

7. Economic Development

7.1 Overview

Union County had a total of 17,517 persons in its workforce at the end of 2007 and a relatively low unemployment rate of 5.2%. However, at the end of 2008, the County's unemployment rate increased to 7.4% consistent with trends in the national economic and housing markets. The largest private and/or institutional employers in the County include Evangelical Community Hospital, Bucknell University, US Government, Ritz-Craft, Albright Care Services, Weis Markets, and Playworld.

The Central Pennsylvania Workforce Investment Board (WIB), using the best currently available data, estimates that Union County will add 974 workers to its workforce by the year 2010. At an overall estimated employment rate of four workers per acre, the County would need about 245 acres to accommodate this job growth. If that trend were to continue over the long-term (between 2014 and 2024), about 500 acres would be needed.

The largest new business park in the County is the 670-acre, mixed-use Great Stream Commons located five miles north of Interstate 80 along US Route 15. In addition to Great Stream, there are nine other existing

SUSTAINABILITY KEY = BUILDING LOCAL ASSETS

The sustainability key for the Economic Development Element of the Union County Comprehensive Plan focuses on **building local assets**. It refers to economic activities that:

- Draw on the County's intrinsic advantages – its high quality of life in a beautiful town and country setting, fertile agricultural soils, quality educational and medical institutions, etc.; and/or
- Reduce dependence on outside resources (e.g., by substituting locally produced goods and services for those imported from beyond the region).

The importance of the latter is highlighted by escalating fossil fuel prices that affect not only the transportation and heating costs of Union County residents

(or potential) business parks in the County with a total of 3,347 acres available (Table 8-1).

Of the total 3,347 acres in the ten business parks shown in Table 7.1, 1,337 acres are presently developed and another 2,010 are available for development or

and businesses, but also the prices of food and goods that are transported to the County across long distances.

Conservation and sustainable use of the County's natural, cultural, and social assets are central to the concept of building local assets. These assets define the quality of life that attracts businesses and residents to locate, stay, and invest in Union County. The County's agricultural soils and woodlands support key sectors of the County's economy that can substitute local for imported produce and products. Industries that use local resources to manufacture "value-added" products are a potential source of economic growth. In addition, Union County's heritage, recreational opportunities, and sense of place combined with its relative proximity to major metropolitan areas make it an attractive, affordable tourism destination.

could be made available with appropriate infrastructure. Those sites that can be developed almost immediately include Great Stream Commons, the 40-acre Pennsylvania House site (currently proposed for a mixed-use development, and 28 acres available at the Mifflinburg Industrial Park. Final plans have not been announced for the 297 acres available for redevelopment at the former

Table 7.1 Business Parks in Union County			
Property	Location	Acres	Available Acres (approx.)
Great Stream Commons Business Park	US 15 north of I-80, Gregg Twp	444	278
Greater Lewisburg Industrial Area	Lewisburg and E Buffalo Twp	98	40
I-80 & US 15 Interchange	White Deer Township	247	189
Mifflinburg Industrial Park	State Route 45, Mifflinburg	127	28
New Berlin Industrial Area	New Berlin Boro	69	35
Rte 15/Lewisburg Corridor	US 15, Kelly Township	286	100
Route 15/New Columbia North Corridor	Rte 15, White Deer	1,035	673
Route 15/New Columbia South Corridor	Route 15, White Deer	140	70
Sensenig Industrial Area	Buffalo Twp, Route 192	565	300
Laurelton State Campus	State Rte 45, Hartley Twp	336	297
Total		3,347	2,010

Source: *Site Selection Sourcebook, Union County Planning Department, 2002; WRT and S. Huffman Associates interviews (2007).*

Laurelton State Campus. The current state of the economy suggests that the County has adequate land zoned for industrial and retail uses to accommodate demand over the next ten years.

Preliminary discussions are underway among counties in the Central Pennsylvania region about the location of the next regional industrial park, which is likely to be somewhere near Interstate 80. At the same time, rising fuel prices and the probability that market demand and periodic shortages will keep those prices high is likely

to make transportation and warehousing an increasingly expensive enterprise. Increased distribution costs will make locally produced goods, including those that are manufactured and those that are raised or grown, increasingly competitive in the regional market and surrounding area.

A total of 2,194 acres (about 1% of Union County's land area) are currently used for retail and commercial activities. In addition, neighboring locations in central Pennsylvania, such as Snyder County, State College,

Williamsport, Bloomsburg, and Lycoming County, have a variety of retail options. The major retail locations in the County are the existing town centers of Lewisburg and Mifflinburg, and the Route 15 and Route 45 corridors. As of 2000, the County had an estimated 832,480 square feet of retail commercial space, based upon data from the County Tax Assessment office. In order to assure that its growing population will be adequately served by retail through 2030, it would need to add another 210,820 square feet (the approximate size of one community shopping center), for a total of 1,043,300 total retail commercial square feet in the long-term. Recent retail trends and vacancies nationwide suggest that there is little need for building new retail space in the short-term. Instead there are opportunities for reuse of existing buildings within the County's population centers and in nearby Snyder County.

