

Lancaster County Progressions

PENNVEST, PIDA Loans Help 3 Companies Buy Land, Expand Operations

EDC and EDC Finance Corporation are broadening their portfolio of resources and relationships to help Lancaster County companies tap into both traditional and new funding sources to finance real estate acquisition and development projects. Cases in point, EDC recently assisted three businesses to secure low-interest state loans to purchase underutilized land or to buy property to expand their operations and generate new jobs.

One of these loans — \$6.5 million awarded to Horst Ventures-I, LP for the

only in the last three years that PENNVEST money has been used for brownfield redevelopment. According to EDC project manager Lyle Hosler, the Horst Ventures-PENNVEST loan was the first of its kind approved in Lancaster County.

EDC took an active role in bringing Horst Ventures and PENNVEST together. Steve Horst, president of Horst Ventures, cites EDC for its assistance throughout the ongoing project. “The EDC team, led by Lyle Hosler, was always available and willing to do nearly anything to guide

demonstrates that EDC is “looking beyond traditional industrial development projects to innovative ways we can facilitate land and buildings projects throughout the county.”

Two other sizeable county projects — for Yurchak Printing and The Jay Group — were partially funded by more traditional Pennsylvania Industrial Development Authority (PIDA) loans.

At Yurchak Printing — a commercial digital printer of books for legal and professional publishers — a \$678,000 PIDA loan secured with the assistance of EDC is helping to build a new 35,000 square-foot facility in East Hempfield Township. John Yurchak, Jr., CEO of the nine-year-old company, is no stranger to the resources offered by EDC. Three years ago, Yurchak turned to EDC for a Small Business First (SBF) loan to purchase binding equipment. “EDC is a terrific local resource that every business owner in the county needs to be aware of. They can show you what competitive alternatives exist to bank financing and walk you step by step



PENNVEST The Pennsylvania Infrastructure Investment Authority (PENNVEST) began in 1988 to provide low-interest loans to owners and operators of sewer, water and stormwater systems for infrastructure improvements.

Three years ago, PENNVEST funding began assisting brownfield site redevelopment. EPA defines a brownfield as “real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.”

PIDA Now in its 50th year, the Pennsylvania Industrial Development Authority (PIDA) started as a way to attract and retain new, diverse industries to replace those industries fading from PA in a post-WWII era.

After five decades, PIDA loans totaling \$2.3 billion have assisted 4,300 projects across the Commonwealth.

John Yurchak, Jr.
Yurchak Printing

“The contributions from EDC enabled us to remain competitive.”

~ Doug Bushong, The Jay Group

“EDC is a terrific local resource.”

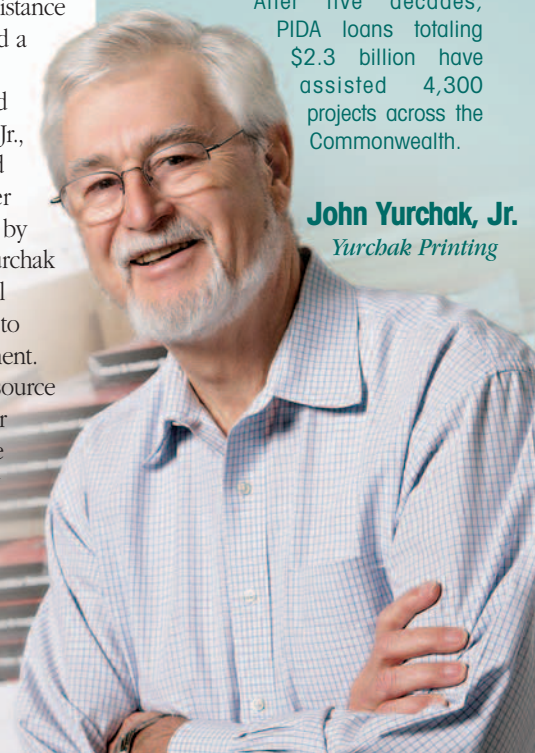
~ John Yurchak, Jr., Yurchak Printing

remediation and redevelopment of a 14-acre brownfield area between Manheim Pike and Route 283 — was made available through the state’s PENNVEST program. Although for years PENNVEST has allocated funds for drinking water and wastewater infrastructure, it’s

us through the process. Even when PENNVEST threw us a curve, requiring that it interface directly with my company, EDC continued to counsel me throughout the process,” says Horst.

