

FINAL

# Northside Business District Market Assessment

## Venango County Multimodal Transportation Plan

July 2016



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# EXECUTIVE SUMMARY

## Overview

This market assessment reviews quantitative data on socioeconomic, employment, and market trends for the City of Oil City, Venango County, and includes a review of existing conditions in the study area, previous plans and studies completed to date, and local insights from stakeholders. The market assessment considered this quantitative and qualitative data together in order to identify several economic development strategies for Oil City. These strategies represent an opportunity to continue the momentum set forth by recent economic and community development activities in the City, leverage the Pennsylvania Department of Transportation's (PennDOT) investment to redevelop the Oil City Parking Garage site, and encourage redevelopment of key buildings in Oil City's Northside Business District.

The opportunities represent a multipronged approach to community revitalization in Oil City and will maximize investments at the local, county, and state levels to achieve the collective goal of revitalizing the downtown and surrounding community.

## ECONOMIC DEVELOPMENT OPPORTUNITIES

Construction of the Multimodal Transportation Center will continue to build upon the success of recent downtown Oil City revitalization efforts with the ultimate goal of attracting more businesses, residents, and tourists to the Northside Business District. Based on information assembled for the market assessment, the following economic development strategies are identified as key opportunities to leverage the investment in the multimodal facility.

Each of these opportunities assumes: (1) the construction of the multimodal facility and increased public transportation throughout Oil City's Northside Business District; (2) the availability of low cost, high speed Internet access through fiber optic lines; and (3) the availability of sufficient vehicle parking.

- **Strategy #1.** Continue to assemble an inventory of readily available, modern building space.
- **Strategy #2.** Work with existing building owners or attract a developer to convert buildings in downtown Oil City into upper story market rate housing.
- **Strategy #3.** Attract a developer to renovate a building for office space in downtown Oil City.
- **Strategy #4.** Determine the feasibility of developing a regional health care facility in Oil City.
- **Strategy #5.** Continue to increase tourism visits and lodging stays.
- **Strategy #6.** Increase the number of retail businesses to complement efforts to also increase in housing, office, and tourism uses in the downtown.

The Economic Development Opportunities section provides greater detail on supporting data and implementation steps to support each of the six strategies.

## SOCIOECONOMIC TRENDS

- **Population and Age.** Oil City is experiencing a declining and aging population. Since 2000, Venango County's population decreased by 4,698 residents and, between 2015 and 2020, the population is projected to decrease by 2.2 percent.
- **Households.** Between 2010 and 2014, the percentage of nonfamily households in Oil City increased by 6 percent while there was a decrease in family households by 5 percent.
- **Income and Poverty Rate.** At nearly 30 percent, the percentage of Oil City residents living in poverty is much higher than the county, state, and nation.

## EMPLOYMENT TRENDS

- **Employment Drivers.** Venango County's employment base has decreased by 1,037 jobs since 2000. In addition, the County's top six industry sectors – Nursing and Residential Care Facilities, Machinery Manufacturing, Educational Services, Food Services and Drinking Places, and Ambulatory Health Care Services – have each decreased in terms of gross employment numbers. These six industry sectors each lost an average of 211 jobs over the course of 15 years.

## MARKET TRENDS

- **Retail Opportunities.** Market data from ESRI Business Analyst suggests there is market potential to support the development of a niche sporting goods store and a grocery store in the Northside Business District. In addition, there is surplus demand for several retail categories in both the 10-minute and 15-minute drive times, including furniture, electronics and appliances, clothing, and general merchandise.

## LOCAL AND REGIONAL TRENDS

Review of the market data, existing plans and studies, and observations by stakeholders indicate several local and regional trends. These trends are used to support the Economic Development Opportunities and include:

- **Trend #1.** Continued years of lack of investment has left Oil City with a significant amount of vacant and underutilized space that could be adaptively reused.
- **Trend #2.** Tourism assets, visits, and impacts are increasing in Oil City and the Oil Heritage Region. Running through Oil City, the Erie to Pittsburgh Trail serves as a key asset to support economic development through ecotourism.
- **Trend #3.** Venango County and Oil City appear to have unmet health care needs. Development of additional healthcare provider offices in downtown Oil City would complement health and human resources provided at The Pointe and at Venango Internal Medicine Associates, and provide new, family-sustaining job opportunities for local residents.

# INTRODUCTION

## Introduction

Situated in northwest Pennsylvania in Venango County, the City of Oil City is home to an estimated 10,415 residents and boasts the strong legacy of shaping the world's petroleum industry, once serving as the headquarters for Quaker State, Pennzoil, and other larger companies. The City is located along the Allegheny River and is in the foothills of the Appalachian Mountains.

Like many other urban communities in the mid-20th century, the City experienced industrial decline and population shift away from the urban core. Over the past decade, however, the City and regional partners have embarked on a joint effort to advance community revitalization and economic development. Federal law establishing the Oil Region National Heritage Area in 2004 and the Oil Region Alliance of Business, Industry and Tourism in 2005 set the foundation for regional community and economic revitalization. In addition, a Downtown Economic Development Strategy completed in 2005 identified several initiatives to begin filling the void left by the petroleum industry.

In 2006, ARTS Oil City began and has facilitated the attraction of over 40 artists from across the country to Oil City to work and live in the community. Artists have found studio space in the historic National Transit Building and have purchased homes, positively adding to the region's economy. In 2008, Oil City Main Street was founded with the purpose of establishing a business district in downtown Oil City to support existing businesses in the downtown and to help leverage new investment to fill empty storefronts. Complementary program initiatives also include historic architecture preservation, scenic walkways and trails, expanding the arts community through the Oil City Artist Relocation Program, and the development of an inventory of vacant and underutilized properties.

In addition to the accomplishments of Oil City Main Street, the Oil City Redevelopment Authority has successfully repurposed an entire city block into a downtown greenspace centrally located on Center Street. The "Brody Block" was formally home to several 1970s commercial structures that rapidly deteriorated once vacated. Building demolition and the construction of a permanent greenspace has created a new community gathering space in the Northside Business District.

Recognition of Oil City as a Trail Town complements the revitalization efforts providing more reason to make bicycle and pedestrian improvements to capture some of the tourism industry's dollars. Between 2006 and 2013, use of the trail system within the Oil Heritage Region provided an increased economic impact of more than \$3 million per year.

Today, Oil City recognizes its next investment must address a circa 1976, multistory parking garage located at the intersections of Seneca, Duncomb, and Elm Streets in the Northside Business District. Condemned in 2011, the 1-acre site features a 195,000 square foot deteriorating parking garage. With several decks and more than 500 parking spaces, the expansive building is a detriment to the downtown and represents a grossly underutilized use of the property.

The parking garage was built to accommodate the parking needs of Quaker State headquarters, located across from the garage along Elm Street. Quaker State announced plans to relocate its corporate headquarters to Dallas, Texas in 1995, ending 60 years of residence in the City and



resulting in the loss of more than 300 white collar jobs. In the years that followed, the parking garage continued to operate under City ownership, providing parking for PennDOT employees now housed in the former Quaker State building. In addition, the garage housed two banks, a post office, and retail space on the first floor. By 2011, however, the City was facing costly infrastructure repairs for a garage utilized far below capacity. The blighted building represents a major obstacle for reinvestment in surrounding properties.

### Transit Consolidation

Today, the redevelopment of the land occupied by the Oil City Parking Garage represents an unparalleled opportunity to advance multimodal connectivity in the downtown. The Commonwealth of Pennsylvania is advancing a statewide effort to consolidate regional fixed route and shared-ride transit services to realize substantial cost savings through efficiencies and reduced administrative redundancy. In northwest Pennsylvania, a regional transit study is currently under development for the five county rural transportation organization. It is anticipated that recommendations from the study will be incorporated into the new multimodal center.

To support the future consolidation of the two entities and to address existing location deficiencies for the Venango County Transportation Office (VCTO), the Oil City Parking Garage site has been identified as a potential location for the development of a new Venango County Multimodal Transportation Center. As envisioned by the County and City representatives, the new multimodal facility will accommodate all operation, maintenance, and vehicle storage needs for the VCTO, and will be sized appropriately to accommodate the planned consolidation with the Crawford Area Transit Authority (CATA). It is the hope of the County that the new facility will better connect the Erie to Pittsburgh Trail to the community, provide parking for downtown businesses and their employees, and bring back regional bus service to the area.

Today, Venango County's transportation services currently provide more than 82,500 rides each year to County residents through fixed and shared-ride programs, of which 23,135 are for senior citizens. This includes fixed route, point to point and job-access transportation. Expanded services in the multimodal facility will include pedestrian and bike amenities such as a new bus stop, shelter and related facilities, a bicycle fix-it station and bike racks. Alternative transportation options including taxi and valet services for senior citizens are under discussion as well as future shuttle services to relieve parking congestion within the business district.

### Master Planning Process

Funded by PennDOT, the Venango County Multimodal Transportation Center Master Plan will include a conceptual design and layout of the transportation facility and programming for transit administration, operations, and maintenance needs. The Master Plan also contains this Market Assessment report for the purpose of identifying complementary uses to promote community and economic development in the vicinity of the transportation facility, the adjacent former Northwest Savings Bank building, and other key buildings in the Northside. In addition, the Master Plan contains a bicycle/pedestrian connectivity analysis that was completed as part of the planning process.

### Market Assessment Overview

This market assessment determines market viability to support project goals as they relate to the multimodal transportation center and economic development opportunities to continue community and economic development progress in Oil City. Accordingly, the market assessment

contains a market profile and gap analysis in order to evaluate market conditions in the primary, secondary, and tertiary market areas of Oil City, defined in specific relation to the Northside Business District. The market assessment includes a demographic and market profile that highlights quantitative data on residential population, the regional economy, and the consumer profile. It also includes a retail gap analysis which compares the supply (sales to customers) and demand (potential for consumer spending based on disposable income) of industry sectors, including retail, food and drink, and commercial activity. Primary data sources used for the analysis include ESRI Business Analyst and the U.S. Census Bureau.

Drive times were used to determine the primary, secondary, and tertiary market areas. The drive time area is the surrounding geography of the project location, where individuals in a household can reach the site within a set amount of time. This approach is based on the fact that people today shop by convenience and therefore, measure distance in time, not miles.

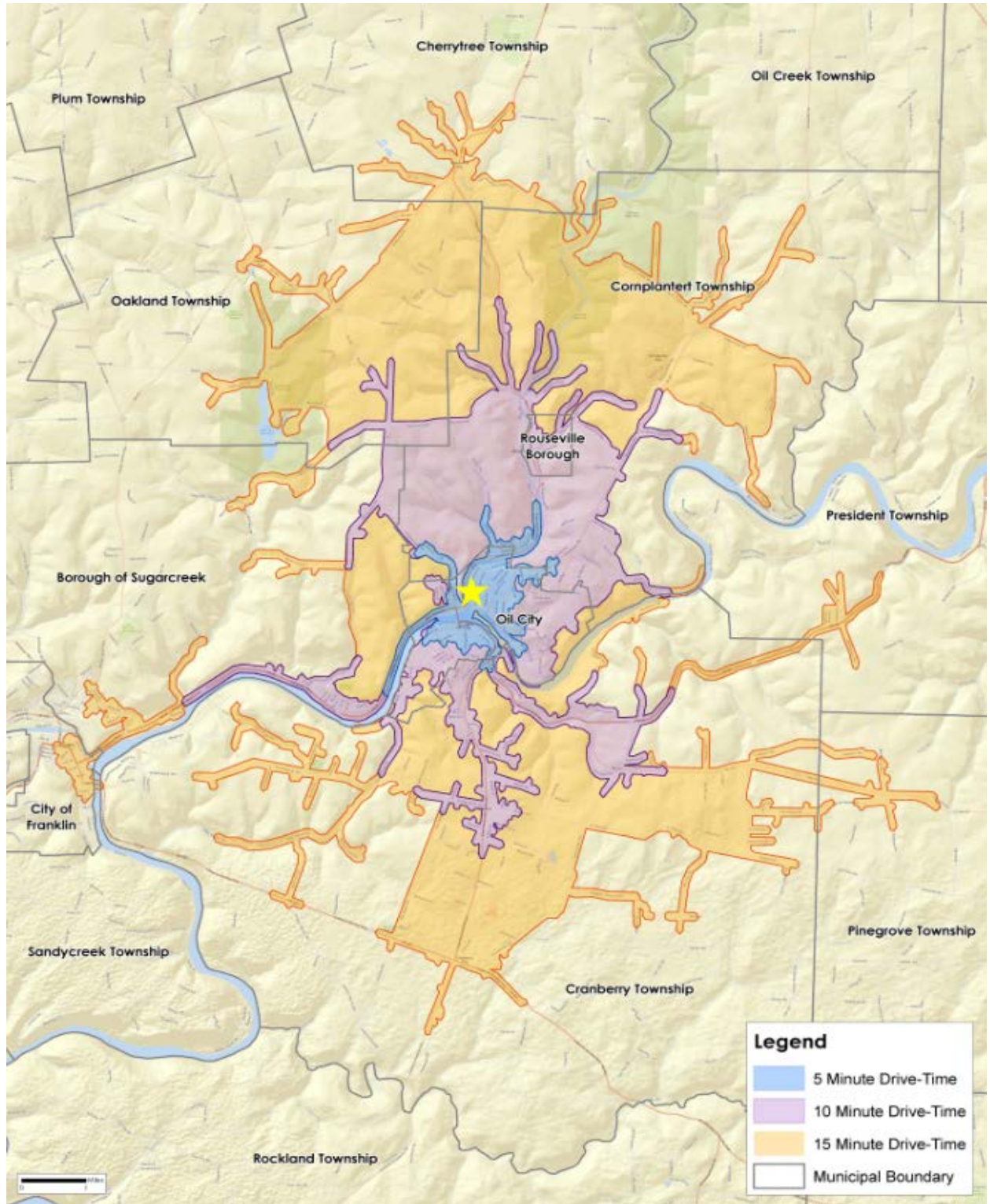
For purposes of evaluating the market area for potential mixed-use development, the following are identified as the market area in Table 1.

**TABLE 1 - Defined Market Area**

<b>Market Areas</b>	<b>Geographic Area</b>
<b>Primary Market Area</b>	5-minute drive time from project site
<b>Secondary Market Area</b>	10-minute drive time from project site
<b>Tertiary Market Area</b>	15-minute drive time from project site

For comparative purposes, data was included for Venango County and the Commonwealth of Pennsylvania, where available. Figure 1 illustrates the defined market areas and their relation to the project site and surrounding communities.

FIGURE 1 - Market Area Map



Source: ESRI Business Information Systems



## SECTION 3 | Pages 7 - 15

# DEMOGRAPHIC AND ECONOMIC CONTEXT

## Population Change

A primary factor in measuring the depth of a retail or commercial market is assessing population trends. Population represents the primary consumers of goods and services that could be offered in the Northside Business District and the larger region, as well as a local workforce that could potentially be tapped. The primary market area of the project site (5-minute drive time) is projected to experience a -2.2 percent decline in population between 2015 and 2020 while the secondary market area is projected to decline by -1.9 percent and the tertiary market area by -2.1 percent. The total population in Pennsylvania is projected to increase by 1.2 percent during the same time period (see Table 2). Similarly, the number of households in the market area are also projected to decrease through 2020 (see Table 3).

TABLE 2 – Population Trends

Market Area	2000 (Actual)	2010 (Actual)	2015 (Estimated)	2020 (Projected)	% Change 2015–2020
5-Minute Drive Time	7,053	6,309	6,151	6,016	-2.2%
10-Minute Drive Time	15,169	14,141	13,877	13,613	-1.9%
15-Minute Drive Time	22,486	21,069	20,593	20,151	-2.1%
Oil City	11,508	10,557	10,415	10,255	-1.5%
Venango	57,565	54,984	53,949	52,867	-2.0%
Pennsylvania	12,281,054	12,702,379	12,840,278	12,992,578	1.19%

Source: ESRI Business Information Systems

TABLE 3 - Households

Market Area	2000 (Actual)	2010 (Actual)	2015 (Estimated)	2020 (Projected)	% Change 2010–2015	% Change 2015–2020
5-Minute Drive Time	2,908	2,630	2,590	2,538	-1.5%	-2.0%
10-Minute Drive Time	6,235	5,876	5,824	5,723	-0.9%	-1.7%
15-Minute Drive Time	9,392	8,983	8,873	8,701	-1.2%	-1.9%
Oil City	4,764	4,383	4,363	4,299	-0.5%	-1.5%
Venango	22,747	22,621	22,450	22,065	-0.8%	-1.7%
Pennsylvania	4,777,003	5,018,904	5,101,362	5,170,785	1.6%	1.4%

Source: ESRI Business Information Systems

### Population by Age

Based on 2015 estimates, the median age of the population residing within a 0-15 minute drive time is 43.5, which is slightly above the median age in the 5-minute (39.0) and 10-minute (42.6) drive times, and higher than the Pennsylvania median age (41.0). The distribution of ages is provided in Table 4.

