

**10 Year  
Strategic Economic Business Plan  
for the  
Johnstown Metropolitan Area**

*Honoring the Past  
While Building the Future*



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## **1.0 STRATEGIC VISION**

Change the image of Johnstown from a post industrial, economically distressed region dependent upon government support for survival to the Johnstown Metropolitan Area (JMA) with a robust transportation infrastructure, a business friendly environment, a powerful information technology base, and an environmental sustainment center that will catapult Johnstown as a leader in Green Technology Industries.

Although not expected to be easy this plan will require the cooperation of all communities in order to succeed and achieve the vision. As a united community this plan will reverse the youth drain, provide a vibrant and bright future for the area and puts control of the future of Johnstown back in the hands of the people.

## **2.0 BACKGROUND**

The once vital and heavily industrialized area of Johnstown was devastated by the collapse of the steel and coal industries. The flood of 1977 signaled the end of the industrial era and while the area has had some economic progress this has been primarily influenced by a handful of people. The jobs created have helped bring in new talent from outside the region and while positive, this approach is singularly focused on the defense industry.

In the defense industry, companies follow the money trail, which usually leads to the most influential person in political power. All politicians leave office eventually and when they do, the influence they wielded to direct funds to this area is also no longer available. The tremendous financial gap that could result may be more than the area can mitigate with other jobs, services, and industries, leading to a depression cycle that repeats itself unless the people of Johnstown are empowered to break the trend by establishing an infrastructure that is self supporting, self sustaining and self growing – leading to the proven concept of Regional Economic Sustainment. JMA is exactly that, a vision, with an execution plan that will lead this community to self controlled perpetual regional economic sustainment.

## **3.0 JOHNSTOWN METROPOLITAN AREA ASSETS**

The Johnstown region possesses many assets that are beneficial to the business community and attractive to families. A solid blue collar and information technology savvy workforce, numerous industrial sites prime for development, a well established rail system, abundant water sources, over 300 years of coal supplies (energy), and an excellent airport with one of the world's most advanced traffic air control tower and radar system servicing the greater Johnstown, Altoona, Greensburg and Pittsburg air traffic control sectors. The general area has abundant wildlife, low crime, minimal traffic, clean air, low housing costs, wonderful neighborhoods, a strong sense of community, and a school system providing public, private, religious, community college, vocational technical training, and an outstanding four year university. While these assets are numerous, there is one key infrastructure feature/asset the region lacks.

The prime economic business asset the area lacks is a highway connecting Johnstown to any main artery. The lack of a fast, convenient, and easy way in or out negates the positive aspects of

the area and hinders sustained economic development. Altoona is a prime example of the positive economic impact highways can have on a once depressed and economically distressed area.

Main Street of Johnstown has many vacant store fronts, buildings sit empty, blighted homes permeate neighborhoods, Section 8 homes have increased, crime is on the rise, and the overall sense of the region is one of frustration. The fiercely independent nature of each township, borough, and the city is working against a positive change for the future. The fragmented nature of the area hinders a united approach to resolving issues. The youth (25 and younger) of the area do not see a viable future for themselves and continue to leave.

While the area is in much better condition than in 1977, the city of Johnstown has maintained its economically distressed status after twenty plus years. Clearly the status quo is not working. A new direction must be taken and tough leadership decisions will have to be made.

#### **4.0 THE NEW DIRECTION**

The prime focus of this business plan is to build a regional economic sustainment juggernaut centered on a core transportation foundation comprised of a four lane highway from Johnstown to Bedford and a high speed commuter rail system. The core foundational base will be augmented by a business friendly community re-designed specifically to attract and create sustainable jobs targeted toward the local community as opposed to the importation of transient white collar personnel. This plan combines the best of economic diversity and human capital strategy to arrive at an optimum solution to keep and maintain our youthful core, enable our older work force to continue to support their families, and create an economic sustainment zone conducive to capital growth and re-investment within our community. This plan is intended to allow the Johnstown Metropolitan Area to weather political and economic changes so the people can build and control their own future.

