



Community & Economic Profile

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The County, its Economy, and Supporting Transportation Needs

Cambria County’s transportation infrastructure needs and future opportunities are, in large part, shaped by its economic history and demographic trends. Transportation planning must work to address both the current maintenance and safety needs while supporting new opportunities.

Once known for manufacturing activity and natural resource extraction, many of Pennsylvania’s regional economies have undergone major changes in recent years. Industry diversification coupled with downsizings and closures has contributed to significant decline in population. Cambria County is no exception.

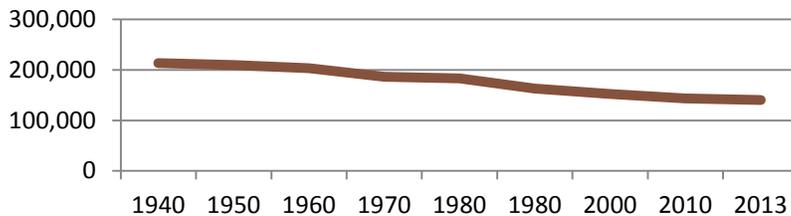
With most public transportation funding formula’s linked to population statistics, the result has been a steady decrease in overall funding resources for Cambria County. This is occurring at time when rebuilding for future – and likely different – economic opportunities is needed most.

To better understand what those opportunities may be and where best to focus transportation investments, Cambria County’s Long Range Transportation Plan must be informed by demographic and economic trends. This section highlights recent demographic and industry sector trends and discusses how those trends can inform future transportation priorities.

Total Population

Cambria County has witnessed a steady decline in population from more than 200,000 residents in 1940 to 152,598 in 2000 to an estimated 142,448 in 2013 and an estimated 137,732 in 2014. The most recent population estimate was 136,411 for July 1, 2015.

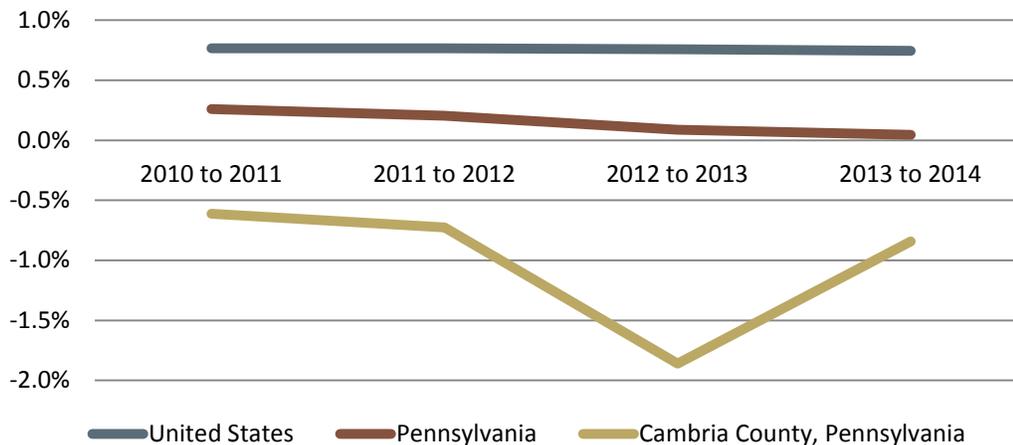
Figure 2-1: Cambria County, PA Population, 1940-present



Source: U.S. Census Bureau

In recent years, the overall rate of population loss for Cambria County has slowed slightly when compared to both the U.S. and Pennsylvania as a whole. The most recent rate of change from the July 1, 2014 to July 1, 2015 population estimate was 0.96 percent.

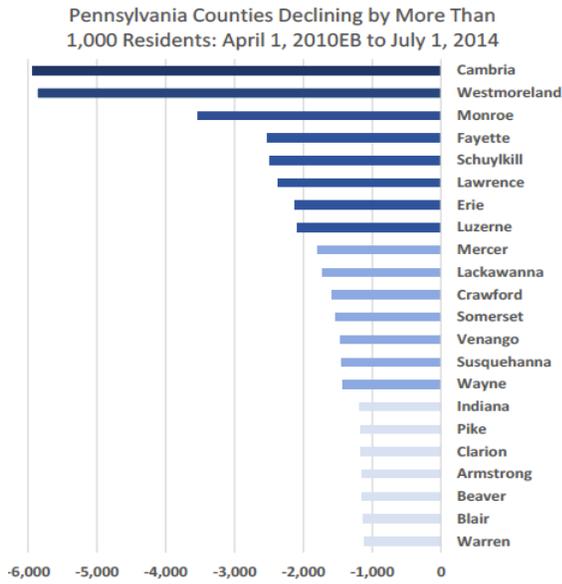
Figure 2-2: Comparative Population Change, 2010 to 2014



Source: U.S. Census Bureau

But in absolute numbers, Cambria County still leads PA counties shedding population since 2010 (see Figure 2-3). Like most “Rust Belt” communities throughout the Mid-Atlantic, the County is not expected to reverse trend anytime soon. Of the various projection sources available, most agree that the County’s 2020 population will be in the range of 135,000-140,000.