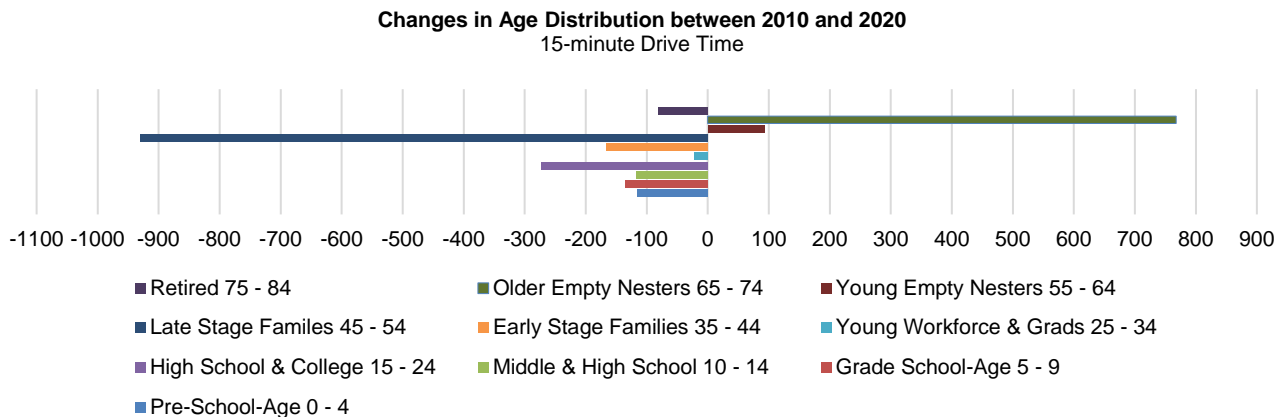
**TABLE 4 – Population by Age**

2015 Population by Age	5-Minute	10-Minute	15-Minute	Venango	PA
Total Count	6,151	13,875	20,593	53,949	12,840,278
Median Age	39.0	42.6	43.5	45.5	41.0
0 - 4	6.6%	5.9%	5.6%	5.3%	5.4%
5 - 9	6.3%	6.0%	5.6%	5.5%	5.8%
10 - 14	6.4%	5.9%	5.7%	5.5%	6.0%
15 - 24	13.5%	12.8%	12.4%	11.4%	13.6%
25 - 34	12.6%	11.2%	11.4%	10.6%	12.4%
35 - 44	11.3%	10.9%	10.9%	11.0%	11.8%
45 - 54	13.6%	13.4%	13.6%	14.1%	13.9%
55 - 64	14.1%	15.1%	15.6%	16.7%	14.1%
65 - 74	9.2%	10.2%	10.3%	11.1%	9.4%
75 - 84	4.0%	5.5%	5.9%	6.0%	5.1%

Source: U.S. Census Bureau, American Community Service

As illustrated in Figure 2, Venango County has an aging and declining resident population like many rural counties across the country. Within the 15-minute drive time, which represents nearly half of Venango County's 53,949 residents, all age groups younger than Young Empty Nesters (55-64) are anticipated to experience a decline in population over the next four years. Alternatively, both Young Empty Nesters and Older Empty Nesters (65-74) are anticipated to increase through 2020, projected to see a net gain of 861. A net loss in the population generally considered to be within childbearing age (20-39) will likely result in a continued decrease in overall population if these trends continue. These trends also reflect the natural aging of the baby boomer generation as they enter into the Older Empty Nesters age category (65-74).

**FIGURE 2 - Changes in Age Distribution**



Source: ESRI Business Information Systems

### Migration Trends

In- and out-migration data provides valuable insight into the counties and regions where Venango County residents are moving to and, alternatively, where new residents to Venango County are coming from. Table 5 outlines the net migration to and from Venango County that occurred between 2009 and 2013, as reported by American Community Survey. Residents from Dauphin County, Pennsylvania represent the highest number of inflow into Venango County at 164. Allegheny County follows at a net migration of 157, and the State of Oregon is the third highest at 107. In terms of out-flow, a net total of 430 Venango County residents migrated to Wayne County, 180 to Cumberland County, and 149 to Mercer County.

**In total, Venango lost -374 residents due to net migration between 2009 and 2013.** In-migration and out-migration trends demonstrate that Venango County is a net exporter of residents. Despite this net loss, Venango County is still ‘importing’ residents from surrounding counties and states. The top ten Pennsylvania counties or states from which Venango County is a receiver of new residents are shown in Table 6 (see page 11). A total of 2,001 residents are projected to have moved in from the top 20 in-flow locations. At the same time, an estimated 1,907 residents are projected to have moved out of Venango County to the top 20 counter-flow locations (see Table 7 on page 11).

**TABLE 5 - Migration Patterns in Venango County**

County Name of Geography A	State/U.S. Island Area/Foreign Region of Geography B	Flow from Geography B to Geography A	Counter-flow from Geography A to Geography B	Net Migration from Geography B to Geography A
Venango County	Dauphin County	164	0	164
Venango County	Allegheny County	213	56	157
Venango County	Oregon	107	0	107
Venango County	Northumberland County	103	0	103
Venango County	Clarion County	198	111	87
Venango County	Erie County	208	128	80
Venango County	Maryland	79	0	79
Venango County	Philadelphia County	69	8	61
Venango County	New Hampshire	49	0	49
Venango County	Colorado	41	0	41
Venango County	Fayette County	37	0	37
Venango County	South Carolina	49	16	33
Venango County	Jefferson County	30	4	26
Venango County	Beaver County	24	0	24
Venango County	Montgomery County	23	0	23
Venango County	Armstrong County	38	16	22
Venango County	Washington County	20	0	20
Venango County	New Mexico	19	0	19
Venango County	New York	29	10	19
Venango County	Florida	37	23	14
Venango County	Berks County	13	0	13
Venango County	Schuylkill County	13	0	13
Venango County	Bucks County	11	0	11
Venango County	Chester County	18	10	8
Venango County	Union County	8	0	8
Venango County	Indiana	11	6	5
Venango County	Iowa	5	0	5

County Name of Geography A	State/U.S. Island Area/Foreign Region of Geography B	Flow from Geography B to Geography A	Counter-flow from Geography A to Geography B	Net Migration from Geography B to Geography A
Venango County	Northampton County	5	0	5
Venango County	West Virginia	5	0	5
Venango County	Clearfield County	7	3	4
Venango County	Snyder County	11	7	4
Venango County	Nevada	3	0	3
Venango County	Bradford County	3	0	3
Venango County	Somerset County	3	0	3
Venango County	Tioga County	3	0	3
Venango County	Butler County	95	93	2
Venango County	Delaware	1	0	1
Venango County	Maine	1	0	1
Venango County	California	0	1	-1
Venango County	Cambria County	7	8	-1
Venango County	Juniata County	0	1	-1
Venango County	Lawrence County	9	10	-1
Venango County	Wyoming County	0	1	-1
Venango County	Louisiana	0	2	-2
Venango County	Greene County	0	2	-2
Venango County	Virginia	32	34	-2
Venango County	Susquehanna County	0	6	-6
Venango County	Sullivan County	0	10	-10
Venango County	Crawford County	335	346	-11
Venango County	Alaska	0	12	-12
Venango County	Kentucky	0	12	-12
Venango County	Lehigh County	0	12	-12
Venango County	Illinois	4	17	-13
Venango County	Elk County	7	22	-15
Venango County	Warren County	20	36	-16
Venango County	Montana	0	17	-17
Venango County	Centre County	2	20	-18
Venango County	Delaware County	0	18	-18
Venango County	Franklin County	0	18	-18
Venango County	Arizona	7	27	-20
Venango County	Michigan	3	25	-22
Venango County	Texas	0	23	-23
Venango County	McKean County	5	30	-25
Venango County	Tennessee	0	28	-28
Venango County	Forest County	0	30	-30
Venango County	Missouri	0	38	-38
Venango County	Lycoming County	2	40	-38
Venango County	Luzerne County	0	42	-42
Venango County	Westmoreland County	3	47	-44
Venango County	Oklahoma	0	55	-55
Venango County	Indiana County	22	81	-59
Venango County	North Carolina	64	137	-73
Venango County	Lebanon County	0	84	-84
Venango County	Ohio	41	148	-107
Venango County	Mercer County	42	191	-149
Venango County	Cumberland County	0	180	-180
Venango County	Wayne County	0	430	-430
Venango County	Africa	9	NA	NA
Venango County	Asia	11	NA	NA
Venango County	Central America	5	NA	NA
Venango County	Caribbean	4	NA	NA
Venango County	Europe	19	NA	NA
Venango County	U.S. Island Areas	19	NA	NA
Venango County	South America	8	NA	NA

Source: U.S. Census American Community Survey, 2009 – 2013 Estimates.



**TABLE 6 - Migration Patterns (Inflow)**

Location (Pennsylvania County/State)	Number of Residents (Import)
Crawford County	335
Allegheny County	213
Erie County	208
Clarion County	198
Dauphin County	164
Oregon	107
Northumberland County	103
Butler County	95
Maryland	79
Philadelphia County	69
North Carolina	64
New Hampshire	49
South Carolina	49
Mercer County	42
Colorado	41
Ohio	41
Armstrong County	38
Fayette County	37
Florida	37
Virginia	32
<b>Subtotal</b>	<b>2,001</b>

Source: U.S. Census American Community Survey, 2009 – 2013 Estimates.

**TABLE 7 - Migration Patterns (Counter-flow)**

Location (Pennsylvania County/State)	Number of Residents (Export)
Crawford County	346
Mercer County	191
Cumberland County	180
Ohio	148
North Carolina	137
Erie County	128
Clarion County	111
Butler County	93
Lebanon County	84
Indiana County	81
Allegheny County	56
Oklahoma	55
Westmoreland County	47
Luzerne County	42
Lycoming County	40
Missouri	38
Warren County	36
Virginia	34
McKean County	30
Forest County	30

Source: U.S. Census American Community Survey, 2009 – 2013 Estimates.

## Income and Poverty

Changes in median household income over time can provide insight into the potential spending power of consumers in the region. Initial analysis shows an estimated income growth across all areas between 2015 and 2020. An increase in median household income of 17.2 percent (\$5,187) is expected between 2015 and 2020 within the primary market area. An increase in median household income of 16.7 percent (\$5,926) is expected between 2015 and 2020 within the secondary market area, and 17.8 percent (\$6,545) for the tertiary market. The median household income for all three markets is projected to remain below the county and statewide averages through 2020 (see Table 8).

**TABLE 8 - Trends in Median Household Income**

	2015 (Estimated)	2020 (Projected)	% Change 2015–2020	Annual Rate 2015–2020
5-Minute Drive Time	\$30,177	\$35,364	17.2%	2.9%
10-Minute Drive Time	\$35,381	\$41,307	16.7%	2.8%
15-Minute Drive Time	\$36,706	\$43,251	17.8%	3.0%
Oil City	\$33,494	\$38,485	14.9%	2.5%
Venango	\$41,935	\$50,030	19.3%	3.2%
Pennsylvania	\$53,104	\$60,761	14.4%	2.4%

Source: ESRI Business Information System

At nearly 29.6 percent, the percentage of Oil City residents in poverty is much higher than the county, state, and national averages. Refer to Table 9.

**TABLE 9 - Persons in Poverty**

Persons in Poverty (percent)	Oil City	Venango County	PA	US
2010	28.1%	15.7%	12.4%	13.8%
2014	29.6%	16.0%	13.5%	15.6%

Source: U.S. Census Bureau, QuickFacts. 2006-2010 American Community Survey 5-Year Estimates, 2010-2014 American Community Survey 5-Year Estimates

## Education

In the 15-minute drive time, approximately 12.7 percent of residents over the age of 25 have a bachelor's degree and 5.2 percent of residents have a graduate/professional degree, as compared to 11.8 percent and 5.3 percent, respectively, in Venango County. At the state level, 17.8 percent of residents have a bachelor's degree, and 11.5 percent of residents have a graduate/professional degree (see Table 10).

TABLE 10 - Educational Attainment

2015 Population by Educational Attainment	5-minutes	10-minutes	15-minutes	Venango	PA
Less than 9th Grade	3.1%	2.5%	2.9%	3.5%	3.6%
9th - 12th Grade, No Diploma	9.2%	7.1%	6.9%	7.0%	7.0%
High School Graduate	41.3%	41.3%	41.6%	43.9%	32.0%
GED/Alternative Credential	7.9%	6.0%	5.6%	5.0%	4.2%
Some College, No Degree	16.3%	16.0%	15.6%	14.8%	16.0%
Associate Degree	10.3%	10.2%	9.5%	9.2%	8.0%
Bachelor's Degree	8.7%	12.1%	12.7%	11.3%	17.8%
Graduate/Professional Degree	3.2%	4.6%	5.2%	5.3%	11.5%

Source: ESRI Business Information System

### Housing

As demonstrated in Table 11, the number of housing units in the market area is projected to remain relatively stable between 2015 and 2020. According to ESRI Business Analyst, there are 10,143 total housing units within the 15-minute drive time of the study area as of 2015, a slight decrease of 143 units from 2000 when there were 10,255 housing units. The number of renter occupied units has slightly increased over the past 15 years, growing by an estimated total of 241 renter-occupied units between 2000 and 2015 and totaling approximately 31.3 percent of total housing. This trend is projected to shift downward by 2020, with the number of rental units projected to decrease by 43 units.

The number of vacant housing units has experienced an increase, growing from 861 vacant housing units in 2000, or 8.4 percent, to 1,268 housing units in 2015, or 12.5 percent. This trend is anticipated to continue, with a projected 1,429 vacant housing units by 2020, or 14.1 percent of total housing units. Qualitative information obtained through stakeholder interviews suggests there is significant concentration of vacant housing in the upper floors of buildings located in the Northside Business District. Renovation of these units is an opportunity to increase renter-occupied housing and reverse the trend of increasing vacancy rates.

TABLE 11 - Number of Housing Units in Oil City Market Area

	2000 (Actual)	2010 (Actual)	2015 (Estimated)	2020 (Projected)	% Change 2015– 2020	Numerical Change 2010–2020
<b>5-Minute Drive Time Total Housing Units</b>	<b>3,312</b>	<b>3,131</b>	<b>3,184</b>	<b>3,184</b>	<b>0.0%</b>	<b>53</b>
Owner Occupied Units	50.8%	45.8%	41.7%	40.4%	-	-
Renter Occupied Units	37.0%	38.2%	39.7%	39.4%	-	-
Vacant Units	12.2%	16.0%	18.7%	20.3%	-	-
<b>10-Minute Drive Time Total Housing Units</b>	<b>6,852</b>	<b>6,676</b>	<b>6,760</b>	<b>6,760</b>	<b>0.0%</b>	<b>84</b>
Owner Occupied Units	62.1%	58.4%	54.8%	53.5%	-	-
Renter Occupied Units	28.9%	29.6%	31.3%	31.2%	-	-
Vacant Units	9.0%	12.0%	13.8%	15.3%	-	-
<b>15-Minute Drive Time Total Housing Units</b>	<b>10,255</b>	<b>10,045</b>	<b>10,143</b>	<b>10,133</b>	<b>-0.10%</b>	<b>88</b>
Owner Occupied Units	63.0%	59.8%	56.2%	54.9%	-	-
Renter Occupied Units	28.6%	29.6%	31.3%	30.9%	-	-
Vacant Units	8.4%	10.6%	12.5%	14.1%	-	-

Source: ESRI Business Information Systems

Table 12 provides comparative housing data for Venango County and Pennsylvania. At the county level, occupied housing accounts for 86.7 percent of all housing units.

**TABLE 12 - Number of Housing Units in Venango County and PA**

	Venango County		Pennsylvania	
	Number	Percent	Number	Percent
<b>Total housing units</b>	5,058	100.0%	5,567,315	100.0%
<b>Occupied housing units</b>	4,383	86.7%	5,018,904	90.1%
<b>Vacant housing units</b>	675	13.3%	548,411	9.9%
For rent	182	3.6%	135,262	2.4%
Rented, not occupied	23	0.5%	9,386	0.2%
For sale only	89	1.8%	64,818	1.2%
Sold, not occupied	49	1.0%	20,131	0.4%
For seasonal, recreational, or occasional use	26	0.5%	161,582	2.9%
All other vacants	306	6.0%	157,232	2.8%
<b>Homeowner vacancy rate (percent)</b>		3.2%		1.8%
<b>Rental vacancy rate (percent)</b>		9.3%		8.1%

Source: U.S. Census Bureau

There appears to be an increase in nonfamily households in Oil City. According to the U.S. Census Bureau, a family household has at least one member of the household related to the householder by birth, marriage, or adoption. A nonfamily household consists of people living alone and households which do not have any members related to the householder. Nationally, the number of nonfamily households is outpacing the number of family households, increasing 16 percent from 2000 to 2010. Between 2010 and 2014, the percentage of nonfamily households in Oil City increased by 6 percent while there was a decrease in family households by 5 percent as shown in Table 13. Nonfamily households generally prefer smaller homes, are more likely to rent, and often have more disposable income than family households.

**TABLE 13 - Household Type - Family and Nonfamily**

Household Type	2010		2014		% Change 2010-2014	
	Venango County	Oil City	Venango County	Oil City	Venango County	Oil City
Total Households	22,457	4,282	22,412	4,260	-0.2%	-0.5%
Family Households	15,120	2,659	15,156	2,526	0.2%	-5.3%
Nonfamily Households	7,337	1,623	7,256	1,734	-1.1%	6.4%

Source: U.S. Census Bureau: 2010-2014 American Community Survey 5-Year Estimates

### Changes in Housing Stock

Data provided by ESRI Business Analyst highlights a high concentration of housing stock priced under \$100,000 for owner-occupied housing units. In fact, in 2015 more than 76 percent of all owner-occupied housing units within the 15-minute drive time were valued at or below \$99,999. Based on stakeholder interviews with real estate professionals, single family homes are the most common housing type in the County and are mostly one story structures. Please refer to Table 14.



Table 14 – Owner-Occupied Housing Unit by Value

2015 Owner Occupied Housing Unit by Value			
	5-minute	10-minute	15-minute
<b>Total</b>	<b>1,328</b>	<b>3,705</b>	<b>5,701</b>
<\$50,000	67.4%	45.2%	39.2%
\$50,000 - \$99,999	19.8%	33.3%	37.1%
\$100,000 - \$149,999	6.9%	14.0%	15.5%
\$150,000 - \$199,999	4.2%	5.0%	5.2%
\$200,000 - \$249,999	0.5%	1.0%	1.3%
\$250,000 - \$299,999	0.2%	0.4%	0.6%
\$300,000 - \$399,999	0.3%	0.4%	0.5%
\$400,000 - \$499,999	0.0%	0.1%	0.1%
\$500,000 - \$749,999	0.7%	0.5%	0.4%
\$750,000 - \$999,999	0.0%	0.0%	0.0%
\$1,000,000 +	0.0%	0.0%	0.1%
<b>Average Home Value</b>	<b>\$ 54,631</b>	<b>\$ 70,829</b>	<b>\$ 76,162</b>

Source: ESRI Business Information Systems

# CONSUMER SPENDING AND THE LOCAL MARKET

## Existing Conditions in Oil City

The study area for the market assessment focuses on Oil City's Northside Business District which encompasses the properties bordering Elm Street and Seneca Street from the Allegheny River through North Seneca Street. As of March 2016, there were eighteen vacant and underutilized buildings in the area totaling nearly 315,000 square feet. Please refer to Appendix A.

