

Governor Rendell Continues Investment in Lawrence County; Delivers on His Promise to Redevelop Downtown Communities

December 19, 2005

NEW CASTLE -- Governor Edward G. Rendell today announced the investment of more than \$3.8 million to revitalize downtown New Castle and help make it a magnet for private business investment and boost the quality of life for residents. The investment will create and retain 316 jobs.

"Pennsylvania is using its resources to help communities like New Castle grow and prosper so they can attract new business investment and enhance the quality of life for our citizens," Governor Rendell said. "The money we are investing will serve as an impetus for continued downtown revitalization.

"We are providing the resources and technical assistance to create, design and develop 'impact projects' that will create jobs and position Pennsylvania for success in the 21st century."

The Community Action Team, a division within the Department of Community and Economic Development, worked with the City of New Castle, Lawrence County, RecordFusion LP, Vortex Recycling Inc., SRF America, and Huston, Inc., to create a multi-component project, designed for maximum impact in creating a dynamic, entertainment driven, theme-oriented regional destination and marketplace in New Castle.

Project components are targeted to a five-block area downtown, and include the expansion of four businesses within the city; the redevelopment of Kennedy Square, Zambelli Plaza, New Castle Playhouse, the Knox/Neisner Building and the Centennial Building; the creation of a park-n-ride and public transportation hub; the development of additional surface parking; the rehabilitation of 46 homes throughout the city and county, and the creation and retention of 316 full-time jobs.

"This project is the key for spawning new economic development in the city of New Castle," Governor Rendell said. "This project will not only breathe life back into this downtown community, but will bring the business corridor back to life, starting with the retention and creation of 316 jobs."

The City of New Castle received \$950,000 for core components of the project including: \$200,000 in funding from DCNR's Community Partnership Program; \$50,000 from the Local Municipal Resources and Development Fund; \$500,000 in Anchor Building funds, and \$200,000 from PennDOT's Transportation Enhancement Fund.

These funds will help with the construction of Zambelli Plaza, an urban greenspace park that will include water features, a gazebo seating area, and an architectural tribute to the city's history in the fireworks industry. The funds will also support the renovation of Kennedy Square and renovations of the New Castle Playhouse.

Lawrence County will use \$650,000 from the HOME program for the East Washington Street Housing project that will be used for the rehabilitation of 16 homes in the city of New Castle and 30 homes in surrounding communities.

The Governor's Action Team, comprised of economic-development professionals who report directly to Governor Rendell, offered RecordFusion, LP \$500,000 in Job Creation Tax Credits and Training Grants to help the company create 250 new jobs within three years. The company will establish its records scanning business at a remodeled vacant hotel property. The company will invest \$5 million for this project.

SRF America will receive \$242,208 from DCED's Enterprise Loan program. The company distributes agriculture and cooling equipment. SRF will use the funds to purchase a building in the Lawrence County Enterprise Zone to aid in business expansion, as well as new construction and renovation that will bring 12 new jobs to New Castle. The company will also retain three existing employees at its manufacturing facility and invest over \$ 600,000 for the project.

Huston Inc. will receive \$450,000 from the Enterprise Loan program for the expansion and relocation of its operating facility. The company manufactures tools and other machinery. The project will retain 16 current employees and create four new jobs. The company will invest \$1.15 million for this project.

Vortex Recycling will receive a \$1,069,808 Pennsylvania Industrial Development Authority loan for construction of a 27,000 square foot building in the RiverView Industrial Park. The company collects used oil filters from wholesale collectors and processes them in its New Castle facility. Vortex Recycling will retain 18 employees and create 13 new jobs. The total project cost is \$1.79 million.

Governor Rendell created the Community Action Team, a new division within DCED, to coordinate state funding for community economic development projects. CAT packages financial and technical assistance from a variety of sources to projects that will have a significant impact in revitalizing communities like New Castle.

Projects are assigned a strategic investment officer who works with the community to create and implement the project plan. CAT then recommends a comprehensive funding strategy to Governor Rendell, involving resources from DCED and other agencies, as well as private sources. To date, DCED has identified and designated 36 "CAT communities" throughout the commonwealth.

The Governor's Action Team serves as a single point of contact for businesses that are evaluating Pennsylvania as a site for a facility location or expansion. GAT works with domestic and international businesses, as well as professional site consultants, on projects involving significant investment and job creation opportunities.

For more information on Governor Rendell's economic stimulus package, the Community Action Team, and the Governor's Action Team, visit www.newPA.com, or call 1-866-GO-NEWPA (1-866-466-3972).

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