



BUILDING ON STRENGTH

ECONOMIC DEVELOPMENT STRATEGIC PLAN FOR THE CITY OF LANCASTER, PA

Final Report, June 2, 2015

Lancaster City Alliance

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Economic Development Strategic Plan

For the City of Lancaster, Pennsylvania

JUNE 2, 2015

Report prepared for the Lancaster City Alliance by

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STAKEHOLDER PARTICIPANTS

Numerous citizen stakeholders have participated in the process to date. They are recognized in Appendix A: Acknowledgement of Stakeholders.

FUNDERS

Lead Sponsor

The Steinman Foundation

Pacesetters

City of Lancaster

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Lancaster General Health

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PPL Corporation

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EXECUTIVE SUMMARY

In 2014, the Lancaster City Alliance (LCA) sought out to develop a long-term economic development strategy for the City of Lancaster, accounting for progress made over the last decade, and setting goals for future economic development activity. The purpose of this strategy is to create an appropriate environment for fostering continued economic growth and quality of life enhancements.

The City 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. Due to the success in implementing many of the recommendations outlined in the LDR Plan, which contributed to years of continued growth, Lancaster embarks on today's initiative in a favorable position.

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. Rather than waiting for the upward trend to peak and decline, Lancaster City chose to build upon the strengths and opportunities gained from previous years of economic growth by creating an economic development strategy that would guide Lancaster for the next decade and beyond. Thus, this effort is not a sequel to previous plans; instead, this Plan is a fresh look at Lancaster City 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 Lancastrians, and sets a foundation for healthy urban economic development for the coming years.

Background

While Lancaster City covers a land area of 7.24 square miles, the focus for this Plan includes the Downtown Core and the “Commercial Hubs” that extend outward from the Downtown Core and serve as neighborhood centers. In total, the Commercial Hubs were grouped into eight geographies:

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

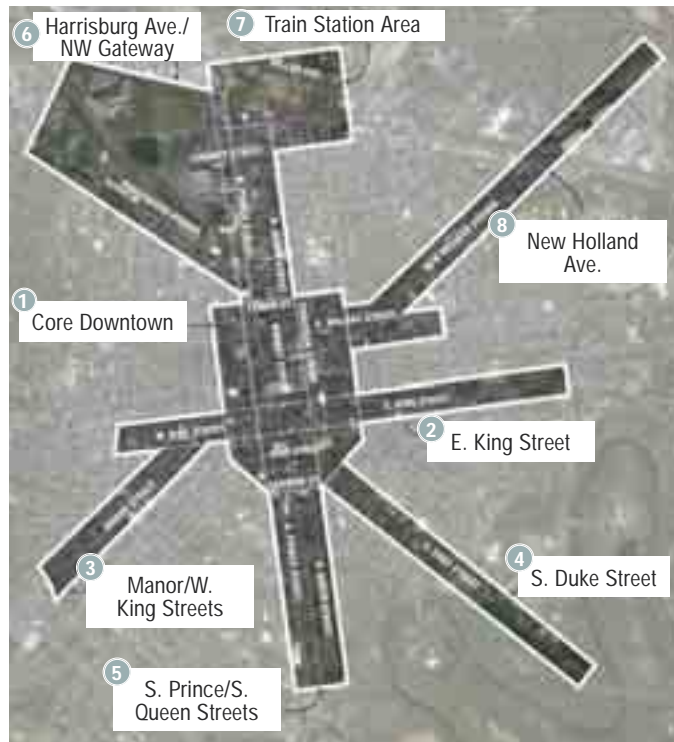
Approach & Methods of Research

This Plan is the result of a yearlong planning process which engaged in analytical research in addition to discussions and collaboration among stakeholders — community members, residents, property owners, businesses, city agencies, and investors — and the Consultant Team (“the Team”). Plan development utilized a three-part approach which included five workshop periods in Lancaster. The approach began with “listening” and understanding Lancaster’s assets, challenges, opportunities, and threats, then included “sharing” of ideas through an iterative process with stakeholders and the public. The planning process concluded with “confirming” recommendations with a clear implementation plan, summarized in the Implementation Matrix.

STAKEHOLDER ENGAGEMENT

This Plan is crafted to be primarily private-sector driven — supported and supplemented by public-sector involvement.

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



BACKGROUND MATERIALS

Lancaster has initiated numerous planning studies and master plans over the years, and has demonstrated a successful track record of implementation. It is important that this economic development draws from, builds upon, and integrates these prior plans and studies. Some of the most notable materials referenced include:

- » Downtown Walkability Analysis (Speck Study, 2015)
- » City of Lancaster Strategic Plan (2015)
- » High Commercial and Industrial Market Overview (2013/2014)
- » Lancaster Housing Market Analysis (Zimmerman/Volk, 2013)
- » Lancaster Redevelopment Opportunities: A Study of underutilized properties, and strategies for revitalization (2010)
- » Urban Park, Recreation and Open Space Plan for the City of Lancaster (2009)
- » The Northeast and Southwest Neighborhood Revitalization Initiative Plans (2007)

In addition to a 19-member Steering Committee, the project involved members of a larger, 40-member Working Group that facilitated vetting of research and recommendations. Including meetings with these two groups, stakeholder engagement was organized in a variety of formats:

- » Steering Committee Meetings
- » Working Group Meetings
- » Commercial Hub Meetings
- » Public Meetings
- » Focus Group Discussions (Arts; DID Merchant Committee; Education; Entrepreneurs; Faith-Based and Community; Key Business Owners; Property Owners and Real Estate Professionals)
- » One-on-one leadership interviews



Photo courtesy of LCA



Key Findings

Through data collection and community engagement, the Team was able to identify the characteristics — both real and perceived — which define the spirit of Lancaster City. Intertwined into the visioning process, these observations formed the foundation for this Plan's recommendations.

The health of Lancaster City and its economy can be attributed, in part, to the implementation of suggestions identified in the 1998 LDR Plan. More than just from that Plan's recommendations, however, Lancaster has largely benefited from the presence of key institutions and their "legacy stakeholders," leading organizations, strong private sector partners, and a community that is fundamentally ambitious and commendably hard working. In recent decades, this ambition has risen to the surface — visible and revealing itself in the form of locally-owned businesses and enterprises, unique shops and storefronts, and in an overall appreciation and respect for support and collaboration within the community. It becomes clear that the people of Lancaster are what make it so vibrant; and so, it is necessary to understand: just *who* is Lancaster?

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 growth statewide and in most counties in the area, as well as in many regional cities. It demonstrates that Lancaster is gaining momentum as a great place to live — mirroring national trends that point to the desire for people to move back into cities — which bodes well for future investment in Lancaster City.

Lancaster is incredibly and uniquely diverse, as is reflected in the population's racial and ethnic composition. Recognizing this, it is crucial to accommodate the diverse needs and values of Lancaster's residents.

Poverty is a major discussion point and challenge facing Lancaster and its residents, where the poverty rate is 30%. While addressing poverty directly is not in the scope of this project, this Plan is indeed able to address the *elements of poverty* — housing affordability, employment opportunities, access to capital, etc. Poverty is a much broader issue that cannot be tackled by this effort alone; rather, it will require a coordinated and comprehensive effort that involves many entities throughout Lancaster City and its neighboring communities within Lancaster County.



RETAIL MARKET

The retail market analysis defines a primary, secondary, and combined trade area. The primary trade area is the City of Lancaster itself, and has \$739.6 million in consumer retail spending compared with \$269.9 million in retail sales inside the City Limits. Consequently, it leaks sales to the tune of \$442.7 million annually. The secondary trade area, which includes five nearby ZIP Codes — 17579 (Strasburg), 17584 (Willow Street), 17554 (Mountville), and 17551 (Millersville), as well as 17601, 17602, and 17603 outside of City limits. The secondary trade area is a larger retail market with \$2.4 billion in spending and \$3 billion in sales resulting in \$579.2 million of imported dollars. Combined, the trade areas gain sales of \$136.5 million, largely as a result of the retail shopping concentrated in adjacent townships and the presence of a large outlet center. When examined as a whole, the combined trade area points to the following opportunities:

- » Building material & garden equipment stores have clustered into large big box stores nationwide, but this does not necessarily forego a targeted, appropriately scaled opportunity within the Commercial Hubs.
- » Food related retail, both in restaurants and grocers, represents a significant opportunity citywide and is further emphasized when examining the Commercial Hubs specifically. This remains a key opportunity.
- » While General merchandise has also gravitated into big box stores, retailers such as dollar stores have recently become a fixture in urban locations where larger building footprints simply cannot be developed. These stores provide basic goods to neighborhood residents, but their design should be carefully regulated.
- » Other specialty retail shows promise within each Commercial Hub, but each category of specialty retail should be carefully vetted to understand nearby competition and the potential to fill a real need.



OFFICE MARKET

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

- » Lower rents than competitive markets. This verifies anecdotal evidence that suggested commanding higher rents is an obstacle to redevelopment and development of space.
- » An excess of office space is currently available; though, with the notable exception of Liberty Place, the majority of the space is smaller in size.
- » There is a dearth of available Class A space listed on the MLS and LoopNet within Lancaster City Limits, particularly Downtown.
- » The median space size is 4,796 square feet.
- » The real availability of space as reflected on the market is an inaccurate reflection of the amount of space that might potentially be available if upper floor space is factored in.

The opportunities, however, reflect a positive outlook:

- » 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.
- » Flexible and open floorplan space is growing in demand, presenting opportunities for ongoing growth in “creative” spaces for offices. This growth is already evident in Lancaster.
- » The potential for office clustering around strong industries in Lancaster County, such as food and live entertainment, could lure headquarters space if marketed within a development opportunity.

HOTEL MARKET

- » With the exception of 2009, tourism spending in Lancaster County has increased each year since 2005. Within the nine-county “Dutch Country Road” tourism region, Lancaster County is second only to Dauphin County in tourism spending.
- » The tourism spending correlates with excise tax increases in lodging; 2014 was a banner year with spending of \$155.4 million, an increase of 10.6% over 2013 revenues.
- » Occupancy rates, average daily rates, and revenue per available room have all been increasing in Lancaster.
- » National trends point to urban locations for hotels as an increasing trend that will work in Lancaster’s favor. Renovation of existing hotel properties to meet pent-up demand and rising consumer expectations is raising the bar on hotel offerings.
- » These same trends indicate a strong demand for “select-service” category hotels — which bridge the gap between luxury and economy. Such hotel brands include Hotel Indigo (IHG), Courtyard by Marriott, Canopy (Hilton), and Aloft (Starwood). Locating these hotels in Downtowns points to a positive trend toward more hotel development in Downtown Lancaster.
- » Interviews with tourism officials at Discover Lancaster and representatives of the Lancaster County Convention Center indicate that some conferences may not be coming to Lancaster because of a lack of Downtown hotel rooms. Moreover, the concentration of institutions such as Lancaster General Health, Franklin and Marshall College, and the Pennsylvania College of Art and Design will have increasing pressure to have hotel rooms proximate to their locations.
- » There is a severe shortage of rental housing Countywide at all price points.
- » In Lancaster City, the analysis shows that the five-year capture for new housing would range from 2098 to 3457 units. Per year, this equals to a range of 420 to 691 housing units from 2013 to 2017.
- » A disconnect with building permits issued and future demand for housing, which results in a decline in demand for single-family detached housing, points to stronger future demand.
- » The study states: “A continuation of current trends in Lancaster County—with the emphasis on new for-sale housing construction concentrated in single-use, single-family subdivisions, new rental construction largely limited to market-rate rents, and a lack of diversity in both housing types and affordability—risks economic stagnation and declines in housing values.”
- » The macro trends work in Lancaster’s favor as millennials and empty-nesters seek urban alternates to the traditional single-family detached house. More importantly, Lancaster County will undergo a shift from a predominance of empty-nesters to a more balanced demand from Generation X and Millennials.



HOUSING MARKET

The housing analysis will cite key points in the Zimmerman/Volk Study for consideration, with the strong recommendation that this original study be reviewed in detail. Some salient points are as follows:

- » Countywide analysis shows 5,584 “moves” per year between 2008 and 2012.
- » As determined by the target market methodology, 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. The five-year total potential market exceeds 115,000 households.

SUMMARY OF INPUT

In addition to the professional analysis and input provided by the consultants, the public planning process allowed the Team to better tailor their recommendations to the particular needs of Lancaster City. Direct engagement with stakeholders provided an opportunity to receive commentary on perceptions, values, and preferences within the community that could not be ascertained from data collection alone. The various Commercial Hubs and districts represent unique identities, each serving a different set of needs and interests. The process encouraged creating a high quality — both aesthetically and functionally — environment that will help realize the recommendations of this economic development plan. This input is summarized on the following pages.



CULTURE & COMMUNITY

The community is proud of its cultural and community assets, including a strong arts scene, America's oldest public market, local businesses, a network of services and institutions that strive for equity, and a growing creative class interested in Lancaster's prosperity.



DOWNTOWN

Downtown is regarded as a highly valuable asset. Signs of significant investment are evident, and there are additional opportunities to dispel some lingering negative perceptions while reinforcing the Downtown as a vibrant place, filled with attractions, eateries, shops, and more.



INVESTMENT

Continued investment is desired throughout the community, focusing on housing at all levels (including workforce housing), infrastructure, office space, upper story development, and public education. Lancaster should strive to continue to attract and retain young professionals, families, and empty-nesters, alike.