While the study area has a significant amount of vacant and underutilized buildings, there are several employers and businesses that contribute to Oil City's ongoing community revitalization.

- PennDOT is the major employer in the study area at its Engineering District 1 offices on Elm Street. Oil City Hall is located in the study area, as are the offices of the Oil Region Alliance and the Oil City Main Street Program.
- The National Transit Building houses artist workspaces and professional offices, as well as the headquarters for Bridge Builders Community Foundations, a key community partner facilitating revitalization projects.
- Reinvigorated and new dining establishments are increasing the City's dining options, including the Yellow Dog Tavern, Northside Eatery, and Karma Coffee. McDonalds and Subway franchises have operated in the Northside Business District for years.
- The Days Inn Hotel and Conference Center provides 100 rooms for overnight lodging and is located near the Erie to Pittsburgh Trail and the Justus Trail.
- Two independent living senior citizen housing developments include 54 apartments for area seniors living downtown.
- Numerous other service businesses have been in operation for decades and continue to provide services to area residents.

## Consumer Spending

The consumer spending habits were analyzed for the 15-minute drive time area. The data is provided by ESRI Business Analyst and is based on a combination of the latest Consumer Expenditure Surveys from the U.S. Bureau of Labor Statistics. Data is reported by product or service and includes total expenditures, average annual spending per household, and a Spending Potential Index (SPI). The average expenditure reflects the average amount spent per household, and total expenditure represents the aggregate amount spent by all households in the defined area (e.g., 15-minute drive time). The SPI compares the average expenditure for a product locally to the average amount spent nationally. An index of 100 is average. For example, if the SPI for Apparel Products and Services is 157, it would mean that within the 15-minute drive time area consumers spend 57 percent more on this product than the national average. If the SPI is 89, it would mean that consumers spend 11 percent less on this product than the national average.

The data, provided in Table 15, provides insight into the products and services that consumers are buying within the 15-minute drive time, broken down by product and service categories, such as:

**Apparel**—Such as coats and jackets, shoes, watches and jewelry, uniforms. The Apparel and Services category also includes materials for making clothes, shoe repair and other shoe services, laundry and dry cleaning, and tailoring of apparel.

**Food and Beverage**—Such as amount at home, restaurant visits, food groups

**Financial**—Such as investments, mortgages, retirement, insurance

**Entertainment and Recreation**—Such as travel, movies, party supplies, dating services

**Household Goods and Services**—Such as furniture, appliances, child care, lawn and garden

Consistent with Oil City's median household income below the Pennsylvania average, Table 15 shows that residents within a 15-minute drive time spend below the U.S. average on all categories, as reported by ESRI Business Analyst.

**TABLE 15 - Spending Potential Index**

	Spending Potential Index	Average Amount Spent	Total
<b>Apparel and Services</b>	<b>63</b>	<b>\$1,464.27</b>	<b>\$12,992,426</b>
Men's	63	\$272.30	\$2,416,091
Women's	64	\$517.33	\$4,590,293
Children's	63	\$236.00	\$2,094,050
Footwear	64	\$294.77	\$2,615,473
Watches & Jewelry	59	\$84.97	\$753,968
Apparel Products and Services (1)	60	\$58.89	\$522,550
<b>Computer</b>			
Computers and Hardware for Home Use	63	\$136.03	\$1,206,998
Portable Memory	63	\$3.40	\$30,125
Computer Software	54	\$10.88	\$96,570
Computer Accessories	64	\$12.18	\$108,052
<b>Entertainment &amp; Recreation</b>	<b>67</b>	<b>\$2,228.52</b>	<b>\$19,773,639</b>
Fees and Admissions	56	\$359.57	\$3,190,475
Membership Fees for Clubs (2)	56	\$95.88	\$850,771
Fees for Participant Sports, excl. Trips	54	\$65.10	\$577,619
Admission to Movie/Theatre/Opera/Ballet	56	\$91.63	\$812,996
Admission to Sporting Events, excl. Trips	63	\$41.97	\$372,443
Fees for Recreational Lessons	53	\$64.57	\$572,950
Dating Services	70	\$0.42	\$3,696
TV/Video/Audio	70	\$911.78	\$8,090,212
Cable and Satellite Television Services	73	\$650.72	\$5,773,881
Televisions	65	\$96.64	\$857,523
Satellite Dishes	69	\$1.08	\$9,588
VCRs, Video Cameras, and DVD Players	67	\$7.36	\$65,303
Miscellaneous Video Equipment	52	\$5.57	\$49,388
Video Cassettes and DVDs	66	\$21.30	\$188,985
Video Game Hardware/Accessories	69	\$15.94	\$141,448
Video Game Software	68	\$18.65	\$165,503
Streaming/Downloaded Video	52	\$2.97	\$26,350
Rental of Video Cassettes and DVDs	65	\$15.32	\$135,937
Installation of Televisions	51	\$0.57	\$5,063
Audio (3)	58	\$72.06	\$639,418
Rental and Repair of TV/Radio/Sound Equipment	67	\$3.59	\$31,825
Pets	75	\$424.55	\$3,767,005
Toys and Games (4)	69	\$84.46	\$749,390
Recreational Vehicles and Fees (5)	73	\$159.74	\$1,417,413
Sports/Recreation/Exercise Equipment (6)	67	\$126.75	\$1,124,666
Photo Equipment and Supplies (7)	58	\$47.20	\$418,781
Reading (8)	67	\$102.55	\$909,897
Catered Affairs (9)	50	\$11.92	\$105,800

	Spending Potential Index	Average Amount Spent	Total
<b>Food</b>	<b>67</b>	<b>\$5,722.57</b>	<b>\$50,776,375</b>
Food at Home	69	\$3,621.52	\$32,133,775
Bakery and Cereal Products	71	\$514.23	\$4,562,789
Meats, Poultry, Fish, and Eggs	69	\$792.96	\$7,035,915
Dairy Products	70	\$393.73	\$3,493,532
Fruits and Vegetables	66	\$655.67	\$5,817,752
Snacks and Other Food at Home (10)	70	\$1,264.94	\$11,223,787
Food Away from Home	64	\$2,101.05	\$18,642,600
Alcoholic Beverages	60	\$330.97	\$2,936,684
Nonalcoholic Beverages at Home	71	\$354.00	\$3,141,006
<b>Financial</b>			
Investments	57	\$1,583.18	\$14,047,555
Vehicle Loans	68	\$2,883.49	\$25,585,192
<b>Health</b>			
Nonprescription Drugs	75	\$97.07	\$861,346
Prescription Drugs	78	\$389.43	\$3,455,436
Eyeglasses and Contact Lenses	72	\$64.75	\$574,543
<b>Home</b>			
Mortgage Payment and Basics (11)	61	\$5,689.31	\$50,481,213
Maintenance and Remodeling Services	66	\$1,112.67	\$9,872,753
Maintenance and Remodeling Materials (12)	81	\$243.07	\$2,156,775
Utilities, Fuel, and Public Services	72	\$3,621.26	\$32,131,482
<b>Household Furnishings and Equipment</b>			
Household Textiles (13)	65	\$64.42	\$571,567
Furniture	64	\$330.76	\$2,934,829
Rugs	68	\$16.74	\$148,567
Major Appliances (14)	69	\$185.45	\$1,645,533
Housewares (15)	66	\$47.33	\$419,936
Small Appliances	70	\$32.28	\$286,418
Luggage	54	\$4.97	\$44,079
Telephones and Accessories	70	\$35.09	\$311,361
<b>Household Operations</b>			
Child Care	56	\$248.46	\$2,204,606
Lawn and Garden (16)	71	\$310.23	\$2,752,666
Moving/Storage/Freight Express	57	\$41.89	\$371,658
Housekeeping Supplies (17)	70	\$506.09	\$4,490,556
<b>Insurance</b>			
Owners and Renters Insurance	73	\$366.50	\$3,251,988
Vehicle Insurance	67	\$811.70	\$7,202,200
Life/Other Insurance	71	\$326.49	\$2,896,944
Health Insurance	73	\$1,928.99	\$17,115,959
Personal Care Products (18)	65	\$305.94	\$2,714,574
School Books and Supplies (19)	65	\$117.61	\$1,043,535
Smoking Products	86	\$399.17	\$3,541,825
<b>Transportation</b>			
Vehicle Purchases (Net Outlay) (20)	72	\$2,902.12	\$25,750,501
Gasoline and Motor Oil	72	\$2,539.65	\$22,534,316
Vehicle Maintenance and Repairs	66	\$741.41	\$6,578,532
<b>Travel</b>			
Airline Fares	53	\$254.86	\$2,261,339
Lodging on Trips	61	\$275.71	\$2,446,342
Auto/Truck/Van Rental on Trips	50	\$16.91	\$150,063
Food and Drink on Trips	62	\$289.53	\$2,569,002

Source: ESRI Business Information System



### Retail Gap Analysis

A retail gap analysis is a tool used to better understand the potential for new retail and restaurants within a defined study area. The analysis compares the supply (sales to customers) and demand (potential for consumer spending based on disposable income) of industry sectors, including retail, food and drink, and other commercial activity. A positive retail gap represents a “leakage” of sales opportunity outside the study area. This means that consumers are going outside of the trade area for their shopping and dining needs. A negative value represents a “surplus” of retail sales, and means the establishments within the study area are drawing consumers in from outside of the study area. Because of the nature of the analysis, a retail gap analysis for the secondary market area (see Table 18) and the tertiary market area (see Table 19) were both used.

**Based on the retail gap analysis for the 10-minute drive time**, there is substantially more demand than supply in all but three trade areas: Automobile Dealers (capturing \$1.7 million from outside sales), Used Merchandise (capturing \$563,924 from outside sales), and Drinking Places - Alcoholic Beverages (capturing \$80,410 from outside sales). The trade areas with the highest retail gap, or more demand than supply, includes Food and Beverage (gap of \$15,558,869) and General Merchandise (gap of \$14,053,854).

**Based on the retail gap analysis for the 15-minute drive time**, the existing marketplace is meeting demand in several industry groups, including Automobile Dealers (capturing \$24,904,218 in outside sales), Motor, Vehicle & Parts Dealer (capturing \$23,846,470 in outside sales), Department Stores (capturing \$20,957,017 in outside sales), and General Merchandise Stores (e.g., Walmart) (capturing \$15,888,982 in outside sales).

Cranberry Mall is located within the 15-minute drive time, and serves as an anchor for retail activity for Oil City and the greater region. The mall has over 40 tenants as outlined in Table 16. Immediately surrounding the mall, other existing retailers and businesses include:

- Tractor Supply Co
- Staples
- Holiday Inn
- Walmart Supercenter
- Sheetz
- Fast food chains including Subway, McDonalds, Arby's Taco Bell

TABLE 16 - Cranberry Mall Retailers

<b>Apparel – Womens</b>	<b>Health &amp; Beauty</b>	<b>Specialty</b>
Maurices	Bath & Body Works	Aaron's Inc.
Apparel - Womens & Mens	GNC	Aldi Grocery
Label Shopper	JCPenney Styling Salon	Fisher & Father
<b>Cards, Gifts &amp; Books</b>	Lee Nails	Inspire Me Gifts & More
Matthew's Hallmark	MasterCuts	JoAnn Fabrics
Bradleys Books	Regis Salon	Kitchen Collection
<b>Cinema</b>	God's Little Garden	Nell's Crafts
The Movies at Cranberry	Cranberry Wellness Center	Hagan Business Machines
<b>Department Stores</b>	<b>Jewelry &amp; Accessories</b>	Professional
Sears	Claire's Boutique	iDance
The Bon-Ton	Kay Jewelers	Regional Nephrology
JCPenney	<b>Services</b>	Renal Care of Oil City
Dunham's Sports	Farmer's National Bank	
Ollie's Bargain Outlet	JCPenney Catalog	
<b>Electronics, Games &amp; Music</b>	PNC Bank	
Game Stop	Northwest Savings Bank	
A Wireless	Pennzoil Jiffy Lube	
<b>Restaurants &amp; Food</b>	Sears Automotive	
Asian Express	Sears Optical	
Uncle Jason's BBQ	<b>Shoes</b>	
Two Cousins Pizza	The Shoe Dept.	

Source: <http://www.cranberrymall.com/>

### Sporting Goods Retail

The Oil Region Alliance purchased the Downs Building located at the corner of Center and Sycamore Streets in 2013 for the purpose of renovating the building for retail and residential uses. The building is part of Oil City's Downtown Commercial Historic District and is directly adjacent to the Erie to Pittsburgh Trail and new Town Square. A building preservation and adaptive reuse plan prepared in 2014 identifies first-floor commercial space and 2nd and 3rd floor apartments with a total estimated renovation cost of \$600,000. Based on the 2014 plan, a sporting goods store is a preferred end use that is under evaluation. Sporting goods retailing typically includes new sporting goods, such as bicycles and bicycle parts; camping equipment; exercise and fitness equipment; athletic uniforms; specialty sports footwear; and sporting goods, equipment, and accessories.

Potential competition in the marketplace is Dunham's Sports store, located within the 15-minute drive time at Cranberry Mall, located along U.S. 322 in Cranberry, Venango County. Dunham's Sports and other similar retailers (9 total in the 15-minute drive time) are currently meeting local demand and capturing outside sales in the amount of \$992,358 per year. While a "retail gap" is not evident, Oil City's unique proximity to the Erie to Pittsburgh Trail may provide a market for a niche sporting goods retail store. Likewise, the Downs Building is located in close proximity to the Oil Creek's fly fishing area and Oil Creek State Park.

It is important to note that within the 10-minute drive time, the retail gap analysis shows a retail gap of approximately \$2 million for sporting goods retail, or a \$2 million surplus of demand that is not being met within the immediate proximity of Oil City. A niche sporting goods store could capture this local demand, as well as tourism sales. In total, the existing retail potential for the 10-minute drive time is \$4,383,484.

### Grocery Retail

Based on stakeholder interviews, Oil City has identified a need for a grocery store in the downtown area. The area is designated as a Low Income and Low Access Area to Food according to the U.S. Department of Agriculture, Food Access Research Atlas. This designation means that at least 500

people, or 33 percent of the population, live more than ten miles from the nearest supermarket, supercenter, or large grocery store.

Currently, there are at least two grocery stores located within the 15-minute drive time of Oil City. These include a Walmart Supercenter and an Aldi grocery store, both located near the Cranberry Mall. Based on the retail gap analysis, these two grocery stores are serving the local and regional market, drawing in \$3,594,414 in surplus sales.

In Oil City, there are no existing large grocery stores, only smaller convenience stores including a small Giant Eagle. Based on the retail gap analysis, there is a surplus of demand in the amount of approximately \$13 million within the 10-minute drive time.

#### Retail Opportunities Based on Existing Gaps

Based on the market gap analysis, there is surplus demand for several retail categories in both the 10-minute and 15-minute drive times. These retail categories represent an opportunity to develop new retail stores in Oil City, and may help support revitalization in the Northside Business District. Table 17 contains a list of the retail categories that have a retail gap of \$2 million or more. For a complete list of retail supply and demand for the 10-minute and 15-minute drive times, please see Table 18 and Table 19.

