

City of Connellsville Pennsylvania
Investment Prospectus
Opportunity Zone
Census Tracts

Created as part of the Tax Cuts and Jobs Act, **Opportunity Zones** are a federal economic development tool aiming to improve the outcomes of distressed communities around the country. Opportunity Zones are low-income census tracts that offer tax incentives to groups who invest and hold their capital gains in Zone assets or property. By investing in Opportunity Zones, investors stand to gain a temporary deferral on their capital gains taxes if they hold their investments for at least 5 years, and a permanent exclusion from a tax on capital gains from the Opportunity Zones investments if the investments are held for 10 years.



Tax Benefits to Investing in Opportunity Zones

For an investor to realize the tax benefits of investing in Opportunity Zones, an investor's capital gains must be invested in a Qualified Opportunity Fund with 180 days of the sale or exchange that generated the gains. Investors are then eligible to defer the tax on their capital gains until the earlier of: the date the Opportunity Fund investment is sold or December 31, 2026.

The capital gains invested in a Qualified Opportunity Fund are eligible for partial tax forgiveness if the investment is held in a Qualified Opportunity Fund for at least 5 years. After 5 years, only 90 percent of the original gain is taxed. If the investment is held for 7 years, only 85 percent of the original gain is taxed.

If an investment in a Qualified Opportunity Fund is held for 10 years, any tax on the appreciation of that investment is forgiven.



Opportunity Zone Tax Incentives

The Opportunity Zone program offers three tax incentives for investing in low-income communities through a qualified Opportunity Fund.

Temporary Deferral

A temporary deferral of inclusion in taxable income for capital gains reinvested into an Opportunity Fund. The deferred gain must be recognized on the earlier of the date on which the opportunity zone investment is disposed of or December 31, 2026.

Step-Up In Basis

A step-up in basis for capital gains reinvested in an Opportunity Fund. The basis is increased by 10% if the investment in the Opportunity Fund is held by the taxpayer for at least 5 years and by an additional 5% if held for at least 7 years, thereby excluding up to 15% of the original gain from taxation.

Permanent Exclusion

A permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in an Opportunity Fund if the investment is held for at least 10 years. This exclusion only applies to gains accrued after an investment in an Opportunity Fund.

Local Economic Revitalization Tax Assistance

Another program offered in Connellsville is the Local Economic Revitalization Tax Assistance.

Connellsville City Council passed a LERTA Ordinance on September 21, 2011 to authorize tax exemptions from property tax for certain deteriorated industrial, commercial, or other business property; defining eligible deteriorated areas; setting a maximum exemption amount and an exemption schedule; and providing a procedure for securing an exemption.

For the 5 years immediately following the year upon which the improvement becomes assessable, 100% of the eligible assessment shall be exempted. After the fifth year, the exemption shall terminate.

Connellsville

LERTA

Local Economic Revitalization Tax Assistance

Downtown Connellsville Initiative Revitalization Matching Funds

www.downtownconnellsville.org

The Downtown Connellsville Initiative is a program under the Fayette County Cultural Trust. Currently they offer matching funds for different projects that are located in the designated downtown area.

The two below matching fund programs are made possible through private donations.

- Up to \$500 – Commercial Signage
- Up to \$1000 – Front Façade Work/Restoration

This matching fund program is made possible through the Allegheny Foundation.

