSEHOLDERS
2010 or Later	107	9.0%
2000 - 2009	350	29.5%
1990 - 1999	192	16.2%
1980 - 1989	212	17.9%
1970 - 1979	124	10.5%
1969 or Earlier	200	16.9%
Total Occupied Units	1185	

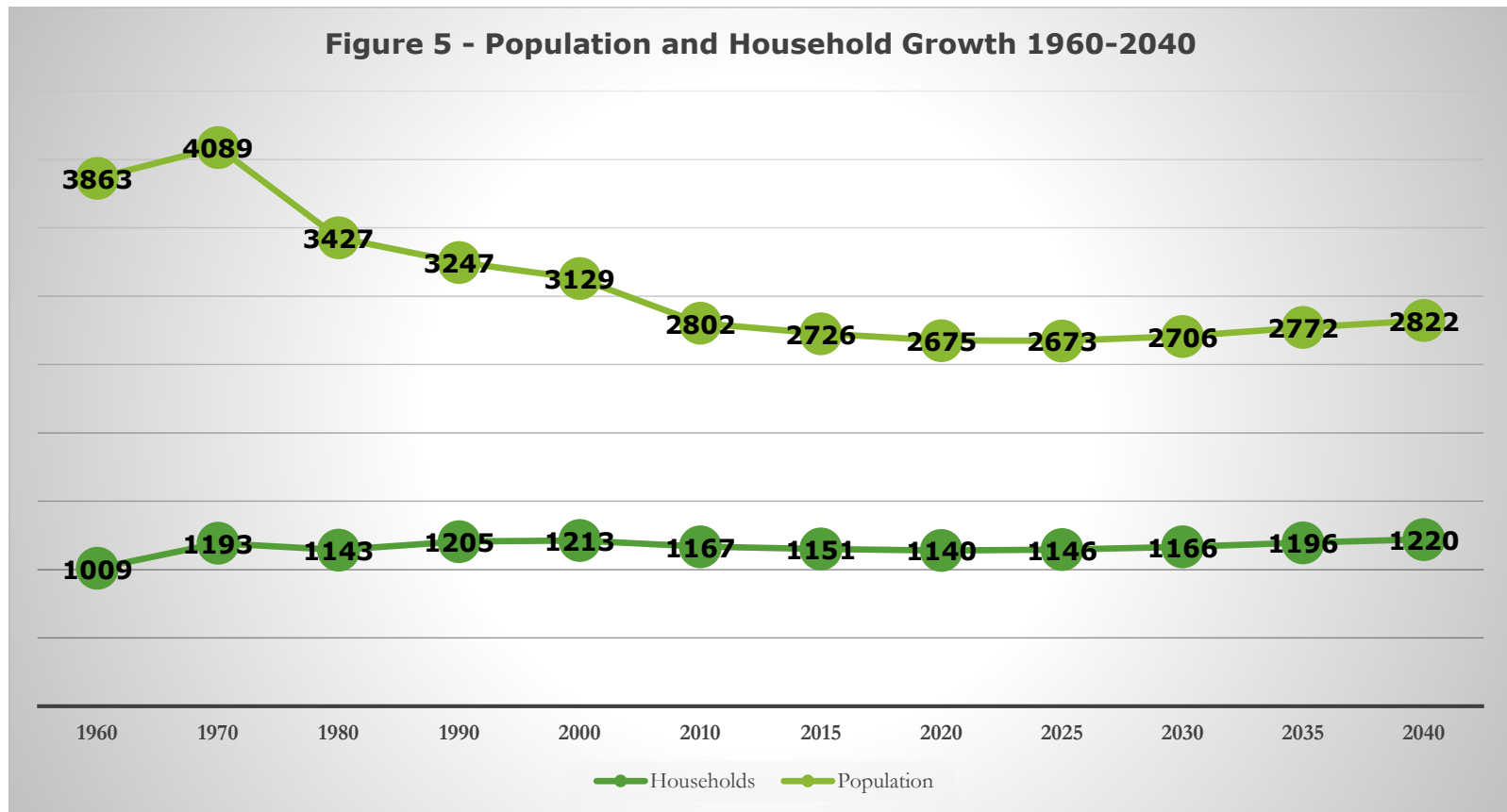
SOURCE: SOUTHWESTERN PLANNING COMMISSION, DATA SERVICES, WWW.SPCREGION.ORG

Figure 4 - Housing Vacancy Rates



There have only been 8 new homes constructed in the Township since 2000.

The total number of households in the Township decreased between 2000 and 2010 and decreased further in 2015 to its lowest level since 1980. According to the latest projections from SPC, without economic development intervention, the households and population of the Township are projected to continue to decrease slightly over the next 5 years and then rise slowly beginning in 2025.

