



Authority Honors Board Commitment During National Volunteer Week

DIRECTOR'S MESSAGE

Executive Director Tony Ventello

The Progress Authority is celebrating its 18th year of service to our community. This year's annual meeting falls during National Volunteers Week. It is no secret that our Authority's strengths lie within the volunteers that serve as our board of directors. This year's front cover of our annual report is dedicated to the many hours of service they unselfishly provide to our community. The cross section of knowledge that exists with our board members provides hundreds of years of experience to draw upon to guide projects for maximum impact and benefit to our community. Conservatively, we estimate that the Authority has received over 1,200 hours of board member volunteerism. In addition, many of the Progress Authority Board Members also serve our community in other volunteer capacities. It takes special people who selflessly donate their time and energy to making our community a great place to live, and the Progress Authority has been fortunate enough to have no shortage of altruistic members serving as our board of directors.

We, the staff of the Progress Authority, are very thankful for them. As partners in our mission we can continue to meet challenges and improve our effectiveness in economic development.



Natural Gas Business-to-Business Expo

SATURDAY, JUNE 25TH, 2011

Alparon Park, Troy, PA

**FOR FURTHER INFORMATION AND REGISTRATION,
PLEASE VISIT OUR WEBSITE AT:
www.ntmarcellusexpo.com**





Message from the President



Paul Kreischer

Without a doubt, our regional economic news is dominated by the Marcellus play and the extraction of natural gas. The volume and quality of the gas contained in the formation has been proven and exceeds expectations.

Unemployment rates in the region are significantly lower than those in other areas of the State and are much lower than the national average. Many area residents have secured employment in the industry and their respective compensation packages are superior in most cases. Local businesses and suppliers have benefited with large increases in sales and there have been numerous start up businesses providing supplies and services to the gas industry.

On the negative side, there have been instances of water concerns related to private water wells, area traffic has increased dramatically and areas businesses have experienced challenges in hiring qualified employees (and sometimes retaining employees). In fairness, in my opinion, the natural gas companies have responded rapidly when there have been water quality concerns. Many of our secondary roads have been rehabilitated and now are significantly better than ever. Area entities such Northern Tier Regional Planning, Bradford County Action and Trehab are working diligently in the workforce area to make

certain residents more employable by teaching job skills and improving educational backgrounds.

I believe that the natural gas companies have responded to environmental and infrastructure concerns quickly and responsibly. No objective person can argue the huge economic benefits we've experienced in the region. Also, the employment opportunities resulted in the return of many of our former young residents who left the area for good jobs. Other young residents have decided to stay in the area as more good quality positions become available.

All in all, after considering the positives and the negatives, the natural gas boom is a major enhancement to the economic stability of our region.

Progress Authority

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Kim Kulick, Administrative Assistant
Lauren Hotaling, Countywide Economic Development Manager
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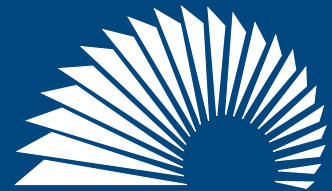
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Year End Report

A key milestone for the Progress Authority that was achieved this year was the Progress Authority's certification by DCED to administer direct loan programs, including Small Business First, First Industries Fund, Community Economic Development, and Pollution Prevention Assistance Account financing. These resources have always been available to the Progress Authority through other Area Loan Organizations, but the certification will enable the Progress Authority to more actively assist businesses with funding needs.

The 2010 program year was as positive as could reasonably be expected, given the economic downturn facing the rest of the Commonwealth and the entire United States. Continuing growth in the natural gas industry provided an insulating factor to the job losses and disinvestment that occurred in most other areas. From May 2009 to May 2010, Pennsylvania Department of Labor & Industry seasonally-adjusted data showed that Bradford County's total employment rose by 1,000. Job losses still occurred locally, particularly in the manufacturing sector, but the natural gas industry created a safety net that most regions did not have the luxury of experiencing.

Along with the positive dynamics of employment growth and investment, however, the natural gas industry has brought substantial demands for new and upgraded infrastructure. Projects in the hospitality and housing markets have required public water and sewer, while the bulk commodities needed in the natural gas industry have necessitated transportation upgrades to public roads and railroad infrastructure. The Progress Authority has been able to leverage public funding for a variety of infrastructure projects over the past year, including projects funded through the federal American Recovery & Reinvestment Act.

Because of the large volume of truck traffic that has surfaced in our County, there is strong interest in increasing rail utilization as a way to reduce on-road truck trips. To make rail a viable option, transload facilities must be available to shippers.