As the County's population and employment base increases, so also will the need for office space to house business and professional services, as well as finance, insurance, and real estate, increase. Most existing office space in the County is located in Lewisburg, Mifflinburg, and along Route 15. Great Stream Commons is a possible future office location.

A number of organizations are active in economic development issues in Union County. These organizations include:

- The Union County Industrial Development Corporation is an independent industrial development entity chartered by the County. It is responsible for attracting and assisting businesses in the County.
- The Central Pennsylvania Workforce Investment Board governs the Central Pennsylvania Workforce Investment Development Corporation, whose mission is to encourage coordination of workforce activities and resources among the nine counties of Central Pennsylvania. It works to insure that workforce development services support the needs of local business and industry.
- The Sun Area Career and Technology Center (Sun Tech) is the regional vocational training center for the region. It teaches recent high school graduates and adults career and technical skills that will allow them to function in the 21st century workplace.
- The Susquehanna River Valley Visitors Bureau promotes tourism and provides joint marketing services to tourism-related businesses in Central Pennsylvania's Susquehanna River Valley (formerly the Susquehanna Valley Visitors Bureau).
- The Greater Susquehanna Valley Chamber of Commerce is a membership organization charged with promoting business activity within Union, Snyder, Northumberland, and Montour counties.
- A partner in Pennsylvania's Small Business Development Center (SBDC) program, the Bucknell SBDC provides low-cost consulting services on request to businesses in the central region on a wide range of business related topics. SBDC's services are available in a mentoring role to business at all stages of growth.
- SEDA-COG is a regional agency that promotes economic development in its 11-county service area. It is the contact point for Economic Development Administration and Appalachian Regional Commission funding and makes micro-loans available to very small businesses.



7.2 Strengths and Issues

Strengths

- Union County has a stable, diverse, and moderately growing economy. Two of the major employment sectors in the County are education and health care. Growth projections for these sectors are not available at the County level, but the Central Workforce Investment Board projects that they will grow more than 12% between 2004 and 2014 in the region. Accommodations and food services are another growth sector.
- The County has a good quality of life and a capable labor force with a strong work ethic, which makes it attractive to business.
- The County is rich in agricultural and natural resources (e.g., timber), creating opportunities for rural resource-based economic development.
- Union County's location within three to four hours of four major urban areas gives it easy, relatively low cost access to major markets for home grown and manufactured products. The County will have an increasing advantage over international and West Coast producers as distribution costs rise.
- Bucknell University, located in the Eastern Planning Area, contributes to the region's economy in a variety of ways. The University is a major employer, provides

technical expertise (e.g., low-cost or free workshops, lectures), and acts as a cultural center of the surrounding community. A 2006-2007 Community Impact Report estimates that those affiliated with Bucknell spend over \$24 million on local goods and services annually. The University also provides direct support to local institutions (e.g., Lewisburg Downtown Partnership, Arts Council), local police, and the Lewisburg Area Recreation Authority.

- The County's proximity to four large urban areas, the character of its rural landscapes, and its water resources are contributing to a growing tourism industry.
- The County's historic town centers have the potential to attract additional specialty retail establishments.
- "Home-based" industries that produce local goods and services on a small scale and employ very few people could grow to be a larger part of the County's economic base.
- Sun Tech is an important workforce development asset, as demonstrated by its focus on preparing students for employment in manufacturing businesses with automated production processes.
- The wood products manufacturing sector, which has recently lost several establishments, may have stabilized over the past two years.

Issues

- If Union County's economy is to continue to grow, incentives are needed for existing businesses to expand and for new businesses to locate and infrastructure must be provided to appropriate sites.
- Retail commercial development on corridors outside of Lewisburg and Mifflinburg has affected existing businesses in the boroughs, resulting in some store vacancies.
- The development of Monroe Marketplace north of Selinsgrove and new retail in Snyder County will compete with Union County to attract shoppers.
- The current market for the warehouse sector is for large buildings on large sites near highway interchanges. Union County has a very limited number of these sites.
- Part of the County's economy is based on recreation and tourism, particularly hunting and fishing. As development pressures move westward, conflicts between agricultural and forested uses are likely to occur, threatening the region's economic base and the quality of its water.
- As home and farm-based businesses grow and require additional space, including outbuildings and workers, there is the potential for land use conflicts.