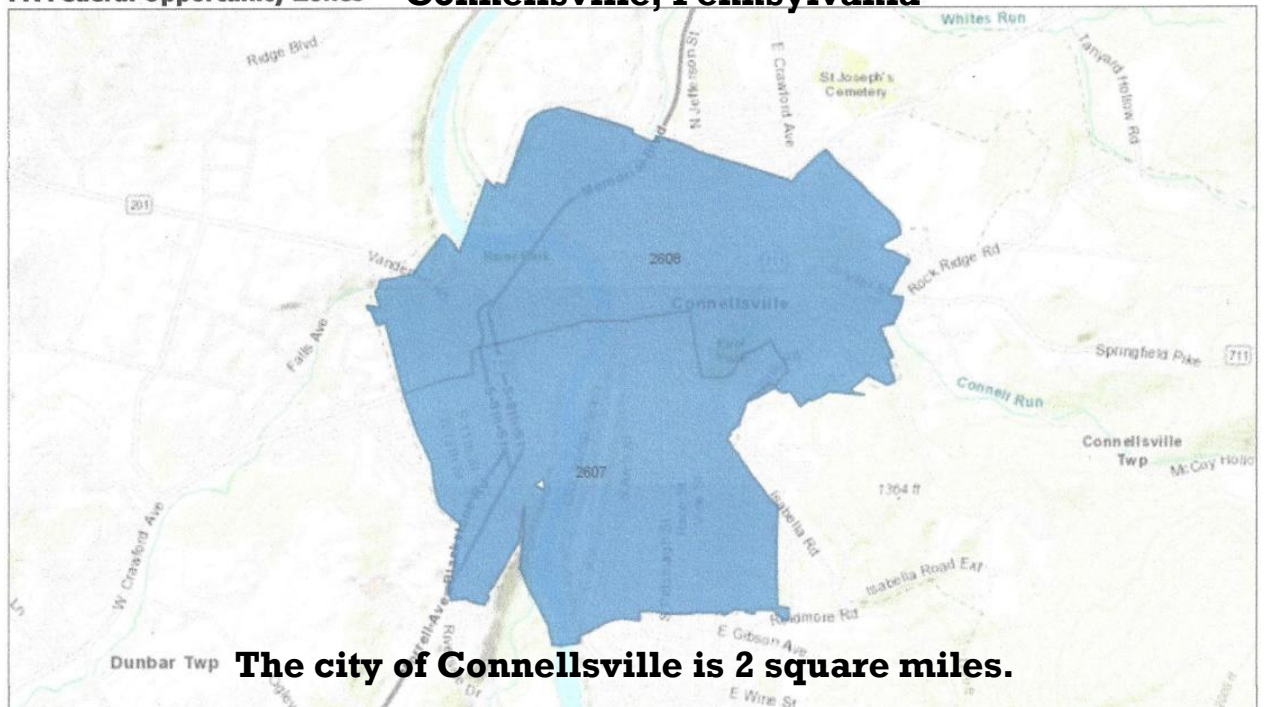
- Up to \$10,000 – Front Façade Work/Restoration



Connellsville is located just 52 miles south of Pittsburgh, the second most populated city in Pennsylvania. We are located in the Scenic Laurel Highlands surrounded by the foothills of the Appalachian Mountains. Connellsville was officially founded as a township in 1793 then as a borough on March 1, 1806, by Zachariah Connell, a militia captain during the American Revolution. In February 1909, balloting in New Haven and Connellsville resulted in these two boroughs joining and becoming the first city in Fayette County on May 12, 1911.

Connellsville's diversity is important and the city is committed to support diversity and inclusion within the community. The city has a strong fiscal base.