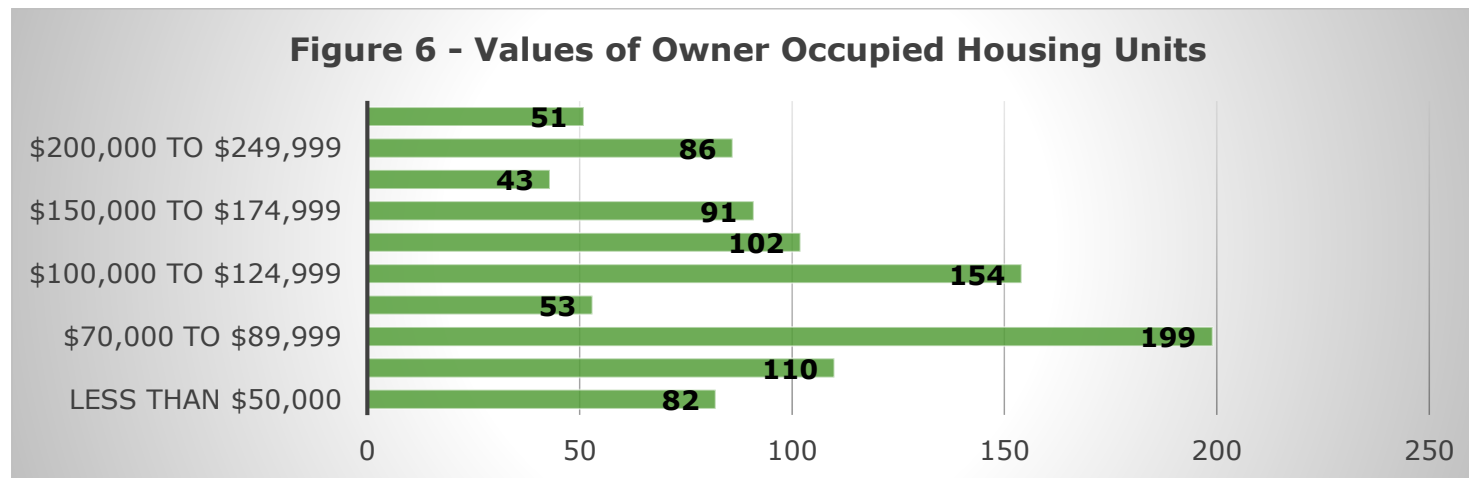


SOURCE: SOUTHWESTERN PLANNING COMMISSION, DATA SERVICES, WWW.SPCREGION.ORG

Housing Values

Rochester Township is part of the Pittsburgh Metropolitan housing market for purposes of national reporting. This includes Allegheny, Armstrong, Beaver, Butler, and parts of Westmoreland and Washington counties. The forecast for home values in the Pittsburgh Metro area is very good – the average value in August of 2015 is estimated to be \$126,500 and to increase at a rate of 1.9% annually. This is slightly lower than the national average rate of increase of 2.2%. The Beaver County housing value index, as reported by Zillow, is slightly lower at \$123,800 with a forecast of 1.8% annual increase in value.

Home sales in Rochester Township have been robust. There have been 79 homes that sold in 2015 and there are currently 63 homes for sale. The prices ranged from a high of \$357,000 for a 5 bedroom home on Kentucky Lane to a low of \$13,000 for a 1 bedroom, 1 bath home on Elk Street. There are a wide array of price points in the Township but generally the highest prices are found in the northern areas of the Township adjacent to Daugherty Township. There are currently 971 owner-occupied homes in the Township with a median value of \$106,700. **Figure 6** provides an overview of the value of owner-occupied housing units in the Township.



SOURCE: SOUTHWESTERN PENNSYLVANIA COMMISSION, DATA SERVICES, SPCREGION.ORG

A sample of the home sales and maps reproduced from the Zillow website are provided in **Appendix D**.

Residential Market Trends

The housing market in the Pittsburgh Metro area including Beaver County is gaining strength and will provide a significant opportunity for the Township in the next few years because of its location. Furthermore, the market values in and around the Township are strong and steadily increasing especially in the northern portion of the Township. There are many parcels of undeveloped land that could be assembled by a private developer but the lack of infrastructure is a significant barrier.

The mediocre performance of the Rochester Area School District also presents a challenge for residential development but is beyond the control of the elected officials at the Township. Continuing to work with the school district towards improvements should be a priority.

In order to attract residential development to Rochester Township and to be competitive with adjacent markets such as New Sewickley Township, Daugherty Township, and Pulaski Township, Rochester officials and staff will need to create positive conditions for development including: roadway access, utilities, favorable land use regulations, and a streamlined permitting process. Municipalities can capture markets that are trending by understanding what those markets are and creating conditions within the municipality that support the emerging market. Once the proper conditions are in place, it is a matter of marketing the Township to developers and realtors as a prime area for residential development.

2015 PREDICTIONS FOR THE PITTSBURGH METRO MARKET

The greater Pittsburgh area real estate market is gaining strength and so is the national real estate market. Pittsburgh is expected to become a prime real estate market for the first-time homebuyers, also known as "The Millennials". For the Pittsburgh area, this surge in first-time homebuyers is largely because of:

- the decreasing unemployment rates,
- increasing job opportunities, and
- affordable mortgage rates.

Zillow actually lists Pittsburgh as the number one market for First-Time Home Buyers in 2015!

The city of Pittsburgh's average rental price was \$1,028, the Pittsburgh metro area \$1,128, both lower than the national average of \$1,342.