#### **4.1 THE JOHNSTOWN HIGHWAY – THE CORNERSTONE OF THE JMA**

The Johnstown Metropolitan Area needs a highway connecting it to the economy. Highways are the veins of the living economic system that drives business. The economy of the United States moves primarily by truck and in business, time is money. The current two lane roads into the area hinder economic development and without a highway, connecting it to an economic vein the area will not thrive. Building a highway ensures that the people of Johnstown do not have to rely solely on legislators to bring funding to the area. Politicians come and go but a highway is here to stay.

The Johnstown Highway will traverse from the Johnstown area to Bedford It will be a direct route based upon surveys already completed and will not follow the current Highway 56 East over the mountain, but will follow a more direct route which will decrease travel times and allow for faster, safer, and effective transportation during winter. Construction will begin in Johnstown and Bedford with both crews working towards the middle. Building a highway directly to Bedford creates jobs, reduces cost, saves time, and provides a direct and vital link to a major highway.

More importantly, the Johnstown Highway is the foundational base supporting economic growth for the community. As demonstrated in Altoona, highways are key to economic development and while not a panacea for all of the economic challenges of the area the Johnstown Highway is, the cornerstone of infrastructure the Johnstown Metropolitan Area must have in order to economically thrive and reverse the youth drain.

## **4.2 JOHNSTOWN METROPOLITAN AREA COALITION**

The Johnstown Metropolitan Area Coalition (JMAC) will be formed to unite the various townships and boroughs with the city in order to build a united economic powerhouse that capitalizes on the assets in the area. As one united community we will work together to generate economic prosperity for the area. Additionally, JMAC will enable and provide economic business incentives attractive to current and new companies in order to establish a business friendly environment.

JMAC will also become a catalyst for the revolution in Green Industries. A crisis facing the Nation is the disposal of waste resulting from not only the explosive growth in information technology products but also the waste being generated as a consumer nation. Johnstown will become a national leader for the environmentally friendly reuse of all recyclables ranging from computers, printers, paper, plastics, batteries, electronics, glass, and metal. These efforts will augment established industries and create new industries by using recycled waste to build environmentally friendly products that can be shipped outside the area via the Johnstown Highway, our rail system, and our expanded airport facilities. This will be accomplished over a ten year period in the Johnstown Metropolitan Area to provide a diverse range of sustainable jobs for people living in the area and rejuvenate the regional economy.

## **4.3 THE GREEN INDUSTRY**

The green or recycling industry is a diversified growing industry not impacted by economic fluctuations. The entire world needs to dispose of unneeded material and the old system of dumping and burying or shipping overseas is no longer a viable option. As countries tighten the restrictions on waste disposal, the recycling industry is becoming a growth industry. Clearly, the industry needs a leader.

An example of the potential growth in one area of recycling is in electronics waste or e-waste. It is estimated that between 70 to over 80 percent of electronics end up in landfills, despite a growing number of state laws that prohibit dumping of e-waste, which leak lead, mercury, arsenic, cadmium, beryllium, and other toxics into the ground. This then contaminates groundwater posing long term health issues future generations will need to address. A local example of this problem is the contaminated ground water surrounding the 219 land fill. The local farms well water has been poisoned from leaking heavy metals and various other contaminants from the landfill.

The Environmental Protection Agency (EPA) estimates that about 180 million various unused electronic components and electronic gear sits in storage. In addition to life damaging toxics, e-

waste contains significant amounts of silver, gold, and other valuable metals that are highly efficient conductors of electricity. Recycling precious metals from old electronic motherboards is far more efficient and less environmentally destructive than ripping it from the earth. The recovery of these precious metals is currently completed in specialize micro-mills in European countries. Johnstown has the talent and knowledge to also recovery these precious metals.

The pending switch to digital high-definition television broadcasts is scheduled for completion by 2009 rendering analog signal TV's that functions perfectly today inoperable. Approximately 25 million TV's are removed from service each year. The EPA estimates that in the United States between 1.5 and 1.9 million tons of electronic equipment is discarded yearly. All sources of electronic waste worldwide could total 50 million tons.

In the United States, less than 20 percent of e-waste entering the solid waste stream is channeled through companies that advertise themselves as recyclers. From an optimistic view, that means the United States recycles between 300,000 to 380,000 pounds of electronic waste. Yet recycling, under the current system, is less benign than it sounds. Dropping old electronic gear off with a recycling company or at a municipal collection point does not guarantee that it will be safely disposed of or recycled. While some recyclers process the material with an eye toward minimizing pollution and health risks, many more sell it to brokers who ship it to the developing world, where environmental enforcement is weak. For the United States, this is a handy out-of-sight, out-of-mind, and short sighted solution. There are current legislative efforts underway to increase recycling standards.