PA Federal Opportunity Zones **Connellsville, Pennsylvania**



Connellsville, Pennsylvania Demographics

Population - 7,516

Medium Age – 38.8

Median Household Income - \$28,618

Poverty Rate – 22.8%

Number of Employees – 2,987

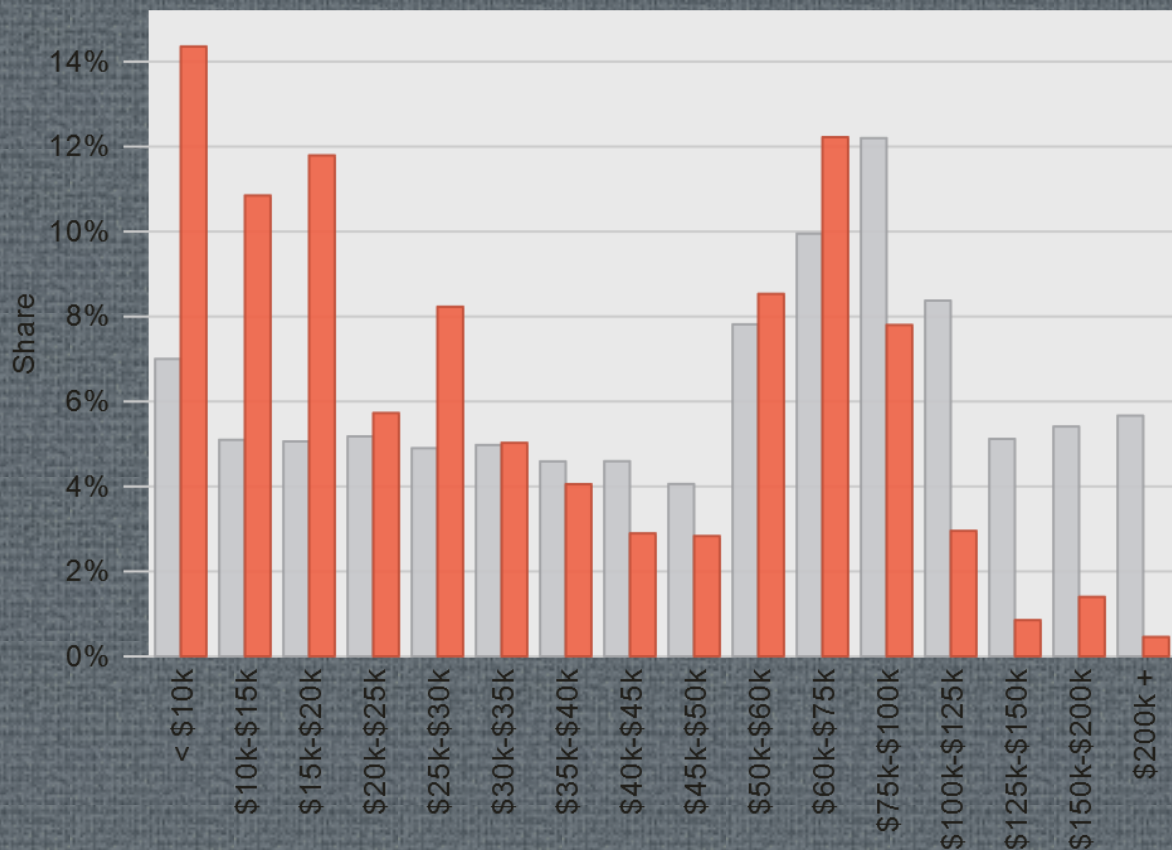
Medium Property Value - \$81,800

Home Ownership Rate – 49.1%



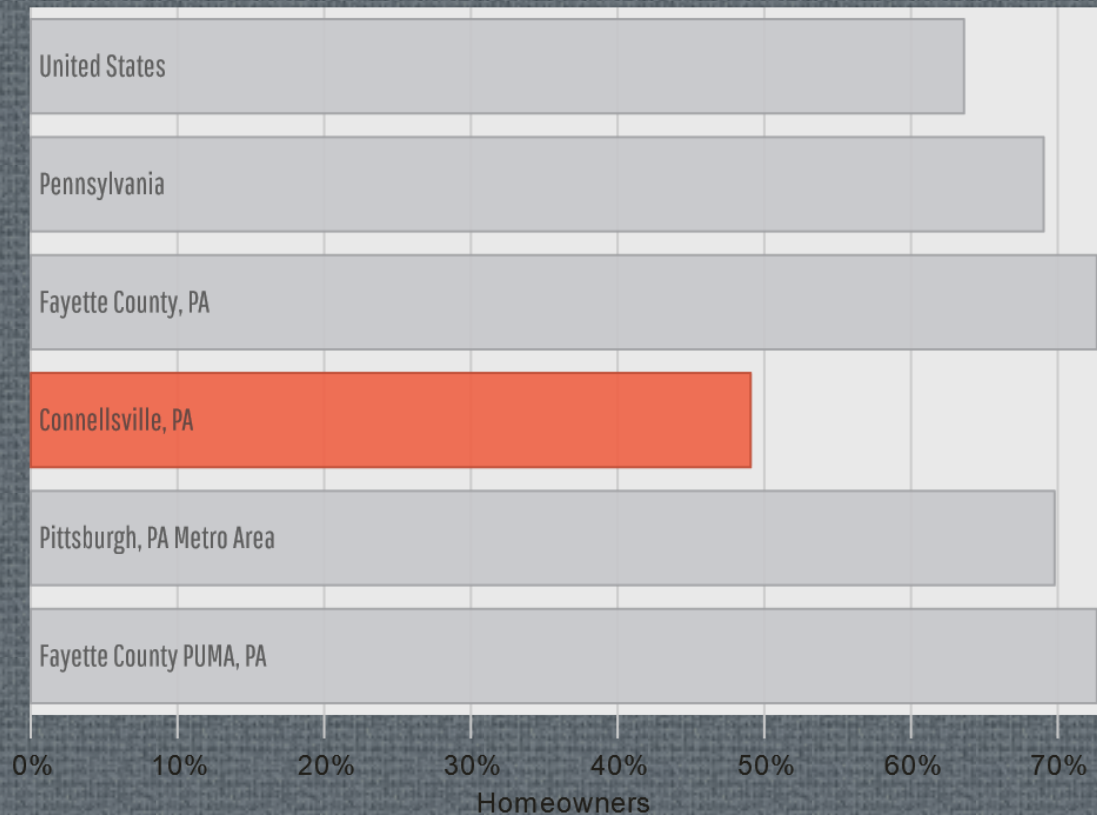
Household Income in Connellsville

Please note that the buckets used in this visualization were not evenly distributed by AC



Rent vs Own in Connellsville

Please note that the buckets used in this visualization were not evenly distributed by AC



In 2016, 49.1% of the housing units in Connellsville, PA were occupied by their owner. This percentage declined from the previous year's rate of 50.1%.