Overall Pittsburgh was ranked as a very healthy real estate market given an 8.1 ranking on a scale out of 10. Since Pittsburgh has been ranked as the number 1 first-time homebuyer market for 2015 the statistics listed above are likely to increase and Pittsburgh is likely to continue to be a strong real estate market.

The Jim Dolanch Real Estate Team, Century 21, December 2014,

<http://blog.jimdolanch.com/2015-predictions-for-the-pittsburgh-real-estate-market/>

INDUSTRIAL SITE DEVELOPMENT

One of the key sites in the Township that has potential for industrial use is what is referred to as the "General Alloy Casting Company Site" which was the former site of an old foundry. The primary 45 acre site is under one owner, Hydril Corporation out of Houston, TX. Some of the outlying parcels would need to be assembled to make the site more attractive. A complete listing of parcels and ownership information is provided in **Appendix E**.

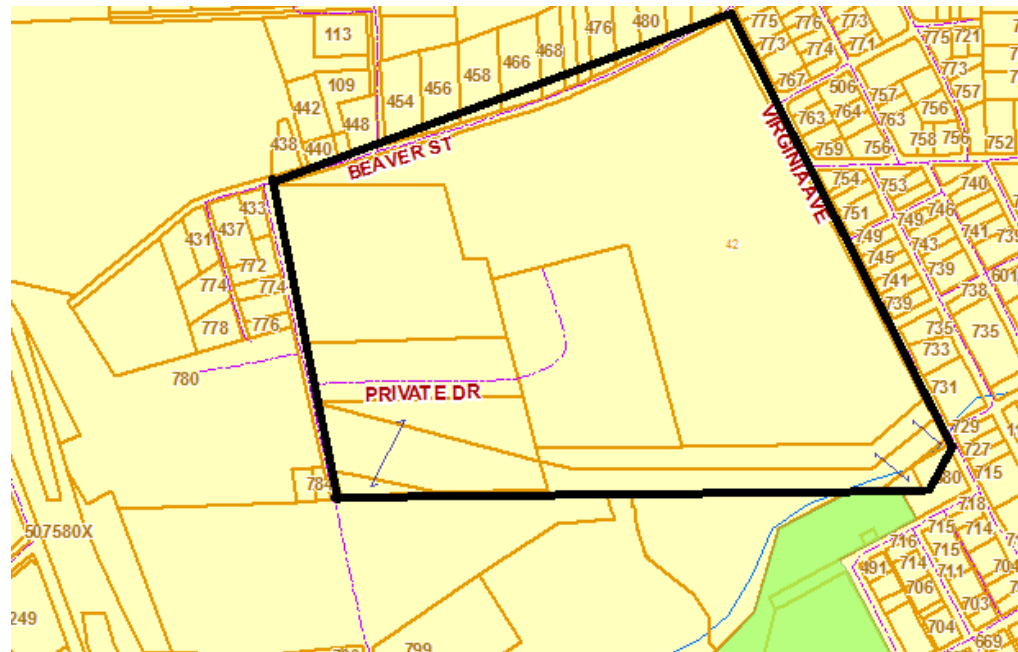


Because this site was used as a dump site for the foundry, considerable remediation of the site has been necessary. The remediation is underway but there are a few months remaining. The Pennsylvania Department of Environmental Protection (DEP) bulletin regarding this remediation reads, in part, that:

“The Department conducted a Remedial Investigation of the Site and determined that arsenic, antimony, chromium, cobalt, nickel and lead have been released at the Site at concentrations that exceed applicable cleanup standards.”

The DEP considered three alternatives for the cleanup but finally chose to allow for the owners to excavate the toe of the fill, place riprap along the stream channel, and manage the storm water. This alternative was chosen because it complies with the relevant requirements and is cost effective.³

The Township continues to be in discussion with the owners of this site but the owners have not expressed much interest in the Township’s assistance in marketing it until the site is fully remediated. The Township has indicated that they may be interested in a Tax Increment Financing (TIF) arrangement or other tax abatement and assistance programs as an incentive for development of this site for light industrial or manufacturing purposes.



³ Pennsylvania Department of Environmental Protection, Notice of Interim Response for General Alloy Casting Company Site, Rochester Township, Beaver County, pursuant to the Hazardous Sites Cleanup Act of October 18, 1988, issued May 2015 as part of notice for public hearing scheduled May 5, 2015 at 5:00pm at the Rochester Township Municipal Building.

KEY ISSUES FOR CONSIDERATION

FACTORS THAT SUPPORT ECONOMIC DEVELOPMENT

- Rochester Township's location could be a major driver for economic development based on its links to major transportation systems and access to the Pittsburgh Metro area, the Pittsburgh International Airport, and river and rail transportation.
- The excellent quality of basic public services and the capacity provided by the Township staff could support additional commercial and residential development.
- The Township has taken affirmative steps to adopt property maintenance and uniform construction codes that provide consistent enforcement activity and regulate the construction inspection processes.
- The commercial market has the potential to capture both retail and dining activity – specifically there is a lack of convenience stores, office supplies, health and personal care services, and family dining establishments.
- Industry segments that are strong and should be maximized are construction, retail, health and social assistance services, and a variety of other professional and personal services.
- Community tapestry segmentation indicates that there is also a demand for home improvements, books and music, and food and movies at home and that this could be a future market to be captured.
- Housing vacancy is very low and housing values are relatively high especially in the northern areas of the Township indicating that there could be a demand for additional housing.
- The overall housing market is improving in the Pittsburgh Metro area and Rochester could take advantage of the healthy and robust market because of its location and its short 25 minute commute to the City and to Cranberry Township – both major employment centers for the region.
- There is a prime site owned primarily by a single owner in the Industrial zoned area of the Township that could be made available for private development pending final remediation of the site.