**TABLE 17 - Retail Opportunities**

Industry Group	15-Minute Drive Time		
	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap
Furniture & Home Furnishings Stores	\$6,357,430	\$4,305,394	\$2,052,036
Electronics & Appliance Stores	\$11,071,162	\$8,823,859	\$2,247,303
Beer, Wine & Liquor Stores	\$3,517,666	\$1,258,496	\$2,259,170
Gasoline Stations	\$16,080,744	\$10,201,310	\$5,879,434
Clothing & Clothing Accessories Stores	\$10,262,580	\$5,500,699	\$4,761,881
Clothing Stores	\$7,521,783	\$2,138,160	\$5,383,623
Other General Merchandise Stores	\$8,466,852	\$3,398,817	\$5,068,035
Other Miscellaneous Store Retailers	\$8,506,759	\$5,936,193	\$2,570,566

Source: ESRI Business Information System

TABLE 18 - Retail Gap Analysis: Secondary Market Area (10-minute drive time)

Summary Demographics						
2015 Population						13,877
2015 Households						5,824
2015 Median Disposable Income						\$29,447
2015 Per Capita Income						\$20,064
Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/ Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$158,217,986	\$94,274,614	\$63,943,372	25.3	107
Total Retail Trade	44-45	\$144,542,168	\$83,478,903	\$61,063,265	26.8	73
Total Food & Drink	722	\$13,675,817	\$10,795,712	\$2,880,105	11.8	35
Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/ Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$33,660,117	\$32,391,578	\$1,268,539	1.9	14
Automobile Dealers	4411	\$28,236,102	\$29,961,693	-\$1,725,591	-3.0	9
Other Motor Vehicle Dealers	4412	\$3,589,265	\$772,489	\$2,816,776	64.6	2
Auto Parts, Accessories & Tire	4413	\$1,834,749	\$1,657,397	\$177,352	5.1	3
Furniture & Home Furnishings	442	\$4,073,927	\$1,162,611	\$2,911,316	55.6	3
Furniture Stores	4421	\$2,474,289	\$0	\$2,474,289	100.0	0
Home Furnishings	4422	\$1,599,638	\$755,450	\$844,188	35.8	3
Electronics & Appliance	443	\$7,105,909	\$4,543,775	\$2,562,134	22.0	4
Building Materials, Garden Equip. & Supply	444	\$6,792,753	\$3,668,701	\$3,124,052	29.9	5
Building Material & Supplies Dealers	4441	\$5,787,466	\$3,505,029	\$2,282,437	24.6	5
Lawn & Garden Equip & Supply	4442	\$1,005,287	\$0	\$1,005,287	100.0	0
Food & Beverage	445	\$28,862,392	\$13,303,523	\$15,558,869	36.9	10
Grocery	4451	\$24,851,285	\$11,822,611	\$13,028,674	35.5	7
Specialty Food	4452	\$1,755,718	\$448,324	\$1,307,394	59.3	1
Beer, Wine & Liquor	4453	\$2,255,388	\$1,032,588	\$1,222,800	37.2	2
Health & Personal Care	446,4461	\$6,874,793	\$6,355,969	\$518,824	3.9	5
Gasoline Stations	447,4471	\$10,324,435	\$4,925,990	\$5,398,445	35.4	3
Clothing & Clothing Accessories	448	\$6,601,005	\$1,462,464	\$5,138,541	63.7	5
Clothing	4481	\$4,836,956	\$908,488	\$3,928,468	68.4	4
Shoe	4482	\$1,018,692	\$0	\$1,018,692	100.0	0
Jewelry, Luggage & Leather Goods	4483	\$745,358	\$450,586	\$294,772	24.6	1
Sporting Goods, Hobby, Book & Music	451	\$4,383,484	\$2,366,808	\$2,016,676	29.9	3
Sporting Goods/Hobby/Musical Instrument	4511	\$3,566,587	\$2,366,808	\$1,199,779	20.2	3
Book, Periodical & Music	4512	\$816,897	\$0	\$816,897	100.0	0
General Merchandise	452	\$23,232,094	\$9,178,240	\$14,053,854	43.4	4
Department Stores Excluding Leased Depts.	4521	\$17,809,175	\$7,783,338	\$10,025,837	39.2	2
Other General Merchandise	4529	\$5,422,919	\$1,394,902	\$4,028,017	59.1	2
Miscellaneous Store Retailers	453	\$7,598,061	\$4,119,244	\$3,478,817	29.7	16
Florists	4531	\$344,691	\$83,109	\$261,582	61.1	2
Office Supplies, Stationery & Gift	4532	\$1,350,000	\$580,764	\$769,236	39.8	4
Used Merchandise	4533	\$486,401	\$1,050,325	-\$563,924	-36.7	6
Other Miscellaneous Store Retailers	4539	\$5,416,968	\$2,405,047	\$3,011,921	38.5	5
Nonstore Retailers	454	\$5,033,199	\$0	\$5,033,199	100.0	0
Electronic Shopping & Mail-Order Houses	4541	\$3,882,253	\$0	\$3,882,253	100.0	0
Vending Machine Operators	4542	\$149,752	\$0	\$149,752	100.0	0
Direct Selling Establishments	4543	\$1,001,194	\$0	\$1,001,194	100.0	0
Food Services & Drinking Places	722	\$13,675,817	\$10,795,712	\$2,880,105	11.8	35
Full-Service Restaurants	7221	\$7,217,848	\$5,843,342	\$1,374,506	10.5	19
Limited-Service Eating Places	7222	\$5,507,396	\$3,943,952	\$1,563,444	16.5	8
Special Food Services	7223	\$293,832	\$271,265	\$22,567	4.0	2
Drinking Places - Alcoholic Beverages	7224	\$656,742	\$737,152	-\$80,410	-5.8	6

Source: ESRI Business Information Systems

TABLE 19 - Retail Gap Analysis: Secondary Market Area (15-minute drive time)

Summary Demographics						
2015 Population						20,593
2015 Households						8,873
2015 Median Disposable Income						\$30,613
2015 Per Capita Income						\$20,859
Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/ Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45,722	\$247,168,940	\$300,023,384	-\$52,854,444	-9.7	223
Total Retail Trade	44-45	\$225,837,713	\$272,338,353	-\$46,500,640	-9.3	159
Total Food & Drink	722	\$21,331,228	\$27,685,031	-\$6,353,803	-13.0	64
Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/ Surplus Factor	Number of Businesses
Motor Vehicle & Parts Dealers	441	\$52,671,681	\$76,518,151	-\$23,846,470	-18.5	29
Automobile Dealers	4411	\$44,119,666	\$69,023,884	-\$24,904,218	-22.0	18
Other Motor Vehicle Dealers	4412	\$5,690,601	\$4,275,899	\$1,414,702	14.2	4
Auto Parts, Accessories & Tire Stores	4413	\$2,861,414	\$3,218,367	-\$356,953	-5.9	8
Furniture & Home Furnishings Stores	442	\$6,357,430	\$4,305,394	\$2,052,036	19.2	7
Furniture Stores	4421	\$3,845,863	\$3,085,001	\$760,862	11.0	3
Home Furnishings Stores	4422	\$2,511,567	\$1,220,393	\$1,291,174	34.6	4
Electronics & Appliance Stores	443	\$11,071,162	\$8,823,859	\$2,247,303	11.3	7
Bldg Materials, Garden Equip. & Supply	444	\$10,720,922	\$9,541,618	\$1,179,304	5.8	11
Bldg Material & Supplies Dealers	4441	\$9,122,646	\$8,727,972	\$394,674	2.2	9
Lawn & Garden Equip & Supply Stores	4442	\$1,598,276	\$813,647	\$784,629	32.5	1
Food & Beverage Stores	445	\$45,026,556	\$44,719,675	\$306,881	0.3	18
Grocery Stores	4451	\$38,770,140	\$42,364,554	-\$3,594,414	-4.4	13
Specialty Food Stores	4452	\$2,738,750	\$1,096,626	\$1,642,124	42.8	2
Beer, Wine & Liquor Stores	4453	\$3,517,666	\$1,258,496	\$2,259,170	47.3	3
Health & Personal Care Stores	446,4461	\$10,767,461	\$15,496,611	-\$4,729,150	-18.0	15
Gasoline Stations	447,4471	\$16,080,744	\$10,201,310	\$5,879,434	22.4	7
Clothing & Clothing Accessories Stores	448	\$10,262,580	\$5,500,699	\$4,761,881	30.2	12
Clothing Stores	4481	\$7,521,783	\$2,138,160	\$5,383,623	55.7	7
Shoe Stores	4482	\$1,583,079	\$517,385	\$1,065,694	50.7	1
Jewelry, Luggage & Leather Goods Stores	4483	\$1,157,717	\$2,845,154	-\$1,687,437	-42.2	4
Sporting Goods, Hobby, Book & Music	451	\$6,849,808	\$6,756,757	\$93,051	0.7	9
Sporting Goods/Hobby/Musical Instr Stores	4511	\$5,584,963	\$6,577,321	-\$992,358	-8.2	9
Book, Periodical & Music Stores	4512	\$1,264,844	\$179,436	\$1,085,408	75.2	1
General Merchandise Stores	452	\$36,215,091	\$52,104,073	-\$15,888,982	-18.0	9
Department Stores	4521	\$27,748,239	\$48,705,256	-\$20,957,017	-27.4	4
Other General Merchandise Stores	4529	\$8,466,852	\$3,398,817	\$5,068,035	42.7	5
Miscellaneous Store Retailers	453	\$11,924,413	\$10,180,130	\$1,744,283	7.9	36
Florists	4531	\$547,444	\$378,567	\$168,877	18.2	5
Office Supplies, Stationery & Gift Stores	4532	\$2,113,419	\$1,464,260	\$649,159	18.1	7
Used Merchandise Stores	4533	\$756,791	\$2,401,110	-\$1,644,319	-52.1	12
Other Miscellaneous Store Retailers	4539	\$8,506,759	\$5,936,193	\$2,570,566	17.8	11
Nonstore Retailers	454	\$7,889,864	\$0	\$7,889,864	100.0	0
Electronic Shopping & Mail-Order Houses	4541	\$6,068,204	\$0	\$6,068,204	100.0	0
Vending Machine Operators	4542	\$233,570	\$0	\$233,570	100.0	0
Direct Selling Establishments	4543	\$1,588,089	\$0	\$1,588,089	100.0	0
Food Services & Drinking Places	722	\$21,331,228	\$27,685,031	-\$6,353,803	-13.0	64
Full-Service Restaurants	7221	\$11,257,186	\$15,949,359	-\$4,692,173	-17.2	36
Limited-Service Eating Places	7222	\$8,594,367	\$10,015,670	-\$1,421,303	-7.6	17
Special Food Services	7223	\$458,426	\$618,908	-\$160,482	-14.9	4
Drinking Places - Alcoholic Beverages	7224	\$1,021,250	\$1,101,094	-\$79,844	-3.8	8

Source: ESRI Business Information System

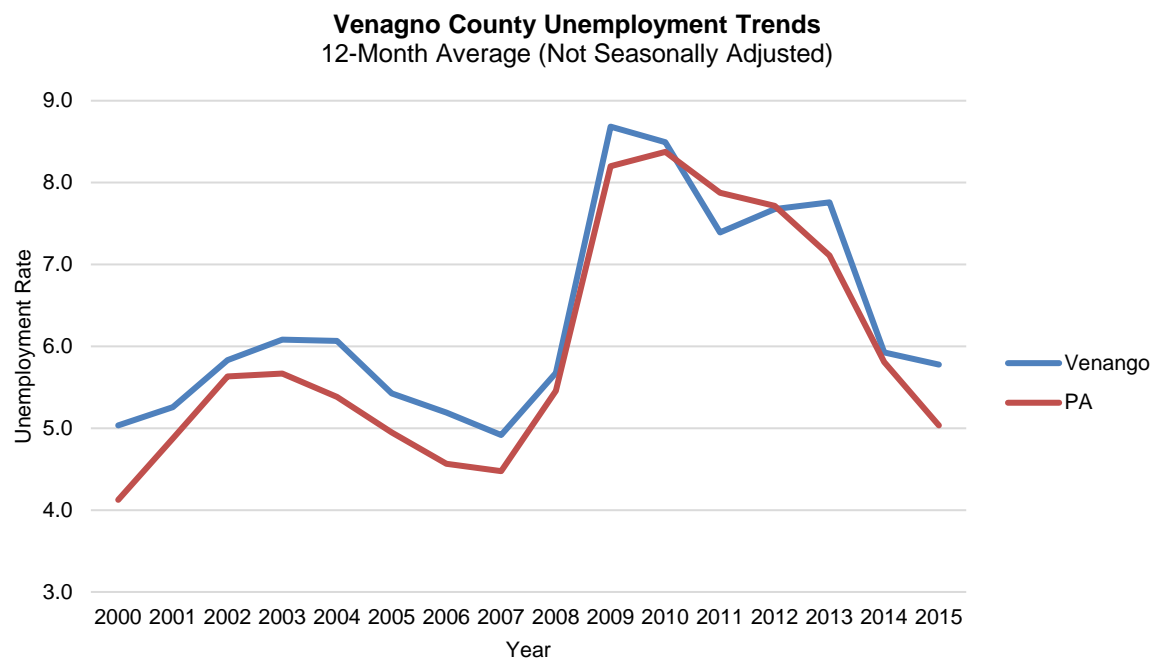


# EMPLOYMENT TRENDS

## Unemployment Rate

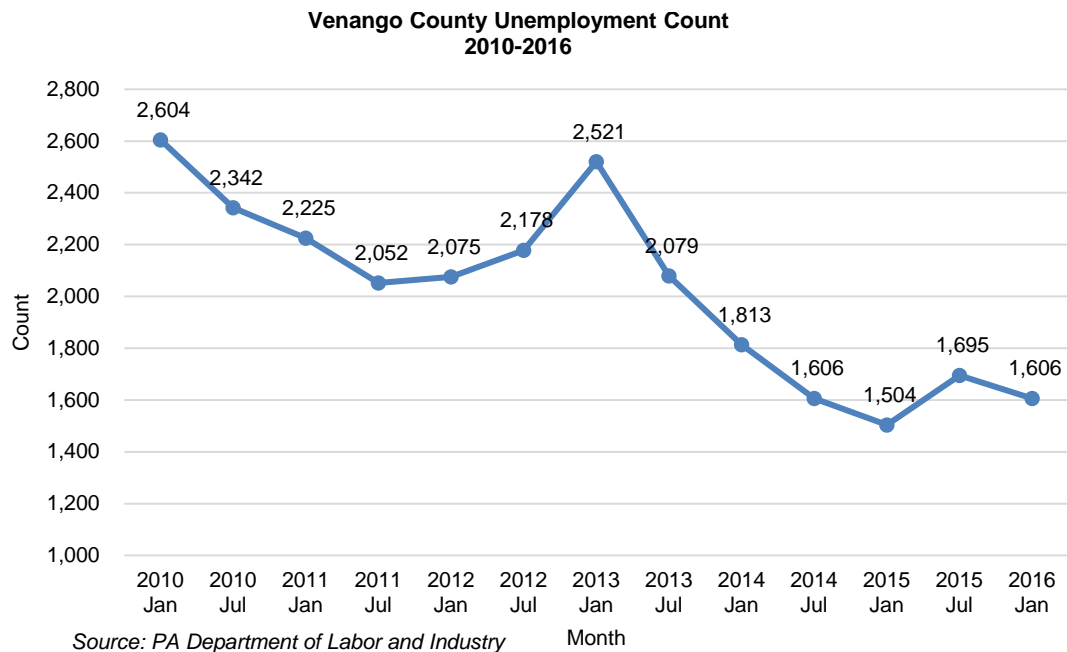
The Venango County unemployment rate has historically remained higher than the Pennsylvania statewide average. Unemployment spiked regionally, statewide, and nationally in 2008 and 2009 due to the recession, but has trended downward since approximately 2010, as demonstrated in Figure 3. In 2015, the 12-month average unemployment rate was 5.8 percent in Venango County, compared to 5.0 percent in Pennsylvania.

**FIGURE 3 - Venango County Annual Unemployment Trends**



Source: PA Department of Labor and Industry

Figure 4 provides 2010 through 2015 unemployment counts and demonstrates the number of unemployed workers has generally decreased since 2010. As of February 2015, Venango County's labor force was 24,500 with an unemployment rate of 5.2 percent. By count, there were approximately 1,606 unemployed Venango County residents in January 2016. This is slightly higher than one year prior (January 2015), when there was a reported total of 1,504 unemployed residents. Since 2010, however, the unemployment count has trended downward, decreasing by a net total of 998 individuals between January 2010 and January 2016.

**FIGURE 4 - Venango County Unemployment Count**

### Employment by Industry

When assessing the dynamics of a local economy, one of the first things typically considered is whether or not the area has experienced a growth in its economic base. As shown in Table 20, the County's employment base has decreased by 1,037 jobs since 2000. In addition, the County's top six industry sectors – Nursing and Residential Care Facilities, Machinery Manufacturing, Educational Services, Food Services and Drinking Places, Ambulatory Health Care Services – have each decreased as well in terms of gross employment numbers. These six industry sectors lost an average of 211 jobs over the course of 15 years.

The Fabricated Metal Product Manufacturing, Support Activities for Mining, Primary Metal Manufacturing industries have each experienced job gains between 2000 and 2015. Fabricated Metal Product Manufacturing and Primary Metal Manufacturing employed 552 and 861 individuals, respectively, in 2015.

A recent announcement by Joy Global Underground Mining, Inc., a mining equipment manufacturer headquartered in Milwaukee, confirmed 382 layoffs at the company's Franklin manufacturing location in March 2016. According to news releases, the plant closure is due to an overall weak coal industry and declining customer base. Joy Global will continue to operate its engineering hub for room, pillar, and shearer loader products in Franklin.

The County's primary economic drivers point to an overall decline in the County's economic base, and may be a contributing factor to the County's population loss since 2000. Since 2000, Venango County's population decreased by 4,698 residents.

TABLE 20 - Employment by Industry Sector

Industry	2000	2005	2010	2015	Change 2010-2015
<b>Grand Total</b>	<b>21,182</b>	<b>19,450</b>	<b>18,758</b>	<b>17,721</b>	<b>(1,037)</b>
Nursing and Residential Care Facilities	2,444	2,310	2,087	1,791	(296)
Machinery Manufacturing	1,745	1,709	1,708	1,448	(260)
Educational Services	1,462	1,512	1,510	1,330	(180)
Food Services and Drinking Places	1,067	1,173	1,057	945	(112)
Ambulatory Health Care Services	850	1,024	1,058	933	(125)
Primary Metal Manufacturing	858	849	749	861	112
Administrative and Support Services	479	799	727	755	28
General Merchandise Stores	515	668	633	692	59
Social Assistance	451	576	732	639	(93)
Executive, Legislative, and Other General Government Support	657	635	567	609	42
Professional, Scientific, and Technical Services	445	387	623	590	(33)
Computer and Electronic Product Manufacturing	358	388	538	579	41
Fabricated Metal Product Manufacturing	288	390	431	552	121
Truck Transportation	704	687	531	487	(44)
Motor Vehicle and Parts Dealers	522	349	350	403	53
Religious, Grantmaking, Civic, and Similar Organizations	406	422	284	348	64
Gasoline Stations	338	281	281	329	48
Merchant Wholesalers, Durable Goods	194	264	259	296	37
Specialty Trade Contractors	272	312	281	286	5
Food and Beverage Stores	622	360	423	276	(147)
Miscellaneous Manufacturing	386	331	264	256	(8)
Credit Intermediation and Related Activities	284	538	383	233	(150)
Building Material and Garden Equipment and Supplies Dealers	169	136	189	212	23
Transit and Ground Passenger Transportation	229	239	244	196	(48)
Repair and Maintenance	193	200	200	187	(13)
Merchant Wholesalers, Nondurable Goods	162	169	187	171	(16)
Utilities	208	95	157	170	13
Miscellaneous Store Retailers	154	153	101	149	48
Nonstore Retailers	209	29	251	144	(107)
Health and Personal Care Stores	100	112	79	120	41
Support Activities for Mining	40			115	115
Real Estate	103	129	119	112	(7)
Personal and Laundry Services	142	147	123	110	(13)
Construction of Buildings	199	109	110	106	(4)
Printing and Related Support Activities	148	144	199	102	(97)
Plastics and Rubber Products Manufacturing	216	118	101	97	(4)
Couriers and Messengers	41	40	57	85	28
Wholesale Electronic Markets and Agents and Brokers	265	93	93	85	(8)
Management of Companies and Enterprises		31	43	80	37
Wood Product Manufacturing	291	134	77	78	1
Insurance Carriers and Related Activities	95	106	86	77	(9)
Sporting Goods, Hobby, Musical Instrument, and Book Stores	68	49	55	64	9
Justice, Public Order, and Safety Activities	52	62	60	64	4
Oil and Gas Extraction	16	67	39	60	21
Clothing and Clothing Accessories Stores	120	71	54	60	6
Accommodation	93	70	76	59	(17)
Food Manufacturing	110	56	73	58	(15)
Administration of Environmental Quality Programs	55	54	53	55	2
Electronics and Appliance Stores	59	54	51	40	(11)
Heavy and Civil Engineering Construction	60	52	41	39	(2)
Furniture and Home Furnishings Stores	57	42	50	35	(15)