This percentage of owner-occupation is lower than the national average of 63.6%. This chart shows the ownership percentage in Connellsville, PA compared to its parent geographies.

Highlights

ECONOMY

The unemployment rate in Connellsville is 8.2% (U.S. avg. is 5.2%). Recent job growth is Positive. Connellsville jobs have increased by 0.78%.

COST OF LIVING

Compared to the rest of the country, Connellsville's cost of living is 22.10% lower than the U.S. average.

POPULATION

Connellsville's population is 7,515 people. Since 2000, it has had a population decline of 18.57%.

TRANSPORTATION

Average Commute time is 21 minutes. The National Average is 26 minutes.

REAL ESTATE

The median home cost in Connellsville is \$80,900. Home appreciation the last 10 years has been 1.76%.

SCHOOLS

Connellsville public schools spend \$18,242 per student. The average school expenditure in the U.S. is \$12,383. There are about 13.7 students per teacher in Connellsville.

The Connellsville Area – Growth

Mon-Fayette Expressway – This new expressway (parts still under construction) is a tolled freeway planned to eventually link Interstate 68 near Morgantown, WV with Interstate 376 near Monroeville, Pennsylvania. The ultimate goal of the highway is to provide a north-south connection between Morgantown and the eastern side of Pittsburgh, near the Pittsburgh International Airport. This expressway, located just 9 Miles East of Connellsville, will add to the economic development initiatives going on in Fayette and Washington counties.



Mon-Fayette Expressway



Interstates 70 & 76

Located just 15 miles West of Connellsville, in New Stanton and Breezewood, is the intersection of interstates 70 and 76. In 2016 interstates 70 & 76 saw millions of dollars in upgrades. Interstate 70 starts in Maryland and traverses through 10 states ending in Utah. Interstate 76 starts in Philadelphia connects through Pittsburgh, Akron and Cleveland, Ohio.

The Connellsville Area – Growth

Joseph A. Hardy
Connellsville Airport
VVS



The Joseph A. Hardy, Connellsville Airport is located just 6 miles east of Connellsville. The airport is owned by the Fayette County Airport Authority and serves the southeastern segment of the Pittsburgh metropolitan area. The airport serves the general aviation community with no scheduled commercial airline service. In the past few years millions of dollars have been dedicated to extending the runways, new airside terminal and aircraft hangers.



The Connellsville Area – Growth

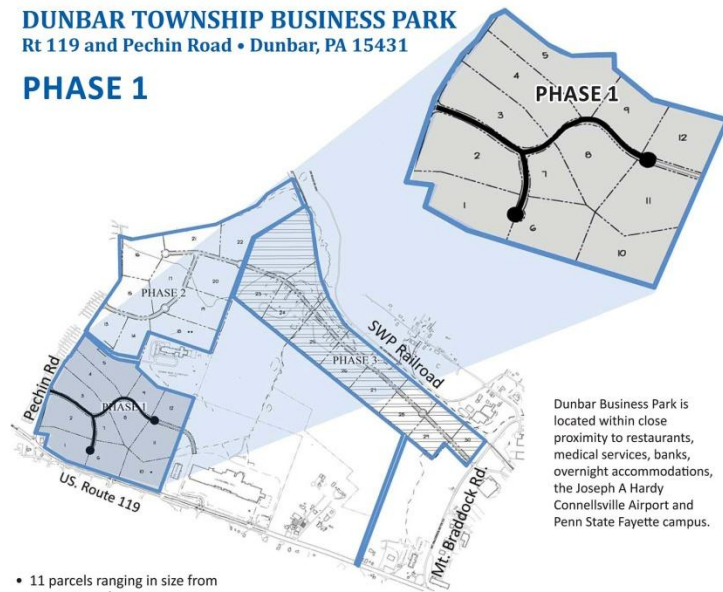
Fayette County, Pennsylvania Economic Developments