Figure 2-3: 2014 Population Change by Pennsylvania County

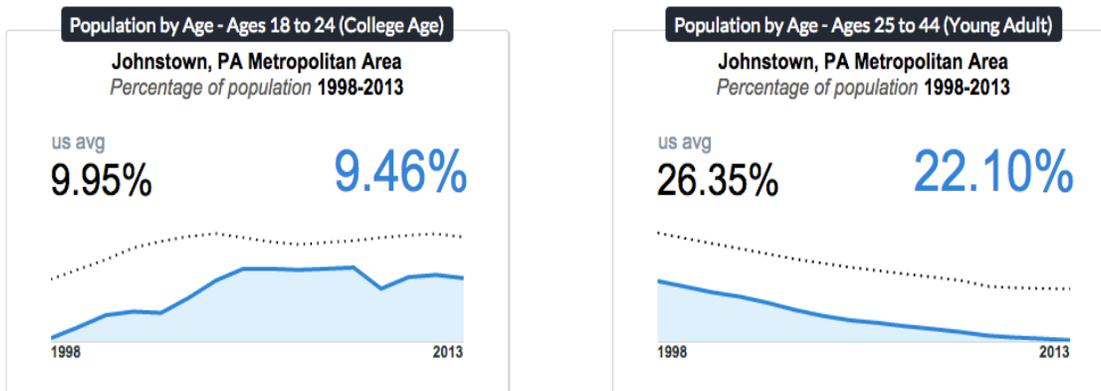


EB Estimated Base (population)
 Source: Pennsylvania State Data Center

Working Age Residents

Beyond the absolute numbers, it is important to understand how Cambria County compares in key working age cohorts. Cambria County lags the nation in younger, working age residents as a percentage of the overall population. Ages 18 to 24 (College Age) represent 9.46 percent of the total population and Young Adults (Ages 25 to 44) account for 22.10 percent. Both fall below the national averages. These age cohorts are critical as they represent the new labor force to support existing industry, business attraction and new start-ups.

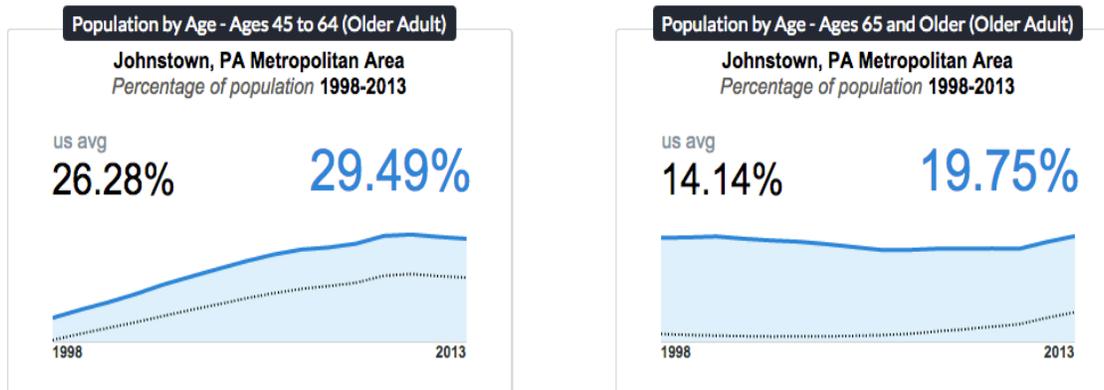
Figure 2-4: Comparison of U.S. and Cambria County Age Cohorts, Ages 18-24 and Ages 25-44, 1998-2013



Source: U.S. Cluster Mapping Project (clustermapping.us)

Cambria County also continues to age at a fast pace. Cambria County exceeds the national averages for “Older Adults” ages 45 and above. Those 65 and older represent less than 20 percent of the total population compared to more than 14 percent for the nation as a whole.