LOCAL

Residents value the strong mix of local retailers and eateries and want to continue to support the local economy.



COMMERCIAL HUBS

There are many opportunities to extend amenities from Downtown — such as streetscaping, clean and safe programs, facade improvements, etc. — into Commercial Hubs in order to reinforce identities, enhance the quality of life, and establish them as viable places in which to invest.



RETAINING TALENT

Lancaster is booming with talented professionals, creative entrepreneurs, and with fast-growing companies. Keeping these powerful drivers in the City offers an opportunity to establish Lancaster as a hotspot for innovation and economic development.



Photo courtesy of LCA

ACCESSIBILITY

Accessibility — in terms of walkability, bikeability, and transit — is highly valued throughout the community. Opportunities to build upon enhancements being made or considered, and to extend from the Downtown into the Commercial Hubs.



Photo courtesy of LCA

DIVERSITY

Lancaster City's population is diverse. There is opportunity to celebrate and display this diversity throughout the Downtown and Commercial Hubs, and to express the distinct identities of each neighborhood.



HISTORIC APPRECIATION

There is a strong appreciation for and emphasis on protecting historic assets in Lancaster, which boasts a rich and intact architectural heritage.



Photo courtesy of LCA

EQUITABLE DEVELOPMENT

Lancaster residents are faced with different opportunities, in terms of education and employment. Job and skills training will increase access to opportunities, grow Lancaster's workforce, and generate jobs that offer a livable wage.



CHALLENGES OF A THIRD CLASS CITY

Fully implementing the recommendations in this plan will require connections with the General Assembly in Harrisburg. Key changes will enhance the ability of Lancaster to perform and thrive.



Photo courtesy of LCA

PARTNERSHIPS

Valuable partnerships have been forged throughout Lancaster. Partnerships with legacy stakeholders, and within and between public and private sectors should be nurtured to foster the potential growth and development future projects.

Recommendations

VISION

The 1998 LDR Plan Vision statement still holds true and has been expanded to reflect Lancaster’s 2015 position of advantage.

The 1998 Vision

We see Lancaster City as a vibrant urban community where people will choose to live, work, worship, learn, play, and celebrate our diverse heritages.

We see Lancaster City as:

- » A friendly environment in which to promote business development and retention, job creation, technology and research industries, and investor activity;
- » The dynamic hub of Lancaster County’s financial, legal, medical, educational, and governmental activities; and
- » An exceptional destination and special experience for residents and for visitors from the northeastern US and throughout the world who are attracted to Lancaster’s heritage, arts, cultural, unique retailing, and entertainment activities.

We see a sustained, action-driven, private/public, committed inclusive leadership, in partnership with an enthusiastic and involved community, making this vision a reality.

2015 Vision

Lancaster 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.

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.

Strategies

Four primary strategies guide the recommendations of this Plan:

Strategy 1 | Expanding Success: Traditional Economic Development Investment

Strategy 2 | Embracing the Collaborative Economy: Cultivating Entrepreneurs (Creative & Technological)

Strategy 3 | Leveraging the Brand: Marketing Lancaster City

Strategy 4 | Quality of Life: Reinforcing Commercial Hubs

The strategies and their recommendations are described in more detail, beginning on page xvi.

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.
- » Achieve 100,000 square feet of new and renovated retail/restaurant space in the 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.



Photo courtesy of LCA



Conceptual plan for redevelopment of the area surrounding the Train Station



South Duke Street Commercial Hub (8A-8E)

LANCASTER
High Speed. As Fast As Possible.

Possible logo for a potential Citywide Local Area Network (LAN) infrastructure

Strategy 1 | Expanding Success: Traditional Economic Development Investment

A. Investment Sites

Identify key sites within the study area that present short and long-term opportunities for investment. Investment includes significant development areas, key development sites and infill, major/minor building renovations, upper floor redevelopment, and short-term small scale interventions leading up to potential longer-term redevelopment. (Some projects are described in detail on the following pages.)

B. 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. Uses may include commercial kitchens, display kitchens and culinary programs at institutions of higher learning in addition to upper level housing, office and hotel uses. Extend aspects of the market district into the commercial hubs.

C. Development Clearing House

Establish a one-stop-shop system to facilitate businesses and developers, particularly those that are less experienced or are working on smaller-scale projects, during the development process through project construction. This could include providing guidance to developers in the selection of consultants and contractors knowledgeable in urban development.

D. Business Registration Program

Implement plans to inventory and record all businesses located in Lancaster City.

E. Building the Market

Provide a variety of incentives to tenants, investors, and property owners to help close the “gap” between achievable rental rates and the costs of new construction and rehabilitation. Specific incentives include:

1E1 | Façade Grant Program: Expand façade grant program to become a city-wide initiative and extend into the Commercial Hubs.

1E2 | Façade Master Plan: Target specific blocks within the Downtown and Commercial Hubs for multiple façade improvements as part of a façade master plan to make an immediate and significant impact. Couple targeted façade improvements with streetscape enhancements.

1E3 | Building Infrastructure Grants: Provide infrastructure grants to facilitate upper floor redevelopment and help offset costs associated with elevators, sprinklers, etc.

1E4 | Lancaster High Speed Internet: Continue with current partnership to implement broadband internet to sustain existing businesses and attract new ones.

INVESTMENT SITES | KEY TO ILLUSTRATIVE PLAN (FOLLOWING PAGES)

AREA 1: DOWNTOWN CORE-PRIMARY OPPORTUNITIES

- 1A: Bulova Site
- 1B: City Crossings Lot
- 1C: Southern Market
- 1D: Swann 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

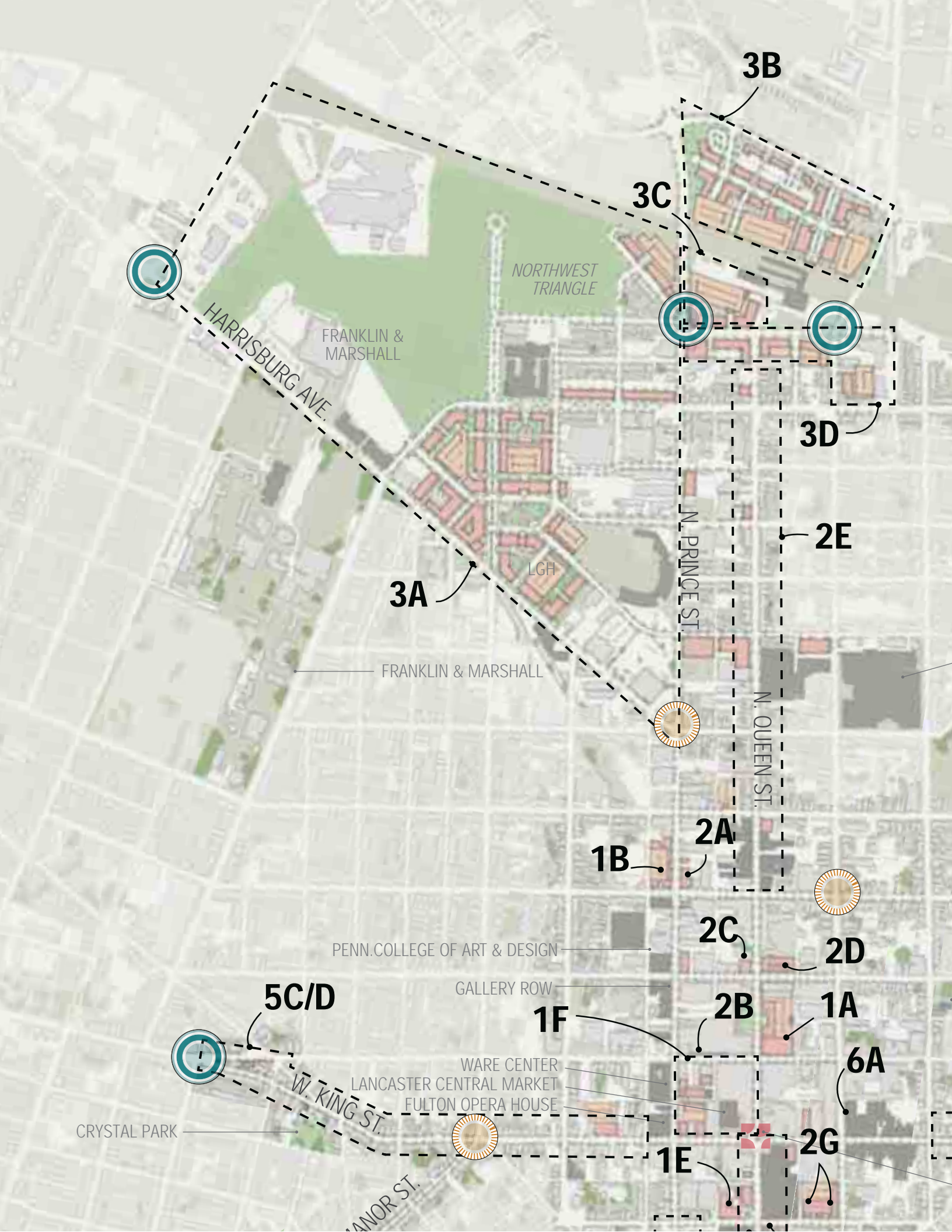
- 8A: Conestoga Plaza
- 8B: Conestoga East
- 8C: Conestoga North
- 8D: Residential Infill Opportunity
- 8E: South Duke Square
- 8F: South Duke Infill Development
- 8G: Outdoor Market



New Holland Avenue Improvements (4C)



Manor Street Improvements (5A)





4D

4C

4B




4A

LANCASTER GENERAL HOSPITAL

NEW HOLLAND AVE

LANCASTER MUSEUM OF ART

ILLUSTRATIVE PLAN

-  CITY GATEWAY
-  DOWNTOWN CORE GATEWAY
- 1A** CORRESPONDING RECOMMENDATION
-  AREA-WIDE RECOMMENDATION



6C

E. KING ST.

PENN SQUARE

6B





PENN. COLLEGE OF ART & DESIGN

GALLERY ROW

WARE CENTER

LANCASTER CENTRAL MARKET

FULTON OPERA HOUSE

CRYSTAL PARK

RODNEY PARK

THE IRONWORKS

W. KING ST.

MANOR ST.

S. PRINCE ST.

S. QUEEN ST.

1B

2A

2C

2D

2B

1A

6A

5C/D

1F

1E

2G

2F

1D

1C

7C

8F

7A

7B

7B

7D





4A

LANCASTER MUSEUM OF ART

6C

E. KING ST.

PENN SQUARE

6B

THADDEUS STEVENS

TEC CENTRO

8G

S. DUKE ST.

8E

8C

8B

8D

8A

LANCASTER COUNTY
CENTRAL PARK

ILLUSTRATIVE PLAN



CITY GATEWAY



DOWNTOWN CORE GATEWAY

1A

CORRESPONDING RECOMMENDATION



AREA-WIDE RECOMMENDATION



Building on Strength



LNP Site/Southern Market/Swann Hotel (1C, 1D, 1E, 2F)



City Crossings/HDC Property Infill (1B, 2A)

F. Land Bank

Establish a Land Bank to acquire individual blighted properties and prepare them for sound investment.

G. Community Land Trust Subsidiary

Consider creating a Community Land Trust as a subsidiary of the Land Bank to ensure the long-term stability of a neighborhood or Commercial Hub while providing a way to keep pricing affordable for potential leaseholders.

H. Plan Funding

Continue to utilize existing funding mechanisms such as LERTA (Local Economic Revitalization Tax Assistance Act), TIF (Tax Increment Financing), CRIZ (City Revitalization and Improvement Zone), KOZ (Keystone Opportunity Zone), State Historic Tax Credits and the Community First Fund. Additionally, give serious consideration to engaging a broad partnership of entities in establishing a fund ("The Lancaster Fund") for economic development.

Strategy 2 | Embracing the Collaborative Economy: Cultivating Entrepreneurs

A. 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.

B. Lancaster Creative Spaces Initiative

Capitalize on the national trend of growth in coworking spaces while continuing to foster environments for creativity and places to develop skills and job training. Specific initiatives include:

2B1 | Lancaster Innovation Center: Establish a makerspace combined with support from an incubator program and jobs skills training located within or near the edge of the Downtown Core.

2B2 | Harvest Park Lancaster: Establish a food hub that continues to foster the food industry that is so important to the history (and present) of Lancaster and provides jobs skills training and employment. Tie into university culinary programs, serve as an intermediary in connecting restaurants with farmers (where connections currently don't exist) and continue to foster programs such as those at Tech Centro that help people get certified in food industry jobs.

2B3 | The Lancaster Arts Lab: Build upon the market success of Gallery Row by providing small studio spaces for artists, artist housing and gallery space in the general vicinity of Gallery Row/Pennsylvania College of Art & Design and West King Street. Involve Pennsylvania College of Art & Design in any discussions to explore this concept.



A community working space inside the Candy Factory

C. 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

A. 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.

B. Locate Lancaster Economic Development Initiative

Establish a joint venture between the Lancaster City Alliance and the Economic Development Corporation of Lancaster 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.”

C. Continue Building the City Brand for Tourism through LOOP (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

A. 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.

B. Street Network and Improved Accessibility

Build upon city-wide efforts to enhance streetscapes, provide better walkability, bikeability, and transit opportunities. Focus on networks that reinforce quality of life in Downtown and the Commercial Hubs and those that reinforce critical connections throughout the City.