Fay-Penn Economic Development Council established a multi-phase Dunbar Business Park development located 5 miles from Connellsville. This development is expected to create 1,100 new full-time jobs in the area upon full occupancy and will be a significant boost to the regional economy

AVAILABLE

DUNBAR TOWNSHIP BUSINESS PARK
Rt 119 and Pechin Road • Dunbar, PA 15431

PHASE 1



- 11 parcels ranging in size from approximately 3 to 9 acres
- Parcels may be combined or divided
- Utilities at site including water, sewerage, natural gas, and electricity
- Designed to satisfy all of your critical requirements
- Located in the center of the Marcellus Shale
- Easily accessible to markets in PA, WV and OH
- Easy truck access to major highways
- Rail access to northwestern US and Canada
- Abundant labor force
- Buy, lease or Build-to-Suit options available

Major Employers in and near Connellsville

Connellsville School District

Wal Mart

Highlands Hospital

Bud Murphy's Sports Bar

CONTACT:

Alicia Thompson
aliciat@faypenn.org
724.437.7913

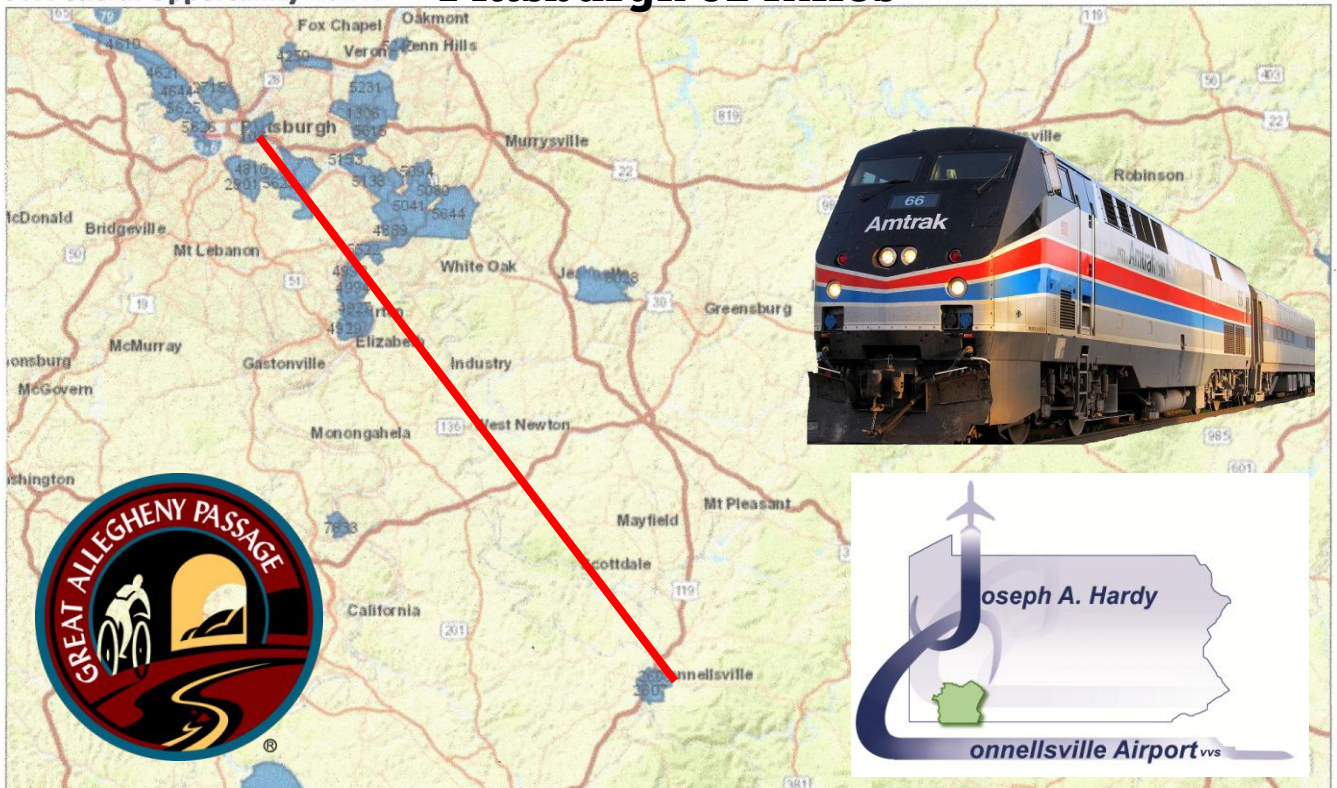


PHONE 724.437.7913 FAX 724.437.7315 INFO@FAYPENN FAYPENN.ORG
UNIVERSITY BUSINESS PARK . 1040 EBERLY WAY . SUITE 200 . LEMONT FURNACE, PA 15456

Connellsville is at the Crossroads of heavily traveled Route 119 and Route 711 and 201. Route 119 averages in excess of 32,000 cars daily and 18,000 cars utilizing Route 711 & 201 daily.