FACTORS THAT ARE A BARRIER TO ECONOMIC DEVELOPMENT

- The lack of population growth and household growth create a barrier for a robust development environment.
- The number of crime incidents (both violent and non-violent) are relatively high for a township and could present a challenge for attracting private development interest.
- The quality and mediocre performance of the Rochester Area School District is not attractive to families with school age children.
- The intra-municipal road system within the Township does not provide sufficient access to developable parcels.
- The water and sewer systems do not provide sufficient capacity and connection to developable parcels in the Township.
- Land use regulations based on the current zoning districts do not support or encourage development. One of the only C-2 districts is located in a floodplain, the Industrial district has weak connections to major highways, and the extensive R-1 district presents a challenge for the ability to build townhomes, condominiums, and over-55 housing units on smaller lots throughout most of the Township.
- The Township does not control any of the potential development sites nor has there been any attempt to assemble developable parcels to date.
- The relatively low consumer spending numbers in the primary markets may be a disincentive for private developers to invest in new commercial development.
- Realtors noted the competitiveness of nearby markets especially in New Sewickley Township and Daugherty Township.

RECOMMENDATIONS

Recommendation No. 1 – Utilize a strategic comprehensive planning process in order to evaluate the Township’s current public posture toward future development.

There is no evidence that the Township has ever engaged in a comprehensive planning process. This process could be an invaluable exercise especially if it includes a widespread public outreach effort. Before development occurs, residents should have an opportunity to express whether additional residential and commercial development is supported, in what areas of the Township they would like to see the development occur, and what types of development are most desired. The Plan should include:

- A focused and specific strategy for each developable site
- A redevelopment plan for the industrial zoned district
- An infrastructure development plan for extending basic roads, sewers, and water connections to developable areas by building out from existing developed sites
- Specific recommendations for future land use that supports the desired development and can be used to update the zoning map and the subdivision and land development ordinance.

Funding assistance could be available through the EIP implementation phase process or in combination with the Municipal Assistance Program (MAP). www.newpa.com

Recommendation No. 2 – Once a Plan is developed, prioritize development opportunities.

Once development sites have been evaluated, public outreach has resulted in a consensus on development issues, and a Plan is in place, the Township should prioritize its sites in order to begin to identify funding and implement the infrastructure plan. State funding may be available to support this activity including:

Business in Our Sites (BOS) - This program empowers communities to attract growing and expanding businesses by helping them build an inventory of ready sites. It provides funds for site development activities that are required in order for a site to be attractive to a developer. There is no repayment of these funds until a development is completed. <http://community.newpa.com/programs/business-in-our-sites-grants-and-loans-bos/>

Industrial Sites Reuse (ISR) – This program provides grants and low-interest loans for environmental assessments and remediation of “brownfield” sites. The program is designed to foster the cleanup of environmental contamination at industrial sites, thereby bringing blighted land into productive reuse.

Transportation Alternative Programs (TAP) - SPC sponsors the TAP round annually for the PA Department of Transportation. Examples of eligible TAP projects include bicycle or pedestrian facilities, conversion of abandoned railway corridors to trails, overlooks and viewing areas, historic preservation and rehab of historic transportation facilities, vegetation management, and wildlife mortality mitigation projects, among other types. Local governments, regional transportation authorities, transit agencies, natural resource or public land agencies, school districts, local education agencies, or schools, and tribal governments are eligible to apply for the competitive TAP funds. http://spcregion.org/trans_tap.shtml

Multi-Modal Transportation Funding - The Multimodal Transportation Fund provides grants to encourage economic development and ensure that a safe and reliable system of transportation is available to the residents of the Commonwealth. Funds may be used for the development, rehabilitation and enhancement of transportation assets to existing communities, streetscape, lighting, sidewalk enhancement, pedestrian safety, connectivity of transportation assets and transit-oriented development.
<http://community.newpa.com/programs/multimodal-transportation-fund/>

PENNVEST Water and Sewer Funding - PENNVEST has been empowered by state law, the *Pennsylvania Infrastructure Investment Authority Act 16 of 1988*, to administer and finance the Clean Water State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) pursuant to the federal Water Quality Act of 1987, as well as to administer the American Recovery and Reinvestment Act of 2009 (ARRA) funds. PENNVEST also finances, through the issuance of special obligation revenue bonds, water management, solid waste disposal, sewage treatment and pollution control projects undertaken by or on behalf of private entities.

Recommendation No. 3 – Identify, advance, and promote existing land development opportunities.