Recognizing the tremendous economic opportunities presented by Marcellus Shale natural gas development, the Progress Authority has attempted to maximize local impact by promoting the usage of existing local businesses as subcontractors to this industry. In June, the Progress Authority organized the Northern Tier Marcellus Shale Business-to-Business Expo in an effort to create linkages between natural gas-related companies and the local business community. The response was very strong, and a follow-up event is planned on June 25, 2011.

Natural gas development has led to the need for additional pipeline infrastructure, including major interstate transmission lines. The Progress Authority has been assisting the developers of two such lines with various issues. The El Paso Corporation plans to add capacity to its Tennessee Gas Pipeline that runs through Bradford and Susquehanna Counties to better accommodate natural gas produced in the Marcellus Shale and other formations in the Midwest. The other project is called the MARC I pipeline. It will be constructed by Inergy Midstream LLC and will provide a North-South linkage between the Millennium Pipeline, the Tennessee Gas Pipeline, and the Williams Transco Pipeline. This will allow for an Eastern United States hub to wheel gas and provide better availability and price flexibility for Northeastern consumers.

In addition to energy initiatives, highlighted projects during the past program year are as follows:

- Lehigh Railway, Bradford County
- Wyalusing Transload Facility, Wyalusing, Bradford County
- Wysox Water Extension, Wysox, Bradford County
- Towanda Metadyne Expansion, Towanda, Bradford County
- Chesapeake Energy Development, Sayre, Bradford County
- Preston Mill Redevelopment, Canton, Bradford County
- Sayre Railyards Remediation, Sayre, Bradford County
- Troy Willow Street Redevelopment, Troy, Bradford County
- Bern Facility Redevelopment, Towanda, Bradford County
- Camco Manufacturing, Sayre, Bradford County
- Guthrie Healthcare System, Sayre, Bradford County
- High Street Sewer Project, Troy, Bradford County

In a very positive note, we are starting to see evidence of our traditional industrial sectors such as manufacturing and resource-based products beginning to bounce back. As the natural gas industry continues to evolve and other business development projects generate reinvestment, the Progress Authority appears to have a busy year in store. The continued partnership of DCED on LEDA funds is greatly appreciated and will be a tremendous aid to economic development in Bradford and Susquehanna Counties in program year 2010-2011.



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Road C Industrial Access Road Valley Business Park Athens Township



The Progress Authority in cooperation with Athens Township and the owners of Valley Business Park continue to pursue funding to construct the Industrial Access Road known as "Road C" in the parks' master plan. Road C is the planned access road that will connect Valley Business Park to Exit 59A of Interstate 86. The project is 1.1 miles in length located in Athens Township.

Substantial job creation and retention and continued investment as a result of the project is anticipated as Mills Pride (Masco), Camco Manufacturing and Chesapeake Energy, who have acquired 55 acres for its planned development, with \$15 million in investment, creating 500 jobs by 2015. The Progress Authority has secured \$3,591,820 and is awaiting approval of \$1,250,000 of Infrastructure Development Funding from the Department of Community and Economic Development, \$300,000 of Appalachian Regional Commission funding and a capital budget request of \$2,000,000 to complete the budget of approximately \$6 million.

The completion of Road C is the final infrastructure to make Valley Business Park the most dynamic location for business development in the bi-state region.



Progress Authority President Paul Kreischer accepts a check for \$10,000 from Jane Clements, Coordinator - Corporate Development of Chesapeake Energy Corp. as local matching funds for economic development programs. The Progress Authority administers the state Enterprise Zone programs and utilizes local private matches from area industries.



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Valley Business Park Blue Swan Development

Progress Authority staff is working with property owner Mr. David Lubin to facilitate the development of Chesapeake Energy subsidiary Nomac Drilling's Eastern Training Center and Housing Facility. The acquisition of 12+ acres satisfied Nomac's immediate need to facilitate the housing and training of approximately 275 employees.

