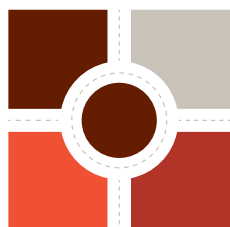


BUILDING ON STRENGTH

ECONOMIC DEVELOPMENT STRATEGIC PLAN FOR THE CITY OF LANCASTER, PA



LANCASTER CITY
ALLIANCE

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VISION

Lancaster City will leverage its track record of success to foster continued economic development throughout the community, cultivate an environment that attracts entrepreneurs and investors to a world-class mid-sized city, and continue to lead the region and nation as a model for successful urban economic development.

PLAN ASPIRATIONS

Lancaster aspires to accomplish the following by way of this Plan. The aspirations are listed in no particular order, as each are of equal importance:

- Attract and retain talent to the City of Lancaster.
- Create jobs that provide a livable wage.
- Leverage educational institutions as partners in creating a skilled workforce.
- Provide equitable opportunities for all Lancasterians.
- Cultivate existing Lancaster businesses to grow with continued success.
- Encourage targeted economic development opportunities to strengthen neighborhoods and increase property values.
- Provide an environment where small businesses and entrepreneurs can thrive.
- Be a national model for urban economic development.

OVERVIEW

In 2014, the Lancaster City Alliance (LCA) sought out to develop a long-term economic development strategy for the City of Lancaster to ensure an appropriate environment for continued economic growth and quality of life enhancements. The City of Lancaster had entered into this planning process from a position of advantage, largely the result of over 15 years of coordinating and implementing the strategies identified in the Lancaster Economic Development Action Agenda (LDR Plan), produced in 1998. Today, following a track record of successful endeavors, Lancaster is characterized as a good place in which to invest, a community with access to numerous amenities, and is recognized for its thriving arts community and strong entrepreneurial spirit. This Plan is a fresh look at Lancaster and a tool for attracting continued investment. Navigating from a position of advantage, Lancaster is today **Building on Strength**. This Plan strives to create an environment that fosters growth and development, elevates the economic well being of Lancasterians, and sets a foundation for healthy urban economic development for the coming years.

PLAN FOCUS

The focus for this Plan includes the Downtown Core and the Commercial Hubs that serve as neighborhood centers for the City:

1. Downtown Core
2. East King Street
3. West King Street and Manor Street
4. South Duke Street
5. South Prince and Queen Streets
6. Harrisburg Avenue/Northwest Gateway
7. Train Station Area
8. New Holland Avenue



COMMUNITY ENGAGEMENT

Public input was a critical component in the planning process, which was heavily infused with strong partnerships and direct engagement with stakeholders. Through over 100 meetings and forums both large and small — interviews, focus groups, surveys, roundtables, public meetings and facilitated discussions, in addition to other community engagement opportunities — over 1,000 constituents discussed and identified a variety of ideas and opinions regarding Lancaster's future.

KEY FINDINGS

Between 2013 and 2018, Lancaster's population is expected to increase by 1,279 residents, to 61,470 residents. This increase of just over 2% indicates growth at a quicker pace than statewide and in most counties in the area.

National trends point to the desire for people to move back into cities.

Lancaster is incredibly and uniquely diverse, as is reflected in the population's racial and ethnic composition.

Poverty is a major discussion point and challenge facing Lancaster and its residents. While addressing poverty directly is not in the scope of this project, this Plan is indeed able to address the elements of poverty such as housing affordability, employment opportunities and access to capital.



Retail Market

Residents in Lancaster City accounted for \$740 million in consumer spending in 2013. Retail sales in the City amounted to \$300 million, which demonstrates that over \$440 million of resident dollars leave the City for goods and services.

Food-related retail, both in restaurants and grocers, represents a significant opportunity Citywide and is further emphasized when examining the Commercial Hubs specifically.

There are also opportunities for general merchandise that provide basic goods and neighborhood services as well as specialty retail within each Commercial Hub.

Office Market

The office market in Lancaster has opportunities and challenges. Among the challenges are:

- Lower rents than competitive markets.
- An excess of office space is currently available.
- Lack of available class A space and median office space size is only 5,000 SF, making it difficult to support large-office users that may be in the market.

