



# Venango County Regional Planning Commission

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County's future. It's  
your county.*

## TESTIMONY BEFORE THE PENNSYLVANIA HOUSE OF REPRESENTATIVES INTERGOVERNMENTAL AFFAIRS COMMITTEE PUBLIC HEARING

About the effects of the American Recovery and Reinvestment Act of 2009

November 19, 2009

Erie, Pennsylvania

Presented by: Karen M. Wenner, Venango County Regional Planning Commission Shared Municipal Services Planner

Good morning, Chairman Thomas and other member of the Committee, House Members and staff attending today, as well as all the other municipalities and county representatives.

Thank you for the opportunity to present before the committee. My name is Karen Wenner, I am the Shared Municipal Services Planner for the Venango County Regional Planning Commission; with me today are the Executive Director of the Venango County Regional Planning Commission, Judy Downs, as well as the Oil City Mayor Sonja Hawkins and Oil City Manager Ryan Eggleston. Should you have questions we would be more than happy to answer them to the best of our abilities.

Venango County is located in Western Pennsylvania approximately halfway between Pittsburgh and Erie. The county encompasses 675 square miles and includes the cities of Oil City and Franklin, nine (9) boroughs and twenty (20) townships. Venango County is classified as a sixth class county and is ranked 42nd in the state of 67 counties, with the population of 57,000.

The County seat is located in the City of Franklin and was established in 1800. Public transportation facilities include air passenger service to the Cleveland Hopkins International Airport from the Venango Regional Airport, with service provided by Gulfstream International Airlines. Also the Venango County Transportation Office offers a fixed route transportation service within the county via the VenanGO Bus. The county is bordered by Interstate 80 running east to west, and Interstate 79 running north and South.

Venango County like most other counties in the state has been hit hard during this economic downturn. According to Pennsylvania Department of Labor and Industry as of September 2009 Venango County has an unemployment rate of 9.8% while Pennsylvania has an unemployment rate overall of 8.3% according to the same statistical information. Additional information derived by Pa L & I stats states that the median household income in Venango County is \$34,403 while the state is \$46,300.

In the early 1980's Oil City lost its' largest employer Oil Well, which typically employed over 1,000 people. The nearby communities were also hit with the same types of situation such as the City of Titusville located 14 miles north of the city also lost its largest employee Cyclops with 700 employees.

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In the 1990's the Headquarters of Quaker State located in downtown Oil City closed its doors and moved to Texas. At this time many people felt they had no choice but to move to Texas if given the option to keep their job with Quaker State. Hundreds of other employees of Quaker State simply lost their jobs. In 1999 Pennzoil announced the closing of its refinery and Headquarters in Rouseville only 3 miles north of Oil City and relocated its headquarters to Texas. Pennzoil had employed 700 people.

Families left the area to find employment leaving behind a large amount of houses that were now on the real estate market. With the large influx of housing in the market and few people to buy many stayed on the market for months and even years only to eventually be bought for rentals. Many landlords have not kept up these homes leaving them to come into disrepair and subsequently being condemned. In addition to the large amount of housing on the market due to an exodus of the area many who have stayed are now "baby boomers" and older senior citizens that can no longer keep up their homes. In the past ten (10) years three housing complexes have been built in Oil City. Two house only senior citizens and the other primarily has senior citizens residents. This accounts for over 100 housing units leaving the homes of many vacant and others bought again and turned into rentals. This scenario has accounted for a housing crisis in Venango County which lead to a housing market study to be completed in Venango County this year. The findings indicates a decrease in population in Oil City and Franklin of 35% and 25% respectively and an over abundance of housing for those earning less than 50% of the area median income. This housing is not desirable to those with the average income in Venango County and is therefore left vacant and eventually becomes a blighted issue. Due to this fact the County has applied for Neighborhood Stabilization Program 2 funding (NSP2) in an attempt to rectify the severe housing situation.