Connellsville is a stop on the Great Allegheny Passage. Connellsville has great growth and investment potential. The city has seen a large surge in tourists the past several years traveling through the city visiting local historic sites, and enjoying the nearby Ohiopyle State Parks which is the most visited State Park in Pennsylvania. Visitors travel through Connellsville by automobile and bicycle. Connellsville is the only Fayette County stop on the Amtrak's Capital Limited Line. This line starts in Washington DC and ends in Chicago, Illinois.

PA Federal Opportunity Zones **Pittsburgh 52 miles**



Great Allegheny Passage – Bike & Hike Trail

The 150-mile Great Allegheny Passage soars over valleys, snakes around mountains, and skirts alongside three rivers (the Casselman, Youghiogheny, and Monongaleha) on its nearly level path. Cyclists pass through the Cumberland Narrows, cross the Mason-Dixon Line, top the Eastern Continental Divide at 2,392', weave through the breathtaking Laurel Highlands, wind their way through 19,052-acre Ohiopyle State Park, journey through the region's coke, coal, mining, and steel-making corridor, and end at Pittsburgh's majestic Point State Park. Connellsville sits at mile marker 56 from Pittsburgh.



New Homes Being Built – Housing Investment



Connellsville is experiencing growth in new housing of all kinds. Older homes are getting renovated, blighted properties are being razed and new housing options are being offered. The development of new affordable housing is improving the quality of life in Connellsville and providing more options for potential new residents.



More new investment in housing options are needed as the city of Connellsville and area grows.

Commercial Building - Investments



In the past several years, Connellsville's downtown has become a hotbed of investment, with new businesses, hotel and tourist attractions.

In the past few years, Connellsville has seen millions of dollars in investments.

- New Amtrak Capital Limited Line Train Station
- Youghiogheny Glass Expansion
- New Martin's Plaza
- New Cobblestone Hotel
- New Magistrates Office
- New Housing Initiatives
- New Restaurants
- New Retail Stores/Expansions
- Completion of the Great Allegheny Passage



Highlands Hospital Cleveland Clinic Expansion



Highlands Hospital is the number one employer in Connellsville. Located at 401 East Murphy Avenue, Highlands has seen major growth. Millions of dollars have been invested in new programming, and an old elementary school has seen new life at part of Cleveland Clinic's School for Autism.



Community Investment – Parks

Connellsville currently has 10 city parks located within its boundaries. In recent years over \$500,000 has been invested. Each park has been refurbished with new accessible playground equipment, landscaping, pavilions and historic restorations.

CDBG

R.K. Mellon Foundation

McKenna Foundation

Allegheny Foundation

Yough River Trail Council

Connellsville Career and Tech



Connellsville Public Art Projects

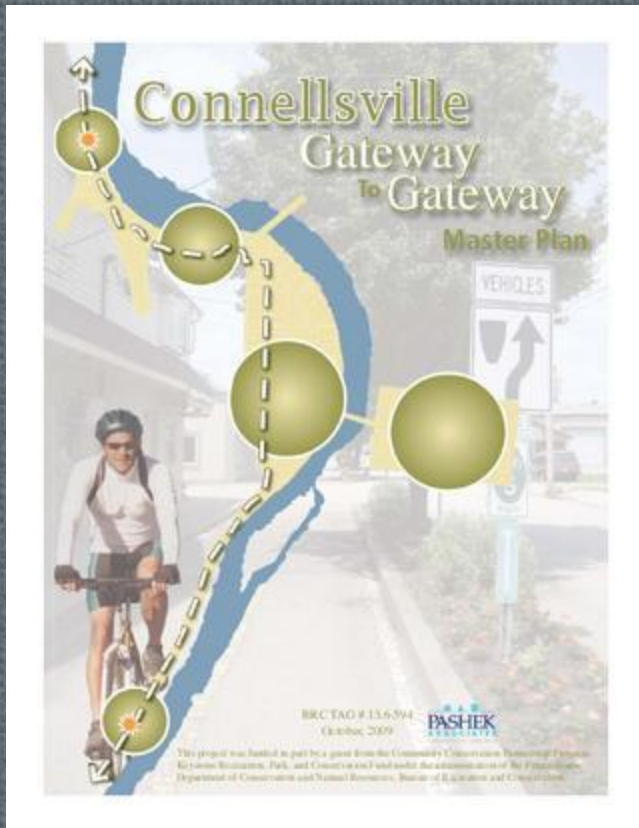
Over the past several years, Connellsville has established itself as the Public Art Capital of Fayette County. We currently have 7 public art pieces located at strategic parts of the city that capture the spirit and imagination of it's residents and visitors.