Opportunities include:

- The market has a long-term history of positive net absorption.
- National trends point to market demand shifting to Downtown and urban locations in lieu of suburban-style spaces.
- Great opportunity for new construction and adaptive reuse projects in Downtown and throughout the Commercial Hubs.

Hotel Market

With the exception of 2009, tourism spending in Lancaster County has increased each year since 2005.

2014 was a banner year with spending of \$155.4 million, an increase of 10.6% over 2013.

National trends point to urban locations for hotels as an increasing trend that will work in favor of Lancaster.

It is well documented that there is a market for additional hotel rooms to support the Lancaster County Convention Center.

Housing Market

A 2013 Housing Study commissioned by the Lancaster Housing Opportunity Partnership supports the strong market for housing at all price points, specifically:

- More than 23,000 households represent the annual potential market for new and existing housing units in Lancaster County each year over the next five years.
- In Lancaster City, the analysis shows that the five-year capture for new housing would range from 2,098 to 3,457 units. Per year this equals to a range of 420 to 691 housing units each year from 2013 to 2017.

The macro trends work in Lancaster's favor as millennials and empty-nesters seek urban alternates to the traditional single-family detached house.

PLAN OUTCOMES

Looking Ahead: **The Future of Lancaster City**

By 2030 Lancaster City will:

- **Increase in the per capita income** to 70% of that of Pennsylvania.
- Have **300 new hotel rooms** in the Downtown and Commercial Hubs.
- See **2,500 new residential units** constructed.
- Achieve **100,000 square feet** of new and renovated retail/restaurant space in Downtown and Commercial Hubs.
- Fill/create **300,000 square feet of office** and flex space.
- Realize **\$1 billion in private capital investment**.
- See ongoing private investment that will outweigh public investment in economic development.

PLAN STRATEGIES

STRATEGY 1—EXPANDING SUCCESS: TRADITIONAL ECONOMIC DEVELOPMENT INVESTMENT

Short-Term (immediate to 5 years)

DEVELOPMENT CLEARING HOUSE

Establish a one-stop shop system to facilitate businesses and developers.

BUSINESS REGISTRATION PROGRAM to inventory and record all businesses located in Lancaster City.

BUILDING THE MARKET by providing incentives to tenants, investors, and property owners to help close the “gap” between achievable rental rates and the costs of new construction and rehabilitation, including façade improvement and building infrastructure programs as well as having infrastructure in place such as High-Speed Internet.

LAND BANK to acquire individual blighted properties and prepare them for sound investment.

PLAN FUNDING

Continue to utilize existing funding. Additionally, give serious consideration to engaging a broad partnership of entities in establishing a fund (“The Lancaster Fund”) for economic development.

Mid-Term (5-10 years)

MARKET DISTRICT

Build upon and celebrate the Lancaster Central Market — a national treasure — by supporting and encouraging complementary uses adjacent to it in a market district.

BUILDING INFRASTRUCTURE GRANTS to assist in upper-floor redevelopment of historic structures.

COMMUNITY LAND TRUST SUBSIDIARY to ensure the long-term stability of a neighborhood or Commercial Hub.

Long-Term (10-15 years)

INVESTMENT SITES

Identify key sites within the study area that present short- and long-term opportunities for investment.

STRATEGY 2—EMBRACING THE COLLABORATIVE ECONOMY: CULTIVATING ENTREPRENEURS

Short-Term (immediate to 5 years)

ENTREPRENEURS FORUM

Host regular forums (a minimum of two per year) to engage the entrepreneurial community, gather feedback on policies and programs, and brainstorm about ways to continue to foster the entrepreneurial climate in Lancaster.

Mid-Term (5-10 years)

LANCASTER CREATIVE SPACES INITIATIVE

Capitalize on the national trend of growth in co-working spaces while continuing to foster environments for creativity and places to develop skills and job training.

- Lancaster Innovation Center
- Harvest Park Lancaster Food Hub
- The Lancaster Arts Lab

NEIGHBORHOOD HEALTHY FOOD INITIATIVE

Establish a healthy food initiative that includes partnerships with existing entities such as Lancaster General Health, the Lancaster Central Market Trust, and other partners and extend into the Commercial Hubs.