Figure 2-5: Comparison of U.S. and Cambria County Age Cohorts, Ages 45-64 and Ages 65 and over, 1998-2013



Source: U.S. Cluster Mapping Project (clustermapping.us)

This population dynamic is widely apparent to regional stakeholders. In 2009, the Cambria County Alliance for Business and Industry, Greater Johnstown Regional Partnership, Community Foundation for the Alleghenies, Greater Johnstown/Cambria County Chamber of Commerce, Johnstown Area Regional Industries, and the Richland Township Supervisors commissioned a study of demographic and economic trends and their impacts on Johnstown. [Johnstown 2020: Report and Recommendations for 2020 Regional Vision](#) highlighted the importance of young professionals in fueling economic growth and opportunity. The authors challenged local leaders noting:

“If the Johnstown region sits idly by and allows the trends that are already at play run their course, Johnstown will be either much older, or much smaller in 2020. What will it take to re-route these trends and give Johnstown the lift it needs to become a 21st Century city, a magnet for the next generation workforce?”

After reporting significant stakeholder outreach, survey work and independent data gathering, the research offered several recommendations to offset current trends.

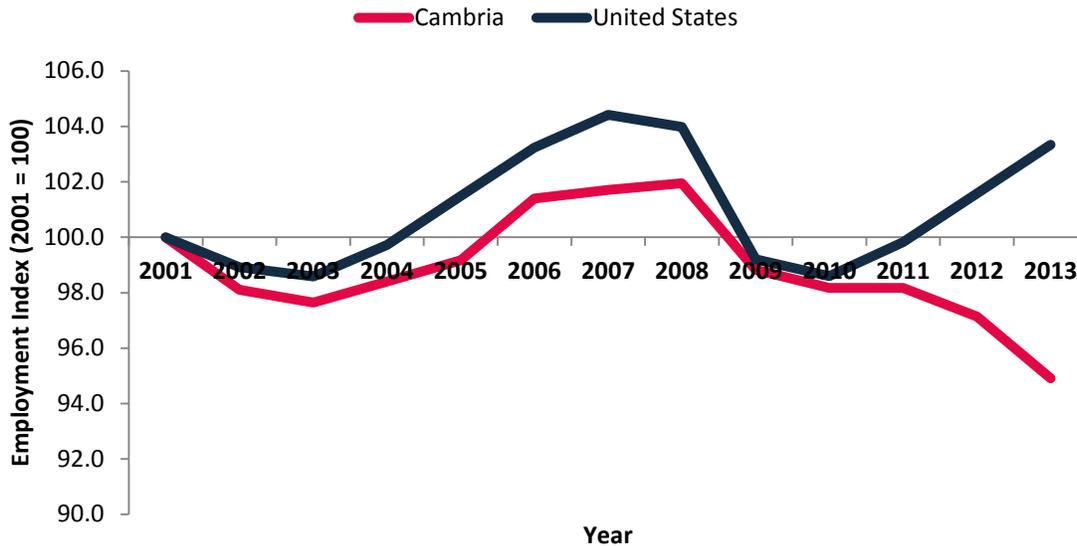
Economic Performance

To direct transportation investments that will attract serve the existing economy and young professionals, it is important to understand how the economy has been performing and where it is heading.

In almost all cases, employment opportunities, either self-made or through traditional pathways with established growing industries, spur population growth. While Cambria County had seen employment trends that generally tracked with the national experience

leading up to the 2007 recession period, that recession impacted the County’s economy significantly. Since 2007 the overall employment level decreased by over 4,000 jobs through 2013 while the rest of the nation grew.

**Figure 2-6: Employment Index 2001-2013:
Cambria County vs. U.S. (2001 = 100)**



Source: U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Likewise, the County economy shed an estimated 154 establishments between 1998 and 2012. Yet wages for Cambria County have been edging up, posting a 3.48 percent growth rate from 1998 to 2012.

Figure 2-6: Establishments and Annual Wage Trends, 1998-2012



Source: U.S. Cluster Mapping Project (clustermapping.us)

In industry sectors for which Cambria County has a strong workforce advantage (as commonly reflected by a Location Quotient [LQ] above 1), wage increases have generally outpaced employment growth rates. In the Health Care and Educational Services sector, both employment and wages have risen.