4B1 | Two-way Street Conversions: Continue to explore long-term opportunities to work with PennDot and consider additional one-way to two-way street conversions in addition to those currently being proposed.

4B2 | Circulator: Establish a north-south and east-west circulator system that provides convenient access among attractions, jobs, housing and the Amtrak Station. Consider contemporary rubber-wheeled system as initial phase.

4B3 | Bicycle Network: Continue to develop and implement Lancaster’s cycling plan, particularly those recommendations that reinforce other initiatives of this economic development strategy.

4B4 | Gateways and Streetscapes: Enhance City and Commercial Hub gateways to promote positive first impressions. Enhance streets that are central to the identity and walkability of the Commercial Hubs and those that strengthen connections among areas of investment. Enhancements include streetscape treatment and updated wayfinding signage, expanded throughout the Study Area.



Looking South on Prince Street at Gallery Row

C. 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 stronger volunteer network.

Building on Strength



Gateways and Streetscaping Locations and Recommendations

Implementation

The Building on Strength Plan is a framework to guide growth and improvements 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. This Plan is intended to be a guiding, yet flexible document. Additionally, it is important to view the Plan as a “menu” of projects, particularly as related to redevelopment opportunities. Similarly, opportunities may arise for properties not illustrated in this Plan. The same concepts in this Plan, however, can be applied to these properties.

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

The Implementation Matrix is an evolving tool. Some of the cells are intentionally vague or lacking detail, as this additional information will develop and be identified as this Plan’s recommendations are individually addressed. Information identified under Potential Implementation Partner, Estimated Time Frame, Tactics, and Performance Metrics Examples, as well as data in the “Potential Funding Mechanisms” columns, include initial ideas only. 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.

The full Implementation Matrix is located in the Implementation Chapter.



Detail of potential redevelopment of Harrisburg Ave./Northwest Gateway

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INTRODUCTION

OVERVIEW

Economic development strategies are created to grow and support a robust, local economy. An economic development strategy paints an overall picture of the community's economy, envisions future opportunities, and identifies investment priorities in order to provide a long-range plan. In an urban environment, these strategies must deal with specific redevelopment and development opportunities in an existing setting.

The planning process coordinates with both the public and private sectors to identify long-term recommendations for enhancing and strengthening the local economy. The typical intent of an economic development strategy is to:

- » Identify opportunities for investment,
- » Create economic resilience and competitiveness,
- » Increase investment in the community and its businesses,
- » Elevate the standard of living in a community through job creation and workforce development,
- » Foster business creation and development, and
- » Identify opportunities to leverage public investment in a manner that maximizes private sector development.

PURPOSE AND NEED

In 1998, the City produced the Lancaster Economic Development Action Agenda (the "LDR Plan"). Like many plans for downtowns in the latter part of the twentieth century, this effort was designed to stimulate investment in a Downtown that, like many others, had experienced disinvestment over the prior decades as shopping, dining, office, and residential uses migrated to suburban locations. The goal of the Lancaster Economic Development Action Agenda was to stimulate economic development in the City. More than 15 years later, many of the recommendations outlined in that plan have been implemented. These include:

- » The formalization of a dedicated economic development entity that focuses on the revitalization of Downtown Lancaster.
- » Greatly enhanced communication among partnership groups; the development of a series of incentives for investment in Downtown; a targeted marketing program; and many other efforts to enhance the way the City of Lancaster and its partners embrace economic development.

- » Fostered tourism through a cohesive brand and marketing effort; evening events to attract people to Downtown Lancaster; an evolving partnership with Discover Lancaster (formerly the Dutch Country CVB); construction of a convention center and hotel; and the completion of a Downtown baseball stadium.
- » Enhanced transportation in Downtown, including new bridge construction and a major investment in the AMTRAK station in Downtown.
- » Creation of an arts district and art related events to drive traffic to Downtown, ultimately expanding programming of the Pennsylvania College of Art & Design.
- » Implementation of a Keystone Opportunity Zone (KOZ) along South Prince Street to attract businesses in an economically challenged area of the City.
- » An overhaul of the Lancaster Central Market that continues to be a centerpiece of Downtown Lancaster.
- » The redevelopment of the Watt & Shand building in Downtown (as the aforementioned convention center and hotel).
- » Additional parking development in the Downtown.
- » Countless private investments in new businesses that have revived the Downtown Core as a center for shopping, dining, working, and living.

Consequently, Lancaster embarks on this initiative in a favorable position. The City has experienced tremendous growth over this past decade and 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. Rather than waiting for the upward trend to peak and decline, Lancaster chose to leverage the strengths and opportunities gained from previous years of economic growth by creating an economic development strategy that would guide Lancaster for the next decade.

In 2014, the Lancaster City Alliance (LCA) selected a team led by Mahan Rykiel Associates, of Baltimore, and including Arnett Muldrow & Associates, of Greenville, South Carolina, and RGS Associates, of Lancaster, to develop a long-term economic development strategy, accounting for the progress the city has made in recent decades, and making recommendations for future economic development activity. The goals of the economic analysis component of the project are as follows: listen closely to community stakeholders and conduct relevant market-based research; provide useful economic and demographic data regarding retail, hotel, and lifestyle trends; and outline strategies founded in economic reality for Lancaster's continued, short- and long-term economic growth.

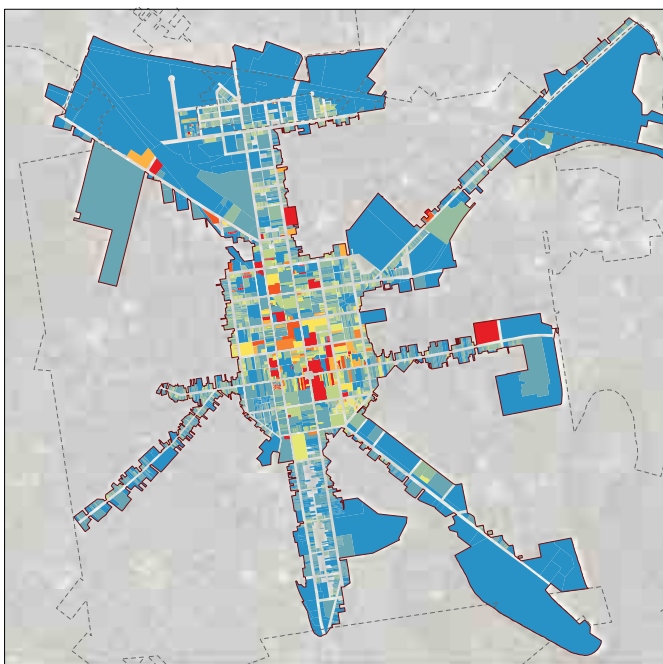


Fig. 1. Property Value Comparison Map

PROPERTY VALUE COMPARISON ANALYSIS

BUILDING ON STRENGTH: ECONOMIC DEVELOPMENT STRATEGIC PLAN FOR THE CITY OF LANCASTER, PA

MAY 2015



0 250 500 1,000 1,500 Feet

MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING

Legend

Total Assessed Value (By sf)

| |
|---------------|
| < 15 |
| 15.01 - 30.00 |
| 30.01 - 45.00 |
| 45.01 - 60.00 |
| 60.01 - 75.00 |
| 75.01 - 90.00 |
| 90.01 - 105.0 |
| 105.1 - 120.0 |
| 120.1 - 135.0 |
| > 135 |

This Plan is not a sequel to previous plans, but a fresh look at Lancaster and a tool to attract investment. It is based on economic growth over the past decade and the opportunities that exist in the Commercial Hubs, each having their own unique character. Navigating from a position of advantage, Lancaster is today *Building on Strength*.

Scope

The project scope and planning process was divided into three primary phases: opportunities and needs assessment, strategies development, and the creation of the final economic development strategy.

The Opportunities and Needs Assessment included a review of background information, preliminary analysis and research, and the initial project coordination between the project team, the Lancaster City Alliance, and the Steering Committee and Working Group. This phase of the project included two workshops with public meetings — one for visioning, and another for assessment review. In the second phase, the Project Team began to formulate and review strategies and began the implementation planning process. In the final phase, the report was composed, reviewed, vetted, and finalized.

PARTNERSHIPS & PUBLIC INVOLVEMENT

As a crucial element of the economic development strategy, the planning process was heavily infused with strong partnerships with constituents, stakeholders, and the community at-large. In addition to a more intimately-sized Steering Committee, the project involved members of a larger Working Group to facilitate vetting of research and recommendations.

For a full list of participant names, please refer to Appendix A: Acknowledgement of Stakeholders.



A view of Penn Square

PLANNING PROCESS

Plan development utilized a three-part approach that was heavily grounded in a stakeholder and public engagement process from start to finish, and which included five workshop periods in Lancaster. The approach began with “listening” and understanding Lancaster’s assets, challenges, opportunities, and threats, then included “sharing” of ideas through continual meetings with stakeholders and the public. The planning process concluded with “confirming” recommendations, and creating a clear implementation plan that is summarized in the Implementation Matrix, starting on page 120.

During the initial multi-day workshops, the project team met with the stakeholder groups, focus groups, and constituents. A total of six Commercial Hub meetings were also held over the course of two workshops. These first two workshops generated recommendations based on research, data analysis, and stakeholder input. These ideas were then shared with stakeholders and the public to gather additional feedback.

The planning process developed as follows:

- » May: Kick-Off
- » June: Working Group Kick-Off
- » July: Workshop #1, Focus Group, commercial hub meetings, one on one interviews, and Working Group meeting
- » August: Workshop #2, Public Meeting, Commercial Hub meetings, and one-on-one interviews
- » October: Working Group meeting, Merchant meeting, and one-on-one interviews
- » December: Commercial Hub meetings and one-on-one interviews
- » January: Workshop #3, Public Meeting, Focus Groups, and one-on-one interviews
- » March: Public Meeting and Working Group meeting

A summary of project evolution through the project team's various workshops and visits to Lancaster City can be found in Chapter 2: Analysis.

OVERALL PROJECT STRATEGIES

Strategies

The project identified four primary strategies, or goals of the Plan:

Strategy 1 | Expanding Success: Traditional Economic Development Investment

Strategy 2 | Embracing the Collaborative Economy: Cultivating Entrepreneurs (Creative & Technological)

Strategy 3 | Leveraging the Brand: Marketing Lancaster City

Strategy 4 | Quality of Life: Reinforcing Commercial Hubs



The New Playground at Rodney Park

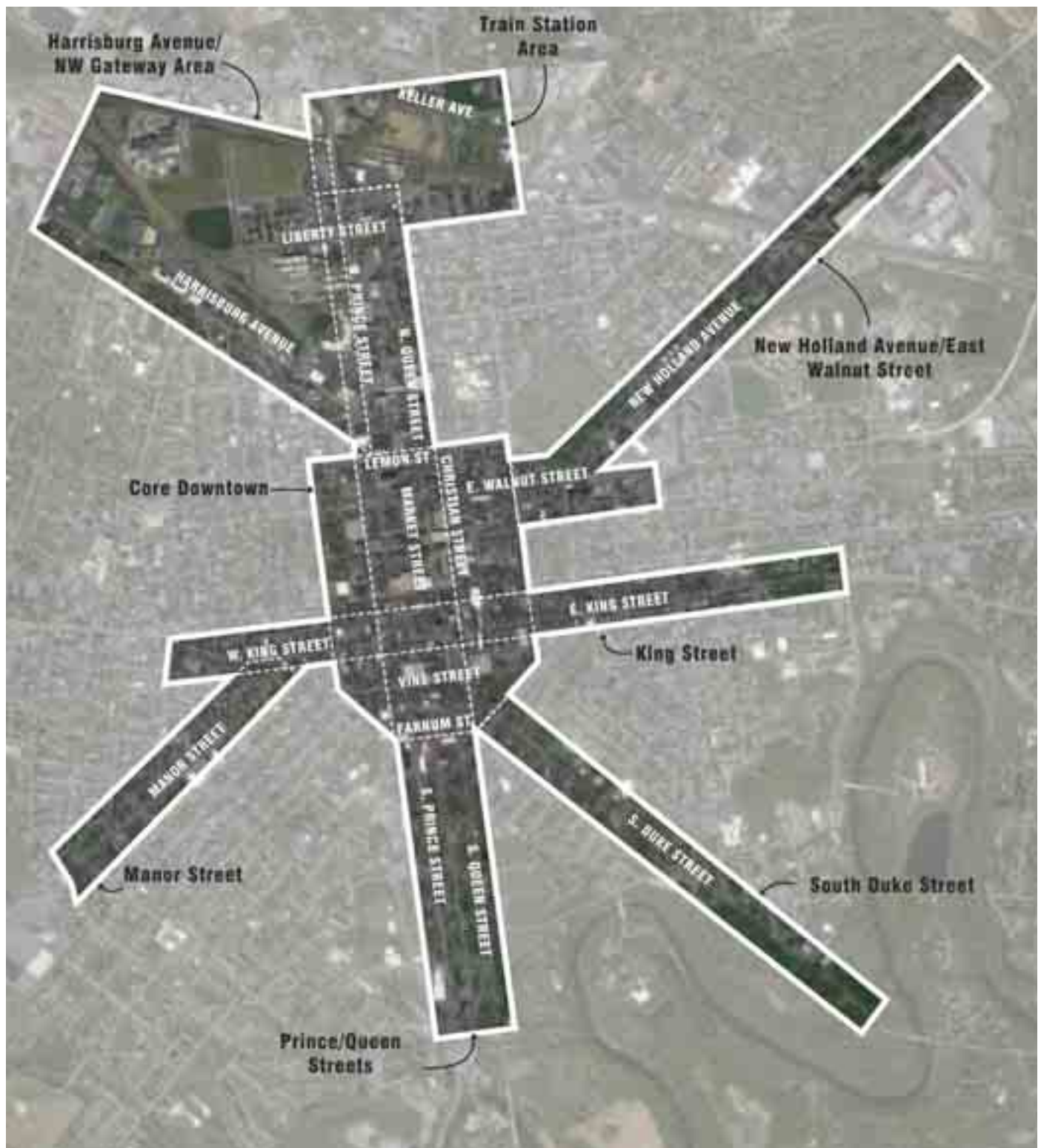


Fig. 2. Study Area Map



Harrisburg Avenue at College Row



The Tower at Lancaster City Hall, on North Duke Street

STUDY AREA

The study area of the Plan (see Figure 2) was identified in the initial project Request for Proposals (RFP). It includes the Downtown Core, in addition to the commercial corridors and gateways (the “Commercial Hubs”), that extend outward from the Downtown Core. These Commercial Hubs were grouped into eight geographies:

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

These eight areas are important to the City of Lancaster in that they are significant hubs of commercial activity that serve Lancaster’s residents and businesses.