This presents an opportunity for the area to seize the initiative. This is an economic opportunity for the Johnstown Metropolitan Area to change its image from a once heavily industrialized city to an industry leader specializing in green business. A united approach will provide viable and sustainable multiple skill levels jobs for the JMA. By combining this diversified growth industry with a highway we will work our way out of economically distressed status and no longer be dependent or concerned with political changes or economic fluctuations.

## **5.0 THE TEN YEAR PLAN**

### **5.1 IMMEDIATE GOALS FOR YEARS 1-4**

#### **5.1.1 Regional Economic Developer**

Hire a person to work directly for the state representative to review all companies in the area to identify related businesses and industries. This information will be the basis to develop a business capture plan for JMAC. This business capture plan will then be used to provide business incentives to these related companies in order to entice them to relocate their business to the region. These business incentives can be reduced local taxes for three years which helps the business recoup losses from the relocation. These incentives can also be the purchase of a building at a significantly reduced price.

### **5.1.2 Review and Analyze Local Economic Assets and Drivers**

The regional economic developer will also compile a report on all assets in the area and identify the local drivers for the economy. These assets include but are not limited to people, industrial buildings, open land, power, water, parking, infrastructure (rail, airway, road/highway), and business incentives.

### **5.1.3 Johnstown Metropolitan Area Coalition**

The city and each town and borough will appoint a person to work on this coalition. Each person will have the authority to negotiate on behalf of his or her represented area. The goal will be to maximize each represented area's assets in order to build economic opportunities for the overall area. This is the first step in forming a united front and one voice that will become a force that can not be ignored. The combined economic power of JMAC will command attention.

### **5.1.4 City, Boroughs, and Townships Economic Agreements**

Each area has business assets that can enable the overall Johnstown area to benefit economically. An economic agreement will be put in place stating that workers from other areas will not be taxed for working in that township, borough, or the city.

### **5.1.5 Rejuvenating Downtown Johnstown**

#### **5.1.5.1 The Johnstown River Walk**

Johnstown is served by two rivers which have been viewed in the past as disasters in the making. Instead of viewing our rivers as floods waiting to happen, this plan envisions these current eyesores as State tourist attractions. With a massive united urban renewal effort, buildings which currently face away from the river can be redesigned with an attractive common architectural theme reflecting a sophisticated, old town Johnstown but facing toward the river. A pedestrian river walk (boardwalk) between the businesses and the river will serve to move people along a path designed to foster and promote the history and values that have made Johnstown famous. We will honor our past while building our future.

Using carefully placed landscaping the cemented river banks can be given the appearance of a natural river landscape while retaining their flood control properties. Streets serving the businesses can be designed with old style decorative streetlamps, trees, flowers, and native plants. Ample parking will be designed into the area to blend in with the design, so that cars remain out of sight. Boutique businesses will drive a revitalization of the downtown area and enable year long business traffic during daylight hours and cater to an after five crowd well into the evening.

#### **5.1.5.2 Abandoned Homes**

All abandoned homes will be become the property of the JMAC. These homes will be sold for \$1 each. The agreement with the purchaser is they will have to invest \$40,000 to refurbish the home and surrounding property and live in that home for two years. At the end of two years, the home owner has the option to sell to another person.

#### **5.1.5.3 Vacant Buildings**

In order to address the issue of parking in the downtown area the city of Johnstown will use Eminent Domain and give the owners a fair market value for the building. Certain buildings will be leveled in order to create parking space in the downtown area. These lots will have meters installed to generate funds for the city. These parking lots will be designed to reflect the heritage of the area to include gas lamps seen in old photographs of Johnstown.

#### **5.1.5.4 Undeveloped Buildings**

A pleasing and welcoming downtown can serve as a catalyst to business owners to return to the downtown area, but this goal can be hindered when run down buildings permeate the landscape. A major thrust of this plan will be to ensure that buildings in the downtown area of Johnstown that have been purchased by individuals, businesses and/or organizations for business and/or investment use be improved in terms of appearance and brought up to local and State code levels. Time limits will be set when the improvements (up to code) must be completed.