Figure 2-7: Cambria County Labor Concentration

Industry 42021 (NAICS)	Location Quotient 2013	Establishments	2012 Employment	2007 Employment	Average Annual Wage	5-yr Wage Growth, 2007-12
Mining, except oil and gas (212)	4.70	8	225	143	\$ 61,263	8.20%
Utilities (221)	1.26	17	n/a	n/a	\$ 90,725	16.40%
Health and Personal Care Stores (446)	1.43	59	609	562	\$ 28,613	18.80%
Primary Metal Manufacturing (331)	3.10	5	575	641	\$ 56,402	20.30%
Fabricated Metal Product Manufacturing (332)	1.24	26	970	1106	\$ 45,296	7.40%
Educational Services (611)	1.78	33	2875	2443	\$ 34,004	12.40%
Ambulatory Health Care Services (621)	1.58	355	3776	4224	\$ 50,262	11.60%
Nursing and Residential Care Facilities (623)	1.91	74	2168	1974	\$ 25,965	4.80%
Transit and Ground Passenger Transportation (485)	3.93	15	n/a	801	\$ 34,496	6.20%
Broadcasting, except Internet (515)	1.24	6	158	201	\$ 43,313	21.00%

Source: U.S. Bureau of Labor and Statistics (BLS)

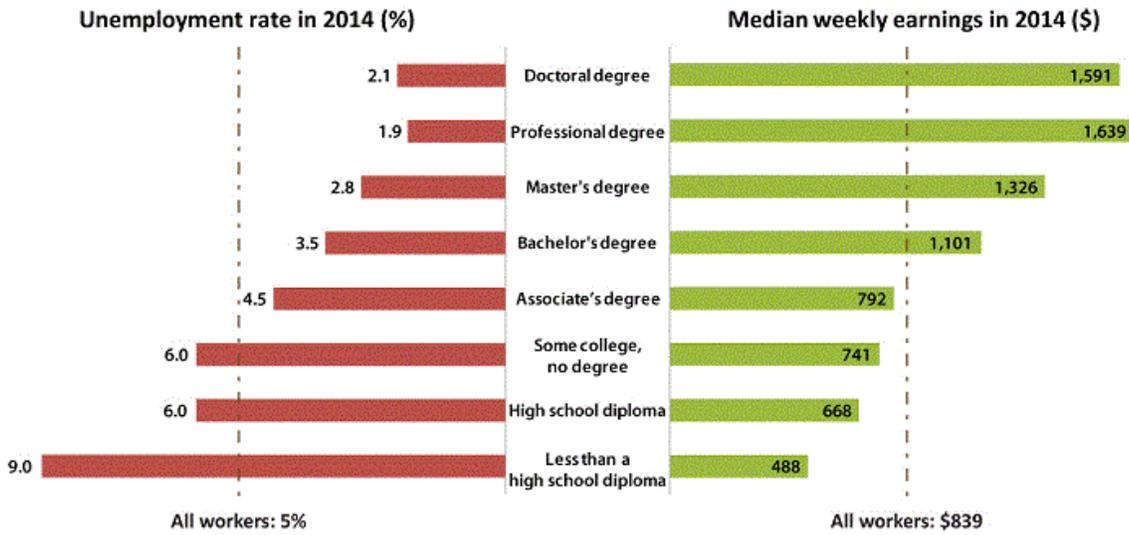
In part, this rise in wages points to the private sector doing more with technology and production efficiencies, allowing for a smaller workforce. Knowledge intensive sectors especially are contributing to both higher wages and more employment opportunities. This has not been the case for lower skilled production workers where overall manufacturing productivity has increased while wages have remained stagnant.

Higher education and skill development remains a key to both competitive employment and wage growth. New, higher knowledge-based skill sets are increasingly required for most manufacturing and business services sectors. While this trend has been recognized for many years, it remains important to addressing this skills-employment-wage relationship.

The Importance of Education

Data from the U.S. Bureau of Labor and Statistics illustrates the differences among educational attainment, earnings and unemployment rates nationally. The higher the skill set for the individual, the higher the pay and the less likely they are to find themselves unemployed.

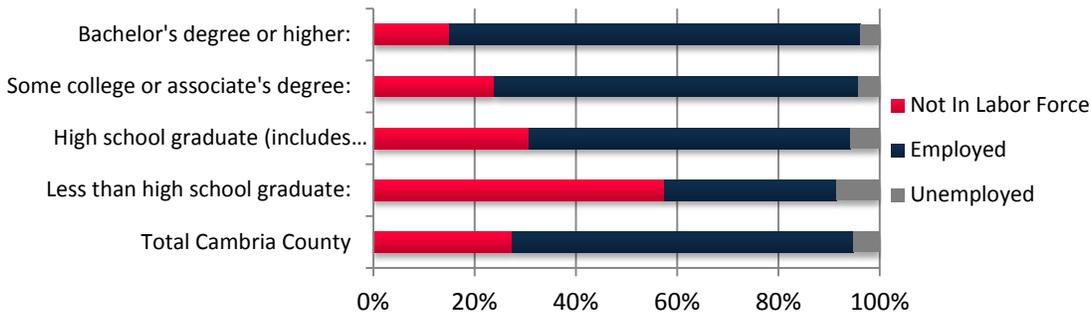
Figure 2-8: Earnings and Unemployment Rates by Educational Attainment, 2014