The Township has several industrial and commercial properties within its borders that may be attractive to area businesses looking to relocate, expand, or start a new business. The Township should make commercial property identification and development potential a priority. A municipal intern through the LGA

may be a viable solution to help achieve this goal in the short term with proper scope and direction. In conjunction with the *Market Condition Analysis* provided in this document, the developable parcel information will allow for more informed decision making for future land use for the Township. The Township should consider obtaining site control if it improves the opportunity for the desired development to occur.

<http://localgovernmentacademy.org/interns-and-careers/mip/>

Recommendation No. 4 – Use a “Request for Proposals” process to solicit proposals for the highest and best use of sites for desired commercial and residential opportunities.

In many cases, private developers may not be aware of potential development opportunities in a community. In order to alert private investors to the commercial and residential opportunities for specific sites, it is often helpful to send out a “Request for Proposals” (RFP) packet to regional developers that includes:

- Description and details about the development site including utilities and roads
- Pictures and any conceptual drawings or site plans
- *Market Condition Analysis*
- Financing and funding instruments that might be available to support the development.

The RFP should require the developer to provide a proposed preliminary plan for the use of the site and a business pro-forma that can be evaluated by the Township for the feasibility of the development.

Recommendation No. 5 – Adopt the latest International Property Maintenance Code (IPMC) for purposes of uniformity and consistency.

The Township has adopted the 2009 update of the International Property Maintenance Code. There are substantial updates made to this code about every three years. Updates are typically made to reflect improvements to the code and recent court decisions. The Township should adopt the latest version of the code to maintain consistency and uniformity with its property maintenance enforcement operation.

Recommendation No. 5 – Update the Township website to include material regarding development, zoning, and building inspection.

The website should include all development ordinances, planning studies, marketing information (including this *Market Condition Analysis*), and permitting information (including this *Economic Development Study*). The following should be included and updated on the Township’s website for residents, businesses, and developers: development ordinances; up to date Zoning Map; code ordinances, specifically the IPMC and adopting ordinance; signage ordinances; name and contact for Zoning Ordinance and development activity; building inspector; land development process; link to PennDOT contact information; updated Fee Resolution; utility contact names and information; businesses to frequent within the Township, and available commercial and industrial property.

Recommendation No. 6 – Update the Township website to include turnkey packets for residents, contractors, and developers.

The Township already has a checklist of items for developers of what is required for zoning permits, special exceptions, subdivision and land development applications and associated fees. This information is currently assembled as a hard copied packet to assist in the process. Residents, business owners, and potential developers view this favorably and appreciate the ease in understanding expectations. Much of the routine information and permit applications should be available on the Township’s website so that seekers can save time and resources by downloading and completing applications in advance of an inspection or permit request. The Township should consider upgrading its links to other websites for information and forms. It would be more desirable for information to be controlled by the Township.

Recommendation No. 7 – Explore and consider other funding mechanisms to promote and support development.

There are a number of other funding mechanisms that could be used for infrastructure development and financing support for desired development.

Tax Increment Financing Guarantee Program – This program is designed to promote and stimulate the general economic welfare of various regions and communities in the Commonwealth of Pennsylvania and assist in the development, redevelopment and revitalization of brownfield and greenfield sites through the use of Tax Increment Financing (TIF) in accordance with the Tax Increment Financing Act. The program is part of an effort by the Commonwealth Financing Authority (CFA) and the DCED to provide credit enhancement for TIF projects to improve market access and lower capital costs through the use of guarantees to issuers of bonds or other indebtedness (“TIF Debt Obligations”).

Transportation Impact Fees – This is a locally operated program that is authorized under the Municipalities Planning Code that allows municipalities to collect fees from developers that can be used to address transportation improvements that will address the impacts on local and state roads caused by the new development.

Local Economic Revitalization Tax Assistance (LERTA) Act - This is a mechanism to implement strategic financial opportunities for communities in order to spark revitalization. Many Pennsylvania municipalities have developed a LERTA program to initiate reinvestment in the community. Municipalities that have LERTA in place provide a temporary abatement of the local, school, and county property taxes as an incentive for development. New Brighton has successfully implemented LERTA <http://www.newbrightonpa.org/LERTA.pdf>

Growing Greener II Grant Program - This program provides redevelopment grants to municipalities and nonprofits to help a community's redevelopment effort, focusing on the improvement of downtown sites and buildings. The eligible projects may include approaches that assist in business development and/or public improvements in core communities.

Keystone Communities Program (KCP) - This program assists Pennsylvania’s communities in achieving revitalization of older commercial areas and those neighborhoods immediately adjacent to the commercial districts. The program designates and funds communities that are implementing Main Street, Elm Street, or Enterprise Zone efforts or other community development efforts by supporting physical improvements to communities that are undertaking revitalization activities.

Recommendation No 8 – Continue to be an active member of the Beaver County Chamber of Commerce

There are few organizations within Beaver County that gather the common interests of the region and have their finger on the pulse of the economy as well as the regional Chamber of Commerce. There are various benefits realized through membership in organizations like the Beaver County Chamber of Commerce but the most important is the marketing, networking, and promoting of development interests for the Township in a business and development friendly environment.