7.3 Economic Development Goals

Economic Development Goals

- Existing businesses are retained and their expansion needs are accommodated.
 - Home-based enterprises are located throughout Union County and are a key part of the County’s economic base.
 - Space is made available for former home-based enterprises to grow and technical assistance and incentives are provided to ensure that this happens.
 - Office spaces are available for business support services needed to serve the growing health, education, and production based economy.
- Training programs and public/private partnerships focusing on strategic niches prepare the County’s workforce to compete in the 21st century economy. These niches include healthcare, education, lumber and wood products, diversified manufacturing, and hospitality and tourism.
 - New businesses from outside the region related to the strategic niches are attracted to locate in and near Union County.
 - Union County’s economy is diversified by the goods and services produced by the creative class⁹, which is attracted by its quality of life, proximity to major urban areas, attractive and walkable small communities, and the presence of Bucknell University.

⁹ The term “creative class” was coined by economist and social scientist, Richard Florida, around 2002. Florida defined the creative class to include about 1/3 of U.S. workers in a range of occupations (e.g., science, engineering, architecture, art, design, media and “knowledge based professionals” working in healthcare, business and finance, and education, etc.).



7.4 Economic Development Strategies



7-1. Target economic development initiatives and programs to retain and grow existing businesses/employment and attract new ones in five “industry clusters”: healthcare, education, lumber and wood products, diversified manufacturing, and hospitality and tourism.

This strategy is designed to focus economic development efforts on industry clusters that have the greatest potential for growth in Union County, including:

- *Healthcare:* hospitals, as well as nursing and residential facilities, medical laboratories, pharmacies, and pharmaceutical and medical equipment manufacturing.
- *Education:* colleges, universities, technical and trade schools, day care, libraries, and all other schools and instruction.
- *Lumber and wood products:* logging, wood furniture, wood millwork, cabinets, lumber wholesalers, emerging niche markets for hand-made U.S. wood-based products (e.g., toys), and all other wood products.
- *Diversified manufacturing:* the manufacture of food, paper, textile, petroleum, plastic, metal, and electrical products. Although in

Union County this sector actually lost employment between 1995 and 2001, factors such as increased manufacturing costs abroad and cost of oil suggest that the trend may not continue.

- *Hospitality and tourism:* accommodations, food services, hunting and fishing, and recreational activities.

7-2. Encourage the development and growth of locally based industries that use local resources.

This strategy supports the “Building Local Assets” Sustainability Key by focusing on businesses within the strategic industry clusters that have strong connections to Union County’s local assets and/or provide locally produced goods and services. Examples within the lumber and wood products cluster could include millwork, production of furniture, handmade wooden toys, cabinet making, etc. Examples within the diversified manufacturing cluster in which Union County is already competitive in Pennsylvania include sporting and athletic goods manufacturing, agricultural equipment manufacturing, and food processing (canning or freezing operations, semi-prepared foods, dairy products, etc.)

This strategy is intended to encourage the formation and growth of “home-based” and other entrepreneurial businesses (e.g., furniture design, small-scale food production such as cheese-making, academic services such as tutoring, equipment and machinery repair, etc). It also supports strengthening the County’s historic downtowns, expanding existing businesses, and attracting new ones that use local assets and otherwise fit with the Sustainability Key. Approaches to implementing this strategy include technical assistance and business development training, incentives (Strategy 7-3), ensuring that land is available for the various stages of business development (Strategy 7-4), and a favorable regulatory environment (e.g., home occupation ordinances that allow for home-based businesses while safeguarding adjacent land uses from adverse impacts).

7-3. Provide incentives for businesses to locate in the County that are good “fits” with the targeted industry clusters.

The Great Stream Commons Business Park is designated as a Keystone Opportunity Zone (KOZ) under the state program and thus offers greatly reduced state and local taxes for businesses and

employers. In addition to the KOZ, examples of potential incentives include the provision of infrastructure to marketable sites, assistance with industrial development bonds, liaison with local resources and Small Business Development Centers, and assistance in identifying loan and grant funding available from the Pennsylvania Department of Community and Economic Development (DCED) and other sources.

7-4. Ensure that the County has an inventory of appropriately located land available for economic development.

As described in Section 7.1 and Table 7.1, there is more than enough vacant land available to meet projected future employment needs for the foreseeable future. However, the key factor is not the total amount of land, but rather whether the land is in the right locations, is adequately served by infrastructure, and meets the needs of different types of businesses in various stages of development and expansion. For example, the County may wish to consider establishment of an “incubator” that provides space and support services for start-up businesses, possibly in partnership with Bucknell University. In addition,

upper story floors of buildings in Lewisburg (e.g., federal building) and Mifflinburg are often underutilized. The County’s downtowns provide a number of opportunities that support economic development (e.g., affordable housing, proximity to jobs, entertainment, and retail, and walkable streets, etc.).