Industry	2000	2005	2010	2015	Change 2010-2015
Support Activities for Transportation	12		25	26	1
Telecommunications	76	61	18	23	5
Waste Management and Remediation Services	16	17	9	22	13
Securities, Commodity Contracts, & Other Financial Investments	29	31	16	19	3
Rental and Leasing Services	35	24	27	17	(10)
Amusement, Gambling, and Recreation Industries	34	109	48	13	(35)
Crop Production			7	9	2
Private Households	44	71	8	9	1
Performing Arts, Spectator Sports, and Related Industries	5	7	9	9	-
Museums, Historical Sites, and Similar Institutions			5	6	1
Administration of Economic Programs					-
Administration of Human Resource Programs					-
Air Transportation					-
Animal Production and Aquaculture	10	16			-
Apparel Manufacturing					-
Beverage and Tobacco Product Manufacturing	80				-
Chemical Manufacturing	217				-
Electrical Equipment, Appliance, and Component Manufacturing					-
Forestry and Logging	12	13			-
Furniture and Related Product Manufacturing	8	8			-
Hospitals	1,034				-
Leather and Allied Product Manufacturing					-
Mining (except Oil and Gas)					-
Motion Picture and Sound Recording Industries					-
Nonmetallic Mineral Product Manufacturing					-
Other Information Services					-
Paper Manufacturing					-
Petroleum and Coal Products Manufacturing	340	186			-
Pipeline Transportation					-
Scenic and Sightseeing Transportation					-
Support Activities for Agriculture and Forestry					-
Textile Mills					-
Textile Product Mills					-
Transportation Equipment Manufacturing					-
Warehousing and Storage					-
Administration of Housing Programs, Planning, & Community Dev.	21	22	22		(22)
Broadcasting (except Internet)	55	28	23		(23)
Publishing Industries (except Internet)	153	132	97		(97)

Source: PA Department of Labor and Industry

The Center for Workforce Information & Analysis (CWIA) within the Pennsylvania Department of Labor and Industry develops long term employment projections by industry and by occupation for each of Pennsylvania's Workforce Investment Areas (WIAs). For the Northwest Pennsylvania Workforce Investment Area (NWPW WIA), which includes Clarion, Crawford, Erie, Forest, Venango, and Warren counties, employment projections by industry show a slight increase in goods producing industries through 2022, and a slightly higher increase in service industries of 8.9 percent. The Health Care & Social Services sector is projected to have the greatest percentage increase of 21.3 percent. Refer to Table 21.

**TABLE 21 - NWPA WIA Industry Employment Long Term Projections (2012 - 2022)**

NAICS	Industry Title	Employment		Change		Average Annual Change
		2012	2022	Level	Percent	
	<b>Total All Industries</b>	<b>229,340</b>	<b>245,260</b>	<b>15,920</b>	<b>6.9%</b>	<b>1,592</b>
	<b>Goods Producing Industries</b>	<b>50,910</b>	<b>51,810</b>	<b>900</b>	<b>1.8%</b>	<b>90</b>
11	Agriculture, Forestry, Fishing & Hunting	5,520	5,530	10	0.2%	1
21	Mining, Quarrying & Oil & Gas Extraction	1,370	1,500	130	9.5%	13
23	Construction	5,870	6,400	530	9.0%	53
31-33	Manufacturing	38,150	38,390	240	0.6%	24
	<b>Services Providing Industries</b>	<b>164,250</b>	<b>178,920</b>	<b>14,670</b>	<b>8.9%</b>	<b>1,467</b>
22	Utilities	920	980	60	6.5%	6
42	Wholesale Trade	5,000	5,360	360	7.2%	36
44-45	Retail Trade	25,160	25,330	170	0.7%	17
48-49	Transportation & Warehousing	5,810	6,430	620	10.7%	62
51	Information	2,000	1,990	-10	-0.5%	-1
52	Finance & Insurance	7,080	7,170	90	1.3%	9
53	Real Estate & Rental & Leasing	1,430	1,590	160	11.2%	16
54	Professional & Technical Services	4,440	4,860	420	9.5%	42
55	Management of Companies & Enterprises	1,880	2,290	410	21.8%	41
56	Administrative & Waste Services	7,710	9,350	1,640	21.3%	164
61	Educational Services	17,840	17,880	40	0.2%	4
62	Health Care & Social Assistance	38,290	46,460	8,170	21.3%	817
71	Arts, Entertainment & Recreation	3,150	3,280	130	4.1%	13
72	Accommodation & Food Services	17,050	18,390	1,340	7.9%	134
81	Other Services, Ex. Public Admin	11,380	12,110	730	6.4%	73
99	Government	15,120	15,460	340	2.2%	34

Source: PA Department of Labor and Industry

Employment projections by occupation reflect an overall employment increase of 6.9 percent by 2022 with a total increase of 7,192 jobs for the six county region. Occupations with the greatest projected increase include: Food Preparation & Serving Related, Office & Administrative Support, Sales & Related, Production, and Healthcare Practitioners & Technical. While the projections include all the counties within the NWPA WIA, there may be the potential to attract some of the jobs to Oil City provided favorable site conditions are available (such as renovated buildings, infrastructure, parking, etc.). Please refer to Table 22.

TABLE 22 - NWPA WIA Long Term Employment Projections by Occupation (2012 - 2022)

SOC Code	Occupational Title	Estimated 2012	Projected 2022	Percent Change	Average Annual Openings		
					Due to Growth <sup>1/</sup>	Due to Replacement <sup>2/</sup>	Total <sup>3/</sup>
00	Total, All Occupations	229,340	245,260	6.9%	1,784	5,408	7,192
11	Management	10,340	10,650	3.0%	53	205	258
13	Business & Financial Operations	7,500	7,980	6.4%	53	166	219
15	Computer & Mathematical	1,900	2,100	10.5%	21	33	54
17	Architecture & Engineering	3,470	3,590	3.5%	18	86	104
19	Life, Physical & Social Science	940	970	3.2%	5	30	35
21	Community & Social Services	6,550	7,470	14.0%	92	150	242
23	Legal	760	830	9.2%	8	12	20
25	Education, Training & Library	13,230	13,620	2.9%	49	284	333
27	Arts, Design, Entertainment, Sports & Media	2,510	2,610	4.0%	12	57	69
29	Healthcare Practitioners & Technical	13,670	16,100	17.8%	243	285	528
31	Healthcare Support	9,720	11,690	20.3%	197	185	382
33	Protective Service	3,790	3,980	5.0%	19	110	129
35	Food Preparation & Serving Related	20,340	21,990	8.1%	167	743	910
37	Building & Grounds Cleaning & Maintenance	8,560	9,190	7.4%	62	174	236
39	Personal Care & Service	9,610	11,430	18.9%	183	190	373
41	Sales & Related	22,580	22,830	1.1%	44	703	747
43	Office & Administrative Support	33,050	34,450	4.2%	192	714	906
45	Farming, Fishing & Forestry	4,010	3,990	-0.5%	8	115	123
47	Construction & Extraction	8,230	8,920	8.4%	72	148	220
49	Installation, Maintenance & Repair	9,260	9,910	7.0%	68	214	282
51	Production	25,780	26,380	2.3%	112	503	615
53	Transportation & Material Moving	13,550	14,590	7.7%	106	301	407

Source: PA Department of Labor and Industry



# EXISTING STUDY AREA CONDITIONS

## Recent Downtown Revitalization Efforts and Assets

Recent downtown revitalization efforts and existing community assets in the Northside Business District are well-documented in the Oil City Northside Business District Revitalization Plan prepared by Venango County Planning Commission in December 2015. Recent revitalization accomplishments include:

- **Oil City Main Street Program** – The Oil City Main Street Program was established in 2008 and follows the national Main Street Four Point Approach® that has been successfully used to revitalize and transform downtown business districts throughout the country. The mission of the Main Street Oil City Program is to “make Oil City’s downtown business district aesthetically pleasing and economically viable, providing a foundation for the healthy growth and success of current and future businesses for the benefit of current and future residents.” Five volunteer committees have been formed to work with staff to implement main street projects. It is reported that the Oil City Main Street Program replaced the establishment of a business improvement district (BID) as recommended in the 2005 Downtown Economic Development Strategy.
- **ARTS Oil City** – ARTS Oil City was one of the key economic development strategies implemented from the 2005 economic development strategy. The arts related revitalization that has occurred to date has been successful including the attraction of over 40 artists from all over the country, particularly the east and west coasts. The economic impact of ARTS Oil City is estimated at more than \$1.3 million in studio rentals, home purchases, and additional tax revenues according to the Northside Business District Revitalization Plan. The program originally included an incentive offered in conjunction with First United National Bank of 100 percent home financing. As the real estate in the Oil City area is so affordable, this incentive is no longer necessary or used. Artists are being attracted to Oil City due to the low cost of living; inexpensive real estate; low overhead to operate a business; friendly, safe community; and exceptional natural environment.
- **Downs Building** – The Oil Region Alliance purchased the Downs Building located at the corner of Center and Sycamore Streets in 2013 for the purpose of renovating to house retail and residential uses. The building is part of Oil City’s Downtown Commercial Historic District and is directly adjacent to the Erie to Pittsburgh Trail and new Town Square. A building preservation and adaptive reuse plan prepared in 2014 identifies first-floor commercial space and 2nd and 3rd floor apartments with a total estimated renovation costs of \$600,000.
- **Town Square** – Built on the site of the former Brody Block, the new Town Square was dedicated in 2015 and serves as a greenspace location for community events. The Oil City Redevelopment Authority and many partners were able to demolish the old buildings located on the site and assemble funding to make it a tangible result which reinforces the benefits of implementing development strategies.

- **Venango Museum of Art, Science and Industry** – The Venango Museum of Art, Science and Industry has been interpreting the Oil Region’s heritage since 1961 and has been in its current location in downtown Oil City since 1988. Approximately 3,000 patrons visit annually with patronage increasing by nearly 700 per year in the past two years with the opening of the visitor’s center downtown. Approximately 60 percent of visitors are seniors in their 60s and early 70s and 25 percent are children.
- **Certified Trail Town** – With the Erie to Pittsburgh Trail running through its downtown and its recent designation as a Certified Trail Town, Oil City is positioned to take advantage of the trail traffic and resultant economic impact that can be brought about by increased trail ridership. In addition, Oil Creek Memorial Landing, a public trail head constructed in 2015 along North Seneca Street and the potential impact of the Oil Creek Water Trail provide additional opportunities to capture benefits of many types of trail users.
- **Planned Fiber Optic Line** – A 10-gigabit fiber optic line will be part of the KINBER network and is scheduled to be in place by Fall 2016. The installation will provide Oil City with a competitive advantage as businesses are seeking increased bandwidth as day to day operations are more heavily focused on developing, maintaining, and accessing electronic data.
- **Lyric Theatre** – Colonel Drake Cultural Alliance, Inc. (CDCA), in conjunction with Community Playhouse, Inc. (CPI), plans to reopen and operate the Lyric Theatre located on Seneca Street. CDCA is pursuing \$1,415,000 in public and private funding to complete theatre renovations. When reopened, the theatre will provide a much needed downtown entertainment venue.

#### Additional Revitalization and Tourism Efforts in Oil City

Several additional plans and studies have been prepared for community improvements and tourist assets which, when implemented, will positively impact the Northside Business District.

- **Oil City U.S. Route 62 Smart Transportation Study** – The report, prepared in 2010, outlines recommendations for transportation needs impacting U.S. Route 62 through Oil City. The plan is focused on the South Side of Oil City. Once recommended improvements are implemented, all of Oil City will be positively impacted by increased public safety and better traffic flow.
- **Oil City Marina Master Site Development Plan** – The master plan was completed in 2016 and recommends improvements to the existing marina located in the South Side of Oil City. Improvements total \$351,375 and include a boat launch and new driveway, lighting, way finding signage, landscaping, refurbished restrooms, and new concession. Once implemented, the recommendations will enhance existing facilities, improve the existing boat launch area, conserve and preserve sensitive environmental features, and meet current and future recreational needs of the community.
- **Oil Creek Water Trail Feasibility Study** – Completed in 2015 by Titusville Redevelopment Authority, the study was prepared to determine the financial, physical, and practical feasibility of developing Oil Creek as a water trail. Looking at a 34 mile stretch of Oil Creek beginning in Centerville, Crawford County and ending in Oil City, the feasibility study includes recommendations which will make the Oil Creek Water Trail a reality, if implemented.

## STAKEHOLDER OBSERVATIONS

The demographic, spending, employment, and housing data presented earlier in the market assessment provides quantitative information to describe existing economic conditions and the supply and demand in the study area. Qualitative and anecdotal information obtained from stakeholder outreach supports these findings and is included in this section. The input provided by key local and regional stakeholders is valuable in that it provides “on the ground” information that quantitative data on its own cannot yield. A list of the stakeholders interviewed is provided in Table 23.

**TABLE 23 - List of Organizations Interviewed for the Venango County Multimodal Transportation Plan**

Organization	Interview Date
Venango County Board of Commissioners	April 29, 2016
City of Oil City - Mayor	April 28, 2016
City of Oil City - Community Development	April 28, 2016
Bridge Builders Community Foundations	April 29, 2016
Venango Museum of Art, Science and Industry	April 20, 2016
Oil Region Realty, LLC	April 20, 2016
Professional Development Associates, Inc.	April 28, 2016
UPMC Northwest	May 4, 2016
Erie to Pittsburgh Trail Alliance	April 20, 2016
First United National Bank	April 18, 2016
Northside Business District business owners <sup>(1)</sup>	April 28, 2016

<sup>(1)</sup>The interview was conducted as a focus group with business owners identified by the Oil City Main Street Program.

Stakeholders interviewed identified the following advantages and drawbacks to downtown Oil City, particularly the Northside Business District.

### Advantages

- **Quality of Life** – Oil City has a friendly, small town atmosphere that is beginning to attract people from other parts of the country due to reasonably priced housing, the river and trails, four seasons, and low crime. People that live in the area find that it is a beautiful place to live and raise a family.
- **Residents** – Oil City’s residents are committed to make a difference in their community. Employers appreciate the work ethic and commitment to success of local employees.
- **Available Building Space at Low Cost** – There are many vacant and underutilized buildings in the City with the potential for redevelopment. Buildings in the City typically have a low acquisition cost. Recent properties have sold for approximately \$10.00 per square foot.
- **Excellent Natural Resources and Tourism Assets** – The Allegheny River and Oil Creek are assets, as is the Justus Trail.
- **Planned Fiber Optic Line** – The planned fiber optic line that will traverse downtown includes several connection points, will be 10-gigabit wave service part of the KINBER network, and will be beneficial to businesses located in Oil City.

- **Existing Infrastructure and Transportation** – Oil City has existing utilities, buildings, and roads. The area has a short commute time which is an advantage to employers and employees and is very accessible compared to larger metropolitan areas that are more congested and have longer commute times.
- **Buildings/Locations/Organizations Identified as Community Assets** – In addition to existing businesses and new businesses (particularly restaurants such as Northside Eatery and Karma Coffee), the following were identified as assets:
  - Town Square
  - National Transit Building
  - Lyric Theatre
  - Venango Museum of Art, Science and Industry
  - Oil City Main Street Program
  - Bridge Builders Community Foundations

### Drawbacks

- **Lack of Parking, Both Perception and Number of Spaces** – There is not enough public parking, but there are more than enough permitted parking spaces. Future parking needs to be addressed for housing and other uses.
- **Existing Buildings are Old; not Always Maintained** – Many buildings in Oil City have not been maintained over the years. This makes it difficult to retrofit buildings with open space and modern amenities, requirements that businesses seek. Developers need to weigh the cost of adaptive reuse versus building new.
- **Residents Tend to Look to the Past, Not the Future** – The community tends to focus on what Oil City used to be instead of what Oil City could be.
- **Northside versus Southside** – Oil City is one community. The community should work together to promote downtown Oil City in both the Northside and Southside.
- **High Taxes** – Taxes in Oil City are high. Oil City has several non-taxable uses; therefore, residents and businesses must make up for the tax revenue.
- **Infrastructure is Dated** – Since Oil City is an older community, infrastructure improvements to bridges, highways, and buildings will always be required. This is a big challenge faced by many smaller, older community.
- **Lack of Signage and Lodging** – The Erie to Pittsburgh Trail goes straight through downtown. The bike trail requires safety improvements including clearer markings for trail users. Tourists look for a different type of lodging options like a bed and breakfast.
- **Lack of Major Traffic Routes** – The Northside does not have major traffic routes that traverse the City; therefore, people only visit Oil City if they have reason to. With a lack of thru traffic, it is important to make sure the downtown is a destination people want to visit.
- **Critical Community-Based Issues** –
  - Generational poverty
  - Transportation for low-moderate income residents
  - Homelessness
  - Heroin dependency

### Amenities and Strategies Needed

- **Housing** – Upper floors in buildings have nice views and could be converted and marketed to attract younger people to live downtown. Housing is key to revitalizing the downtown. Amenities are needed to support the development of upper story housing including parking, a grocery store, additional restaurants, and other activities.
- **Installation of Fiber Optic Line** – The fiber optic line will provide opportunities for Wi-Fi access and may incentivize economic development for businesses that require heavy data transmission capabilities.
- **Shared Work Space or Incubators** – Businesses are looking for shared work space so they can share office space cost.
- **Tourism and Recreation Amenities** – Bring trail users into the downtown and have enough activities that would warrant an overnight stay.
  - The Downs Building was purchased by the Oil Region Alliance and it would be helpful to have apartments on the 2nd floor and retail on the first. This would help complement the new Town Square.
  - It would be helpful to have Cornplanter Square redeveloped. A bed and breakfast or hostel for bike riders would be good uses. The excursion train should run more frequently. This would help increase the amount of activities for tourists.
  - Bike rentals could be part of the multimodal center. Pittsburgh has bike rentals along the street.
  - Look at bringing in destination type shopping such as antique stores downtown.
  - Bring in new restaurants especially for business dinners. A national restaurant chain like Applebee's or Cracker Barrel would be beneficial.
  - Evening restrooms would be helpful for people and young families who want to walk around the downtown.
  - Free parking is needed. Franklin and other communities have free parking.
  - Consider complementary transportation components at the multimodal center beyond cars such as taxi/Uber service, electric car charging stations, and bike racks and amenities. Consider people who might want to ride a bike to work and make sure buses have bike racks on the front.
- **Urgent Care Facility or Other Medical Services** – An urgent care facility would serve the City and its neighborhood residents who need to travel to University of Pittsburgh Medical Center (UPMC) Northwest Hospital for emergencies and to Wexford, Pittsburgh, or Erie to see specialists. It would be useful for residents be able to receive specialist services closer to home.
- **Regional Bus Service** – A Greyhound bus station was formerly in town. It is hoped that Greyhound could be attracted to the new multimodal facility.
- **Improving the Business Climate** –
  - Engage local businesses in business recruitment to help sell the advantages of Oil City.
  - Consider business succession planning to plan for retirement and turn over in downtown space.
  - Develop creative financing packages for business owners.