Source: U.S. Bureau of Labor and Statistics

This reality is true for Cambria County. Figure 2-9 illustrates the percentage distribution of people in Cambria County who were either employed, unemployed or not looking for work in 2013 by level of education attainment.

Figure 2-9: Employment By Education, 2013



Source: American Community Survey (U.S. Census Bureau)

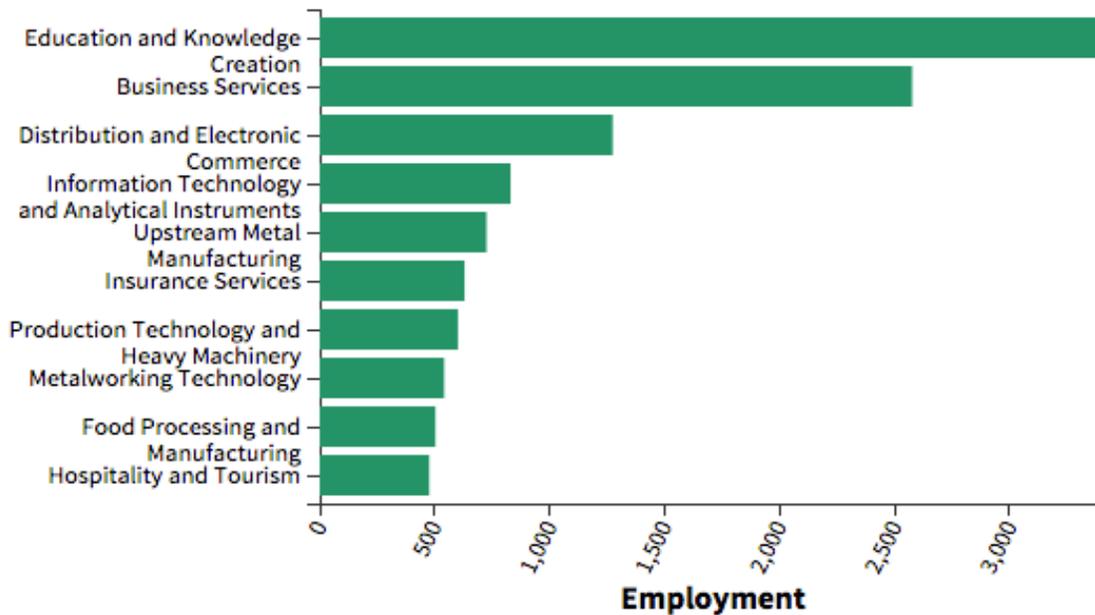
This chart demonstrates not only the degree to which earning an advance degree can impact employment opportunity but also how those with only or less-than a high school degree are more likely to fall out of the workforce altogether. This can place a strain on social services and vital transportation assets.

Growing Industry Clusters

Finally, it is important to understand which key “traded” and “local” industry sectors are creating the employment opportunities in Cambria County. Traded clusters are those that serve markets in other regions or nations, and are concentrated in regions that afford specific competitive advantages. Local clusters sell products and services primarily for the local market and are located in every region.

Figure 2-10 illustrates that significant changes in employment have occurred since Cambria County was known for its heavy manufacturing base. The top traded employment drivers are now found in the knowledge-centric sectors, i.e., Education and Knowledge Creation and Business Services.