REPORT STRUCTURE

This report is a comprehensive summary of the discussions, analyses, and exercises that led to the identification of the Plan’s final recommendations. The three chapters that follow closely mirror the planning process, and will detail the Analysis, Vision, and Implementation stages of Plan development.



Photo courtesy of LCA

Homes on Strawberry Street



Photo courtesy of LCA

Attendees participated in a mapping exercise at a Public Meeting



*Top: Rooflines along Clay Street
Above: Street trees being prepared
for planting
Left: Students from Exit Lancaster
(All photos on this page courtesy of
LCA)*



ANALYSIS

AREA CONTEXT

Founded in 1729, the City of Lancaster is today home to nearly 60,000 people. Lancaster covers 7.24 square miles of land in the heart of Lancaster County of South Central Pennsylvania. Although Lancaster County is recognized nationally as *Pennsylvania Dutch Country* — an area well-known for its Amish community and agricultural industry — the City of Lancaster, which has an identity of its own, may be less familiar to the casual tourist. While it might be easy to group Lancaster City under that Lancaster County umbrella, it is an entirely unique and exceptional community that deserves recognition of its individualities while respecting its important role in Lancaster County. Lancaster is a dynamic City in the Commonwealth of Pennsylvania that has undergone dramatic positive transformation in the last two decades.

As part of the background analysis, a Context Diagram (Figure 3, page 10) was generated to identify conditions, amenities, and significant areas located throughout the City. Additional Analysis Maps can be found in Appendix C: Analysis Maps.

Current Conditions

The City of Lancaster had entered into this planning process from a position of advantage, thanks to over 15 years of coordinating and implementing strategies identified in the 1998 LDR Plan. The plan outlined seventeen strategies for economic development that have transformed the community in many ways. The plan focused on Downtown Lancaster, which has witnessed dramatic investment with the addition of a new conference center and hotel, as well as North Prince and Queen Streets and South Duke Street, which have seen limited investment.

Physical Assessment

Despite approaching its tri-centennial, much of Lancaster City is in good physical condition. However, some signs of aging are beginning to show. In areas, public infrastructure is in disrepair and/or dated. And some old buildings, while still standing, have been poorly maintained over the years, or abandoned altogether. While some of these structures are fated to be replaced, others will likely endure for many tomorrows, as long as they are properly maintained.

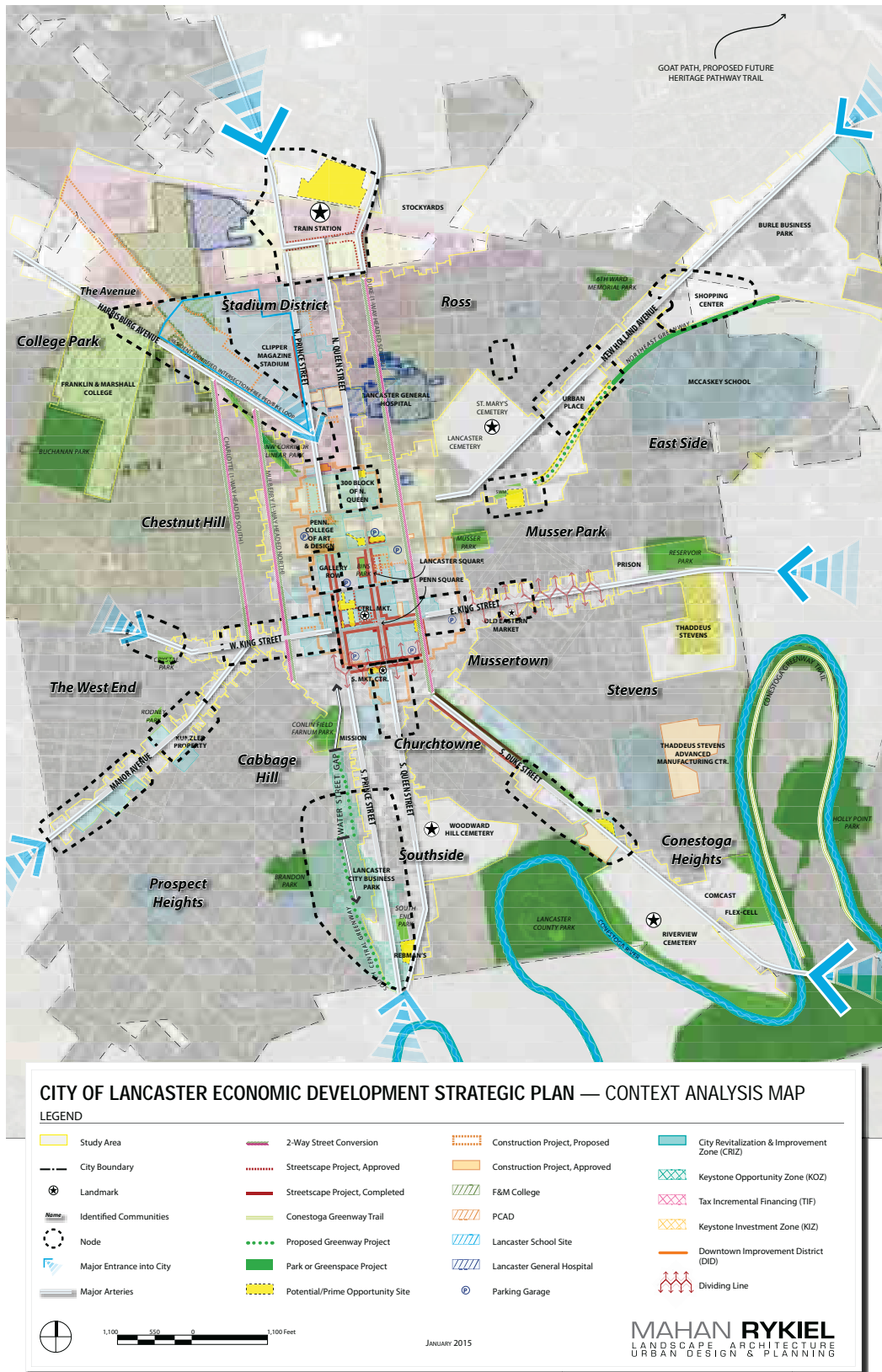


Fig. 3. Context Diagram

Historical Overview

Lancaster's historic districts date as far back as 1967. There are a variety of sub-districts, but three primary historic districts. The local district, referred to as the Historical Architectural Review Board (HARB) District, includes properties in and surrounding the Downtown Core. A significant portion of Lancaster is also located within a nationally-designated Lancaster City Historic District. Historic District Ordinances in Lancaster require compliance with regulations that protect the historic nature of properties while at the same time ensuring the safety and viability of those sites.

- » Lancaster Redevelopment Opportunities: A Study of Underutilized Properties, and Strategies for Revitalization
- » Lancaster Train Station Area Master Plan
- » The Northeast and Southwest Neighborhood Revitalization Initiative Plans
- » The ROI of the PA Dutch CVB Promotional Activities – Tourism Economics
- » Urban Park, Recreation and Open Space Plan for the City of Lancaster

A complete list of background materials is included in Appendix B: Background Materials.

BACKGROUND MATERIALS REVIEW

Numerous background materials were provided to the Planning and Design Team (the Team) to inform the planning process. These materials included prior and ongoing initiatives and planning reports. Information gathered from these documents tells the story of Lancaster as it evolves and changes. Additionally, these reports clarify some of the challenges and opportunities facing Lancaster City. Materials reviewed had included, but was not limited to:

- » 2015-2017 Lancaster Strategic Plan
- » Beyond the Code Success Stories in Upper Level Development
- » City of Lancaster Strategic Plan
- » City Revitalization & Improvement Zone (CRIZ)
- » The Economic Benefits of Green Infrastructure
- » Economic Development Company of Lancaster's Strategic Plan, Communications and Marketing Strategy
- » Franklin & Marshal College Campus Master Plan
- » Gateways Revitalization Strategy
- » Growing Together: A Comprehensive Plan for Central Lancaster County, PA
- » High Real Estate Group's Commercial and Industrial Market Overview
- » Lancaster Crime Commission Reports
- » Lancaster Downtown Investment District Authority Renewal Plan for 2015-2019 (Draft)
- » Lancaster Housing Market Analysis (Zimmerman/Volk)
- » Lancaster Prospers

SUMMARY OF STAKEHOLDER INPUT

Public input is a critical component in any planning project. Direct community engagement with stakeholders provides an opportunity to hear ideas and perspectives that cannot be ascertained from data alone. It also allows the Planning and Design Team to better tailor the recommendations to the needs of a particular community. Lancaster City is fortunate to be home to many "legacy stakeholders" who continue to demonstrate their commitment to the community. This section describes the community engagement process employed during the course of this project:

- » The Stakeholder Roundtables and Interviews section describes the ideas and opinions provided by community stakeholders. This section also describes major themes that emerged based on stakeholder interviews, as well as the views of the Project Steering Committee.
- » The Survey Input segment presents a summary of responses collected from an online survey made available to the community. These responses describe commonly held perceptions of the current economic climate in Lancaster, including its Downtown District, neighborhoods, and corridors.
- » The Key Observations summarize the Planning and Design Team's reflections on gathered stakeholder input. This section also offers thoughts on how qualitative data may shape retail and hotel market growth in Lancaster over the course of the Plan.



View of Lancaster Central Market from Penn Square

Stakeholder Roundtables and Interviews

JUNE 2014: WORKING GROUP KICK-OFF

The Working Group Kick-Off — spread into two, back-to-back meetings to accommodate the various schedules of Working Group members — was the initial invitation for local and regional constituents to be engaged in the project as members of a Working Group. Attendees were introduced to the project, its purpose, and the timeline for the final Plan. The two meetings were each concluded with a segment for facilitated discussion which solicited feedback regarding some major concerns, key opportunities, and existing assets and challenges.

June Takeaways

The Working Group meetings discussed the unique character of the City and each neighborhood within it. Lancaster is an exceptionally diverse community, and everything that happens within the City must strive to engage a larger, more diverse group of participants. This is of particular importance for planning projects. In order

for a plan to be successful, it must be embraced and adopted by the community's residents, thereby building the role and responsibility of the public in contributing to the community's future. The Plan would have to recognize and build upon the diversity of the community.

It would be important for this Plan to emphasize individuality, but also to connect neighborhoods with one another. Development focus would need to be directed into areas outside of Downtown — leveraging the diverse characteristics of each Commercial Hub with tailored solutions to individual challenges. The desire to redistribute development outside of Downtown was emphasized often during the Working Group Kick-Off. Members expressed a desire to see more anchor businesses located throughout the City.

In addition to major anchors, smaller-scale retail and businesses were recommended to fill gaps in commercial uses and to better meet the needs of residents. Underutilized properties and upper-level spaces were mentioned as key opportunities for retail and other needs, including housing and new businesses. Housing was identified as a challenge, particularly in terms of availability and supply. Business incubation was discussed in the meetings, and discussions were focused on a strong entrepreneurial spirit throughout Lancaster — one that had led to the creation of a local coworking space, and also could support niche industries. However, although there were a number of exciting things already happening in the City, many of the individuals who participated in stakeholder engagement discussions expressed that they were still unaware. A need was identified for a means to coordinate and spread the word about the many great things already happening in Lancaster.

The Arts were mentioned as vital to the community and discussed as something the Plan should support. Much of Lancaster's existing success can be attributed to art and art-related events, such as the highly popular First Friday, an arts event that is centered on Gallery Row. Arts were tied to the history of Lancaster — a history which runs deep and surfaces in many existing assets. Maintaining Lancaster's historical narrative would be essential. And while history was tied to tourism in Lancaster, it was not (or, perhaps, should not be) the only draw to the City. Some

component of this Plan was encouraged to touch upon tourism, and work with various groups throughout the City to provide new attractions for visitors. The Working Groups mentioned perception challenges as a part of increasing visitors coming to Lancaster. Many people associate Lancaster with the more agrarian activities happening throughout the larger Lancaster County. Other challenges arise when people have negative perceptions of crime in the City; or when a commuter views the City just as a passerby on their commute to work. One challenge was creating an environment where people would want to spend time in the City. Similarly, accessibility was mentioned as a challenge. How can people be expected to walk the commercial streets when, in many places, the environment is not favorable for pedestrians, or is disconnected from more active areas? In this regard, walkability, bikeability, and overall accessibility of the City had been identified as a significant challenge.