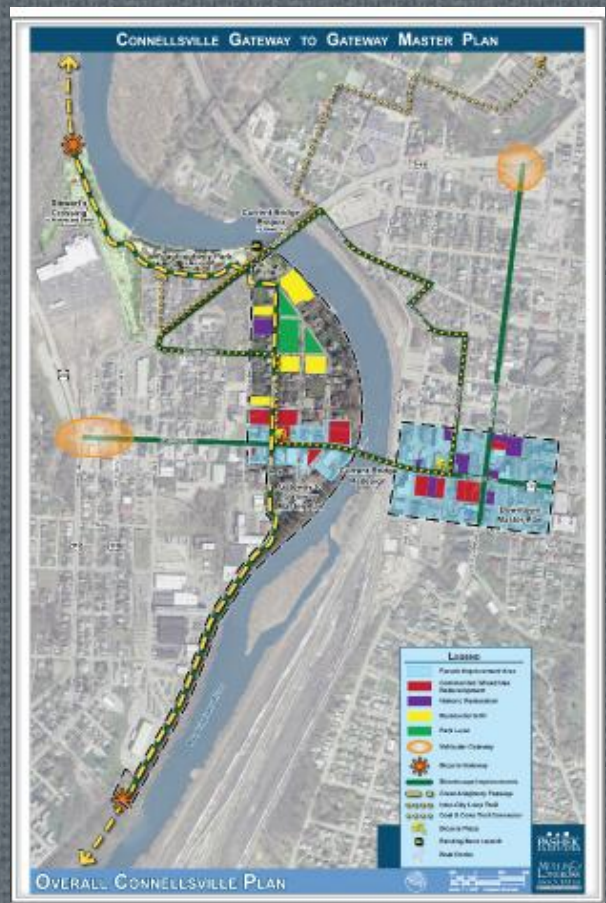
Plans that have been accomplished

Gateway – Gateway

The purpose of this plan was to identify trail improvements and economic development opportunities that will enhance the trail experience, improve the local economy, and increase the quality of life for Connellsville residents and trail users.



-Comprehensive Plan



City Awards and Achievements

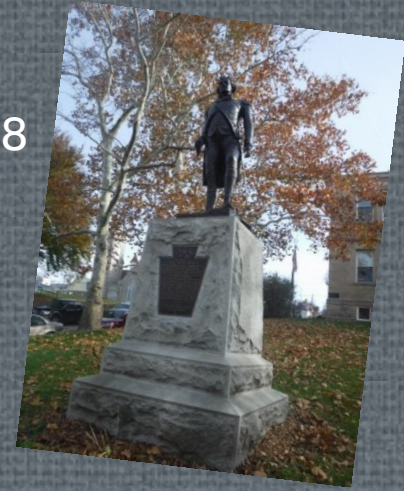


Connellsville Canteen – WWII Museum/Cafe

- Downtown Asset Enhancement Award – 2018
- Travel Channel Mysteries at the Museum - 2018

Connellsville Redevelopment Authority

- Riley Story Community Development Achievement Award – 2018



- Highlands Hospital
- Amerinet Healthcare Achievement Award – 2011 & 2012

Pittsburgh
International
Airport

Distances to Major Cities
Cleveland, Ohio – 176 Miles
New York City – 357 Miles
Washington DC - 204 Miles

Pittsburgh

Joseph A. Hardy
Connellsville
Airport

67 Miles

52 Miles

6 Miles

172 Miles
Harrisburg

78 Miles
Wheeling
West Virginia

36 Miles

11 Miles

Connellsville

Flight 93
Memorial

Uniontown

24 Miles

26 Miles

Hidden
Valley Ski
Resort

Laurel
Caverns

26 Miles

15 Miles

19 Miles

Seven
Springs
Ski Resort

39 Miles

19 Miles

Falling
Water

Fort
Necessity
State Park

Ohiopyle
State Park

Morgantown
West Virginia

Great Allegheny Passage – 0 miles



Imagine Connellsville!