Recommendation No. 9 – Become an active participant with the Beaver County Corporation for Economic Development (CED)

Most governmental agencies will not provide funding assistance or technical support to individual communities for the purpose of economic development but they will consider regional projects. Both the state and federal agencies require regional planning and regional projects in order to achieve a successful award of funds. For this reason, the Township should participate in the regional planning efforts of the Beaver County Department of Development and the Beaver County Corporation for Economic Development (CED) to the best of their ability for a number of reasons:

- Economic development activities are regionally based and require a regional approach
- County, state, and federal representatives are more likely to acknowledge and provide resources for a regional group
- There are currently programs and resources that may be available to the Township through the county and CED
- The Township will be better perceived and better accommodated if there is a sense that the Township is cooperating with its adjacent communities.

Recommendation No. 10 – Continue discussions with the owners of the General Alloy Casting Company site regarding the potential reuse.

This is a 45 acre site that presents an opportunity for the Township to begin to create a vision for development in the future. The Township should spend some time discussing the highest and best use for this site and begin to develop a specific plan for the future.

The Township should continue to engage in regular discussions with Hydril Corporation to identify incentive options with the owner and the possibility of connecting them with the Beaver County CED group to begin laying out financing initiatives. CED has worked with smaller sites than this according to their website. The Township should work with CED to prepare a packet for prospective developers with all of the information on the site including utilities, major thoroughfares, and permit and zoning information. The Pittsburgh Regional Alliance also has a website that could help to promote the site <http://pittsburghprospector.com>

APPENDIX A – SALT OF THE EARTH

See following pages.

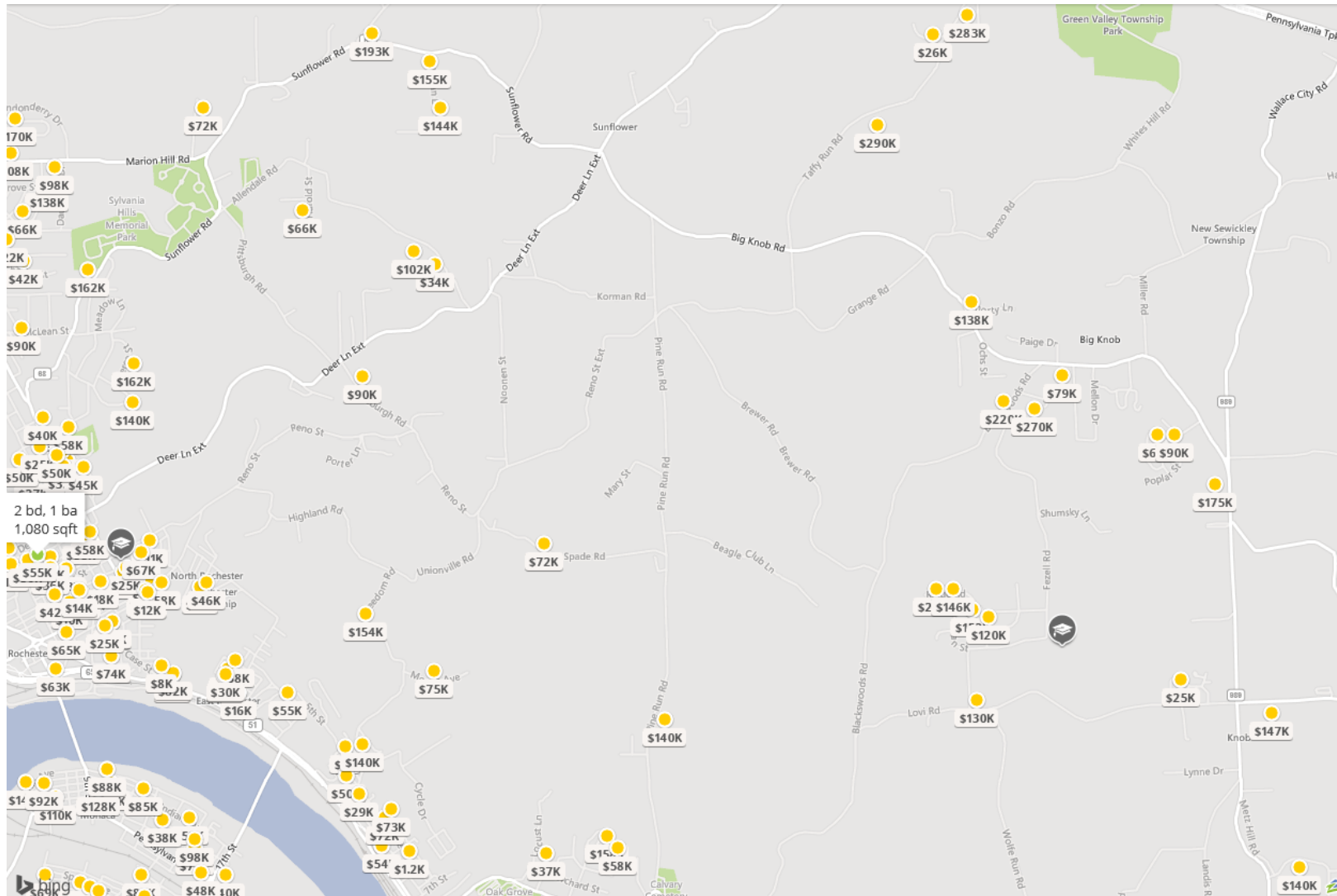
APPENDIX B – MIDDLE CONSTANTS

See following pages

APPENDIX C – TRADITIONAL LIVING

See following pages.