Finally, many Working Group members emphasized the importance for a clear and cohesive framework for implementation. The Plan would need to be coordinated and tied into existing initiatives.

JULY 2014 WORKSHOP AND VISIT

The first workshop was held in July 2014. Held from July 9th to the 11th, this workshop included 21 one-on-one individual conversations with government officials, representatives from major institutions, leaders in the community, investors, and key property owners; a meeting with the Downtown Merchant's Committee; focus group sessions centered on education, faith/community concerns, arts and culture, and entrepreneurs; Commercial Hub meetings; and a combined Working Group and Steering Committee meeting.

Commercial Hub Meetings

During this trip, the Planning and Design Team participated in its first three Commercial Hub meetings with interest groups along Harrisburg Avenue, members from neighborhoods along South Duke Street, and with constituents from South Lancaster, along South Prince and South Queen Streets.

July Takeaways

The July workshop revealed some of the community's priorities. It became clear that much of the Team's work would be about identifying and improving connections — physical connections throughout the City, and also

intellectual and social connections between community members and with their businesses and ongoing initiatives.

The Team also recognized the significance of an emerging, less traditional form of economic development. The entrepreneurial community in Lancaster is strong and creative, and requires an equally innovative approach to growing investment and business within the City. While traditional economic development would still be a focal point of this Plan, it was clear that this process would have to continue with flexibility and creativity in the planning of Lancaster's future.

Poverty was also a major discussion point during this first workshop. While addressing poverty would not be in the scope of this Plan, the Plan would indeed be able to address the *elements of poverty* — housing affordability, employment opportunities, access to capital, etc. Poverty is a much broader issue that cannot be tackled by this effort alone; rather, it will require a coordinated and comprehensive effort that involves many entities throughout Lancaster City and its neighboring communities within Lancaster County. Similarly, the community and our stakeholders voiced frustrations over various financial challenges and opportunities. This Plan would need to facilitate investment in the City, and spread that investment beyond the Downtown, particularly into the southern neighborhoods.

Lastly, a key takeaway from the initial workshop was centered on perceptions and improving opinions and understanding of the City through strategic branding. Lancaster City is an authentic community that became what it is today through organic, grassroots growth. It is a thriving, diverse community; however, negative perceptions often inhibit additional growth, investment in, and success of the City and many of its businesses.



The Commercial Hub meeting at Urban Place



Attendees participating in a Public Meeting exercise

AUGUST 2014 WORKSHOP AND VISIT

The second workshop was held in August 2014, from the 13th to the 15th. The one-on-one interviews continued through meetings with 14 key stakeholders. Again, the Planning and Design Team would hold Commercial Hub meetings, meeting with the three Hubs not visited during the July visit. The Team met with constituents from East King Street, West King Street and Manor Avenue, and New Holland Avenue. The initial public meeting was also held during this trip, where the Team would review data collected as well as the initial input received, and facilitated a group discussion. A Steering Committee meeting was held on the last day of this visit.

Public Meeting #1

As community members entered the room for the first public meeting, they were asked to participate in a mapping exercise. Attendees were given four colored stickers and asked to map places where they live, work, own a business, or own property. This exercise would not only tell us which neighborhoods had the strongest presence at the meeting, but it would also give the Team a better idea of which areas in Lancaster are most active.

The Team presented research collected to date, and introduced four emerging themes: Building on Successes: Opportunity Sites for Investment; From Tradition to Innovation: Classic Economic Development and the Growing Creative Economy; Community Development as Economic Development; and Leveraging the Lancaster Brand.

August Takeaways

Following the Team's presentation, community members were led through a facilitated discussion which asked a series of questions about Lancaster, its past, and exiting challenges and opportunities. As had been expressed in previous meetings, poverty was identified as a significant challenge. Tied to this challenge, attendees talked about livable wages, affordable housing (and housing supply, as well as artist housing), the availability of basic services and needs, and workforce/skills development. Support for entrepreneurial growth — in the form of attracting young professionals, improving access to capital, providing resources and education for starting businesses, providing state-of-the-art technological infrastructure, et al. — was mentioned repeatedly throughout the public meeting.

Accessibility was again identified as a barrier to success, and the possibility of a transit loop connecting the train station to the convention center was mentioned. Limited and infrequent bus routes were identified as a challenge, while the potential for bicycling and improved bike infrastructure was identified as an opportunity. Development site opportunities were discussed, both specifically and broadly — mentioning the Bulova building as a prime development opportunity, as well as second and third floor spaces and other underutilized spaces throughout Lancaster.

The role of Lancaster's population was discussed. There was a lot of talk about history and generations, and of keeping both old and young generations in the City while sharing information between the two, often disconnected age groups. The diversity of Lancaster was also mentioned, as it had been in previous meetings. The Team recognized that the participants attending the meeting did not accurately reflect the City's overall population, but that this project was adamant about bringing everyone to the table. The Team committed to taking extra steps to reach out to groups of populations that were absent from the table.

Likewise, the Plan was encouraged to recognize the multicultural diversity and liveliness of Lancaster.

Lastly, many of the discussion points often had a “local” aspect to them. Comments had initially suggested a need to coordinate existing local initiatives, many of which are points of pride for Lancaster. Additionally, better connecting residents to local farmers and their food had been identified as an opportunity. Other comments ranged from providing services and goods to meet local needs and offering support for locally-owned businesses to creating a local currency.

OCTOBER 2014 MEETING

On October 16th and 17th, 2014 the Team returned to Lancaster and met, for the second time, with the Lancaster Merchant Committee. An additional 13 one-on-one interviews were conducted, and the Team met with the Working Group and the Steering Committee separately.

Emerging Recommendations

During the trip, the Team began to introduce and discuss emerging recommendations. These recommendations were grouped into the four evolving themes that had identified during the August trip. The first theme, From Tradition to Innovation: Classic Economic Development and the Growing Entrepreneurial Economy, would cover strategies that sought to initiate and attract development and economic growth. Healthy Community as Economic Development, on the other hand, recognized that the success of an economic development plan depends upon the strength and health of the underlying community. Recommendations falling under this theme included connecting residents to economic opportunities through workforce development, identifying housing strategies, improving access to healthy food, and improving walking and biking conditions throughout the City. Strategies that would be tied to specific sites, neighborhoods, or regions of Lancaster City were included in the Building on Successes: Opportunity Sites for Investment theme. Finally, the Leveraging the Lancaster Brand theme covered any recommendation that aimed to establish and promote a positive identity for the City of Lancaster.

October Takeaways

The Team received input regarding the development of preliminary recommendations. Additionally, the Team was able to better understand if and how some of the initial ideas are already developing within Lancaster.

At the Working Group meeting, members were asked to divide into four breakout groups — one for each theme. Below are summaries of the discussions in each group.

Healthy Community as Economic Development | Discussion focused on utilizing vacant and underutilized properties; restoring the neighborhood markets; increasing homeownership (through employer incentive programs, higher density housing, etc.); and there was interest in learning more about the Land Bank concept.

Building on Successes: Opportunity Sites for Investment | Discussion recognized a number of good development properties; however, challenges were identified, including parcels owned by owners who are not likely to commit to what is suggested (for reasons of business, or financial or political feasibility); regulations, policies, and available money restricting preferred development; and the need to coordinate between numerous property owners.

Leveraging the Lancaster Brand | Discussion focused on events which had been successful in the past (e.g. Riddle Quest, First Friday, etc.); value of attracting a small following in order to initiate a larger draw to Lancaster, where so much is already happening; need to be more welcoming (to transplants, to locals, to businesses, to visitors, etc.); desire for increasing activities for diverse groups (millennials, families, 55+ community, et al.); potential of supporting neighborhoods and increasing community pride; the need for an alternate transit mode for getting people in and around Downtown; and the need for consistency in messaging (the same, whether geared toward visitors, businesses, residents, or others).

From Tradition to Innovation: Classic Economic Development and the Growing Entrepreneurial Economy | Discussion focused on the idea of an Impact Hub, which many found appealing. The group considered the role of universities (built-in internship programs, sponsorship, et al.), the need to generate synergy in order to avoid isolation and/or a silo mentality, and the importance of referencing existing models (i.e., Silicon Valley, New Orleans, Asheville, Allentown, et al.). The group also discussed affordable housing for diverse income groups;

reconnecting “old money” and real estate with investment needs (e.g. tech industries and start-ups); the need to retain the quality of work and talent existing in the City (but which currently leaves the City each day as residents travel outside Lancaster City for work); the potential to fill the need for an East Coast Tech Hub (which currently only exist in New York City and Boston); restoring connectivity and using the existing density as an asset (everything is within walking distance); consideration for how different “makers” use facilities differently and have unique building needs; and the importance of neighborhoods and how they would be impacted by 24-hour makerspaces or innovation centers.

JANUARY 2015 VISIT

The Planning and Design Team was in Lancaster January 14th through the 16th to organize a branding workshop. While in Lancaster, the Planning and Design Team met with focus groups to discuss Housing, Entrepreneurs, and Branding; the Team also held three additional one-on-one interviews. This trip also afforded the opportunity to present the developing strategies to the Working Group and the Steering Committee.

Public Meeting #2

The second public meeting was also held during this trip. After the Team’s presentation, attendees were asked to vote on priority recommendations (see the voting boards on pages 152-153 of Appendix D: Public Meeting Exercises). Not everyone chose to participate, and some chose to vote for fewer than four recommendations. High-priority recommendations — those which received an above-average number of priority votes — were spread across all four strategies. In Strategy 1, recommendations for a Development Clearinghouse and a Land Trust/Bank were identified as high-priority, with the Land Trust/Bank recommendation receiving the highest number of votes overall. In Strategy 2, the Accelerate Lancaster and Market District recommendations were high priority. The only high-priority recommendation in Strategy 3 was Reigniting Promoting the City as a Great Place to Live, and this received the second highest priority votes overall. Finally, in Strategy 4, only the Streetscape recommendation was not seen as a high-priority.

It is important to keep in mind the audience that participated in this exercise, as it may explain why some recommendations received fewer votes. A Business Registration Program, for instance, is a highly necessary inventory for Lancaster City to establish, yet it received no priority votes. Not all community members can be expected to find such a program — which has no obvious or immediate benefit to Lancaster’s residents — as a priority. Still, this exercise was extremely valuable in confirming some of the largest identified challenges and solutions that are appropriate for Lancaster.

Survey Input

An online survey was made available to the Lancaster community from August 2014 through March 2015. Its purpose was to reach interested members of the community who were unable to participate in face-to-face meetings or interviews. The LCA heavily promoted the survey, and versions were available in both English and Spanish. These efforts produced 480 total responses. This small sample represents one of the limitations of the survey, but when combined with the comments from many well-attended onsite meetings and input sessions, the information gathered provides strong qualitative data regarding Lancaster City.

Nine percent of respondents identified themselves as Downtown Core residents, with an additional twenty-seven percent stating they reside in one of the eight areas identified in the survey (S. Prince/N. Queen Streets; S. Duke Street; New Holland Avenue; Harrisburg Avenue/NW Gateway; Train Station Area; Manor Street; and E. King Street). Forty-seven percent indicated they live elsewhere, while seventeen percent chose not to answer. Respondents identified themselves as forty-three percent male and forty-two percent female, while fifteen percent chose not to specify.

In terms of household income, survey respondents were fairly well distributed, especially amongst those earning more than \$25,000. The smallest group, accounting for five percent of the total respondents, reported an annual household income of under \$25,000. Twenty-three percent of respondents reported an income of \$25,001 to \$50,000; nineteen percent reported earning between \$50,001 and \$75,000; fourteen percent stated annual income to be from

\$75,001 to \$100,000; and twenty-two percent indicated they earn more than \$100,000 annually. Seventeen percent did not respond.

The results of the survey are summarized, by question, below. Percentages pertaining to questions that asked respondents to score a statement on a sliding scale indicate groupings of responses. For instance, when ranked with a 1, 2, or 3, responses were aggregated to indicate the portion of the community that strongly disagrees with that particular statement. On the opposite end of the scale, responses of 8, 9, and 10 were grouped to represent respondents who strongly agree. Responses of 4, 5, 6, and 7 indicate a more neutral position and their omission makes the summary below more conservative.

Question 1 attempted to gauge the community's perception of the overall economic climate in Lancaster. It addressed conditions of the community regarding topics from economic development strategies to walkability and housing. Respondents ranked statements from "Strongly Agree" (10) to "Strongly Disagree" (1).