PENNVEST, explains John Biemiller, EDC vice president,

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President's Message

What We're All About: Business & Jobs in Lancaster County

Today's EDC and EDC Finance Corporation are dynamic enterprises, both substantially different than when formed 47 and 21 years ago, respectively. Simply put, EDC acts as the "motherboard," the control center, if you will, in setting the agenda for economic development activities; EDC Finance Corporation provides the resources to accomplish that agenda.

Results reflect their critical importance to Lancaster County. Consider the raw data:

- **\$1 billion** — the total value of projects that EDC Finance Corporation has been integrally involved in since 1991, when I joined EDC as president
- **\$400 million** — the total value of projects assisted and supported by EDC Finance Corporation in the last three years alone
- **\$95 million** — the dollar amount that county businesses and farmers invested in local ventures in 2006, in addition to the **creation of nearly 200 new jobs** and the **retention of more than 1,500 jobs** resulting from this significant investment
- **25 to 40** — the number of economic development projects that EDC and EDC Finance Corporation provide with direct assistance annually, plus an additional 75 to 100 with whom they are actively engaged

Never resting — In this newsletter you'll read about EDC Finance's work to facilitate the first brownfield PENNVEST funding in the county, and its plans for some of the first "Building PA" funds in the state with the LancasterProsper Urban Capital Fund.

These flexible and innovative approaches to economic development cannot be initiated alone. Membership makes all things happen. Thank you to the 115 current companies, schools, organizations and municipalities for your continued commitment. And to non-member readers, I welcome a call (717-397-4046) or e-mail (nikoloff@edclancaster.com) to discuss further ways to keep Lancaster County prosperous.

David K. Nikoloff
President



EDC Finance Corporation Establishes LancasterProsper Urban Capital Fund

Investors and companies that plan to develop and redevelop projects in Lancaster City within the next 2½ years will benefit from a new source of state funding

Pennsylvania for Governor Rendell's "Building PA" economic stimulus program. EDC Finance Corporation received \$4 million to establish the Lancaster

and work.

The intention of the "Building PA" program is to support the development of real estate assets primarily in small to mid-sized communities throughout Pennsylvania. Different from other state funding programs, "Building PA" funds can be used for larger, speculative real estate developments.

"\$4 million is not a lot of money, but it is an important start," says David Nikoloff, EDC president. Following anticipated first-round project successes and continued demand, EDC Finance Corporation expects to apply for second-round "Building PA" program funding later this year.



Prosper Urban Capital Fund, which will disburse monies in the form of low-interest loans to project developers over the next 12 to 30 months.

Loans from the fund will carry a below market rate of interest and are geared toward addressing the LancasterProsper goal of making Lancaster County's urban areas vital places to live

managed locally through EDC Finance Corporation.

This past December, EDC Finance Corporation was selected as one of the first nine loan fund managers in

*continued from page 1
PENNVEST, PIDA*

through the funding process," explains Yurchak.

A \$2 million PIDA loan is assisting The Jay Group to consolidate its marketing and fulfillment operations at a new 274,000 square-foot office and promotion processing facility in West Hempfield's Stony Battery Corporate Center. The consolidation is also expected to add nearly 80 new jobs over the next three years, bringing the company's workforce to approximately 450 employees.

"The contributions from EDC enabled us to remain competitive in our industry and, at the same time, funded the expansion needed to continue to grow," notes Doug Bushong, president of The Jay Group. "EDC explained all of our options and guided us through the whole process to securing a low-interest loan. They were extremely helpful."



3 Years Later, LancasterProsperers to Undergo ‘Revisitation’

LancasterProsperers — Lancaster County’s first countywide economic development plan — is going back to the future.

Over the next several months an ad hoc team, aptly named the Revisit Working Group, will “revisit” and review the goals, activities and accomplishments of the seven LancasterProsperers’ strategic initiatives that form the core of the comprehensive plan. The group will then offer a formal set of recommendations and determine any new economic development strategies to benefit the county.