The CBPA in cooperation with Athens Township and Sayre Borough, which owns the decommissioned Blue Swan Airport, facilitated the acquisition of 55 acres of the former airport, which is part of Valley Business Park, by Chesapeake Energy. Chesapeake Energy plans to develop in Valley Business Park to

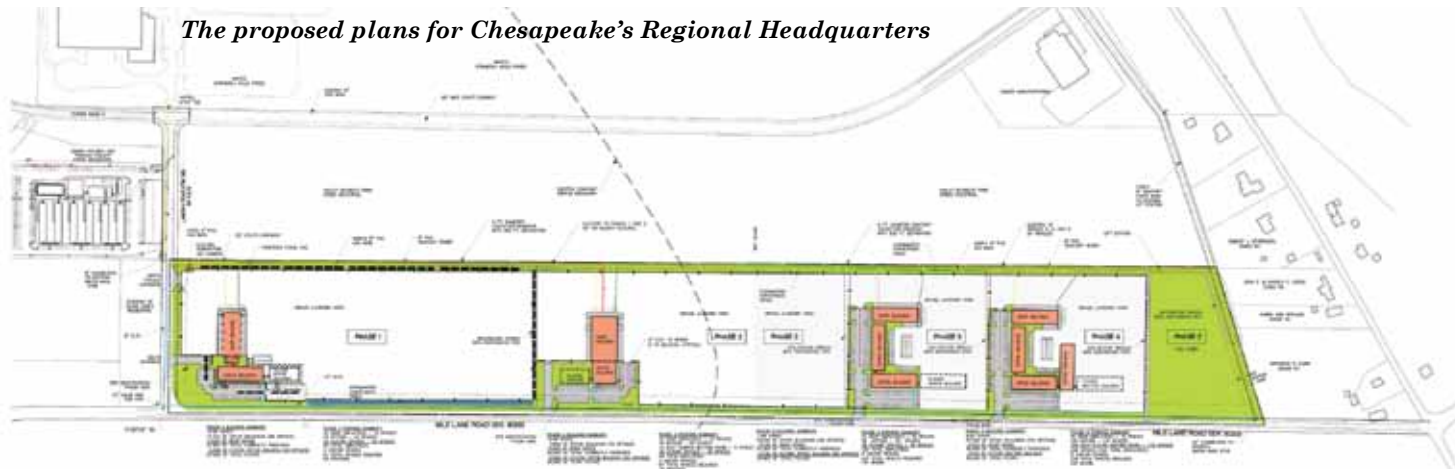
support their efforts in the Marcellus Shale in northern Pennsylvania and southern New York. They will locate field offices for six subsidiary divisions at the site.

The subsidiaries are Chesapeake Operating Inc., Nomac Drilling LLC, Midcon Compression LLC, Hawg Hauling and Disposal LLC, Hodges Trucking LLC, and Chesapeake Midstream Development LP. The new facilities will complement the Eastern Training Center and Housing Facility for Nomac.

The project is expected to be in excess of \$15 million of new investment. The projected employment is 500 employees at the site by 2015. Construction is targeted to begin in the spring of 2011.



The proposed plans for Chesapeake's Regional Headquarters



Metadyne Expansion

Metadyne, Inc. recently completed a 12,000 square foot addition to the north end of their existing 34,000 square foot manufacturing facility. The expansion is to increase Metadyne's sintering furnace capacity and install additional quality control equipment. The manufacturing expansion would involve production of products such as tungsten-carbide drill tips related to oil and natural gas drilling. The total investment for the expansion exceeds \$2,000,000, with the Progress Authority participating with \$300,000 from the Countywide Enterprise Zone Revolving Loan Fund for building construction. The project provides 5 new full time jobs.



Metadyne, Inc.'s new manufacturing expansion.