STRATEGY 3—LEVERAGING THE BRAND: MARKETING LANCASTER CITY

Short-Term (immediate to 5 years)

LOCATE LANCASTER RESIDENTIAL INITIATIVE

Coordinate with current marketing initiatives and partner with the real estate and development community to profile incentives for moving to and highlighting benefits of living in Lancaster City.

LOCATE LANCASTER ECONOMIC DEVELOPMENT INITIATIVE

Establish a joint venture between the Lancaster City Alliance and the Lancaster County Economic Development Corporation to market the opportunities for investment in Lancaster and to provide a dedicated web portal that connects the partnering economic development entities under a single “gateway.”

CONTINUE BUILDING THE CITY BRAND FOR TOURISM THROUGH LANCASTER OFFICE OF PROMOTION

Continue to develop marketing materials that profile shopping, dining, events, and opportunities to explore Lancaster City, extending beyond Downtown to places “off the beaten path.”

STRATEGY 4—QUALITY OF LIFE: REINFORCING COMMERCIAL HUBS

Short-Term (immediate to 5 years)

COMMERCIAL HUB PARTNER ORGANIZATIONS

Strengthen Commercial Hubs by organizing advocacy groups that can spearhead “clean and green” efforts and organize events. Develop in such a way that over time, groups can become formalized with mission statements, funding mechanisms, staff and a strong volunteer network.

Mid-Term (5-10 years)

NORTH/SOUTH/EAST/WEST CIRCULATOR

BICYCLE NETWORK

Long-Term (10-15 years)

FOSTER COMMERCIAL HUBS WITHIN NEIGHBORHOODS

Recognize the unique character and cultures of Lancaster’s Commercial Hubs, and establish those identities through branding and place-making techniques.

STREET NETWORK ENHANCEMENTS through two-way street conversions and Gateways and Streetscape Enhancements.

IMPLEMENTATION

The **Building on Strength** Plan is a framework to guide growth and investment in the City of Lancaster over the next ten years and beyond. Implementation of the recommendations will occur incrementally by way of partnerships among many public and private entities.

As the Plan moves through implementation, representatives of the lead organization and potential implementation partner groups — as well as those of other stakeholder groups — will continue to meet on a regular basis to allow for on-going communication and coordination.

As Partners are identified and finalized, it will become their responsibility to further develop the tactics and metrics for success. In this regard, **Building on Strength** is very much a community-owned and implemented plan.



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Lancaster County Planning Commission