Launched in 2004, and coordinated by EDC, LancasterProsperers is succeeding in its overarching objective to

County foster long-term business growth, says David Nikoloff, EDC president. But, he adds, “The time is right to formally review the plan’s achievements and directions and revise and renew the key initiatives as necessary to further ensure ongoing success.”

Nancy Arnold, current EDC board chair and a partner in Reinsel Kuntz Leshner LLP’s audit services group, and Tim Peters, former EDC board chair and chairman emeritus of Warfel Construction, will be leading the working group.

“LancasterProsperers is one of the true success stories in the county,” says Peters. “It’s a plan



Revisit Working Group members include — Standing L-R: Scott Sheely, executive director of the Lancaster County Workforce Investment Board; David Nikoloff, president of EDC; John Biemiller, vice president of EDC. Seated L-R: Tom Baldrige, president of The Lancaster Chamber of Commerce & Industry; Nancy Arnold, board chair of EDC; Tim Peters, board member of EDC

and centers of excellence initiatives have been huge successes. And yet as we evaluate these, we may find they no longer need our nurturing, so it’s going to be a process of declaring achievements and noting progress, while also identifying new challenges.”

Arnold agrees, adding, “LancasterProsperers is an

extremely important effort. It has the county’s diverse groups pulling together and working in the same direction. Now is a good time, however, to re-energize the process.”

A formal report will be made available to the public at the conclusion of the revisitation process.

“... one of the true success stories in the county.”

~ Tim Peters, Past EDC Board Chair

establish an adaptable economic infrastructure to help Lancaster

that isn’t just sitting on the shelf. For example, the workforce

WHAT’S ON OUR MEMBERSHIP CALENDAR?

Watch for more details in the coming weeks.

BREAKFAST AT THE HAMILTON CLUB

An informative gathering for prospective EDC members. Registration is required

~ Friday, April 20, 2007

7:30 a.m. - 9:00 a.m.

~ The Hamilton Club

BOARD OF DIRECTORS AND MEMBERSHIP UPDATE LUNCHEON

~ Friday, June 8, 2007

12:00 p.m. - 1:30 p.m.

~ Willow Valley Resort and Conference Center

3RD ANNUAL MEMBERSHIP APPRECIATION EVENING — DINNER AND A GAME

~ Thursday, August 9, 2007

~ Wheatland Suite at Clipper Magazine Stadium

*EDC, EDC Finance Corporation
and LancasterProsper Staff*

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Meet Nancy Arnold, EDC's New Board Chairperson

"I'm excited to embark with our membership companies and organizations as we continue our efforts to

audit services group. She joined the accounting and consulting firm in 1977 and has nearly 30 years



2007-2008 EDC board chairperson, Nancy Arnold

strengthen and enhance the economic vitality of our community," says Nancy Arnold, the 2007-2008 board chairperson of EDC.

Nancy, who began her two-year term as chair in January, is a CPA and partner in Reinsel Kuntz Leshner LLP's

of experience in public accounting. In addition to her credentials as a CPA, Nancy's also a Qualified Pension Administrator (QPA), a Qualified 401(k) Plan Administrator (QKA), and a

recognized expert in the area of employee benefit plans.

Locally, Nancy sits on the board of directors of Lancaster General and is a Life Trustee of the Lancaster Museum of Art. In 2000 she was honored as one of "Pennsylvania's Best 50 Women in Business."

Before taking over as board chair, Nancy co-chaired membership efforts for three years, helping to increase community and business financial support for EDC's expanding role in the county's development. For the last two years, she served as EDC vice chair.

"Over the next two years I look forward to the opportunity of working with EDC, EDC Finance Corporation, LancasterProsper, and all the membership, partners and supporters to ensure that Lancaster County remains a vibrant and prosperous location to live, work and play," Nancy says.

WHAT ARE YOUR DUES DOING?

Read about the activities and accomplishments they support in this newsletter. It's news you can use and take pride in.

Like what you see happening in Lancaster County? Join us and become a member. Call EDC at 717-397-4046.