Congressman Marino Tours Bradford County

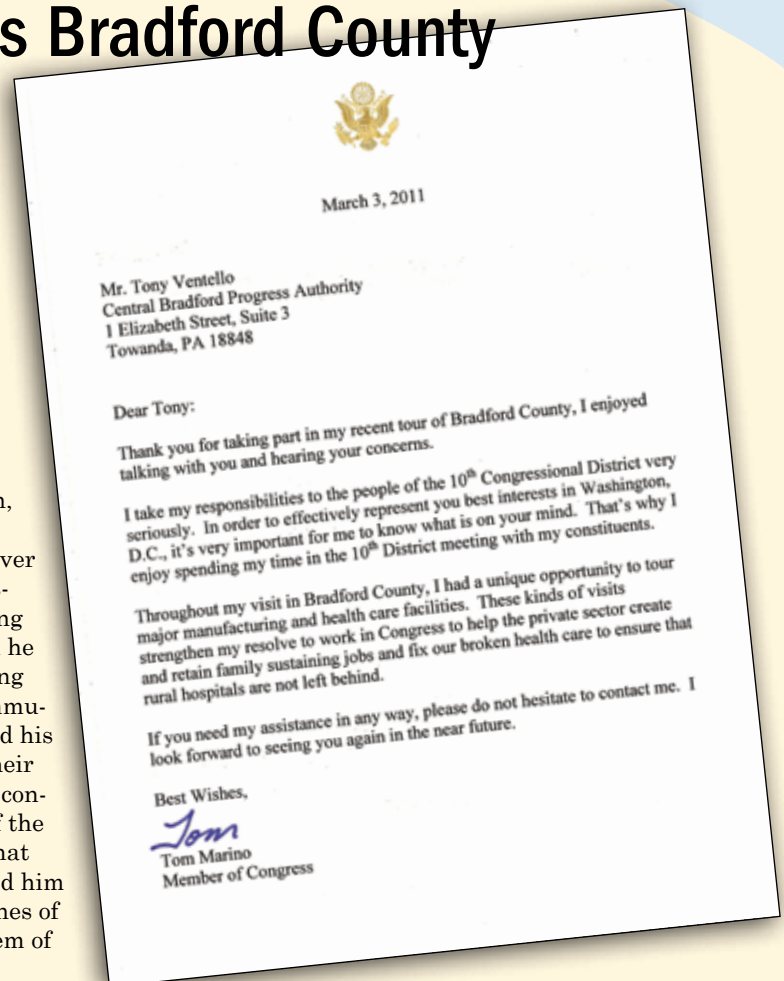


Congressman Tom Marino

In an effort to provide newly elected US Congressman Thomas Marino with a tour of Bradford County, Henry Dunn Inc. and the Progress Authority partnered to accommodate the Congressman.

Congressman Marino's tour started early morning with a presentation from Guthrie Healthcare to discuss current issues. Then to E. I. Dupont to understand their current manufacturing status. At noon, a luncheon was held at the Towanda Country Club with over 100 attendees as the Congressman addressed the issues facing the United States. After lunch he

met with Global Tungsten Powders to observe their manufacturing process, met with Memorial Hospital to discuss issues facing community healthcare and current impacts. The Congressman completed his day with an overview of Metadyne Incorporated to understand their recent expansion and involvement in natural gas drilling. At the conclusion of the day, Congressman Marino was very appreciative of the efforts made to inform him. He was extremely impressed with what he observed in Bradford County, and the intense schedule allowed him to maximize his time spent here. We believe we have solidified lines of communication with the Congressman and his staff to inform them of issues facing our County.



Progress Authority Receives State Certification

The Pennsylvania Department of Community and Economic Development now requires that economic development organizations be certified. The certification is required if economic development organizations want to have direct access and administer state economic financing programs such as the Pennsylvania Industrial Development Authority (PIDA) and Small Business First (SBF). The Progress Authority's Industrial Development Corporation and Industrial Development Authority have also been certified, making the Progress Authority an Area Loan Organization as a certified provider.

The certification review process required a rigorous review of organizational structure, staff qualifications, board member review, office operations, audited financials, internal controls, fees charges, and commitment to quality services, periodic review and annual reporting. The Authority staff is required to obtain continuing education credits to maintain certification. In March, Progress Authority staff attended a Pennsylvania Banker's Association training, "Essentials of Commercial Lending" to maintain certification.



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Revolving Loan Fund Update

2010 was a busy year for the Progress Authority Revolving Loan Fund. A total of ten loans from the RLF were made to local businesses in addition to one from the Rural Business Enterprise Grant fund totaling \$882,000. The recipients of these loans are listed below.

- Metadyne – Funding for a 12,000 square foot addition to its 34,000 square foot plant in Towanda Township to accommodate an expansion of manufacturing activity at the site.
- Aleah Christofferson, Aleah's Style on the Mile – Funding to purchase equipment and remodel her hair salon and day spa on the "Golden Mile" in Wysox Township.
- Arari Investment – Associated with Metadyne, funds were lent to Arari for a project that promotes the recovery and recycling of tungsten. This business opportunity is associated with the drilling bits used in the natural gas industry.
- Michael Baumunk Trucking – Also as a direct result of the natural gas industry, this provided funding for a water truck to enable him to work for the drilling companies.
- Gambal Printing and Design – Funding for a new, state of the art printing press.
- LGM Associates – Funding for a new outdoor eating area in Canton.
- RSJ Technologies and Lubbering Corp. – Along with the competitive grants made to both of these high-technology companies, revolving loan funds were also used for their projects.
- Strickland's Beverage – Funding for working capital and improvements to their building in Towanda Borough.
- Mr. Sandbag – Funding for a startup company formed to service needs within the gas pipeline industry.
- Anthony's Bar & Grill – This was a loan request through our RBEG loan fund for new equipment to expand his restaurant located in Troy.