7-5. Partner with health care institutions to reinforce their role as one of Union County’s leading employers and to maximize their benefits for the County’s economy.

Health care is part of Union County’s largest employment sector. It includes providers such as Evangelical Community Hospital in Kelly Town-





ship and Geisinger Medical Center in Montour County, to which a small but important group of county residents commute to high-paying jobs. The County should continue to work with these entities to reinforce their role as providers of quality employment, to promote opportunities for spin-off businesses, and to ensure that vocational training programs in the County are responsive to their needs.

7-6. Partner with educational institutions to strengthen student and workforce training programs and to increase their contributions to the local economy and employment.

As noted, Sun Tech is a major economic resource for Union County through its work in preparing students for the 21st century economy. Partnerships between the center and existing employers in the County should be strengthened. Also, the potential to promote the center's benefits for desirable businesses to locate or remain in Union County should be explored. This strategy should also include the County's school districts, which play an important role in preparing students for the workforce and whose quality is an important factor in locational decisions made by businesses.

Another key economic resource, Bucknell University provides quality jobs, business activity generated by its operations and students, and partnership opportunities on strategic economic development initiatives. For example, Bucknell has explored a joint biotechnology venture with Geisinger Medical Center, although this initiative has not moved forward.

7-7. Promote retail/mixed-use development in traditional patterns within designated growth areas.

Consistent with the Town Policy described in Chapter 3 and the land use strategies described in Chapter 5, retail/mixed-use development should be encouraged within designated growth areas. From an economic development perspective, the objective is to improve the economic vitality of the County's traditional towns while limiting sprawl that adversely impacts agricultural, natural, and visual resources that are important to Union County's economy.

7-8. Promote heritage and eco-tourism and associated economic activity tied to the County's natural and cultural assets.

Hospitality and tourism is a prime example of an industry cluster that is based on Union County's local assets. The Susquehanna River Valley Visitors Bureau is charged with tourism marketing in the central Pennsylvania region; its efforts should be continued and built upon by promoting visitation and associated business activity tied to the County's natural and cultural assets. Examples of these assets include the Susquehanna River Valley, historic towns and villages, agricultural landscapes, and outdoor recreation opportunities provided by forests and gamelands. Visitation and tourism also serves to showcase the County's assets for potential new businesses. The Middle Susquehanna State Heritage Area proposed by SEDA-COG should be supported for its potential to increase heritage tourism and related business activity. The Mifflinburg-Lewisburg Rail Trail is an example of another project that will attract both county residents and visitors, thus stimulating economic activity in the two boroughs and in the vicinity of other strategically located access points.

7-9. Increase the energy efficiency of Union County businesses.

Increased energy efficiency should be promoted as a way to reduce costs for existing businesses, as a marketing tool to attract new businesses to the County, and to contribute to a strategy to reduce reliance on imported fossil fuels. Energy efficiency programs for businesses should address both conservation and use of alternative energy sources through approaches such as code requirements and incentives, technical assistance, grant and loan programs (e.g., as provided by the Pennsylvania Alternative Energy Investment Act of 2008), and partnerships (e.g., with area electric companies).

Economic Impacts of Trails

Numerous studies have demonstrated that trails improve the local economy by increasing nearby property values and resulting tax revenues, increasing expenditures by residents on recreation, providing business opportunities, and attracting tourists who spend money on lodging, food, and recreation-related goods and services. Studies conducted for two Pennsylvania trails demonstrate the positive economic impacts. The Pine Creek Rail Trail in north-central Pennsylvania was found to generate \$1 to \$1.5 million in annual spending on "hard goods" (e.g., supplies), \$2.5 million to \$3.6 million annually on "soft goods" (e.g., meals), and \$1.3 million to \$1.85 million annually on overnight stays. The Heritage Rail Trail County Park (which extends from the Maryland state line to downtown York) was found to generate \$1.6 to \$2.1 million in spending on hard goods, \$3.05 to \$4.1 million in spending on soft goods, and an average of \$51.15 per overnight stay (including those who stayed "for free" with a friend or relative) in 2007.

Sources: Pine Creek Rail Trail 2006 User Survey and Economic Impact Analysis, Rails-to-Trails Conservancy, Northeast Regional Office, December 2006; Heritage Rail Trail County Park 2007 User Survey and Economic Impact Analysis, Carl R. Knoch, Chairman, York County Rail Trail Authority, November 2007.