#### **5.1.5.5 Industrial Sites (Brownfield's)**

Former heavy industry sites requiring environmental cleanup will be clearly identified. The possible environmental liability issues are disincentives to locate to these sites. These sites with estimated costs for cleanup will be furnished to the regional economic developer so this information can be furnished to the State Representative. The State Representative will then work to secure the state or federal funding to have these sites restored for business use.

### **5.1.6 The Johnstown Highway Project**

#### **5.1.6.1 Survey Route**

A direct route from Johnstown to Bedford will be identified and funding will be secured to in order to complete a survey. This project will be the start of the Johnstown Highway program.

#### **5.1.6.2 Start Permits and Land Acquisition Process**

At the completion of the route survey JMAC will start the permits and land acquisition process.

### **5.1.6.3 Start Environmental Impact Study**

In conjunction with the permits and land acquisition process any required environmental impact studies will be started.

### **5.1.6.4 Start Construction**

As the surveys, permits, and environmental impacts studies are completed, the highway will start construction. A two prong approach will be used by starting construction at both ends of the highway and working towards the middle. This shows progress for the people of the area and provides jobs for local businesses. Companies working on this highway will be hired from the 71<sup>st</sup>, 72<sup>nd</sup>, 73<sup>rd</sup>, and 69<sup>th</sup> Districts only. This construction will be open bidding for all companies capable of completing the work.

## **5.1.7 The Green Industry**

### **5.1.7.1 Traditional and E-Waste Recycling Systems**

E-waste is an opportunity that can be started immediately with a State grant of five million dollars. Regionally the need to recycle metal, glass, paper, plastics, and various other materials used in the production of personal and office related IT products has never been greater. The need to recycle used products will only increase as population and technical innovation grow.

The Johnstown area currently has the industrial space to setup a world-class recycling system and the workforce to establish a long term and strategically important business immune to economic downturns. One or more companies will be given the opportunity to establish a green recycling center dedicated to recycling waste produced by the information technology age.

The Johnstown Highway and Railway systems will be used to bring recyclable products into Johnstown with finished goods derived from the recycled waste going out to resellers of the goods. Such products may be synthetic products such as decking and flooring all the way to paving and insulation materials used in construction. As a national leader in Green Industries there will be opportunities to provide training and education as well as the development of new techniques for recycling. Regardless of the products, green technologies and recycling will establish Johnstown as a national leader in environmental technology, and establish new and significant career fields for our growing youth population.

This approach is two-fold in that we will fill a vital need to reduce the impact of technology on the environment and we will return to our roots of producing products and services the Nation and the world can use.

The strategic goal is to have no industrial waste going into the landfills in the area and create manufacturing jobs for our diverse workforce. We can turn everyone's trash into cash.

## **5.2 MID RANGE GOALS YEARS 4-7**

### **5.2.1 Streamlining Processes, Systems, and Services**

As the success of this plan becomes reality uniting townships and boroughs and organizing them based on common sense and good business practices makes overall success available to all. These changes will be necessary for the survival and continued growth of the area and will result increased services at lower costs. Streamlining and combining like services will provide improved services to the taxpayer.

Reducing overlapping services will enable the funds for these services to be invested in other needed services that have lacked proper funding. The formulation of a major transportation hub, lower taxes, a revitalized business base, establishment of popular tourist attractions, and a vibrant and thriving community will only attract more people to the area, thus driving up the tax and revenue base resulting in greater and more efficient services for everyone.

### **5.2.2 Specialized Micro Mills**

#### **5.2.2.1 Ballistic Armor Mill**

There is now and will always be a need for ballistic armor. Currently a lot of ballistic armor is imported for other countries. With the expertise resident in Johnstown and with the cooperation of the United Steel Workers Union a profitable and environmental friendly micro mill will be established in Johnstown.

#### **5.2.2.2 Circuit Board Mill**

In e-waste recycling the most valuable product, shredded circuit boards, are shipped to a state-of-the-art smelter in Belgium specializing in precious-metals recycling. A four-foot-square box of circuit boards can be worth as much as \$10,000. Utilizing the model established by the Belgium micro mills JMAC will work with local unions to establish a profitable and environmentally friendly mill specialized in precious metal recovery from circuit boards.