APPENDIX D – RECENT HOME SALES IN 15074 ZIP CODE



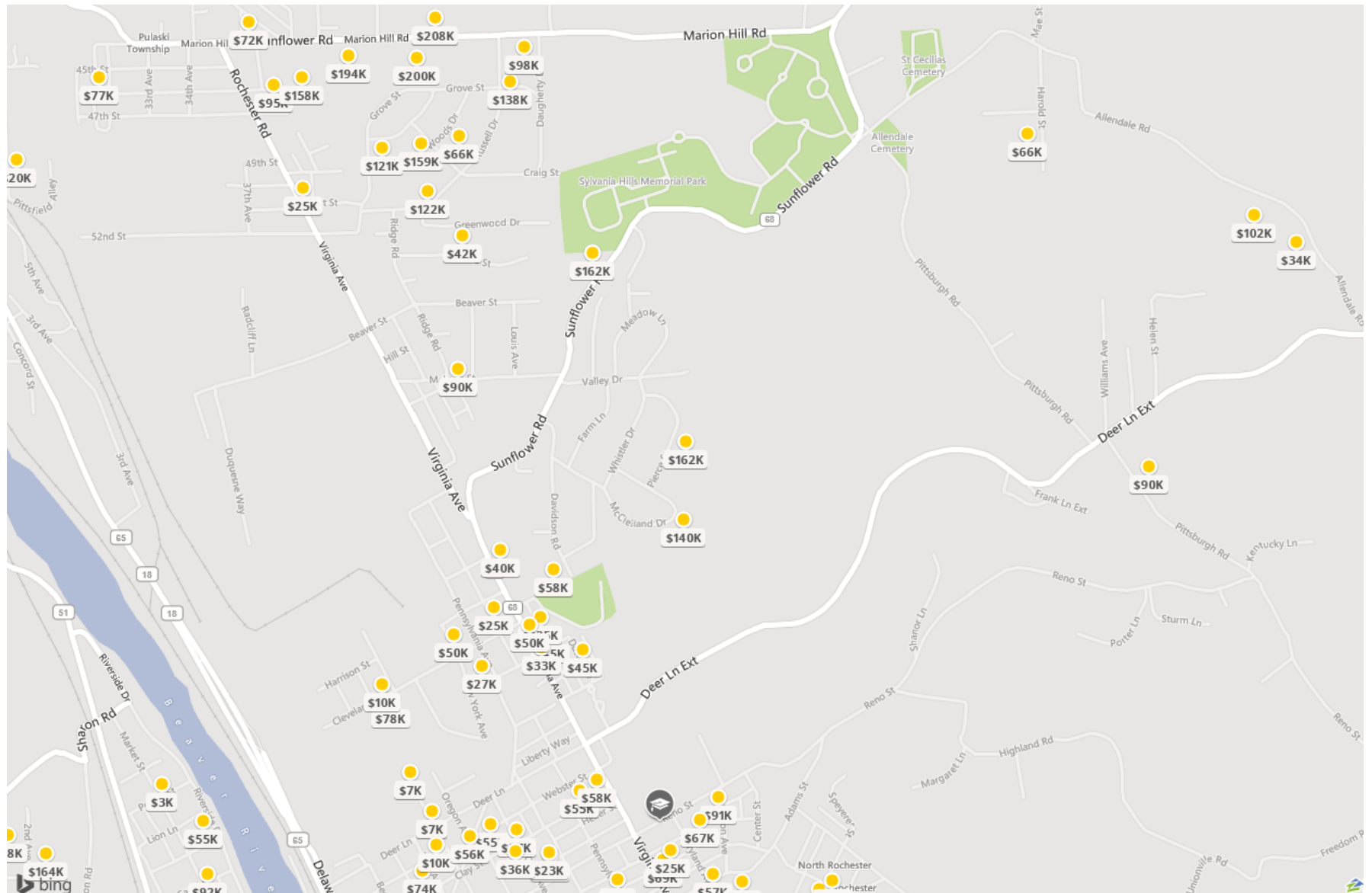
Sample Sales – Eastern Rochester Township (From Highest to Lowest)

<u>Address</u>	<u>Sale Price</u>	<u>Description</u>	<u>Year Built</u>
2011 Kentucky Lane	\$357,000	5BR 4BA 8A	1978
100 Margaret Lane	\$253,000	3BR 3BA 6.9A	1997
647 Pittsburgh Rd.	\$169,900	3BR 1BA .83A	1930
2000 Kentucky Lane	\$156,000	3BR 2BA 1.9A	1960
284 Unionville Road	\$153,500	2BR 2BA .8A	1901
361 Unionville Road	\$107,000	4BR 1.5BA .7A	1880
609 Reno Road	\$ 91,000	3BR 1BA .8A	1925
485 Pittsburgh Road	\$ 89,500	3BR 1BA 1A	1952
204 Spade Road	\$ 72,000	2BR 1BA 1A	1973
240 Pennsylvania Ave	\$ 7,200	2BR 1BA .2A	1900