Statements that the community most strongly agreed with are as follows:

- » "The community is an attractive place to do business." (59.58%)
- » "The community is an attractive place to live." (56.25%)
- » "The community supports small businesses." (55.00%)
- » "Walking is easy throughout Lancaster." (46.88%)
- » "The community works to continually grow the economy." (43.96%)
- » "Lancaster needs corporate investment to grow economically." (42.71%)
- » "Local government works hard to support economic growth." (42.08%)
- » "There are redundancies between various organizations that need to be more efficient." (41.67%)
- » "The community offers enough personal services to meet my needs." (39.79%)
- » "The community is collaborative in its efforts." (31.46%)
- » "The community offers enough retail options to meet my needs." (30.21%)

Statements the community most strongly disagreed with are as follows:

- » "Lancaster needs retail chains in addition to its strong local retail base." (46.67%)
- » "Biking is easy throughout Lancaster." (37.71%)
- » "Accessing all parts of the community is easy with current transportation options." (33.54%)
- » "The community offers enough housing to support a diverse workforce." (23.95%)
- » "The community offers enough retail options to meet my needs." (21.88%)
- » "The community offers enough jobs to support a diverse population." (19.17%)

Question 2 addressed needed improvements along specific corridors or in distinct parts of town. Each location is listed below with its top three desired improvements.

- » *Downtown/Core* | 1. Bikeability; 2. Developing more local businesses; and 3. Diversity of housing stock
- » *S. Prince/S. Queen Sts.* | 1. Community effort to improve area physically; 2. Overall perceptions of safety and a welcoming environment; and 3. Community effort to improve area economically
- » *N. Prince/N. Queen Sts.* | 1. Bikeability; 2. Developing more local businesses; and 3. Community effort to improve area physically
- » *S. Duke St.* | 1. Overall perceptions of safety and a welcoming environment; 2. Community effort to improve area physically; and 3. Community effort to improve area economically
- » *New Holland Ave./E. Walnut St.* | 1. Bikeability; 2. Developing more local businesses; and 3. Community effort to improve area physically
- » *Harrisburg Ave./NW Gateway* | 1. Bikeability; 2. Developing more local businesses; and 3. Walkability
- » *Train Station Area* | 1. Developing more local businesses; 2. Bikeability; and 3. Community effort to improve area physically
- » *Manor Street* | 1. Community effort to improve area physically; 2. Overall perceptions of safety and a welcoming environment; and 3. Community effort to improve area economically
- » *King Street* | 1. Community effort to improve area physically; 2. Overall perceptions of safety and a welcoming environment; and 3. Community effort to improve area economically

Question 3 assessed what groups were driving the Lancaster economy by how strongly they had contributed to the community's economic growth over the past fifteen years. Small businesses/entrepreneurs (72.92%); Institutions (higher educations, hospitals, etc.) (59.58%); Tourism (45.20%); and Community services (non-profits, churches, etc.) (40.83%) were most highly regarded by respondents in this capacity.

Question 4 addressed types of projects that had been successfully completed in the community over the past fifteen years. Although the community was largely neutral on the subject, Tourism development (32.71%); Physical improvements (infrastructure, building stock) (32.29%); Small business retention and entrepreneurial development (29.79%); and Social connections (building networks with existing community organizations) (25.42%) all ranked at the top of the list.

Question 5 elaborated in that it identified which types of projects would be critical to economic development over the next decade. The community was far less neutral in its response to this question, with Small business retention and entrepreneurial development (69.58%); Workforce development and job training (60.63%); Education (K-12 and post-high school options) (57.71%); and Business recruitment (appropriate large and small businesses for the community) (56.67%) taking priority.

Question 6 clarified what the impact of this economic development strategy should be in twenty years. Goals were ranked in the following order: More sustainable jobs with living wages in the city (77.08%); More small businesses and startups in the city (70.63%); Stronger K-12 program (66.46%); Viable method of transportation to connect people to jobs efficiently (64.58%); More diverse housing with affordable options and more mid-level options in the city (62.50%); More post-graduate options to retain youth (62.08%); More jobs from appropriate business recruitment strategies (61.46%); Larger tax base for the City (57.50%); More efficient services for underserved populations (50.42%); and More annual visits from visitors outside of a fifty-mile radius (48.54%).

Question 7 focused on investment priorities. The locations ranked from highest priority to lowest as follows: Downtown/Core (26%); Manor Street (16%); Train Station Area (15%); S. Prince/S. Queen Streets (14%); King Street (12%); New

Holland Avenue/E. Walnut Street (6%); N. Prince/N. Queen Street (5%); S. Duke Street (4%); and Harrisburg Avenue/NW Gateway (3%).

KEY OBSERVATIONS

Public input sessions and online survey data were particularly valuable, as they provided commentary on perceptions, values, and preferences within the community that may not have been gleaned from market data alone. A Strengths, Weaknesses, Opportunities, and Threats chart (Table 1, Page 19) condenses the input provided. Overall, key information gathered in stakeholder meetings and the online survey may be summarized as follows:

- » Downtown is regarded as a highly valuable asset to the Lancaster community, but negative perceptions about its safety continue to tarnish its reputation
- » The community is proud of its cultural and community assets including a strong arts scene, an established market, local businesses that dominate dining and retail markets, a large network of services and institutions that strive for equity across the community and a growing creative class interested in Lancaster's prosperity.
- » Diversity is prevalent in the community but needs to be better celebrated and displayed.
- » The various corridors and districts represent unique identities, each serving a different set of needs and interests.
- » Walkability and bikeability are highly valued throughout the community, but many residents feel it is too dangerous to do either in multiple areas across Lancaster. This may be because of poor infrastructure, a general feeling of being unsafe, traffic, or otherwise.
- » Investment is needed throughout the community with priorities being in workforce housing, upper stories, infrastructure, office space, and public education.
- » Valuable partnerships have been forged between the community and several institutions. These should continue to be nurtured to oversee future projects, including new development and the redevelopment of the area around the train station.
- » Residents value the strong mix of local retailers and eateries and want to continue to support the local economy.

Table 1. A Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis

| STRENGTHS | WEAKNESSES |
|---|--|
| <ul style="list-style-type: none"> Significant tourism draw in the region Diversity in cultural offerings/arts community; rich heritage/history Strong sense of community Major presence of entrepreneurs and locally-owned businesses Distinct neighborhoods Growing “maker” culture City works well with developers/new businesses Proximity and connectivity to major cities, with access via the train station Fig Magazine functions as promotional tool for both individual businesses and the City Lively downtown, with events, markets, parks, pedestrians, etc. Authenticity stemming from organic growth | <ul style="list-style-type: none"> Limited access to capital Building stock needs renovating, but costs outweigh rents Limited diversity in retail Need for more hotel rooms and Class A office space downtown Family entertainment is insufficient Basic needs are not being met in some corridors Concentrated development attention in select neighborhoods Walkable core, but many other areas lack infrastructure One-way corridors create high-speed traffic Limited new and affordable housing options Underutilized and/or vacant buildings, particularly upper levels Negative perceptions regarding safety, school quality, parking availability, development challenges, etc. Limited access to train station Poor sense of arrival/no gateways into community Challenges/barriers to development Not reaching all potential consumers ADA accessibility High poverty rates |
| OPPORTUNITIES | THREATS |
| <ul style="list-style-type: none"> Celebrate diverse populations and cultural experiences Leverage informal networks and entrepreneurial spirit Meet rising housing demand Elevate neighborhoods as distinct places with unique identities Build upon and promote existing cultural assets Determine best uses for large, undeveloped or under-utilized properties Take advantage of infill development and upper levels Redevelop surface parking lots Initiate strategic programming to generate activity in public realm Embrace hotel demand and increased tourism with an expanded tourism campaign Utilize incentive districts throughout the City | <ul style="list-style-type: none"> Competition with surrounding municipalities Not preserving key sites for best long-term development options Tendency toward conventional, suburban-style development around train station Continued disinvestment in existing architecture Potential racial/cultural tension Gentrification pushing residents out of communities Lack of communication between community organizations; and lack of clear and cohesive marketing Limited housing opportunities Negative perceptions of various parts of town go unaddressed Major corridors act as barriers rather than connectors Concentrated investment Downtown that avoids other neighborhoods/growing tension between Downtown and the Commercial Hubs |

ECONOMIC ANALYSIS

Understanding the market and economic conditions is a fundamental underpinning of any recommendation — whether it is physical, marketing, policy, or otherwise oriented. Additionally, the market report helps the partners to better understand how to position Lancaster amidst the economic environment of the larger region. This market study explores the overall economic health of Lancaster.

The market assessment is divided into a Retail Market Report and an Office, Hotel, and Housing Market Report. In each, local input is combined with research using existing reports (cited in each section), and primary research conducted by Arnett Muldrow and Mahan Rykiel. It begins with a zip code survey that examines the market trade areas for Lancaster. This data is helpful in presenting demographics for the area most likely to conduct business in Lancaster and does not follow traditional political boundaries. As a consequence some of the data may not exactly parallel City and Countywide data.



Attendees talk about their concerns and interests at a West King Street and Manor Street Commercial Hub Meeting. (Photo courtesy of LCA)

Retail Market Report

This chapter presents the findings of the retail market research and sets the stage for further analysis that can be leveraged to recruit businesses, help existing businesses target customers, and implement the goals and recommendations of the retail development strategy (to follow). The goal of this retail market analysis is to show community stakeholders and potential investors how to capitalize on possible retail trade and to leverage investments that will sustain Lancaster's retail community and provide opportunities for future growth.

The Retail Market Report is organized into four sections:

- » Part I: Market Definition | describes the market definition based on ZIP Code survey work completed by businesses in the community. This section provides insight into Lancaster's trade area demographics and presents market data related to Lancaster's primary and secondary retail trade areas.
- » Part II: Market Demographics | provides demographic profiles of Lancaster's primary and secondary retail trade areas. This section presents more detailed market segmentation using PRIZM® data.¹
- » Part III: Market Analysis | describes the amount of annual retail sales "leaking" from Lancaster's primary and secondary retail trade areas, as based on the ZIP Code information. This information is based on the most recent data available and is a reliable source for understanding overall market patterns. Nielsen data is also used for this section.
- » Part IV: Retail Market Potential | offers a summary of Lancaster's current retail environment and describes the key market characteristics and trends that will form the basis of the recommendations presented for this project.

¹ (PRIZM® is a product of Nielsen, a nationally known market research company)

PART I: MARKET DEFINITION

Many market studies use radial and drive-time studies to establish a market trade area. In the case of Lancaster, these geographies present significant challenges. Radial studies fail to account for major natural features like the Susquehanna River that creates a physical barrier between York and Lancaster Counties. Drive-time studies present similar challenges in a market that has a conglomeration of urban locales. Consequently, the market definition exercise for Lancaster and its corridors is based on ZIP Code surveys completed by cooperative merchants and restaurateurs. The advantages of a ZIP Code survey is that it utilizes data actually collected by merchants and, as such, allow for an analysis based on actual consumer behavior. Indeed, ZIP Code surveys have their own limitations, as ZIP Code geographies can be fairly large and stretch beyond typical market boundaries. Nevertheless, it is the only technique that correlates clearly with customer traffic as collected by merchants. Recorded ZIP Codes are used to define primary trade areas (PTAs), which are then analyzed in terms of demographics and economic activity.

Twenty-eight Lancaster retail and restaurant businesses graciously participated in a ZIP Code survey of their customers for one week in late summer of 2014. Merchants were provided with a form to record customer ZIP Codes and were asked to keep a log of all customers during the week-long period. Businesses did not collect ZIP Codes during atypical weeks, such as those with holidays, when school started back, or during any particularly busy or slow times. In total, merchants and restaurants collected data from 2,095 customers, representing 365 unique American ZIP Codes, across 35 states and eight foreign countries on four continents. This data provides a “snapshot” of the market activity in Lancaster. The Lancaster City Alliance and other partners may consider an annual ZIP Code survey to track trends in customer habits, understand the effectiveness of marketing efforts, and cultivate markets heretofore untapped by the City.

ZIP Code Survey Results

The ZIP Code survey results are presented in Figure 4, Customer Visits by ZIP Code (p.22) and Figure 5, Customer visits by residency inside or outside the City of Lancaster (p. 22), and are summarized as follows:

- » ZIP Codes associated with Lancaster (17601, 17602, 17603, and P.O. Box ZIP Codes that were recorded) account for almost fifty-four percent of the customers recorded during the week of the survey. When compared with similar-sized communities, this number is quite normal. In highly tourism oriented downtowns, this number will sometimes decrease, but that typically happens in smaller markets. Ultimately, locals represent the majority of the customer base for Lancaster businesses.
- » The ZIP Code survey also analyzed whether participants were residents of the City of Lancaster or in the same ZIP Code but outside of City limits. This is a valuable tool in that it shows whether there is a “loyalty break” between City and County residents. This appears to be the case in Lancaster. Over one in every three customers (34%) was a Lancaster City resident. Nearly twenty percent reside outside of the City.
- » Lititz had the highest visitation outside of Lancaster, with 3.2% of the visits, followed by Willow Street (17584) and Millersville (17551) with the next highest local showing of customers, each at around two and a half percent per community. Other neighboring communities (Conestoga, Strasburg, Ronks, and Bird-in-Hand) accounted for another 5% of customer visits. In total, these neighboring communities account for 13.2% of customer visits.
- » The rest of Pennsylvania accounted for about 19.4% of the customer visits. This number is difficult to break into “local” versus “visitor” as the nature of the visit from someone in York or Harrisburg can easily be debated. However, a quick look at the base data shows that 8.4% of the customers came from outside of Lancaster, York, and Dauphin counties.
- » Out of state and foreign customers are much more clearly defined as “visiting” customers. They accounted for 16.4% of the overall visits. In total, a reasonable estimate would be that between 20% and 25% of the customers were true “visitors” representing a significant portion of the market.