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## LOCAL AND REGIONAL TRENDS

Review of the market data, existing plans and studies completed for Oil City and the region, and observations provided by key stakeholders indicated several local and regional trends. These trends are used to support the Economic Development Opportunities presented in the final section of the market assessment.

### **TREND #1 - Continued years of lack of investment has left Oil City with a significant amount of vacant and underutilized space that could be adaptively reused.**

With more than 300,000 square feet of vacant and underutilized space (see Appendix A), Oil City has building space available to accommodate future adaptive reuse plans. Key to reusing the buildings are factors including willing property owners, renovated buildings, sufficient parking, demand for specific land uses, attractive financing, and public-private partnerships.

The lack of investment and movement of large companies out of Oil City has left a smaller population to manage the same community infrastructure. Over time, like many smaller communities around the country, the residents that remain typically have lower incomes. While Oil City's projected median income in 2020 of \$38,485 is a slight increase over the current median income, it is nearly \$12,000 less than Venango County's projected income of \$50,030. Additionally, the poverty rate in Oil City is nearly 30 percent, much higher than the county rate of 16 percent and the state rate just below 14 percent. While it is anticipated that an overall goal of the City is to attract jobs and tourists to maximize tax revenues, future land use considerations in the downtown should also consider low income residents and provide opportunities for jobs and housing.

#### **Willing Property Owners**

Any real estate transaction requires a property owner willing to sell or make improvements to their property. The Oil City Main Street Program has made significant strides in working with property owners in the Northside Business District since its inception in 2008 and maintains a vacant and underutilized building inventory. Additional work needs to be done to determine building conditions and to solidify owners' intentions on building, renovation, or sale.

If property owners are willing to reinvest, marketing existing incentives or creating new incentives for building rehabilitation could facilitate the acceleration of rehabilitation. If a property owner is not in a position to rehabilitate a building, it might be in the best interest to try to secure the building through the Venango County Land Bank and develop an RFP to solicit interested developers in preparing an adaptive reuse plan for the building (details provided in the Attractive Financing section).

#### **Renovated Buildings**

Many buildings in the Northside Business District were built between the late 1800s and the 1940s. Many of these older buildings have not been maintained and would likely require significant investment to repurpose. The cost estimate for revitalizing the Downs Building is \$117 per square foot for retail and \$86 per square foot for residential. This does not include required building or façade improvements.



A preliminary assessment of building conditions of vacant and underutilized buildings could help prioritize structures in terms of level of investment for redevelopment. For some the cost to renovate might not be worth the investment required to fit out with modern amenities and building infrastructure.

Once a preliminary assessment is completed and buildings are prioritized for reuse, the City could begin to develop a strategy for building renovation.

### **Sufficient Parking and Other Community Services**

#### **Parking**

Parking has been identified as a drawback in Oil City. Business owners and patrons have pointed to the lack of on-street parking in front of businesses and have noted that permitted City lots are not fully occupied. Real estate uses such as housing, lodging, or office development will require sufficient off-street parking as a requirement to locate in Oil City. It is anticipated that the Oil City Parking Authority will be reinvigorated to begin to address existing and future parking needs.

#### **Fiber Optic Internet Access**

A significant local asset that has been identified throughout the planning process is the planned fiber optic line. City and County officials have discussed that fiber optic lines are being installed from Franklin to Pleasantville and drop points to fiber optic lines will be available in Oil City. The proposed route is mapped in the Oil City Northside Business District Revitalization Plan and installation is expected to be complete by Fall 2016. The County and City have had preliminary discussions about offering area businesses low cost Internet access via the fiber optic line. This would be a tremendous business attraction tool.

Delivering Internet access through fiber optic lines is preferred over DSL or cable and ensures reliable, high speed access. While the cost to build a fiber optic network can be expensive, it is a more advantageous way to transport data rather than wire connections.

The advantages of high speed Internet access as an economic development attraction tool are well documented and the community of Alpharetta, Georgia is a good example of how excellent technology infrastructure can spur economic and community growth. Alpharetta is a suburb of Atlanta located 27 miles to the north. With a population of only 3,000 in 1980, it is currently home to more than 65,000 residents with population increasing to more than 100,000 during the workweek. Alpharetta is now Georgia's 12th most populous city and is often referred to as the 'Technology City of the South' due to the large number of technology companies with locations there. According to the City's business administrator, more than 30 high tech companies have moved to Alpharetta in the past four to five years noting that the fiber optic network is something that sets the community apart from others (NBC News Affiliate 11 - Atlanta, 2011). The fiber optic network was first installed for the 1996 Atlanta Olympics and now it is a large fiber optic hub, keeping the City's taxes low and generating new housing and retail development. The top ten private sector employers, according to the Alpharetta Business License Office, are:

1. ADP, Inc.
2. McKesson Information Solutions
3. Verizon Business Network Services
4. Hewlett-Packard Company
5. Lexis Nexis Risk Solutions
6. UPS Supply Chain Solutions General Services
7. Equifax Information Services

8. GE Consumer Finance-America
9. Ryder Truck Rental Inc.
10. E Trade Financial Corporation

The community's rankings include:

- Best Small City to Start Business - Entrepreneur.com
- Top 25 Best Places to Move - Forbes
- 7th Friendliest City - Forbes
- 6th Fastest Growing City (2012) – U.S. Census

Millennials are the biggest generation in the Alpharetta's workforce and the quality of life is important with over 150 annual events offered in the area, eight miles of bike trails, and a lower cost of living than nearby Atlanta. While it has taken many years for Alpharetta to achieve its success, it is a good model for other communities. Many of its qualities, such as a small town atmosphere, low cost of living, and significant recreational amenities, are available in Oil City.

### **Demand for Specific Land Uses**

Adaptive reuse in older communities like Oil City typically attracts real estate development such as first-floor retail or office and upper story office and housing. Based on the market assessment results, there is only slight demand for housing, office, and retail. Therefore, efforts to convert vacant and underutilized properties to useable, modern, efficient space should be a priority to attract business and residential growth in the downtown.

Attracting any of the following potential uses would require the willingness of property owners and renovated buildings discussed above.

### **Upper Story Housing**

Upper story housing may be most attractive to the younger workforce and recent graduates between the ages of 25 to 34 who have not yet started a family. A downtown location that provides sufficient places to eat, shop, and park would complement the vast outdoor recreational amenities Oil City has to offer. Combined with available employment downtown, Oil City could offer a live-play-work community that many younger residents are looking for. This age group often includes nonfamily households. This type of housing may also be attractive to Young Empty Nesters between 55 to 64 without children and close to retirement or recently retired. An upper story housing option could provide more of a carefree lifestyle along with easily accessible outdoor recreation, provided the amenities described above are in place. In addition, both of these age groups would likely have income sufficient to purchase or rent a home downtown and have disposable income to shop in downtown Oil City, adding revenue to the City's tax base.

Yet, between 2010 and 2020, there is a slight projected loss in the young workforce/graduate age cohort and only a small projected increase in Young Empty Nesters within a 15-minute drive time of Oil City. Housing trends are similarly flat with only 88 additional housing units projected in 2020 and a nearly 2 percent decrease in the number of households. In addition, Oil City has quite a large percentage of rental housing stock at 30.9 percent compared to 9.0 percent at the county level. Between 2010 and 2014, there was a slight 6 percent increase in nonfamily households in Oil City.

Based on the available data, it would appear that a sufficient pool of local residents is not available to attract to upper story housing downtown; therefore, Oil City may need to develop a strategy to pull, or import, new residents downtown. Oil City's 2005 Economic Development Strategy included a strategy to begin converting some of the upper story housing into second homes. It might be

helpful to revisit this strategy. Oil City does have experience in importing residents from outside the community through ARTS Oil City. As noted previously, the ARTS Oil City Program is one of the economic development strategies implemented from the Oil City 2005 Economic Development Strategy. The program has successfully attracted, with a relatively small investment in part time staff resources and advertising, more than 40 artists to the area. The director of the ARTS Oil City program has indicated that artists are being attracted from both the east coast and west coast to Oil City due to the low cost of living, small town atmosphere, low crime, and beautiful scenic area. Data presented in the Migration section of this analysis shows that Venango County has been attracting new residents from not only surrounding counties but from the following states: Oregon, Maryland, New Hampshire, Colorado, and South Carolina.

Another housing option that could be pursued is a combination of market rate housing and low-to-moderate income housing (e.g., mixed-income housing). According to the U.S. Department of Housing and Urban Development (HUD), mixed-income housing includes housing units with differing levels of affordability, some market rate housing and some housing for low-income residents below the market rate. Upper floor housing would give low-to-moderate income residents the same opportunity to live-work-play in downtown Oil City. Oil City has demonstrated need for low-to-moderate income housing and is designated as High Housing Need Status for the U.S. Department of the Treasury, Community Development Institutions Fund (CDFI) Capital Magnet Fund and as a Program Qualified Census Tract under the U.S. Department of Housing and Urban Development's Low Income Housing Tax Credit (LIHTC) program.

### **Lodging**

According to interviews with a representative from the Erie to Pittsburgh Trail and as documented by several trail user surveys, trail users are not just seeking traditional lodging but specialty lodging like a bed and breakfast, boutique hotel, or hostel. While the demand for overnight lodging by trail users is hard to quantify as it is based on anecdotal information and trail user surveys, other communities in the region (such as Kittanning in Armstrong County) are known to have lodging shortages during in-season weekends.

The Days Inn Hotel and Conference Center provides 100 rooms with an average nightly rate of \$79.00, located near the Justus Trail. This rate is within the average nightly rate reported by trail users of \$80.20, but might not be the type of lodging trail users are seeking. There might be an opportunity to create a unique destination which offers traditional lodging for business users plus lodging options that might be attractive for trail users such as minimal hostel-type lodging. The proximity to the Justus Trail makes the venue a good location. A more exclusive boutique type hotel could potentially be considered for another building in the downtown area.

A developer's return on investment for lodging requires that rooms can be filled as much as possible during the off-season. To make lodging work economically in Oil City, there would need to be marketing efforts geared toward attracting regional residents to downtown Oil City for an overnight stay.

### **Office**

As shown in Table 21 under the Employment by Industry section, between 2012 and 2022 employment projections by occupation in the NWPA WIA reflect an overall increase of 6.9 percent with a total increase of 7,192 jobs for the six county region. The top ten occupations projected to have the largest growth by average annual job openings in each are located in Table 24. The top ten occupations with the largest percent change in growth are located in Table 25.

**TABLE 24 - NWPA WIA Top 10 Occupations with the Largest Project Number of Annual Openings (2012 - 2022)**

Occupation Type	Examples	% Change	Average Annual Openings
<b>Food Preparation &amp; Serving Related</b>	Chefs, Cooks, Food Service Supervisors, Waiters & Waitresses	8.1	910
<b>Office &amp; Administrative Support</b>	Bill/Account Collectors, Payroll/ Time Clerks, Customer Service Representatives, Administrative Assistants	4.2	906
<b>Sales &amp; Related</b>	Retail Sales and Non-Retail Sales Workers, Supervisors	1.1	747
<b>Production Occupations</b>	Assemblers & Fabricators, Food Processing Workers, Metal & Plastics Workers	2.3	615
<b>Healthcare Practitioners &amp; Technical</b>	Physicians, Dentists, Pharmacists, Registered Nurses	17.8	528
<b>Transportation &amp; Material Moving</b>	Motor Vehicle Operators, Material Moving Workers	7.7	407
<b>Healthcare Support</b>	Nursing Assistants, Dental Assistants, Medical Assistants, Pharmacy Aides	20.3	382
<b>Personal Care &amp; Service</b>	Hairstylists, Childcare Workers, Fitness Trainers	18.9	373
<b>Education, Training &amp; Library</b>	Primary, Secondary, and Elementary Teachers and Educational Support Workers	2.9	333
<b>Installation, Maintenance &amp; Repair</b>	HVAC, Telecommunications, Electrical, Automotive Installers	7.0	282

Source: PA Department of Labor and Industry

**TABLE 25 - NWPA WIA Top 10 Occupations with the Largest Percent Change in Employment (2012 - 2022)**

Occupation Type	Examples	% Change	Average Annual Openings
<b>Healthcare Support</b>	Nursing Assistants, Dental Assistants, Medical Assistants, Pharmacy Aides	20.3	382
<b>Personal Care &amp; Service</b>	Hairstylists, Childcare Workers, Fitness Trainers	18.9	373
<b>Healthcare Practitioners &amp; Technical</b>	Physicians, Dentists, Pharmacists, Registered Nurses	17.8	528
<b>Community &amp; Social Services</b>	Social Workers, Counselors, Religious Workers	14.0	242
<b>Computer &amp; Mathematical</b>	Computer Systems Analysts, Computer Programmers, Software Developers	10.5	54
<b>Legal</b>	Lawyers, Judges, Paralegals & Legal Assistants, Legal Support Workers	9.2	20
<b>Food Preparation &amp; Serving Related</b>	Chefs, Cooks, Food Service Supervisors, Waiters	8.1	910
<b>Transportation &amp; Material Moving</b>	Motor Vehicle Operators, Material Moving Workers	7.7	407
<b>Building &amp; Grounds Cleaning &amp; Maintenance</b>	Landscaping & Grounds-keeping Workers, Housekeeping & Janitorial Workers, Supervisors	7.4	236
<b>Installation, Maintenance &amp; Repair</b>	HVAC, Telecommunications, Electrical, Automotive Installers and Technicians	7.0	282

Source: PA Department of Labor and Industry

Average lease rates for office space in Oil City range between \$5.00 and \$15.00 per square foot depending on building conditions, and office vacancy rates are reported as high as 50 percent. In contrast, Pittsburgh has one of the lowest office vacancy rates in the country, around 9 percent as of December 2015 (Colliers International, 2015).

While there are a few occupations projected to produce jobs over the next ten years that require office space, the high office vacancy rates in Oil City show the current demand for office space in Oil City is quite low. Opportunities to convert the existing office space into square footage that is more attractive to an office user might be advantageous. In addition, the installation of the fiber optic line through Oil City should be a significant business advantage (refer to the Sufficient Parking and Other Community Services section). The availability of high speed, low cost broadband access in conjunction with lower operational costs (lease rates), combined with the quality of life amenities Oil City has to offer in terms of lower housing costs and superb outdoor recreational assets, provide a potential opportunity to attract office users from higher priced markets.

## Retail

Oil City residents who live in proximity to the study area leave the City for most of their retail shopping needs. This is documented in Table 18 and Table 19 under the Retail Gap Analysis section. With the exception of Automotive Dealers, Used Merchandise, and Drinking Places, the market area (within a 10-minute drive of Oil City) is not capturing local demand. This means that more people are traveling outside of the area to purchase retail goods and services and represents an opportunity to establish businesses in the downtown.

Local businesses owners suggested during stakeholder meetings and interviews that Oil City needs to attract more service businesses to support housing and tourism such as a grocery store, additional restaurants, outdoor outfitter, clothing, and specialty shops.

The need for a grocery store in the area to serve residents who are low income including seniors is documented as the area is designated as one that is Low Income and Low Access to Food according to the U.S. Department of Agriculture, Food Access Research Atlas. Establishing some type of grocery store in downtown Oil City would help address this community need.

Average rental rates for retail space in Oil City range between \$5.00 and \$10.00 per square foot and vacancy rates are approximately 10 percent on ground floors. Renovating existing first-floor vacant and underutilized space to meet demand documented in the retail gap analysis, and as suggested during stakeholder interviews, could potentially be viable provided there is an increase in foot traffic. Increased foot traffic could be satisfied by developing updated housing and office space as well as increasing tourist visits.

## Attractive Financing

While traditional infrastructure costs (e.g., sewer, water, roads, etc.) are minimal in redeveloping older communities compared to developing raw land, the cost to renovate older structures is often significant. The cost to complete an adaptive reuse project often makes building on an undeveloped site more attractive from a developer's standpoint. To offset some of the costs to renovate older structures, Oil City has developed several incentive programs. The following incentives have been put in place since 2005:

- **Commercial/Industrial Property LERTA** (Local Economic Revitalization Tax Assistance) – Property tax exemption on alteration or new construction of deteriorated industrial, commercial, or other business property. The program provides tax forgiveness on the assessed value of the improvements for up to ten years (100 percent the first year sliding to 0 percent in year 10).
- **Residential Property LERTA** (Local Economic Revitalization Tax Assistance) – Property tax exemption on the assessed value of home improvements. The program provides tax forgiveness on the assessed value of the improvements for up to ten years (100 percent the first year sliding to 0 percent in year 10).
- **Main Street Facade Grant Program** – Oil City Main Street Program offers grants to downtown building owners looking at improving the facades of their buildings. Awards can be up to \$5,000 with a dollar for dollar match from the building/business owner.
- **City of Oil City Facade Loan Program** – The City of Oil City offers a low interest small loan program to businesses/building owners wishing to update or improve their facades. This loan can be used as match for the Main Street Facade Grant.