BR=Bedrooms

BA=Baths

A=Acres



Sample Sales – Western Rochester Township (From Highest to Lowest)

Address	Sale Price	Description	Year Built
• 811 Coleman Drive	\$192,000	3BR 1.5BA .8A	1952
• 626 Pierce Street	\$162,500	3BR 2BA 1A	1963
• 241 Route 68	\$162,000	3BR 2.5BA 1A	1948
• 117 McClelland	\$140,000	3BR 2BA 1A	1979
• 283 Route 68	\$138,000	3BR 2BA .46A	1968
• 784 Elk Street	\$125,000	3BR 1.5BA .4A	1959
• 621 Whistler Drive	\$119,500	3BR 1BA .6A	1961
• 752 McClean Street	\$ 90,000	3BR 1BA .3A	1952
• 130 Route 63	\$ 75,000	3BR 1BA .3A	1963
• 692 Davidson Drive	\$ 58,000	2BR 1BA .6A	1957
• 757 Elk Street	\$ 13,000	1BR 1BA .2A	1950

BR=Bedrooms

BA=Baths

A=Acres

APPENDIX E – PARCEL INFORMATION FOR INDUSTRIAL SITE

Parcel 1	76-153-0200.000
Owner	HYDRIL COMPANY
Owner Address	2200 W LOOP SOUTH #800
	HOUSTON TX, 77027
Property Location	00000 ROUTES 18 & 65 OFF
Description	9.3 AC
Year Built	0000
NeighborHood	ROCHESTER TWP
School District	ROCHESTER
Total Acres	9.30
Landuse	BLAST FURNACES, STEEL WORKS, PROCESS OF FERROUS METALS
Assessment For Year:	2016
Ratio	.5000
Assessed - Land	\$16,275.00
Assessed - Building	\$0.00
Assessed - Total	\$16,275.00
Market - Land	\$32,550.00
Market - Build	\$0.00
Market - Total	\$32,550.00

Parcel 2	76-153-0201.000
Owner	HYDRIL CORP
Owner Address	2200 W LOOP SOUTH #800
	HOUSTON TX, 77027
Property Location	00000 ROUTES 18 & 65 OFF
Description	2.75 AC
Year Built	0000
NeighborHood	ROCHESTER TWP
School District	ROCHESTER
Total Acres	2.75
Landuse	BLAST FURNACES, STEEL WORKS, PROCESS OF FERROUS METALS
Assessment For Year:	2016
Ratio	.5000
Assessed - Land	\$4,800.00
Assessed - Building	\$0.00
Assessed - Total	\$4,800.00
Market - Land	\$9,600.00
Market - Build	\$0.00
Market - Total	\$9,600.00

Parcel 3	76-153-0208.001
Owner	HYDRIL COMPANY
Owner Address	2200 W LOOP SOUTH #800
	HOUSTON TX, 77027
Property Location	00000 ROCHESTER ROAD
Description	35.1748 AC
Year Built	0000
NeighborHood	ROCHESTER TWP
School District	ROCHESTER
Total Acres	35.17
Landuse	NON-RESIDENTIAL
Assessment For Year:	2016
Ratio	.5000
Assessed - Land	\$62,500.00
Assessed - Building	\$0.00
Assessed - Total	\$62,500.00
Market - Land	\$125,000.00
Market - Build	\$0.00
Market - Total	\$125,000.00

Parcel 4	76-153-0208.000
Owner	HYDRIL COMPANY
Owner Address	2200 W LOOP SOUTH #800
	HOUSTON TX, 77027
Property Location	00000 ROUTES 18 & 65 OFF
Description	8.0 AC
Year Built	0000
Neighborhood	ROCHESTER TWP
School District	ROCHESTER
Total Acres	8.00
Landuse	BLAST FURNACES, STEEL WORKS, PROCESS OF FERROUS METALS
Assessment For Year:	2016
Ratio	.5000
Assessed - Land	\$14,000.00
Assessed - Building	\$0.00
Assessed - Total	\$14,000.00
Market - Land	\$28,000.00
Market - Build	\$0.00
Market - Total	\$28,000.00

Parcel 5	76-153-0210.000
Owner	DINARDO LIMITED, INC
Owner Address	1988 LAKE MARSHALL DR
	GIBSONIA PA, 15044
Property Location	00000 ROUTES 18 & 65 OFF
Description	4.8 AC
Year Built	0000
NeighborHood	ROCHESTER TWP
School District	ROCHESTER
Total Acres	4.80
Landuse	BLAST FURNACES, STEEL WORKS, PROCESS OF FERROUS METALS
Assessment For Year:	2016
Ratio	.5000
Assessed - Land	\$12,000.00
Assessed - Building	\$0.00
Assessed - Total	\$12,000.00
Market - Land	\$24,000.00
Market - Build	\$0.00
Market - Total	\$24,000.00