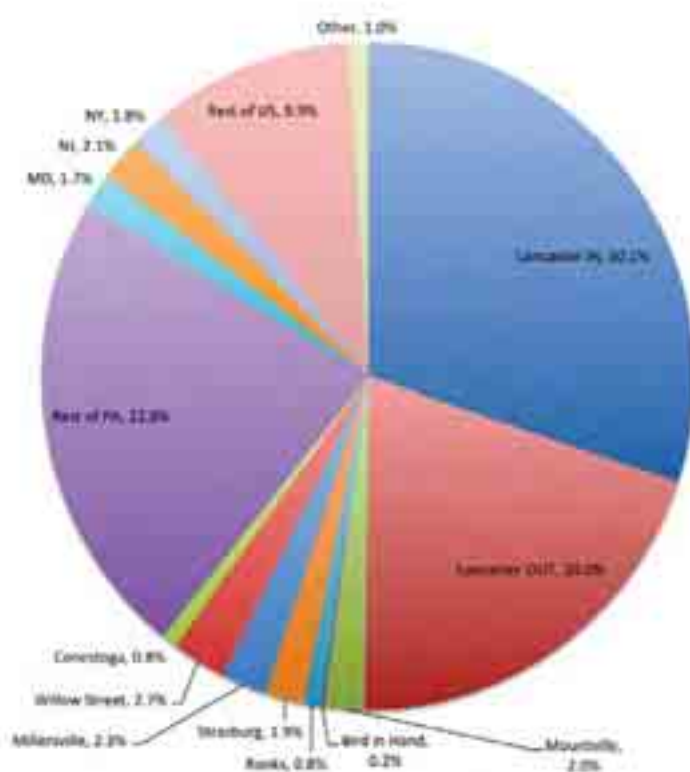


Fig. 4. Customer Visits by Zip Code

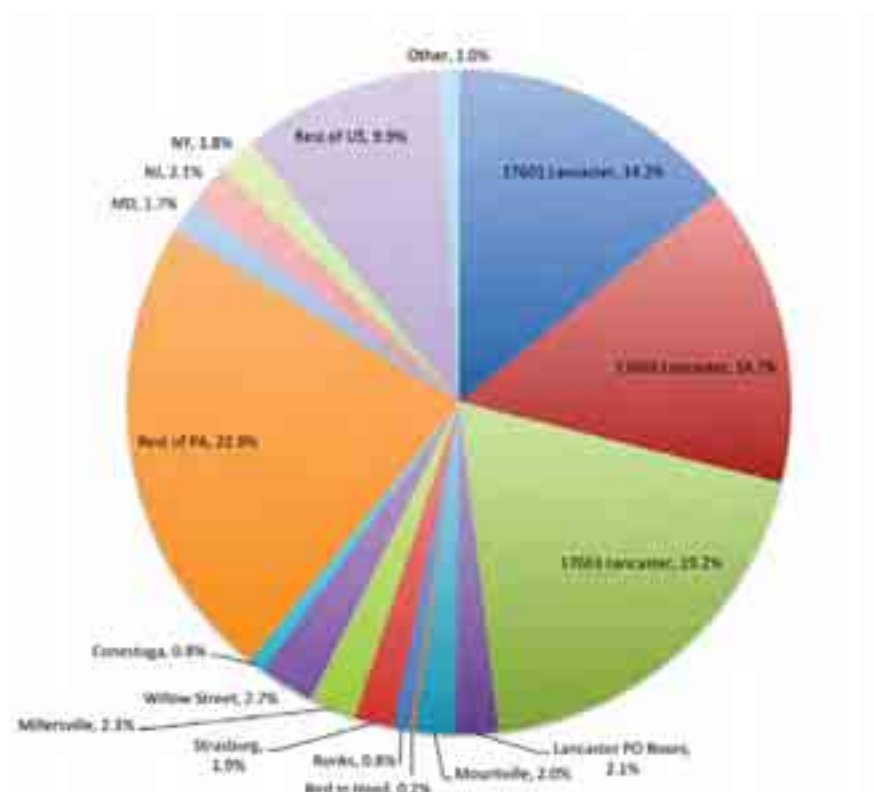


Fig. 5. Customer visits by residency inside or outside the City of Lancaster

Trade Area Definitions

Although the number of visits to businesses had provided an overall view of customer origin, a more accurate way to evaluate loyalty is to frame customer visits in the context of the population of each ZIP Code. This method corrects for ZIP Codes that have exceedingly large or small populations that might otherwise skew the market penetration data. The **primary trade area (PTA)** is the geography where the most loyal and frequent customers to Lancaster reside. The **secondary trade area (STA)** represents an area where Lancaster businesses can still rely on regular customers, but to a lesser degree. Table 2, Customer Loyalty Index (p. 23), shows customer visits per thousand residents, allowing for an equal comparison of market penetration per ZIP Code. It shows customer visits per thousand people for each of the highest representative visits to Lancaster. Essentially, this “customer loyalty index” demonstrates customer visits as it has been adjusted for population.

Determining the primary and secondary trade areas can sometimes be more art than science. At times, significant breaks in customer visits are not obvious. In the case of Lancaster, however, there are clear discontinuities that define its retail trade areas.

The first break in Table 2 separates Lancaster’s primary trade area from its secondary trade area. As indicated by the figures in the Visits/1,000 Pop column, consumers living within Lancaster City limits are decidedly those that shop in Lancaster most frequently. After adjusting for population,

the **Customer Loyalty Index** indicates that the average consumer living within City limits frequents Lancaster stores almost two to three times as frequently as consumers in the secondary trade area.

The second break in the table identifies Lancaster’s secondary trade area, which is composed of five nearby ZIP Codes. These ZIP Codes include 17579 (Strasburg), 17584 (Willow Street), 17554 (Mountville), and 17551 (Millersville), as well as residents of ZIP Codes 17601, 17602, and 17603 who live outside of City limits. As seen in Figure 6, Trade Area Boundaries (p. 24), trade areas are easily understandable, given the spatial relationship they share with retailers in Lancaster. It is expected that consumers will consider convenience when making shopping decisions, so colored concentric rings — orange indicating the PTA and purple indicating the STA — are a natural pattern often seen in trade demarcation.

Note that Lititz, while offering a relatively large number of customers, has a relatively low customer loyalty index as a result of the population in that Zip Code. In effect, Route 30 is acting as a bit of a barrier to northerly ZIP Codes as customers can just as easily get on the highway, which has easy access to suburban retail locales on the outskirts of Lancaster. This is fairly typical, as major roads act much like “rivers,” sweeping customers to convenient locations to shop and dine. Typically, more suburban residents are also more inclined to shop in more suburban locations.

Table 2. Customer Loyalty Index

| ZIP Code | Area | Population | Visits | Visits/1,000 Pop |
|----------------------------|---------------|------------|--------|------------------|
| Lancaster IN | | 60,191 | 782 | 12.99 |
| 17579 | Strasburg | 5,973 | 42 | 7.03 |
| 17584 | Willow Street | 8,978 | 57 | 6.35 |
| 17554 | Mountville | 7,880 | 43 | 5.46 |
| 17551 | Millersville | 11,190 | 54 | 4.83 |
| Lancaster OUT | | 107,093 | 452 | 4.22 |
| 17543 | Lititz | 43,861 | 74 | 1.69 |
| 17022 | Elizabethtown | 30,294 | 20 | 0.66 |
| 17522 | Ephrata | 32,419 | 21 | 0.65 |
| Primary Trade Area (PTA) | | | | |
| Secondary Trade Area (STA) | | | | |

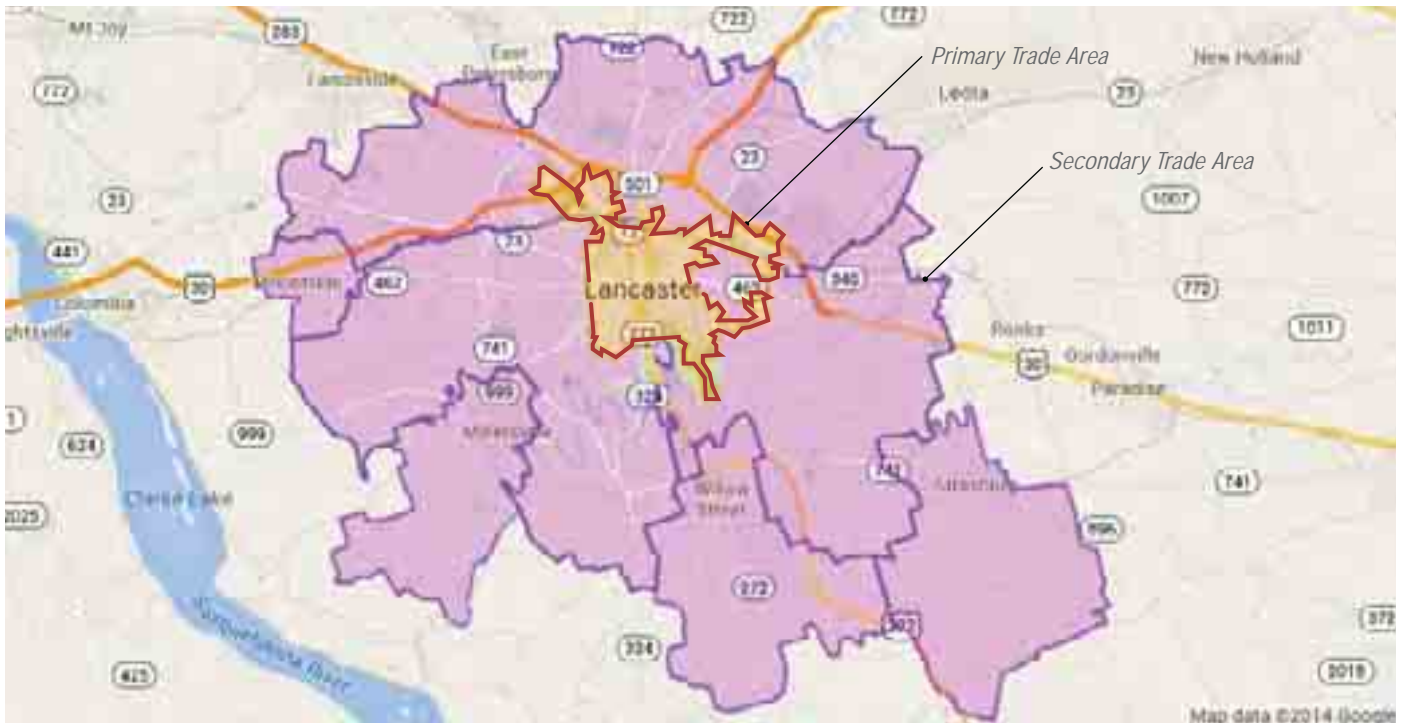


Fig. 6. Trade Area Boundaries

PART II: MARKET DEMOGRAPHICS

A clear picture of relevant demographic data is essential to understanding Lancaster's retail market. Demographic information paints a unique portrait of a community and, in Lancaster, that portrait is often much more vibrant than is immediately apparent to the outsider. Among other things, demographic data can be used to understand the size and characteristics of the current market, as well as to anticipate future consumer patterns and location decisions for retailers. In addition to the information revealed below, profiles of individual study areas can be found in Appendix E: Commercial Hub Profiles.

A community's median age represents propensity for spending based on corresponding amounts of assumed disposable income, it identifies which types of retail might be appropriate for the community based on preferences, and it offers insight as to what lifestyle and consumer psychographics are prevalent throughout the community, which will be discussed more in the coming section. For Lancaster, the median age is just shy of thirty-two years old, which is an advantage in further developing a vibrant retail economy. It should be noted, however, that this number is likely skewed because of the large collegiate population.

In 2010, Lancaster reported a total population of 59,322 residents on the decennial Census (SF1), a growth of 5% since 2000. The gap between total number of female and male residents decreased between 2000 and 2010, and by 2010, there were only 386 more females than males.

The largest growth was experienced in the number of residents, both males and females, between the ages of 55 and 64. The largest population increase was in residents aged 60 to 64 years of age, which saw a 49% increase of 805 residents. The largest growing cohort in terms of overall size had been residents between 55 and 59 years of age, which increased by 900 in that period. In that same period, Lancaster City's lost 1,050 residents above the age of 70. The largest loss was experienced in the population aged 75 to 79, which decreased by 29%.