In addition, Venango County has recently started a land bank. The Venango County Land Bank (Land Bank) ordinance was passed in 2014 for the purpose of using resources to facilitate the return of vacant, blighted, abandoned and tax-delinquent properties to productive use. The ordinance allows the Land Bank to acquire, hold, and transfer interests in real property throughout Venango County for the purposes of: deterring the spread of blight; promoting redevelopment and reuse of vacant, abandoned, and tax-delinquent properties; supporting targeted efforts to stabilize neighborhoods; and stimulating residential, commercial and industrial development. The Land Bank is currently working in partnership with Oil City to identify properties for acquisition. At present there is limited funding to acquire properties.

Land banks are relatively new throughout the country. Cuyahoga County, home to the City of Cleveland, is a model for how land banks can work successfully. With vacant structures as great as 283 per square mile, the county needed to address years of vacant and underutilized structures. Since the land bank was established in 2009, over 1,800 lots have been transferred with an average annual acquisition of 744 properties between 2009 and 2013. Property sales revenue in 2013 was more than \$2.7 million. The President of the Land Bank credits its successes to several factors, including public-private partnerships and public involvement through communication, collaboration, and information sharing. With the Venango County Land Bank in its early stages, it could potentially look to the Cuyahoga County Land Bank as a successful model.

#### Public-Private Partnerships

Community revitalization is a big endeavor, not only financially due to the significant investments required to bring older buildings and infrastructure into modern productive use, but also for the community that is tied to the way things used to operate for generations. Partnerships at all levels from the community to the state are necessary to make certain that community revitalization is successful and represents a community's best interests.

Oil City has public-private partnerships already in place and continues to add new partners as new initiatives are developed. Venango County's Land Bank is a new partner for the City going forward. Partnerships with developers should also be developed. The City has sought input from Professional Development Associates, Inc., a real estate development firm from Erie, on past revitalization efforts.

## TREND #2 - Tourism Assets, Visits, and Impacts are Increasing in Oil City and the Oil Heritage Region

### Overview

The overall impact of tourism in Pennsylvania, heritage areas in particular, is significant. Pennsylvania has 12 heritage areas, five of which are national heritage areas (including the Oil Heritage Region). According to a 2016 study on the Economic Impact of Pennsylvania Heritage Areas conducted for the Center for Rural Pennsylvania, tourists spent an estimated 7.5 million days/nights in Pennsylvania's 12 heritage areas in 2014, purchasing \$2 billion worth of goods and services. ***The total contribution of heritage visitor spending (direct, indirect and induced effects) to the state's economy in 2014 was 25,708 jobs and \$798 million in labor income.***

Oil City is a trail designated town. This designation helps to ensure that the trail community and businesses maximize the economic potential of local trails by addressing trail-wide issues and opportunities through regional cooperation and building connections between the trail and the



town. Goals of trail town designation includes: retaining, expanding, and increasing revenues of existing businesses; recruiting sustainable new businesses; and improving community buildings and infrastructure.

Regionally, when the 270 miles of the Erie to Pittsburgh Trail is fully built, it will connect Presque Isle in Erie to downtown Pittsburgh. The central leg of the trail is located in northwest Pennsylvania and includes six connected trails. Collectively, these six trails are 66 miles in length, and are owned, operated, and maintained by several trail organizations and municipalities. Oil City is traversed by two of the trail segments, the McClintock Trail which connects Oil Creek State Park with Oil City and the Samuel Justus Trail which connects Oil City south to Franklin.

According to a 2013 trail user survey of the Erie to Pittsburgh Trail conducted by Pennsylvania Department of Conservation and Natural Resources and Rails to Trails Conservancy, analysis of data accumulated from infrared counters located along the Trails and paper surveys received from users indicates ***an estimated 158,507 annual user visits to the combined trails, resulting in a total economic impact of \$7,479,348.*** A total of \$6,928,620 of this impact was a direct investment into the local economy. Additional findings from the study indicate:

- Greater than 87 percent of survey respondents reported spending an average of \$337.50 on hard goods because of their use of the trail. Hard goods are durable goods such as bicycles, clothing, and accessories.
- Soft goods purchases, non-durable items such as food and drink, were reported by 76.8 percent of survey respondents with an average dollar amount of \$21.62 per visit.
- Thirteen percent reported paying for overnight lodging in the area, with average lodging costing \$80.20 per night and an average stay of 2.6 nights.
- 13.7 percent of survey respondents reported the use of the Oil City trails and 1.41 percent accessed the trail in Oil City.
- 89.8 percent of trail users are from Pennsylvania and 10.2 percent from outside Pennsylvania
- Trail users were predominantly between the ages of 56 and 65 years of age.
- A 2006 study conducted by the Oil Region Alliance and Allegheny Valley Trails Association estimated approximately 160,792 trail riders used the trail system within the Oil Heritage Region. A comparison of between the two surveys demonstrates an increase in the amount of economic impact to the area being contributed by trail users. The ***2013 trail user survey documents an annual increase in the trails' total economic impact of more than \$3 million over the 2006 survey.***

Beyond trail usage, which focuses on bicycle and pedestrian recreation, ***Oil City is pursuing expansion of water based tourism.*** An Oil City Marina Master Site Development Plan was completed by Oil City and Pennsylvania Department of Conservation and Natural Resources in 2016. The master plan proposes marina facility improvements totaling \$351,375, including a boat launch and new driveway, lighting, way finding signage, landscaping, refurbished restrooms, and new concession.

***A water trail is also being explored in the region.*** The Titusville Redevelopment Authority in neighboring Crawford County completed the Oil Creek Water Trail Feasibility Study in 2015. The study was prepared to determine if developing Oil Creek as a water trail is financially, physically,

and practically feasible. The study looked at a 34 mile stretch of Oil Creek beginning in Centerville, Crawford County and ending in Oil City. The feasibility study includes recommendations which will make the Oil Creek Water Trail a reality, if implemented.

Lodging is becoming an integral part of trail user recreation activity. The Days Inn Hotel and Convention Center is located within downtown Oil City and is currently accessible to trail users. The hotel includes 100 rooms with an average nightly rate of \$79.00.

While traditional hotel lodging is available, ***according to the Oil Region National Heritage Area Sustainability Plan, more diverse specialty lodging is a critical need.*** Additionally, the Erie to Pittsburgh Trail Alliance notes that trail users seek unique lodging opportunities when on a trail trip. Options such as bed and breakfast, boutique hotels, or cost-effective hostels are all lodging alternatives that have been identified as trail lodging options. Based on the 2013 Trail User Survey, 25.9 percent of survey respondents reported staying at a motel/hotel, 2.7 percent at a bed and breakfast, 17.9 percent at a campground, 26.8 percent at a friend or relative's home, and 26.8 percent reported at some other type of lodging.

Oil City can attract some of the economic impact resulting from tourist visits to the Erie to Pittsburgh Trail and hopefully visits from marina and water trail users in the future. To do so, there needs to be a concerted effort to improve tourism amenities.

- **Improve Trail Amenities** – Update and develop new trail markings, lanes, and bike stations.
- **Lodging** – Increase lodging options and identify a plan to market lodging in the off season.
- **Retail and Restaurants** – Increase the amount of restaurant as well retail offerings such as a trail outfitter or specialty shops. Encourage business owners to stay open on evenings and weekends.
- **Create a Mix of Tourist Activities** – The number of visitors at the Venango Museum of Art, Science and Industry has increased over the past two years with the opening of the visitor's center downtown. Additional opportunities to market the museum and opportunities to develop new tourism venues or reopen existing assets such as the Lyric Theatre should be explored.
- **Address Competition and Market Globally** – The Erie to Pittsburgh Trail stops in beautiful communities throughout northwest Pennsylvania. Oil City is in competition with these areas for tourism dollars and should be thinking of new ways to improve tourist offerings. The Oil City Main Street Program and Oil Region Alliance have done a very good job at promoting the community's assets and new assets should be added. There are reports from other trails in Pennsylvania that tourists are being attracted. There could be an opportunity for the Oil Region Alliance to market to tourists overseas, identifying Oil City as a venue to explore how oil fueled the industrial revolution throughout the world.

### TREND #3 - Venango County and Oil City Appear to have Unmet Health Care Needs

Several federal designations and socioeconomic characteristics identify unmet health care needs in Oil City. These designations and characteristics are summarized in Table 26.

**TABLE 26 - Designations or Socioeconomic Characteristics Identifying Unmet Health Care Needs in Oil City**

Designation or Socioeconomic Characteristic	Designating Agency (if applicable)	Notes
<b>Dental Health HPSA</b>	US Department of Health and Human Services, Health Resources and Services Administration	Designation based on low income.
<b>Mental Health HPSA</b>	US Department of Health and Human Services, Health Resources and Services Administration	Designation based on high geographic need.
<b>MUA/P</b>	US Department of Health and Human Services, Health Resources and Services Administration	Designation based on low income in Oil City.
<b>ARC Distressed Area</b>	Appalachian Regional Commission	Census tract designated as distressed.
<b>Low Income and Low Access to Food</b>	US Department of Agriculture, Food Access Research Atlas	Low-income census tract with at least 500 people or 33 percent of the population living more than .5 miles (in urban areas) or more than ten miles (in rural areas) from the nearest supermarket, supercenter, or large grocery store.
<b>NMTC Program: Severely Distressed – Primary Criteria</b>	US Department of the Treasury, Community Development Institutions Fund (CDFI)	Census tract meet the Primary Criteria requirements for the NMTC Program Severely Distressed Status plus it is designated as Very Low Income - having a median income of 60% or less of Area Median Income.
<b>Capital Magnet Fund: High Housing Need Status</b>	US Department of the Treasury, Community Development Institutions Fund (CDFI)	A census tract is an area of High Housing Need if it meets one of the following: 1) at least 20 percent of households are Very Low-Income renters paying more than half their income for rent; 2) it is a high poverty neighborhood (where greater than 20 percent of households have incomes below the poverty rate) with a rental vacancy rate of at least 10 percent; or 3) it is an Underserved Rural Area.
<b>CDBG Eligible Block Groups</b>	US Department of Housing and Urban Development	Eligible block groups are those where at least 51% of residents are of low or moderate income. Low/mod persons are those living in households with income below 80% of the Area Median Income.
<b>LIHTC Program Qualified Census Tract</b>	US Department of Housing and Urban Development	Considered a Qualified Census Tract, according to HUD, in 2016. Qualified Census Tracts are areas designated for a higher eligible basis in the Low Income Housing Tax Credit (LIHTC) program

Note: HPSA – Health Professional Shortage Area; MUA/P – Medically Underserved Area/Population.

Source: The Policy Map.

**UPMC Northwest’s most recent Community Health Needs Assessment and Community Health Strategic Plan was completed in 2013.** The following community health needs were identified: maternal and infant health, diabetes, and breast cancer. UPMC has developed an implementation plan to address these needs, primarily through partnering with existing service organizations as shown in Table 27.

TABLE 27 - UPMC Northwest Community Health Needs Assessment - Implementation Plan

Need	Goal	Community Partner
<b>Maternal and Infant Health</b>	Offer education and support programs to ensure adequate prenatal and postpartum care are accessible to low income/minority women, and increase the number of participants in these programs.	State Health Clinic Adagio Health Community Venango County VNA
<b>Breast Cancer</b>	Increase number of individuals receiving a screening mammography through the hospital's screening mammography initiative and breast navigator programs which guide patients through the cancer diagnosis and treatment process and serves as the primary link between patient and breast care team.	Community Organizations Schools Adagio Health
<b>Diabetes</b>	Increase participation in diabetes education to build knowledge about management of diabetes. Provide lifestyle classes, clinical and self-management programs for those living with diabetes, as well as a telemedicine program for endocrinology, which provides access to state-of-the-art care close to home.	Community agencies Employee health nurses in work community Telemedicine specialists Home health agencies Primary care offices Employers State health offices Schools

Source: UPMC Northwest Community Health Needs Assessment and Community Health Strategic Plan, June 30, 2013, p. 19.

**Several interviewees noted the need for an urgent care facility or other types of medical services in downtown Oil City.** Oil City residents need to travel to UPMC Northwest for emergencies and to Wexford, Pittsburgh, or Erie to see specialists. It would be useful for residents to be able to receive specialist services closer to home. This would be particularly beneficial to seniors who live in Luther Place Apartments and Seneca Court and throughout the City. While seniors who live in downtown Oil City in Luther Place Apartments and Seneca Court are provided with transportation services to doctor appointments at UPMC Northwest and some seniors are patients at Venango Internal Medicine Associates, which is located on Memorial Drive in Oil City, an urgent care facility or other needed medical services in downtown Oil City would be beneficial.

**Development of additional healthcare provider offices in downtown Oil City would complement health and human resources provided at The Pointe and at Venango Internal Medicine Associates.** Operated by Venango County Department of Health and Human Services, the Pointe occupies 6,450 square feet in the former Northwest Savings Bank building. UPMC operates a primary care physician (PCP) office in Oil City (Venango Internal Medicine Associates, One Memorial Drive). The office has multiple internal medicine physicians and a physician assistant.

**Nationally, as millions of new people obtain health insurance under the federal Affordable Care Act, hospitals and primary care providers need to keep up with demand.** According to Colliers International, many medical providers, including physicians, dentists, and physical therapists, are being drawn to retail locations to leverage the potential foot traffic. Serving double purpose as building owners seek to fill vacant spaces, medical providers want to be visible and accessible to existing and potential patients. Senior citizens in particular need convenience and a retail location can offer lower occupancy costs compared to traditional medical office settings. As the retail industry has been shifting toward e-commerce, the growth in demand for healthcare services in a convenient location can be a large driver in filling vacancies, particularly for neighborhood and community retail centers (Colliers International, 2016).

**The high amount of vacant and underutilized space in downtown Oil City may be able to support the unmet health care needs of the City and region.** Co-location of medical services could provide

opportunities to adaptively reuse existing structures as well as take advantage of the fiber optic access that will be made available in Oil City in Fall 2016. There are several successful healthcare models in Pennsylvania that show the positive value of co-locating health care facilities. Two are noted below.

### Healthcare Models

#### Station Medical Center – City of Altoona, Blair County

The Station Medical Center, formerly known as the Station Mall, was a downtown Altoona retail mall constructed during the 1970s on property owned by the Pennsylvania Railroad. Today, the Station Medical Center is home to fifteen tenants, employs more than 800 people, and receives more than 11,000 patients and customers each week. The medical center parcel also includes a HealthWalk that is utilized by people visiting the historic railroad site and offers a weekly farmers market.

Major tenants include: Allegheny Pain Management, UPMC Altoona, Blair Medical Associates, Mainline Medical Associates, University Orthopedic Center, ARHS Federal Credit Union, Children's Community Pediatrics, First Commonwealth Bank, UPMC Altoona Gift Shop, and service restaurants.

#### Punxsutawney Community Health Center – Borough of Punxsutawney, Jefferson County

Punxsutawney Community Health Center is owned and operated by Primary Health Network, headquartered in Sharon, Pennsylvania. The facility is a 45,000 square foot multi-service facility constructed in 2014 designated as a Federally Qualified Health Center (FQHC). FQHCs were established in 1965 to provide primary care health services to uninsured and underinsured residents. Under the federal health center program, FQHCs receive a grant to serve a community's indigent population through Section 330 of the Public Health Service Act. Primary Health Network operates health centers in seventeen Pennsylvania and Ohio counties and at many locations has co-located traditional health care with complementary services to serve as a one-stop health care and social service location. Services offered at each location are dependent on community needs. Types of health care services offered include:

- 340 B Pharmacies
- Acupuncture
- Behavioral Health
- Dental/Dental Hygiene
- Ear, Nose & Throat
- Exercise Physiology
- Internal Medicine
- Neurology
- Obstetrics/Gynecology
- Orthopedic Medicine
- Pediatrics
- Podiatry
- Reiki
- Urgent Care
- Oral Surgery
- Chiropractic
- Family Medicine
- Psychiatry

Margins for establishing and operating medical facilities are slim; therefore, public funding is often utilized as part of the overall financing packages. Pennsylvania Redevelopment Assistance Capital Program (RACP) and federal New Markets Tax Credits (NMTC) are sources that have been used in financing such projects.

As noted earlier in the market assessment, employment trends reported from the Pennsylvania Department of Labor and Industry projects a 21 percent increase in the number of Health Care & Social Assistance professionals in the NWPA WIA by 2022. Some of these professionals could potentially be educated and trained at Venango College of Clarion University located in Oil City.

***Venango College of Clarion University provides academic programs to support the region's health care professional needs offering Master's, Bachelor's, and Associate's degrees and certification programs in health care related fields.*** Academic programs are summarized in Table 28. According to the College's website, the campus had doubled enrollment in recent years due primarily to a growing network of partnerships with businesses, industry, health care, and other industry sectors. These partnerships allow the College to increase educational programs based on community need.

**Table 28 - Venango College of Clarion University - Healthcare Focused Academic Programs**

Associate's Degrees	Bachelor's Degrees	Master's Degree	Certificate Programs
Allied Health Nursing Rehabilitative Services Respiratory Care	Allied Health Leadership Nursing Medical Imaging Sciences	Nursing (Nurse Family Practitioner) Doctor of Nursing Practice	Administrative Medical Assistant Advanced Medical Technician Dental Assistant Electronic Health Record Management Medical Office Coding Medical Office Supervisor Pharmacy Technician Phlebotomy

Source: Venango College of Clarion University

The development of a health care facility in downtown Oil City providing co-located services would expand the opportunities for Oil City and Venango County residents to gain employment without having to leave the area.



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# ECONOMIC DEVELOPMENT OPPORTUNITIES

## Key Opportunities

Construction of the multimodal facility will continue to build upon the success of recent downtown Oil City revitalization with the ultimate goal of attracting more businesses, residents, and tourists to the Northside Business District. Based on information assembled for the market assessment, the following Economic Development Opportunities are recommended.