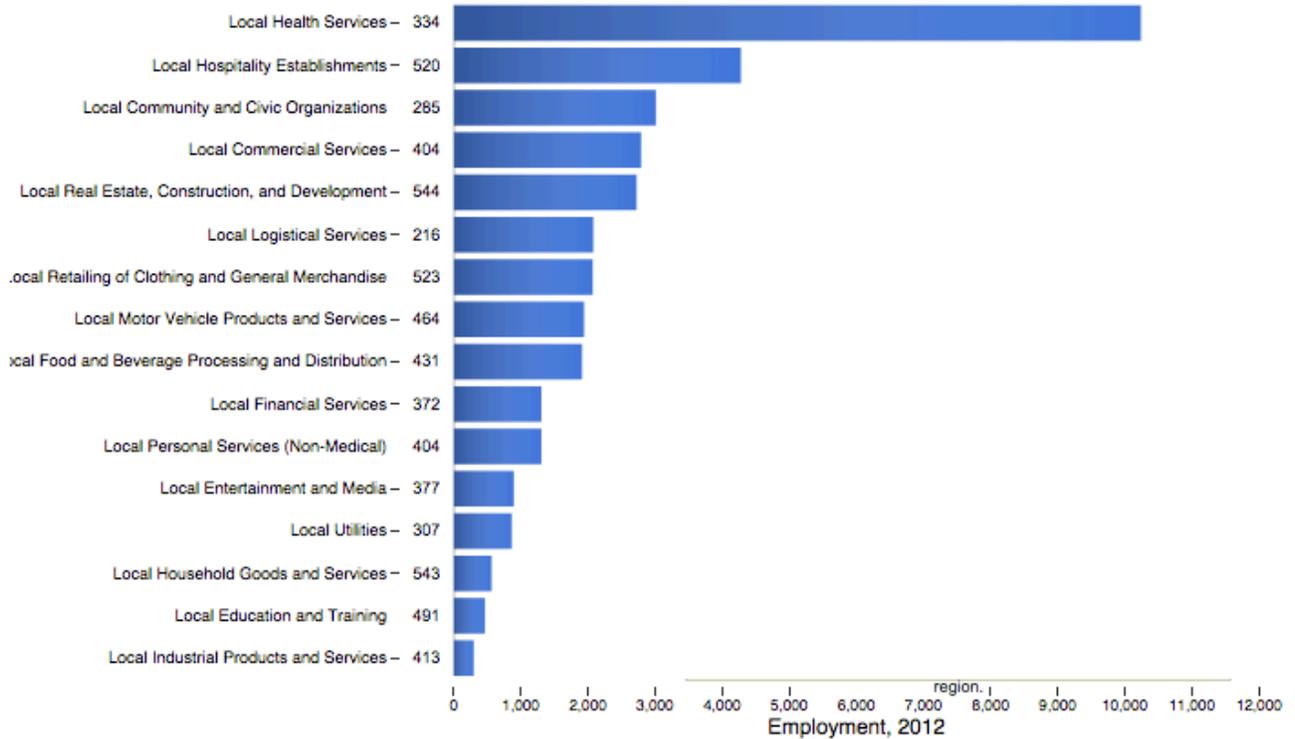
Figure 2-10: Top Clusters by Employment



Source: U.S. Cluster Mapping Project (clustermapping.us)

Among the local clusters shown in Figure 2-11, Health Services and Hospitality sectors are driving the employment landscape.

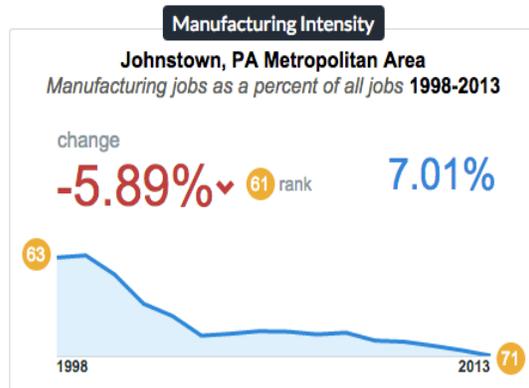
Figure 2-11: Employment by Local Cluster (and rank in US), 2012



Source: U.S. Cluster Mapping Project (clustermapping.us)

While the manufacturing sector remains an important part of the overall economy for Cambria County, as a percentage of all jobs this sector has decreased by nearly 6 percent from 1998 to 2013.

Figure 2-12: Manufacturing Intensity, Johnstown (Cambria County), 1998-2013



Source: U.S. Cluster Mapping Project (clustermapping.us)

Given this employment trend, it is not surprising that manufacturing continues to undergo major transformations that will impact real estate portfolio and associated transportation and logistics demands. Key trends in manufacturing point to a greater reliance on digital management, digital marketing and highly skilled worker performance and education. The incorporation of social media applications, support captured largely under a new operational label called “Internet of Things” (IOT), is creating greater need for STEM-based workforce skills. The introduction and adoptions of 3D manufacturing processes is creating more real-time and customized inventory and distribution methods that will continue to reshape the manufacturing and distribution model. Rising shipping costs combined with these technology developments will allow manufacturing to “next shore” or move closer to the customer and key markets further reducing costs and addressing customer demands.