Currently the County has received or anticipates receiving the following

- Venango County Regional Planning Commission has received an additional \$80,000 CDBG funding. This funding is to be used toward the Two Mile Run County Park accessibility barriers.
- Director of the Venango County OEO stated they have received a firm commitment on transportation funds in the amount of \$200,000. She also stated that the weatherization funding should be substantial but they have yet to hear anything concrete on the amount of funding.
- The director of the Venango County Adult/Juvenile Court Supervision Services has stated the PCCD is currently developing a funding plan for the Pa Federal Recovery Act funds which will be awarded through their agency but again no actual dollar amounts and how the money will be spent.
- Finally through our social services departments Venango County Early Head Start Program has received total Federal ARRA funding in the amount of \$62,689.00. \$31,349.00 will be used for education and increasing the qualifications of the three key coordinators: Education coordinator, Mental Health Coordinator, and Health Coordinator. Also \$31,340.00 will be used for quality improvement section (5)(b) to hire one FTE as a Data Analyst Coordinator. Along with ARRA funding of \$62,689 there is COLA funding in the amount of \$37,962. Total Federal program costs including COLA and ARA costs are \$100,651.00

Within the county there are 4 entitlement municipalities that also receive CDBG funding. Through the ARRA they also received additional funding as follows:

- Oil City is the largest municipality within Venango County with a population of approximately 11,250. The CDBG-R funding they received is in the amount of \$93,960; this funding will enable additional paving to be done in the city.

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- The Oil City Housing Authority received additional ARRA funding in the amount of \$281,338.00. This funding will be used to upgrade their public housing facilities along with adding additional safeguards such as surveillance cameras. The Oil City and Franklin Housing Authorities also received project funding.
- Cranberry Township received \$33,470 CDBG-R funding and will use this to provide handicap accessible restrooms at their municipal park – Morrison Park. The township will contribute \$9,000.00 toward this project.
- City of Franklin with a population of 7,212 received \$93,960 CDBG-R; this will be used to repave three (3) segments of roads. Through the Edward Byrne Justus Memorial Fund they received \$10,750 for a police dispatch radio console. They also received through the EECBG – Pa Conservation Works \$229,607 from DEP to retrofit four (4) municipal buildings.
- Sugarcreek Borough received \$33,740 of CDBG-R funding. This funding has been programmed for the Rocky Grove Volunteer Fire Department for equipment purchases.
- Additionally, PennDot received \$18 million for projects in the 4 county northwest RPO. The majority of transportation funding is spent or encumbered.

While this funding is greatly appreciated and we are thankful that due to this funding additional projects will be accomplished in Venango County our greatest hope will be in the anticipation of receiving ARRA funding of 9.5M through the NSP2 program. Should the county receive this funding it will impact the county in the largest way seen in my lifetime. The NSP2 designated area is in three census tracts in Oil City and one census tract in the City of Franklin. This funding targets the demolition of 72 housing structures, eliminates blight and an oversupply of housing in the target areas. The strategy also provides significant rehabilitation funds to further arrest blighted conditions and improves the quality of housing. This includes the purchase, rehab, and sale of 25 properties to individuals and households at or below 50% AMI. Last, the strategy implements a number of community building programs aimed at building capacity to ensure the long term sustainability of the demolition and rehabilitation investments.

The NSP2 dollars and jobs created will have a significant positive benefit in the target areas and the overall region. This will enable assessed values on residential properties to be raised through rehabilitation of housing and it will increase the ability for another house that is for sale in the same neighborhood to be sold and more than likely sold at a higher price. As part of the program, we will also educate those in the target areas (and countywide) on items such as homeownership, fiscal literacy and property management and maintenance. Through the creation of a land bank the county will be able to bring the strategies of this program to the other municipalities in the county.

While we have not seen a large share of the ARRA funding pass through the county and therefore it has not had a dramatic affect such as true job creation or industrial growth we are hopeful that the ARRA funding that has not been distributed will be able to pass through the rural counties and communities of our area. Because our area is rural, funding does have a more dramatic effect. A community that has only 4 sq. miles is better able to see the effect of \$100,000 or even 1 million dollars than a community that is largely metropolitan.

We thank you for your time and appreciate your listening to what we have to say.

Thank you,

Karen M. Wenner  
 Shared Municipal Services  
 Venango County Regional Planning Commission

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