Each of these opportunities assumes: (1) the construction of the multimodal facility and increased public transportation throughout Oil City's Northside Business District; (2) availability of low cost, high speed Internet access through fiber optic lines; and (3) availability of sufficient automobile parking. (Fiber Optic Line access and parking are discussed in greater detail under the Key Local and Regional Trends section of the market assessment.)

### 1. Continue to work towards assembling an inventory of readily available, modern building space.

Reasons	Supporting Data
<ul style="list-style-type: none"> <li>One of the biggest assets in Oil City's Northside Business District is the significant amount of building space available.</li> <li>A major drawback to this space, however, is that buildings have not been kept up to date and building conditions are unknown.</li> <li>Determining what space is available for redevelopment and implementing renovation projects, whether private or public sector focused, will help Oil City reverse the cycle of disinvestment.</li> </ul>	<ul style="list-style-type: none"> <li>The Northside Business District has over 300,000 square feet of vacant and underutilized space based on the building inventory developed and maintained by the Oil City Main Street Program.</li> <li>The majority of the space has not been maintained to modern standards and reported vacancy rates of 50 percent on upper floors and 10 percent on ground floors substantiates the amount of vacant and underutilized space.</li> </ul>

### Suggested Implementation Steps

This economic development opportunity involves a substantial level of interaction between building owners and Oil City Main Street Program and builds upon the vacant and underutilized building inventory.

- Continue to work with building owners to update long term plans for buildings – either renovation or sale.
- Conduct a preliminary assessment in conjunction with building owners to determine building conditions and identify modifications required to bring buildings to modern productive use.
- Include the identification of potential future end uses and whether a building is more suited to residential, office, or retail uses.
- Consider demolition of several buildings identified by the Steering Committee and shown in Appendix A: 13. Sidetrax, 17. Singer Sewing Center, and 18. Social Security Office.
- Prioritize specific buildings for renovation opportunities.

**2. Work with existing building owners or attract a developer to convert a building into upper story market rate housing.**

Reasons	Supporting Data
<ul style="list-style-type: none"> <li>Beginning to develop a critical mass of people who reside in the Northside Business District will increase spending for goods and services in the downtown area.</li> <li>Oil City has a concentration of vacant housing units in upper floors of buildings.</li> <li>Renovating some of these units or developing new units to attract new residents to work, dine, and shop in downtown Oil City will help reduce vacancy rates over time.</li> </ul>	<ul style="list-style-type: none"> <li>The number of vacant housing units has been increasing with 20 percent of housing units within a 5-minute drive time projected to be vacant by 2020.</li> <li>Within 5 minutes of the Northside Business District, nearly 70 percent of housing units are less than \$50,000 in value; this number drops to 40 percent within 15 minutes suggesting that existing units are of lower value than the surrounding area and in need of renovation to attract tenants/owners.</li> <li>Changes in age distribution between 2010 and 2020 demonstrate a slight need for housing for younger empty nesters between the ages of 55 and 64 and a sizeable demand for older empty nesters.</li> <li>There is an increase in nonfamily households in Oil City. Nonfamily households generally prefer smaller homes, are more likely to rent, and often have more disposable income than family households.</li> <li>A concerted effort would be required to attract younger residents to the downtown from outside the area. These residents would find ready access to work, affordable housing, and nearby recreation appealing.</li> </ul>

**Suggested Implementation Steps**

- Identify a building to locate a housing project based on due diligence conducted in Economic Development Opportunity 1. Potential buildings identified by Steering Committee members are shown in Appendix A and include: 2. Genova's, 3. Drake Building, 4. Family Fitness, 7. IOOF Building, and 14. Cornplanter Square.
- Continue progress on renovating upper floors of the Downs Building, owned by the Oil Region Alliance. This will be a good location to begin to develop modern housing in downtown Oil City.
- If a building owner is willing to renovate for housing, help utilize existing incentives or develop new incentives for building renovation.
- If a building owner is proposing to sell their building, consider entering into an agreement with the building owner to solicit interested developers in preparing an adaptive reuse plan for housing.
- Incorporate activities into Oil City Main Street Program's marketing efforts.

**3. Attract a developer to renovate a building for office space in downtown Oil City.**

Reasons	Supporting Data
<ul style="list-style-type: none"> <li>Increasing the amount of private sector office space in the Northside Business District will increase tax revenues and generate needed foot traffic downtown during the work week.</li> <li>This would in turn generate additional revenues for supporting retail and restaurant uses and subsequently generate increased demand for downtown housing.</li> </ul>	<ul style="list-style-type: none"> <li>Several occupations within the NWPA WIA are projected to increase employment to 2022.</li> <li>A few of these occupations require modern, efficient office space to perform work functions (Office &amp; Administrative Support; Healthcare Practitioners &amp; Technical).</li> <li>Beyond the occupations projecting increased employment, the installation of the fiber optic lines in Oil City should provide the telecommunications infrastructure necessary to begin attracting other types of businesses from outside the region.</li> <li>These businesses could seek Oil City as a business location due to lower operating costs and quality of life amenities.</li> <li>As an example, office space lease rates in Oil City range between \$5.00 to \$15.00 per square foot and lease rates in Pittsburgh average approximately \$20 per square foot.</li> <li>Vacancy rates in Pittsburgh are some of the lowest in the country according to Collier's International, at around 9.0 percent in December 2015. The vacancy rate in downtown Oil City is around 50 percent according to discussions with local realtors.</li> <li>With nearly 20 percent of Pittsburgh's economy in the financial services sector and over 15 percent in the professional &amp; business services sector, there could be an opportunity to attract these types of industry sectors to downtown Oil City if modern office space and access to fiber optic Internet were available.</li> </ul>

**Suggested Implementation Steps**

- Identify a building to locate an office project based on due diligence conducted in Economic Development Opportunity 1. Potential buildings identified by Steering Committee members are shown in Appendix A and include: 1. Warehouse, 3. Drake Building, 8. McFate Law Offices, 11. The Center Building, Grandview Estates, and Sidetrax.
- If a building owner is willing to renovate for office development, help utilize existing incentives or develop new incentives for building renovation.
- If a building owner is proposing to sell their building, consider entering into an agreement with the building owner to solicit interested developers in preparing an adaptive reuse plan for office space.
- Incorporate activities into Oil City Main Street Program's marketing efforts.

#### 4. Determine the feasibility of developing a regional health care facility in Oil City.

Reasons	Supporting Data
<ul style="list-style-type: none"> <li>Constructing a regional health care facility in downtown Oil City will better serve the health care needs of City residents and leverage the location of multimodal operations on the site of the former Oil City parking garage.</li> <li>Such a facility could help address community health care needs identified by UMPC's most recent Community Health Needs Assessment: Maternal and Infant Health, Diabetes, and Breast Cancer.</li> <li>Development of additional health care provider offices in downtown Oil City would complement Venango County health and human service resources provided at The Pointe, located in the former Northwest Savings Bank building. Offices would also complement primary care provider services delivered at Venango Internal Medicine Associates on Memorial Drive in Oil City.</li> </ul>	<ul style="list-style-type: none"> <li>Oil City has been designated as a Medically Underserved Area, a Dental Health Professional Shortage Area, and a Mental Health Professional Shortage Area by the U.S. Department of Health and Human Services, Health Resources and Services Administration.</li> <li>The Healthcare Practitioners &amp; Technical and Healthcare Support occupations within the NWPA WIA are projected to increase employment to 2022.</li> <li>Venango College of Clarion University provides academic programs to support the region's health care professional needs.</li> <li>Several interviewees noted the need for an urgent care facility or other types of medical services in downtown Oil City.</li> <li>Vacant space in Oil City could help meet the community shortage of health care workers, provide a location to support the projected increase in workers in health care related fields, and also provide internship and long term employment opportunities for students of Venango College.</li> </ul>

#### Suggested Implementation Steps

- Convene a meeting with a regional health care service provider to discuss the potential for renovating an existing vacant or underutilized building to develop a regional health care facility. Potential buildings recommended for consideration by the Steering Committee are shown in Appendix A and include: 3. Drake Building and 4. Family Fitness.

**5. Continue to increase tourism visits and lodging stays.**

Reasons	Supporting Data
<ul style="list-style-type: none"> <li>Increasing tourism visits provides Oil City businesses with the opportunity to boost retail sales by tourists purchasing a meal; spending in a shop, visiting the Venango Museum of Art, Science and Industry, and even staying overnight.</li> <li>Providing tourists using the Erie to Pittsburgh Trail with a variety of activities to do in Oil City will encourage tourists to extend their stay in the City.</li> </ul>	<ul style="list-style-type: none"> <li>In 2013, there were an estimated 158,507 visitors to the trails comprising the Erie to Pittsburgh Trail.</li> <li>These trail visits resulted in a total economic impact of \$7,479,348 including a direct investment into local economies of \$6,928,620; average spending of \$337.50 on hard goods; average spending of \$21.62 per visit on soft goods; and average lodging costs of \$80.20 per night.</li> <li>The amount of trail spending increased by an estimated \$3 million between 2006 and 2013.</li> <li>Improving trail amenities throughout downtown Oil City, increasing recreational amenities through marina improvements and the proposed water trail, improving opportunities to shop and eat downtown, and providing the type of overnight lodging to meet trail user demand, could potentially position Oil City to capture some of the economic impact that tourism visits bring.</li> </ul>

**Suggested Implementation Steps**

- Implement recommended trail improvements identified through the Multimodal Facility Master Plan Project.
- Determine the feasibility of creating a unique destination offering traditional lodging for business users and lodging options that might be attractive for trail users such as minimal hostel-type lodging.
- Assess other buildings in the Northside Business District for the development of a boutique hotel that has been identified as a lodging type by trail users and could also serve lodging needs for business travelers.
- Continue to expand upon the tourism marketing campaign of the Oil Region Alliance by adding new recreational opportunities as they are developed, identify how Oil City competes with surrounding trails and differentiate it's tourism offerings, and explore marketing to overseas visitors.

**6. Increase the number of retail businesses to complement increases in housing, office, and tourism uses.**

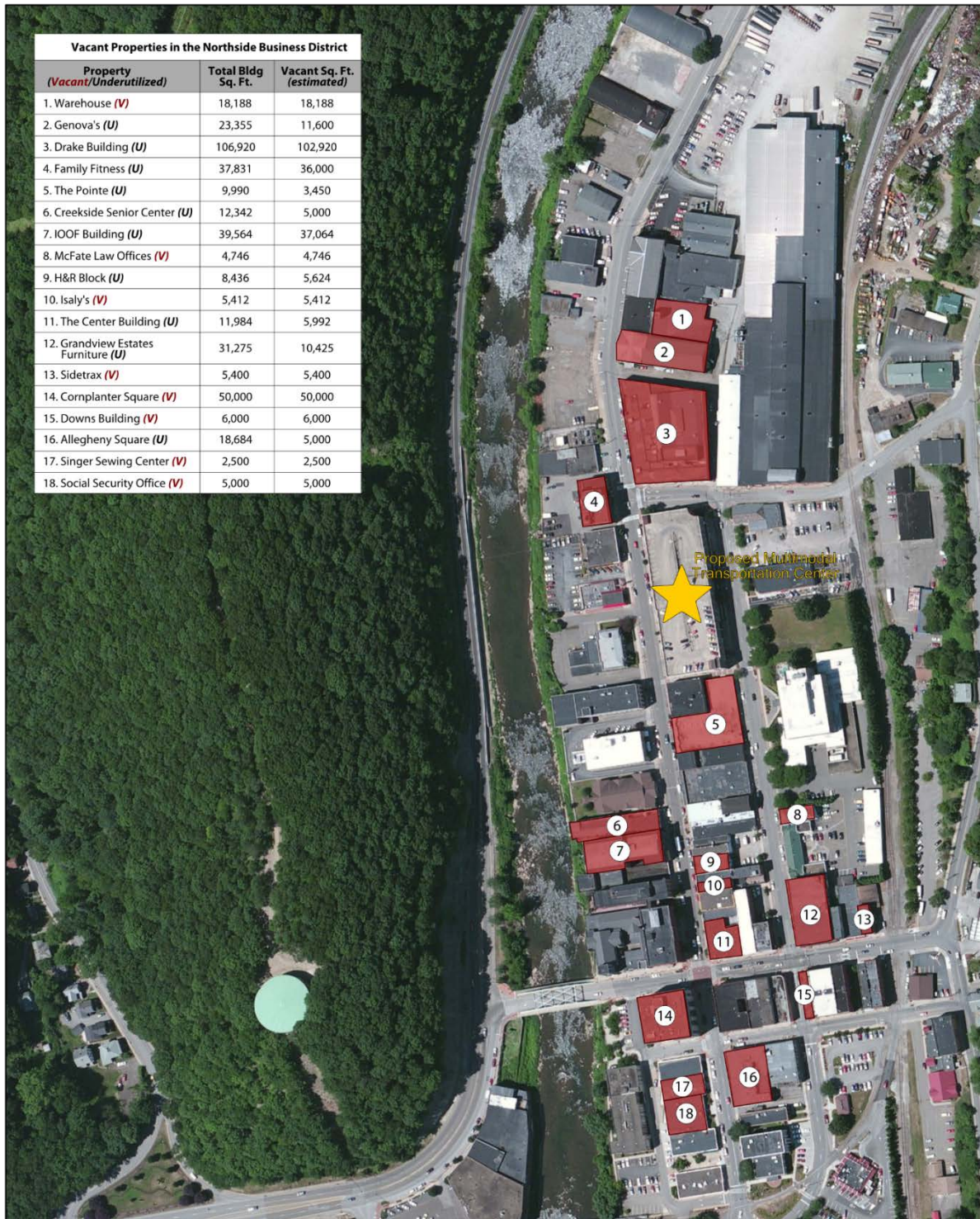
Reasons	Supporting Data
<ul style="list-style-type: none"> <li>When Oil City is successful at improving the availability of housing and office space and attracting additional tourists, it will need appropriate retail businesses such as restaurants and service retail such as clothing stores, gift shops, restaurants, etc. to support the real estate uses.</li> </ul>	<ul style="list-style-type: none"> <li>The retail gap analysis identified many gaps in retail service offerings within a 10-minute drive time of downtown Oil City.</li> <li>This represents an opportunity to attract different types of retail businesses to complement office, housing, and tourism uses.</li> <li>Types of retail oriented businesses identified through Steering Committee meetings include: grocery store, restaurants, bike shop, bike repair shop, gift shops, and clothing/apparel stores.</li> </ul>

**Suggested Implementation Steps**

- Identify buildings through Economic Development Opportunity 1 that might be best suited for first-floor retail.
- Continue progress on renovating the first floor of the Downs Building for tourist related retail.
- Work with building owners to identify potential funding sources for building renovations.
- Continue marketing efforts through the Oil City Main Street Program and Oil Region Alliance to attract retail and service businesses.



## APPENDIX A



## APPENDIX B

## Summary of Socioeconomic, Employment, and Market Trends

Indicator	Findings	Observations
<b>Population</b>	Total population in and surrounding the study area is projected to decrease by close to 2 percent between 2015 and 2020.	As population levels are relatively stagnant, strategies to increase population will be required.
<b>Age</b>	Within a 5-minute drive time of the study area, the median age of 39 is younger than the County or State, at 45.5 and 41, respectively.	Trends to 2020 show the median age within a 5-minute drive time of the study area remaining the same while median age in the county and state show the median age gradually increasing.
<b>Migration</b>	Venango County is a net exporter of residents with more people moving out than moving in. However, Venango County is importing residents from surrounding counties and southern and western states. In 2013, a total of 2,001 residents are projected to have moved in.	In-migration from southern and western states backs reports that the ARTS Oil City program is attracting residents from across the country.
<b>Income</b>	While income within the study area is lower than both the county and the state, income growth exceeds the state and is projected to grow by nearly 3 percent between 2015 and 2020. At nearly 30 percent, the percentage of Oil City residents in poverty is much higher than the county, state, or nation.	The high rate of poverty in Oil City requires strategies to improve overall economic conditions for the City's residents.
<b>Housing and Households</b>	The number of housing units, rental and owner occupied, is projected to remain stable while the number of vacant housing units is projected to increase. The number of nonfamily households has been increasing.	An increased housing vacancy rate combined with an increase in nonfamily households could provide an opportunity for the development of housing geared towards nonfamily households which generally prefer smaller, rental homes.
<b>Education</b>	Residents within the study area overall have higher high school graduation rates than the state, yet a lower percentage of residents have advanced degrees.	There may be job training opportunities to increase educational attainment.
<b>Consumer Spending</b>	Consistent with Oil City's median household income below the Pennsylvania average, residents within a 15-minute drive time spend below the U.S. average on consumer goods and services.	Low consumer spending by residents within the study area suggests the need to increase spending at local establishments by non-residents or future residents. Eco-tourism is a specific opportunity for Oil City.
<b>Retail Gaps</b>	With the exception of a few industries, the region is a net importer of retail goods and services meaning that consumers are travelling outside of the trade area for shopping and dining needs.	If efficiently renovated, vacant and underutilized first floor space in the study area could provide locations to fulfill retail service gaps.
<b>Unemployment</b>	Venango County's unemployment rate of 5.2 percent is consistent with Pennsylvania's unemployment rate (5.3 percent) and has gradually decreased over the past several years.	It is anticipated that the unemployment rate will spike due to the announced closure of Joy Global, Inc. in March 2016.
<b>Employment by Industry</b>	<p>The area has experienced an overall decrease in employment base for the County's top six industry sectors - Nursing and Residential Care Facilities, Machinery Manufacturing, Educational Services, Food Services and Drinking Places, Ambulatory Health Care Services.</p> <p>Several occupations in the NWPW WIA are expected to increase average annual employment to 2022 including Food Preparation &amp; Serving Related, Office &amp; Administrative Support, Sales &amp; Related, Production, and Healthcare Practitioners &amp; Technical</p>	Renovated building space in the study area would be suitable to provide space for occupations projected to increase in employment.



# APPENDIX C

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