Closest Opportunity Zone to all of SW Pennsylvania's major attractions and Pennsylvania's largest state park with white water rafting.

Connellsville is at the crossroads of State Routes 119 and 711. The city sees an average of 20 thousand cars daily.

Ohiopyle State Park, just 20 miles away by car or 16 miles by bicycle on the Great Allegheny Passage. Ohiopyle averages 1.2 million to 1.5 million tourists per year!

Connellsville is the only city along the Great Allegheny passage where it crosses through the downtown district. A short 16 mile ride between Connellsville & Ohiopyle State Park boasts majestic waterfalls and scenic untouched beauty. – Economic Impact through it's 185 miles of trails is estimated at 50 million dollars – 1998 – 2015.

Connellsville is only 15 miles from Fallingwater. This renowned Frank Lloyd Wright House averages more than 167,00 visitors per year from all over the world.

Investments –

- Amtrak invested over 1 million dollars in a new station
- Local investment – 2015 – 2019 – over 8 million dollars

Imagine Connellsville – Low cost of living – close to major attractions – Outdoor recreation – Unmatched hospitality!

Imagine Connellsville!

In 2011, an Annual Travel Profile was accomplished by Longwoods International in conjunction with the Laurel Highlands Visitors Bureau found these statics for the Laurel Highlands Region:

- \$2.6 million overnight trips
- \$4.2 million day trips
- 62% of overnight and day trips find it important to access our region by car.
- Top factors for visiting the area: affordable attractions/events, unique or local food and cuisine, and lots of historic things to see or experience.

The results for the Laurel Highlands in 2015 are as follows:

- Travelers spent well over \$1.8 billion in the Laurel Highlands region
- This increase was second highest in percentage terms among state's 11 tourism regions
- The Laurel Highlands had the second highest proportion of travelers' dollars spent towards lodging, and third highest in food, beverage and shopping among the states 11 tourism regions
- \$252.6 million spent in overnight lodging
- \$335.9 million spent on recreation

Investment Opportunities

– More opportunities available

Odd Fellows Building

103-109 South Pittsburgh Street

Total Square Feet: 6,858

-Currently vacant

Listed \$60,000 - MLS# 1361738



Riverfront Professional Building

202 South Arch Street

Total Square Feet: 11,720

-Currently occupied

Listed: \$350,000 - MLS# 1375483



Investment Opportunities

Commercial Property
201 North Pittsburgh Street
Total Square Feet: 16,800
-Currently occupied



Commercial Property
223 North 3rd Street
-Vacant & not habitable
Listed: \$199,000 -MLS# 1351785



Commercial Property
130 West Crawford Avenue
Total Square Feet: 6,048
-Currently occupied
Listed \$170,000 -MLS# 1350860



Commercial Property
505 North Pittsburgh Street
Total Square Feet: 3,269
-Currently occupied
Listed: \$180,000 – MLS# 1347348



Commercial Property
420 East Crawford Avenue
Total Square Feet: 4,768
Currently occupied
10 Parking Spaces
Listed: \$165,000 –MLS# 1363270





Resources

-Connellsville Redevelopment Authority– 724-626-1645
124 West Crawford Avenue, Connellsville, PA 15425
www.connellsvilleredevelopment.org

-City of Connellsville – 724-628-2020
110 North Arch Street, Connellsville, PA 15425

-Connellsville Chamber of Commerce – 724-628-5500
100 South Arch Street, Connellsville, PA 15425

-Fayette County Cultural Trust – 724-320-6392
139 West Crawford Avenue, Connellsville, PA 15425

-Fay-Penn Economic Development – 724-437-7913
1040 Eberly Way, Lemont Furnace, PA 15456

-Bridgeway Capital – 412-930-0511
30 East Main Street, Uniontown, PA 15401

-Allegheny Conference, Pittsburgh – 412-281-4783
11 Stanwix Street- 17th Floor, Pittsburgh, PA 15222

-Progress Fund, Greensburg -724-216-9160
425 West Pittsburgh Street, Greensburg, PA 15601