Emerging Economic Development Initiatives

Various economic development interests are working to stimulate business growth and new business starts, predominantly in the Johnstown area. These emerging initiatives each have transportation needs that should be considered as the efforts are being established or piloted, and subsequently as they are evaluated.

Emerging economic development initiatives have transportation needs that should be considered.

Entrepreneurial Alchemy

Entrepreneurial Alchemy is a community initiative bringing together people, ideas and money in order to initiate, facilitate and support organic economic growth in the Greater Johnstown region.¹ The initiative is funded with a grant from the Pennsylvania Department of Community and Economic Development to the Community Foundation for the Alleghenies.

To date, Entrepreneurial Alchemy has contributed to the success of the following:

- **PITTchfest**, a two-day event for emerging entrepreneurs to network with fellow entrepreneurs, advisors, investors, customers and collaborators while competing for more than \$10,000 in cash and prizes. The qualifying round takes place during Makers Premier, which will be held at the University of Pittsburgh at Johnstown, and the final round caps off the annual Showcase for Commerce in downtown Johnstown; supported by support of the Pa. Department of Community and Economic Development, Greater Johnstown Showcase for Commerce, JARI, Greater Johnstown Chamber of Commerce, Problem Solutions, The Community Foundation of the Alleghenies, and Entrepreneurship Alchemy.
- Development of a grant application that provides funding for “**Allegheny Underground**,” a mobile app under development by a Pitt-Johnstown team. Funding for the project resulted from the partnering of EA with Pitt-Johnstown, the City of Johnstown and ACRP.

¹ <http://www.eajohnstown.org/> accessed July 14, 2015.

- Creation of a **regional alum network and private equity funding**. Website under development; launch by August; in time for homecoming. Both UPJ alum network and regional alum – mentorship and investment. Begin with small levels of engagement; gain a few smart investors; could have large, lasting effect.

The Transportation Connection: Entrepreneurial Alchemy is generating ideas to stimulate the rebirth of Johnstown and surrounding areas – ideas that may require or benefit from 1) access or connectivity improvements (e.g., changes in facilities or service in one or more modes); 2) promotional placement opportunities related to high volume travel modes and corridors (e.g., billboards on busy corridors, on-bus signage)

Creator Square, Johnstown

Creator Square is under development as a live-work space for “makers”, i.e., skilled artisans in furniture, home goods, jewelry, etc. Developers intend to target young makers in their mid to late 20s and 30s to compete as applicants to come to Johnstown for one of four to five two-year business developmental opportunities, namely to live-work in the City; work with local manufacturers; sell products in person and online to grow the business; and teach (upskill) the local population. The application will require work samples and recommendations/references; applicants with previous business success will be preferred.

The Transportation Connection: Makers will need transportation connections to:

- Greater Johnstown Regional Technology Center and UPJ in Richland Township for equipment and technology
- Westmont (Menoher Blvd)
- the Bottleworks Arts on 3rd Avenue for product display and events
- the airport for travel and freight shipping

Makers will also need access from other areas for employees, interns, advisors, etc.

Revitalization Efforts to Tap the Student Market of the University of Pittsburgh at Johnstown

Approximately 3,000 students attend UPJ in Richland Township and few see Johnstown as a place that offers services or activities for students. Several recent efforts have promoted Johnstown businesses to students through in-person and online marketing and pilot bus services:

- Entrepreneurial Alchemy, student interns and CamTran have developed pop-up stores in the student union to feature businesses located in City and encourage ridership.
- Allegheny Underground is a “by students, for students” approach to finding and spreading the word about events in the Johnstown area. It’s supported by the Community Foundation for the Alleghenies, Entrepreneurial Alchemy, ACRP, City of Johnstown, and University of Pittsburgh Johnstown. The student marketing effort will

use an “Allegheny Underground (AU) Explorer” app, www.alleghenyunderground.org/ website, and social media to find and share events and activities. The app is planned for Apple and Android systems.

- In April 2015, a nightlife tour bus shuttled students from campus to downtown nightlife destinations and back. The tour bus was funded by a grant from the Heinz Foundation. The tour bus will be repeated one or more times per semester until grant is consumed.
- A Fall 2015 CamTran pilot route will circulate to student-oriented locations, i.e., University to Giant Eagle to hospital to downtown.

In addition, students with a passion for the outdoors may develop a relationship with the area through safe, convenient access to outdoor destinations.