### **5.2.3 Start Restoration of Polluted Waterways**

The polluted rivers, streams, creeks that are the result of the coal mining days are the responsibility of the state for cleanup. This is specified in the Pennsylvania State Constitution and funds are established for this purpose.

Removal of "bony piles" is critical to the success of cleaning up these waterways. These are the result of the bygone industrial age and are additional hinders to the areas

economic recovery. Funds at both the State and Federal level are available and by presenting a united front the state and federal governments will not be able to ignore this area any longer.

It is not acceptable and is unconscionable that after almost 100 years, the rivers of this area are still orange or acidic as a result of the Industrial Age. Restoring the waterways is part of the overall “green” strategy that not only benefits the local area but also has a much wider environmental impact to the Chesapeake Bay, the Ohio River Basin, and the Mississippi River. Residents of the Ohio River Basin, Chesapeake Bay and those along the Mississippi River resent the fact that our area pollutes their recreational areas.

Restoring the polluted rivers in our area has a much larger impact on the environment throughout the Eastern seaboard and Ohio River Valley. Furthermore, restoration of our rivers will allow the fish to repopulate the rivers, provide clean water for rafting, canoeing, and swimming. The economic benefits to our area is we return a liability (polluted rivers) into an asset.

#### **5.2.4 High Speed Rail System**

The increasing cost of fuel makes a high speed commuter rail system connecting these densely populated cities very attractive. Being able to board a commuter train in Johnstown and arriving at Pittsburg in one hour, Harrisburg, or Washington DC in one and a half hours or Philadelphia in three hours makes sense. With the low cost of living in Johnstown, it is possible that Johnstown could become a bedroom community for these cities.

Jobs will be created around the railroad industry from increased commuter traffic, maintenance, and various cottage industries that surround commuters. Using the model for high speed trains systems in Europe will help this area avoid mistakes and jump start the high speed train for this project. The railroad industry and the Teamsters Union benefits because of the additional work, jobs creation, and Johnstown benefits from being on the main line of the commuter train.

#### **5.2.5 Provide Economic Business Incentives for Aviation Industries**

The airport is an underutilized asset in the area and is part of the overall economic plan. In order to attract businesses to the airport an economic business incentive plan will be worked out with the Richland Township representative on JMAC. This plan will entail reduced taxes to any aviation specific company that locates its operations at the underutilized airport facilities.

#### **5.2.6 Expand the Airport Runway**

Surrounding property will be purchased in order to prepare for the expansion of the runway. Increasing the length of the runway will be another asset that will be used to create a business friendly environment.

The aviation industry is changing and the current hub and spoke design for airports will be modified. This modification will include smaller airports to relieve the congestion of major hubs.

JMAC will ensure the area is poised to capitalize on these pending changing to the industry.

### **5.2.7 The Johnstown Highway Project**

Miles four through fifteen will be completed during this time. Economic incentives will be part of the contract for finishing more miles than what is scheduled. For every mile beyond the minimum completed, the construction company in charge will receive a bonus.

## **5.3 LONG RANGE GOALS YEARS 7-10**

### **5.3.1 Completion of Johnstown Highway**

The Johnstown Highway will be completed and a ribbon cutting ceremony will be held. This will be a toll road in order to maintain the road and begin to pay off the loan.

### **5.3.2 Completion of Green Industry Business**

At the completion of this plan, the Johnstown Metropolitan Area will be a vibrant and robust community independent of political changes. The people of the area will have an infrastructure that complements itself and provides the economic opportunities that is recession and political change proof.

## **6.0 SUMMARY**

This plan is visionary, breaks with tradition, and is not intended to have all the details needed; it is meant as the strategic guide and roadmap for the future of the Johnstown Metropolitan Area. This roadmap requires new thinking, cooperation, change, and trust beyond anything experienced in this area in a long time. From the vacant store fronts, empty buildings and the exodus of the youth leaving the area it is painfully obvious that the status quo is not working.

As a united community this Strategic Economic Business Plan will reverse the youth drain, provide a vibrant and bright future for the area and puts control of the future of Johnstown back in the hands of the people. We will be in control of our own future to provide a vibrant and viable future for the area, its youth, and the next generation.