Along with the 11 loans, 2010 marked the first time the Progress Authority awarded loans from their administrative fund. The first loan was to Robert Reeves for the construction of buildings in Wysox and the second was granted to Sayre Transload for the purchase of the Sayre Rail yards in Sayre, which was the recipient of Brownfield cleanup funds from the American Recovery & Reinvestment Act.

Railroad Utilization Continues to Boom in Bradford County

In 2010 we reported on the renewed interest in Railroad service in Bradford County. The natural gas industry has dramatically intensified demand for rail shipments and rail served properties. Lehigh Railway LLC continues to operate the segment of railroad line from Mehoopany to Athens, which they lease from Norfolk Southern. They are working with the Progress Authority to secure funding for line improvements, mainly the replacement of wood ties to increase operating speed. Reading and Northern continues to operate its short line from Towanda to Monroeton.

Rail activity for shipping and transloading has gone from 2,500 cars per year to in excess of 10,000 cars per year. This enormous increase is due to the movement of pipe, sand and equipment used in gas field development. The CBPA has also facilitated the development of Sayre Transload Inc. for a 25 acre transloading facility as a result of a Brownfield Environmental cleanup.



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Economic Impact of Marcellus Shale Analysis Underway

The Progress Authority has contracted with the Pennsylvania College of Technology to specifically develop a specialized study analyzing the "Economic Impact of Marcellus Shale in Core Marcellus Counties." The concept and project was brought to Penn Tech after their successful completion of the Marcellus Shale Workforce Needs Assessment through their Marcellus Shale Education Training Center. The Progress Authority has project team members that includes Larry Michael, Executive Director, Workforce Development of the Pennsylvania College of Technology and Dr. Tim Kelsey of the Pennsylvania State University. The proposed analytical study is to identify current and future county and region specific economic impacts of the Marcellus Shale natural gas play. The core counties of Bradford, Susquehanna, Tioga, Sullivan and Wyoming are the study area. The study will conduct:

1. Face-to-face interviews with the major natural gas companies operating in the study region (this is the same methodology used in the prior MSETC study), focused on level of drilling activity, pipeline construction and maintenance, local spending, community giving, and employment/payroll
2. Mail survey to 1000 randomly selected landowners in Bradford and Tioga counties who have leased their gas rights, focused on where they spent their lease and royalty dollars
3. Mail survey to 1000 local businesses (e.g. hotels, restaurants, contractors, trucking firms, etc) primarily in Bradford and Tioga counties, focused on how their business activity has changed due to natural gas development
4. Survey municipal governments across the region to determine impact on township, borough, and city governments.

The analysis will include:

- Gas well permit requests/approvals/environmental permitting/building permits on a county-by-county basis
- Exploration, drilling activities, and pipeline development - rig counts/miles of pipeline/gas companies present and investment in the region
- Business activity (including oilfield service companies, tourism, trucking, etc.)
- Local existing and new business opportunities and impacts
- Current direct economic effects from natural gas development (e.g. jobs and income), on a county-by-county basis
- Current indirect economic effects from natural gas development (e.g. multiplier effects, measured as jobs and income)
- Potential future direct economic effects from natural gas development (e.g. jobs and income), on a county-by-county basis
- Potential future indirect economic effects from natural gas development (e.g. multiplier effects, measured as jobs and income)

How communities prepare and react to the changes is of utmost importance and the underlying local economic analysis is the best source of decision-making data. The methodology for the analysis will be such that frequent updates to the study can be made so results can easily be updated. Basing the study's modeling methodology on the number of wells forecasted to be drilled is the best and most logical approach.

The value of a model to evaluate economic impacts will allow the understanding of investment. Understanding the impacts and industry trends will allow communities and businesses to embrace and maximize the economic impacts as well as understand and prepare short and long-term industry direction. Initial gas producer support for the study has been realized and mutual partnership efforts will expose the true investment in this natural resource's development.

Additionally, the study will evaluate permits by county regarding environmental and building county by county. The Progress Authority is participating with \$25,000 of Special Project funding through the DCED Enterprise Zone program.