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Planners

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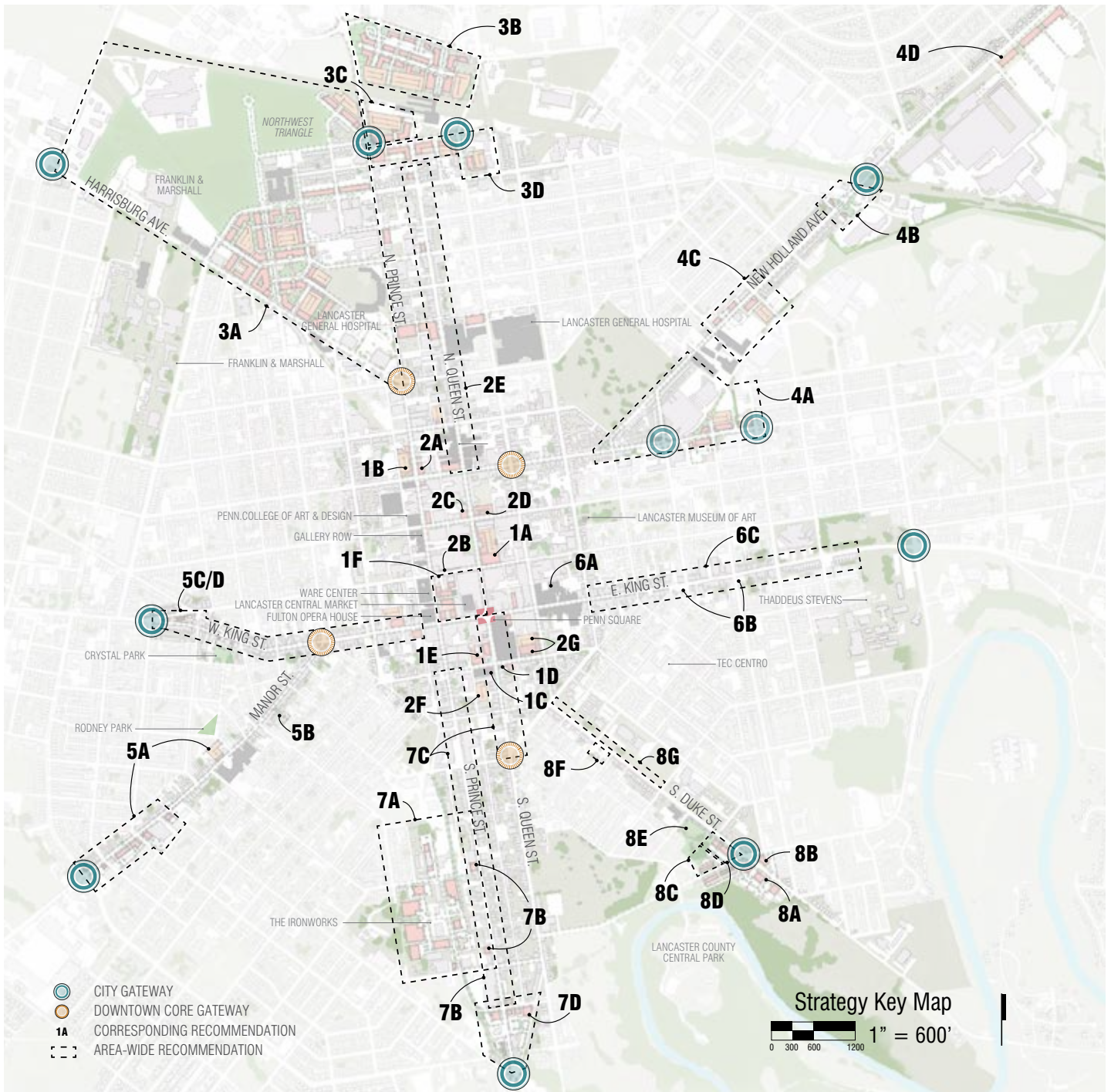
Help shape Lancaster's future!
Visit the LCA website for the
complete plan and information
on how you can participate.

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STRATEGY 1—INVESTMENT SITES: KEY TO ILLUSTRATIVE PLAN

Area 1: Downtown Core—Primary Opportunities

- 1A: Bulova Site
- 1B: City Crossings Lot
- 1C: Southern Market
- 1D: Swan Hotel Corner
- 1E: Queen and Vine Site (LNP)
- 1F: Market District Sites
- 1G: Upper Floor Redevelopment (Throughout Downtown)

Area 2: Downtown Core—Secondary Opportunities

- 2A: HDC Property Infill
- 2B: Prince Street Garage Site
- 2C: Queen and Chestnut Infill (NW Corner)
- 2D: RRTA Garage Air Rights
- 2E: North Queen Street Retail Commercial
- 2F: West Vine/West Farnum Site
- 2G: Penn Square Mixed-Use Opportunity

Area 3: Harrisburg Avenue/Train Station Area

- 3A: Northwest Triangle
- 3B: Train Station North (Keller Avenue Properties)
- 3C: Train Station West
- 3D: Train Station South (McGovern Avenue Properties)

Area 4: New Holland Avenue

- 4A: Plum and Walnut Anchor
- 4B: Ross Street Gateway
- 4C: New Holland Avenue Infill
- 4D: Burle Office Park Infill Development

Area 5: West King Street/Manor Street

- 5A: Manor Street Infill/Property Enhancements
- 5B: Consolidated Parking Resources (Typ.)
- 5C: West King Infill Development/Property Enhancements
- 5D: Upper Floor Redevelopment

Area 6: East King Street

- 6A: Excelsior Building
- 6B: East King Infill Development
- 6C: Façade/Property Enhancements

Area 7: South Prince/South Queen Streets

- 7A: The Ironworks
- 7B: South Prince Infill Development
- 7C: Façade/Property Enhancements
- 7D: Rebman's Redevelopment

Area 8: South Duke Street

- 8A: Conestoga Plaza
- 8B: Conestoga East
- 8C: Conestoga North
- 8D: Residential Infill Opportunity
- 8E: South Duke Square
- 8F: South Duke Infill Development
- 8G: Outdoor Market