The Transportation Connection: These efforts tell students what’s available and where things are but not how to get there and back on a regular basis. The University, transportation providers and planners should periodically assess relevant modes of student transportation:

- Bus - A one-month CamTran bus pass is \$30; reasonably affordable. UPJ has been approached but is hesitant to include a semester bus pass in its fees and charges; for fear that it will be perceived as a “tuition increase.” Consideration is being given to offer a bus pass as an optional service through the semester registration process.
- Bicycle – Consider convenient bike rentals for students and others throughout downtown. Accompany with safe bike lanes and secure bike parking/storage.
- RideShare/CarShare – Uber, Lyft, and Zipcar will come to Johnstown and students will use them.

Higher Ed Students as Business Generators

Students of UPJ and Cambria-Rowe Business College are not just a market for sales; they might also be a source of entrepreneurial ideas. Both institutions have resources to nurture business start-ups:

- Students have developed an imaging database of properties for the City of Johnstown. Map5 can display property size, building size, images, and other data points relevant to re-use and re-development potential.
- UPJ’s Business and Enterprise Division is home to the Somerset Trust Company Entrepreneurship Program. The program includes a seminar course, access to the Cook Family Idea Lab for idea/product development, and ‘Shark Tank’ style presentations to hone business ideas and strategies.
- Cambria-Rowe Business College will be locating in the Conrad Building at 301 Franklin Street. The college will offer courses with focus on app development.

- Students from UPJ and the college could develop into future applicants for Creators Square. They could also develop a variety of apps relevant destinations and travel in the Johnstown area and the surrounding Laurel Highlands.

The Transportation Connection: see Creators Square (page 15)

Implications for Transportation Needs

Like many Northeastern and Mid-Atlantic regions, the Cambria County economy continues to change and face new challenges. All aspects of regional planning, including transportation, must address this change and work to attract a new resident labor force and employment opportunities concurrently. Transportation priorities must align with the changing demands of the County's legacy industries, smaller businesses and its resident base across all stages of life.

We can make a few key observations based on the independent data review and stakeholder feedback. Each helps to frame Cambria County's transportation priorities.

1. The economy is more knowledge-driven than ever before, with a concentration in education, health and business services industries. Their transportation needs are primarily focused on their workforce and service delivery, not goods movement.
2. The manufacturing sector is likely to require less space with more technology, finance capital and higher worker skill sets. Broader changes in manufacturing will require all communities to ensure greater global access to customers with real-time production and delivery capabilities. In a global economy, manufacturing needs reliable, competitive freight options.
3. Cambria County must work to grow its population, attracting and retaining younger adults to fuel new and existing employment opportunities. Younger generations, especially millennials, value choice and experience over "things." In terms of transportation, this means choices to travel on foot, on bike, by bus, or to rent a car or rent a ride (e.g., Uber- and Lyft-style services).
4. There are strong resources to build upon: higher education, technical training support, aviation assets, proximity to major markets and overall quality of life and cost of living. These are effectively understood and marketed.

Education, health and business services industries need transportation focused on their workforce and service delivery; manufacturing needs reliable, competitive freight options; and younger generations value choice in travel.

Public Input on Transportation Needs for Community and Economic Development

Steering Committee meetings, outreach meetings to economic development agencies and interest, and surveys to the public yielded a number of transportation issues and potential improvements that would strengthen community and economic development efforts in their communities. These are evaluated in Chapter 4.

1. Provide safe, modern highway access for commerce to/from the Johnstown area. Most importantly, move trucks efficiently through the West End of Johnstown (Broad Street to the city line) to US Route 22 and onto Pittsburgh.
2. Improve access to northern Cambria County, i.e. improvements to US Route 219 north to I-80, as a phased improvement of the Continental One corridor for commerce to Buffalo-Niagara Falls and Canada.
3. Improve real and perceived highway access.
4. Position the John Murtha Airport as an international facility for freight and passenger service.
5. Transit service is very good for the size of the system, yet it doesn't serve important employment, employment training and civic destinations.
6. Capitalize on outdoor recreation, i.e. trails, creeks and rivers, parks, game lands, for local residents and tourists.
7. Make transportation investments that support downtown revitalization.
8. Market short-line rail capacity for economic development.
9. Current access between the Hastings Area Industrial Park and PA Route 36 via Hastings-Bonniface Road limits trucks by weight and limits the industrial park's future expansion. Current park tenants include Hastings Machine Company, a contract manufacturer of machined components that requires regular shipments of steel to the plant.
10. At one Amtrak train per day in each direction, rail service requires an overnight stay for any travel, making rail travel more expensive.
11. We love trails for walking.
12. Transportation providers should plan and coordinate to support special events held throughout the County with adequate services and signage