Peace Motel

The Natural Gas Industry in Bradford County has greatly increased the demand for temporary housing. In essence to fill that void, the Peace Motel is being constructed along Route 6 in North Towanda Township. The Progress Authority is pleased to help finance a portion of this project through the Revolving Loan Fund. The structure will be occupied by the Best Western International Hotel chain offering 65 rooms. The project is currently under construction and anticipates completion in July of 2011.



Second Annual Natural Gas Business-To-Business Expo Underway



As a result of the overwhelming success of the 2010 inaugural event, the second annual Northern Tier Marcellus Shale Business to Business Expo planning is well underway. The 2011 event will again be held at the Troy Fairgrounds, on June 25, 2011. This year's Expo is anticipating well over 300 exhibitors and will feature speakers and break-out sessions related to natural gas business development.

Registration began on April 1, 2011 by going directly to the website, www.ntmarcellusexpo.com. We view the event as an opportunity to connect all businesses for expanded business relationships. We invite the public at no charge to observe the dynamics of the businesses that support the natural gas industry in our region.

Sayre Railyards Site

The former Sayre Railyard Site located at the intersection of Thomas Avenue and Dominic Pace Industrial Parkway in Sayre, PA anticipates a new life cycle with the help of the Progress Authority. For the first time in over thirty years, the former Lehigh Valley Rail Maintenance Facility seeks redevelopment from its barren yards. With the growth of the Marcellus Shale Gas Industry in the Northern Tier of Pennsylvania, the Railyards will be a great asset to the area.

In 2009, the American Recovery & Reinvestment Act (ARRA) awarded

the Progress Authority \$200,000 in funds administered by the U.S. Department of Environmental Protection in order to undertake environmental cleanup at the Sayre Railyards. A portion of the cleanup entailed removing diesel fuel from the groundwater. Since the operation of the recovery system installed by KU Resources, Inc. began in January of 2010, 935 gallons of diesel fuel has been extracted from the site.

The Progress Authority is pleased to announce that the remedial efforts by KU Resources, Inc. have been found to be in accordance with the Pennsylvania Depart-

ment of Environmental Protection.

The 25-acre site owned by the Progress Authority was sold to Sayre Transload, LLC in December of 2010. With the transfer of sale, Sayre Transload, LLC anticipates to utilize the rail to foster the Marcellus Shale Gas Industries. Linde Corporation is currently using a portion of the site for a pipe yard. Sayre Transload, LLC plans to use the remainder of the site for additional Natural Gas Industry needs.



Sayre Transload Facility
February 2011

Artist's rendering of the proposed redevelopment of the former Sayre Railyards.



A worker closing a well that removed diesel fuel from the groundwater.



Wysox Water Line Extension Project Update

Extension of public water to Wysox Township's Golden Mile, Lake Road, Lanning Creek Road and Lake Wesauk-ing Areas will begin in early summer. The estimated \$9.2 million project was bid in 2 Phases. Phase 1 involves a 1,400 foot long – 34 foot deep crossing of the Susquehanna River by means of direc-tional drilling. Phase 2 is the construc-tion of the distribution system which includes the installation of approximately 62,000 feet of water main and a 257,000 gallon water storage tank to provide wa-

ter service and fire protection to the project area. Initially, the project was expected to serve approximately 500 residential and commercial users, however with recent gas drilling activities, this number has grown as a result of new developments proposed along the Golden Mile. Funding for the project includes a \$5 million CFA-H2O Grant, an \$850,000 grant from the US Army Corps of Engineers and a \$200,000 ARC grant. The remaining funds will be borrowed from the USDA Rural Develop-ment Program.

On March 2, 2011 the Wysox Town-ship Municipal Authority received 12 bids for the construction of the distribution system (Phase 2). The low bidder was James T. O'Hara of Covington Town-ship, PA at \$6.6 million. On April 14, 2011, bids will be accepted by the US Army Corps for the river crossing project (Phase 1). It is anticipated the project will take approximately one year to com-plete. Water to supply the system will be purchased from the Towanda Municipal Authority.

Energy Study



In 2011, as a result of the Electric Generation Rate Caps ex-piring, businesses and residents in Pennsylvania will experience an increase in their electric bills. In an effort to develop alternative options, the Progress Author-ity partnered with Bridgestone Associates Limited to conduct a feasibility study to identify strate-gies to control and reduce elec-

tricity costs. The study included local businesses and modeled each user's rate, and historic data to summarize the findings. The study also looked at the feasibility of utilizing the Marcellus Shale natural gas to produce electricity. The study found with the current local economic situation, using natural gas to produce electricity would not be cost effective. While natural gas may not be the most economical route towards energy savings, the Progress Authority has worked with the Manufacturer and Business Association, the creator of Employers' Energy Alli-ance of Pennsylvania, Inc. (EEA-PA) to allow businesses the opportunity to purchase low-cost energy rates from a nonprofit corporation. The EEA-PA purchases energy directly from the electric grid and eliminates additional fees that utility companies incorporate into its costs. The Progress Authority is hopeful that this initiative will endure energy savings for local businesses.

Progress Authority has Staff Changes

After seven years of service, Brian Driscoll, Countywide Eco-nomic Development Manager, resigned from the Progress Author-ity. We are very appreciative of Brian's service and work ethic. He started as an intern and gained experience and a graduate degree while with the Authority. He has accepted a position with the Intermediate Unit 17 located in his hometown of Canton. We wish him well.

In February of this year, Ms. Lauren Hotaling was hired and has brought her experience in planning to the Authority. Lauren grew up in Monroeton and graduated from Towanda High School. She received her bachelors and masters degrees at SUNY Buffalo in Urban and Regional Planning. While in graduate school, she spent her summers working with the Bradford County Planning Of-fice educating herself on the local government structure and natural gas industry. After graduation, she accepted a full time position as the County Planner. Lauren has a great appreciation for the area she calls home, and looks forward to working with the Progress Authority and board members on upcoming projects. We are excited to have Lauren as part of our Authority team.



Lauren Hotaling



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Susquehanna Workforce Development Expo Held for the Northern Tier

An educational event was planned for April 1 and 2, 2011 that provided resources to the community, including high school students, on how to pursue career opportunities in the natural gas industry. The two-day expo was held at the Susquehanna County Career and Technology Center in Elk Lake, Susquehanna County. The first day was geared to local high school students informing them of potential careers in the oil and gas industry and how best to prepare. The presenter for the program was Janice Lobdell, consultant and exposition planner. Following this presentation, a networking function, sponsored by Cabot Oil and Gas, was organized for the exhibitors, sponsors and planning committee. The event was made possible by the Bradford Progress Authority and the Northern Tier Regional Planning and Development Commission.

The events planned for April 2 were free to the public and all were encouraged to attend. Included in the day's events were speakers from educational institutions, 25-plus exhibitors and a keynote luncheon speaker. The exhibit hall opened at 9:00 a.m. The exposition was both informative and educational for individuals considering a career within the natural gas industry or interested in pursuing an entrepreneurial initiative.

The educational lectures included information on how to get started in the petroleum workforce, establishing relationships and refitting skills for the industry. Speakers included Larry Milliken, Director of Energy Programs at Lackawanna College; Joe Barone, PA Gas Directory, Jim Ladlee, Marcellus Shale Education and Training Center and Delores Brown of Cudd Energy Services. The keynote speaker was Kathryn Klaber, President and Executive Director of the Marcellus Shale Coalition, an organization founded in 2008 which coordinates the efforts of elected officials, regulators and communities to ensure the responsible development of natural gas from the Marcellus shale play.

The workforce expo functioned as an educational resource as opposed to a hiring event. The expo provided general and practical information for those interested in pursuing oil and gas-related careers. Participants who are looking to enter the market for the first time, contemplating a career change or looking to launch an entrepreneurial venture benefitted greatly from the information to assist them in achieving their goals. Exhibitors were on hand to answer questions pertaining to job descriptions and requirements. Some of the industry representatives:

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Silver Sponsors - OneMarcellus.com, PIOGA, Peoples Neighborhood Bank and Cudd Energy Services

The expo was the first in what hopes to be an annual event in the spring in various locations throughout the five counties of the Northern Tier. Organizations assisting with the planning effort include the Central Bradford Progress Authority, NTRPDC, Susquehanna County Career and Technology Center, Cabot Oil & Gas, PaGasDirectory, Lackawanna College, Penn State Cooperative Extension, Chief Oil & Gas and the PA Independent Oil & Gas Association (PIOGA).



Progress Authority Assists Guthrie Healthcare Improvement Financing



The Progress Authority is assisting the Guthrie Healthcare System with financing of tax exempt revenue bonds in the principal amount not to exceed \$300,000,000. The proceeds of the bonds are to make improvements to the healthcare delivery system including acquisition, construction, renovation, equipment, furnishings & fixtures, software for clinical, hospital inpatient, outpatient, diagnostic treatment and related healthcare facilities and refinancing.

As the region's largest employer, employing over 4,000, the funds will be expended to improve the medical healthcare facilities in the Pennsylvania counties of Bradford, Tioga, Sullivan and Wyoming, and the New York State counties of Broome, Chemung, Schuyler, Steuben, Tompkins and Tioga.





400 Main Street Redevelopment

In March of 2006, a devastating fire in the heart of Towanda's downtown destroyed one four-story building and seriously damaged three others. With state funding assistance, including an EDI grant through the Progress Authority, the Borough acquired, demolished and cleaned up the site. In August 2010, the Borough requested proposals from developers to redevelop the site with a commercial/residential building with a parking garage. After a review process, a proposal by Trehab, Inc. was selected. The approximate \$20 million project will redevelop the site with a Victorian-style building fronting on Main Street with commercial, retail and office space on the first floor and affordable and market rate housing units on the second, third and fourth floors. A much-needed attached parking garage with approximately 200 spaces will be built on an existing at grade parking lot to the west and behind the new mixed-use building.

The new construction is located within the Towanda Historic District and will be done in a style compatible with the surrounding architecture. Progress Authority staff and board member's assisted the Borough and Trehab in consultant selection. The Authority can also play a role in the facility's financing if required.



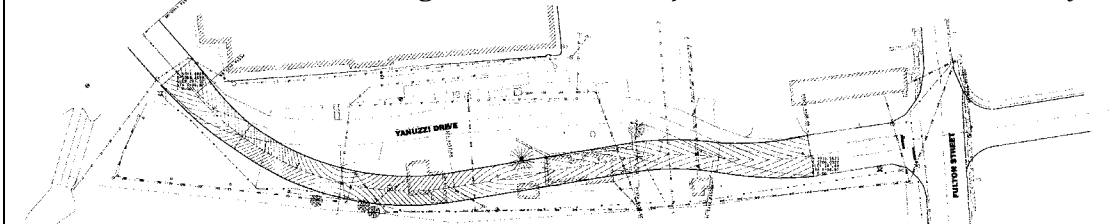
Yanuzzi Drive

In spring of 2011, the construction for the reorientation of Yanuzzi Drive on the western side will be completed. This project consists of straightening approximately 500 feet of the "S" curved road to a more linear road while keeping the Leprino, Inc parking lot connected to the factory. This road shift will also align the intersection of Fulton Street and the eastern side of Yanuzzi Drive. The new parking area is necessary to accommodate plant property used in the construction of a new wastewater pretreatment facility.

As the site is located adjacent to the I-86 corridor, the Interstate's Right-of-Way includes the land of the proposed Yanuzzi Drive. As a result, the U.S. Department of Transportation, New York Department of Transportation, and the Pennsylvania Department of Transportation have been involved in the project in order to ensure the proper party has the authority of the land to be developed. Once South Waverly Borough enters into a lease agreement with PennDOT, the project will be able to move forward.

In 2006, the Progress Authority was the recipient of an Economic Development Initiative Special Project Grant funded through HUD for two projects; the realignment of Yanuzzi Drive and the ability to handle industrial waste at the Troy sewage treatment facility from Oak Hill Veneer. Upon construction of the western side of Yanuzzi Drive, the last of these earmarked funds will be distributed from this grant.

Plans showing the reorientation of Yanuzzi Drive in South Waverly



Economic Development Initiatives Grant to Aid Troy Borough

The Progress Authority plans to aid in Troy Borough's proposal for a parking lot along its main corridors with the demolition of a condemned residential property located at 743 Canton Avenue. The site, being located along the major thoroughfare of Troy at the intersection of Route 6 and Route 14 is also near many local retail shops, restaurants, and businesses. With limited parking in the area, both on street and off street, the Borough will demolish the residential structure to create more parking for its downtown visitors. The Progress Authority is able to provide funding towards the demolition of the structure with the remaining Economic Development Initiative (EDI) grant administered by the Housing and Urban Development in 2008. The demolition of the site will take place in the spring of 2011.

The EDI grant also provided funds for the demolition of the former Agway facility on Willow Street in Troy. The Progress Authority is in the process of selling the property to a company that prepares shovel ready sites for commercial and industrial uses.

Additionally, the grant funding also supported the demolition of the Preston Mill Facility located in Canton on West Union Street, as well as the former Bern Building in Towanda, both destroyed by devastating fires. While Towanda Borough has eager plans of redeveloping the site with a mixed use, Victorian-styled building, the Progress Authority, in cooperation with the Western Bradford Development Corporation, is marketing the Canton Site for commercial/industrial development opportunities.