The number of residents between the ages of 20 and 24 increased 11% between 2000 and 2010. In both 2000 and 2010, this age group composed 10% of Lancaster City's population, making it the largest age group in the City. Certainly, this is a trend being experienced nationwide, and speaks to the importance of attracting and retaining Millennials. Furthermore, it is estimated that this population

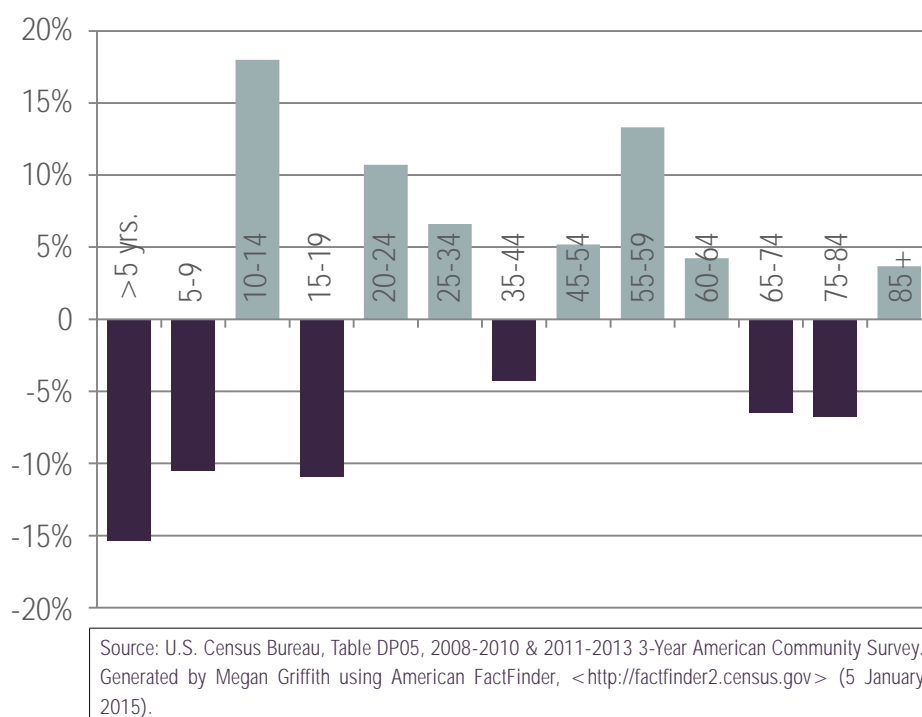


Fig. 7. Estimated Change in Population Cohorts Between 2010 and 2013

cohort has continued to grow since 2000. As illustrated in Figure 7 (p. 25), the estimated total residents between the ages of 20 and 24 increased another 11% between 2010 and 2013, according to American Community Survey data.

The following population and employment statistics and projections compare the City of Lancaster to nearby communities, and to the region as a whole. When reviewing the demographic data, it is prudent to remember that the City itself also represents the primary trade area, which will be highlighted in each figure with an alternative color when appropriate. The **combined trade area** (CTA), or the aggregated area representing both the PTA and STA, will also be noted in the figures, and includes Lancaster City and the ZIP Codes indicated as part of the secondary trade area.

Population Projections

Population projections can be a strong indicator of a community's economy and its potential for growth if they are interpreted correctly and in an appropriate context that considers many other factors. In Lancaster, the population is projected to increase by 1,279, to 61,470 residents, from 2013 to 2018. This increase of just over two percent indicates growth at a quicker pace than the state and most counties in the area as well as many regional cities. In other words, Lancaster is gaining momentum as a place to live.

This should be tempered by the consideration that many of the places included in the comparison have significantly higher populations than Lancaster, so the same influx of 1,279 people to those places would represent a much smaller percentage increase. Additionally, as these other places build out and plateau in population, it is natural that nearby communities, such as the City of Lancaster, will benefit from overflow population, or people seeking access to big City amenities from the comfort of a smaller City. Despite these suppositions as to why the growth rates are

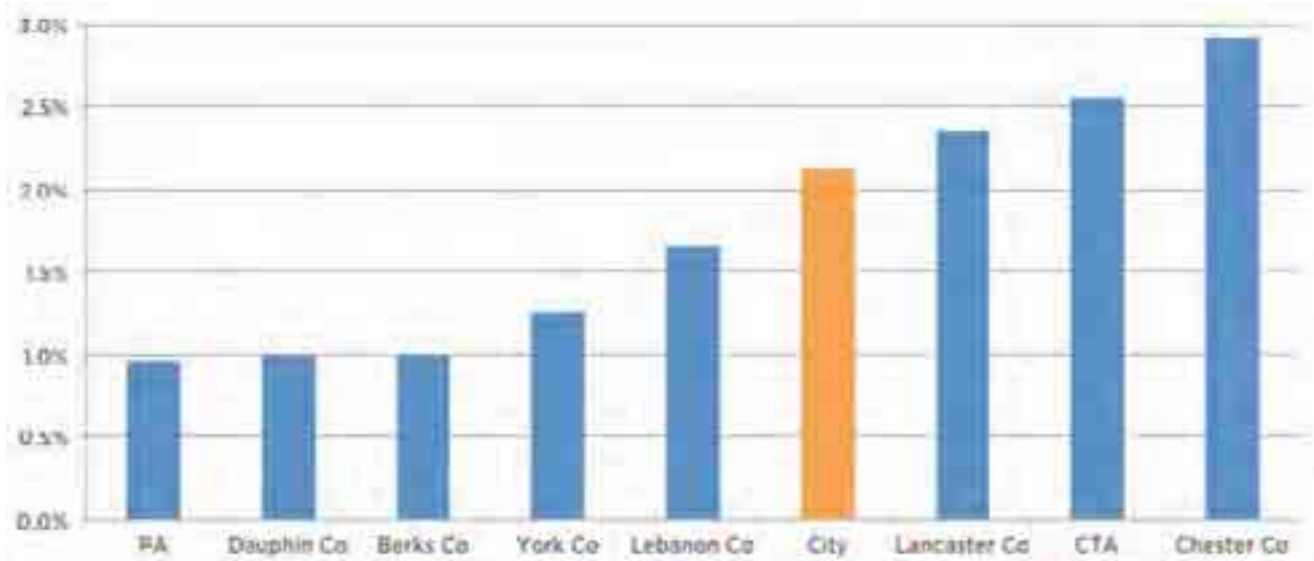


Fig. 9. Expected 2013-2018 Population Growth by County

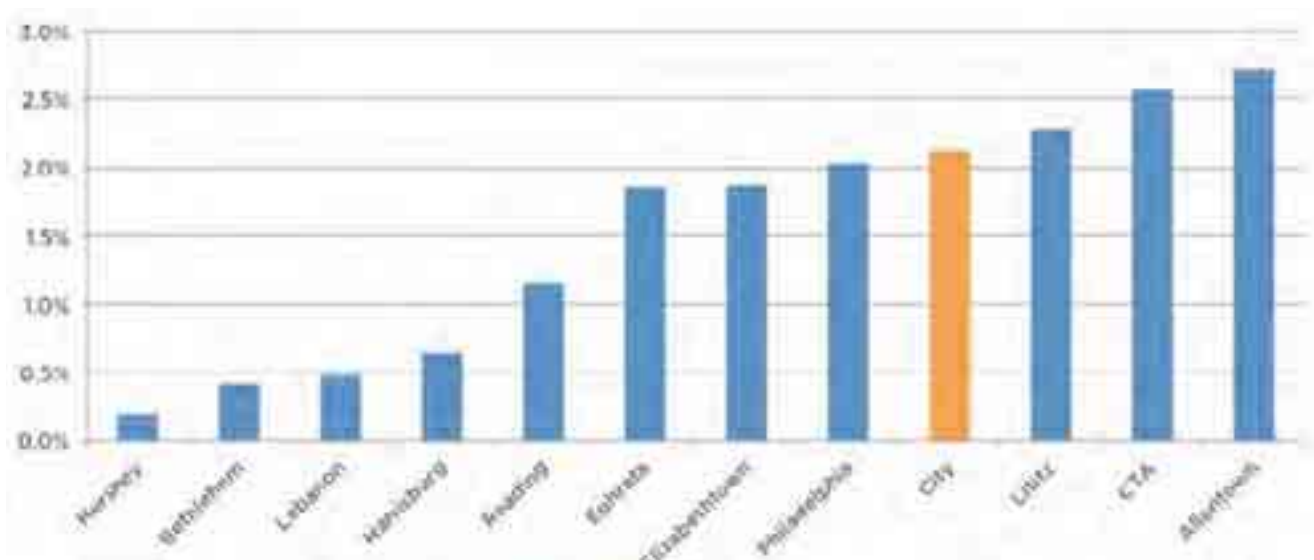


Fig. 10. Expected 2013-2018 Population Growth by City

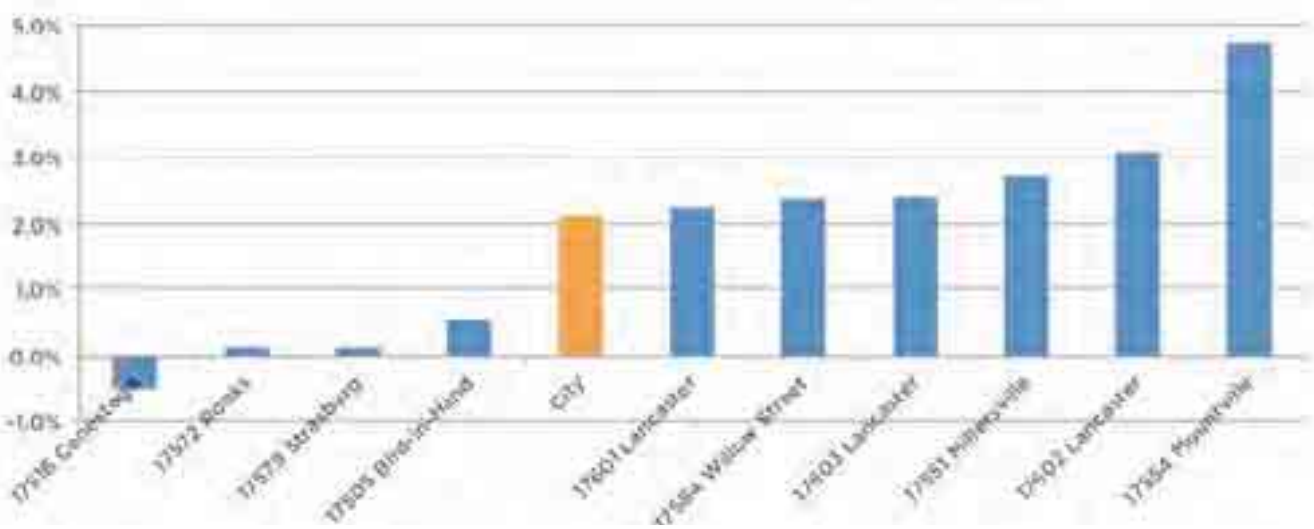


Fig. 11. Expected 2013-2018 Population Growth by ZIP Code

as such, the steady increase for Lancaster bodes well for future investment and is an indicator of a stable economy.

Further inspection of these growth rates shows that population growth in Lancaster County and the CTA actually outpaces the growth rate of the City. Figure 9, Expected 2013-2018 Population Growth by County (p. 26), examines these rates in more detail.

The population growth rates illustrated above are telling for several reasons. First, they validate Figure 10, Expected 2013-2018 Population Growth by City (p. 26), and Figure 11, Expected 2013-2018 Population Growth by ZIP Code (p.26), which, together, indicate that growth is occurring throughout Lancaster County and the surrounding areas. Second, and perhaps more compelling, they show that growth in all three of the Lancaster ZIP Codes — 17601, 17602, and 17603 — is slightly higher than growth in the City. Visually, this is seen in the charts as Lancaster City (marked simply as “City”) moves toward the left, or decreases in the rankings as the figures depict trends at a higher level of detail. This indicates that, while people are moving to the area, they prefer to live outside of the City and particularly to the south and west of the City. Based on these findings, it is logical that many of the suburban-oriented retailers are locating along Millersville Pike, Columbia Avenue, and in this general vicinity. With that in mind, it is important to temper this information with national trends that point to the desire for people to move back into cities (as cited in the *Lancaster County Housing Market Analysis and Needs Study*, commissioned by the Lancaster Housing Opportunity Partnership), and the relative built-out nature of the City of Lancaster that has not traditionally allowed for significant housing development.

Population Characteristics

In addition to understanding population growth patterns, knowing key characteristics that describe the population is essential to interpreting the retail climate. Basic characteristics that provide insight into spending potential and habits include racial composition in the population; age representation; and several employment factors, including poverty rates, median household income, and unemployment rates.

As indicated in Table 3, Race of Lancaster Residents in 2010, Lancaster City has a diverse population. In 2010, a total of 55% of Lancaster’s population identified as being White alone on the decennial Census. Another 19% identified as being some other race alone, and 16% identified as Black or African American. Those who identified as being of two or more races composed 6% of the City’s population. American Indian and Alaska Natives composed only 1% of Lancaster’s population, while fewer than 100 residents identified as Native Hawaiian and Other Pacific Islander alone. Interestingly, when comparing to the racial composition of nearby cities (see Figure 12, p. 28), Philadelphia and Reading are the only cities in the comparison areas that are not comprised of at least fifty percent representation from one racial category.

Another way to observe diversity in Lancaster is to look at representation from people of Hispanic or Latino origins. In 2010, more than a third of Lancaster’s residents (39%) identified with Hispanic or Latino origins of any race — again, making it one of the highest ranked cities in the comparison for diversity. The significance of this statistic is made clear when compared statewide, where Hispanic or Latino residents make up only 6% of the state’s population. Nationwide, Hispanic or Latino persons account for only 17% of the population.

Table 3. Race of Lancaster City Residents in 2010

| Lancaster City, Pennsylvania | | |
|---|--------|------|
| Total: | 59,322 | 100% |
| Population of one race: | 55,892 | 94% |
| White Alone | 32,729 | 55% |
| Black or African American alone | 9,683 | 16% |
| American Indian and Alaska Native alone | 433 | 1% |
| Asian alone | 1,773 | 3% |
| Native Hawaiian and Other Pacific Islander alone | 43 | 0% |
| Some Other Race alone | 11,231 | 19% |
| Two or More Races: | 3,430 | 6% |
| Source: U.S. Census Bureau, 2010 Census, Table P8. Generated by Megan Griffith using American FactFinder, < http://factfinder2.census.gov > (5 January 2015). | | |

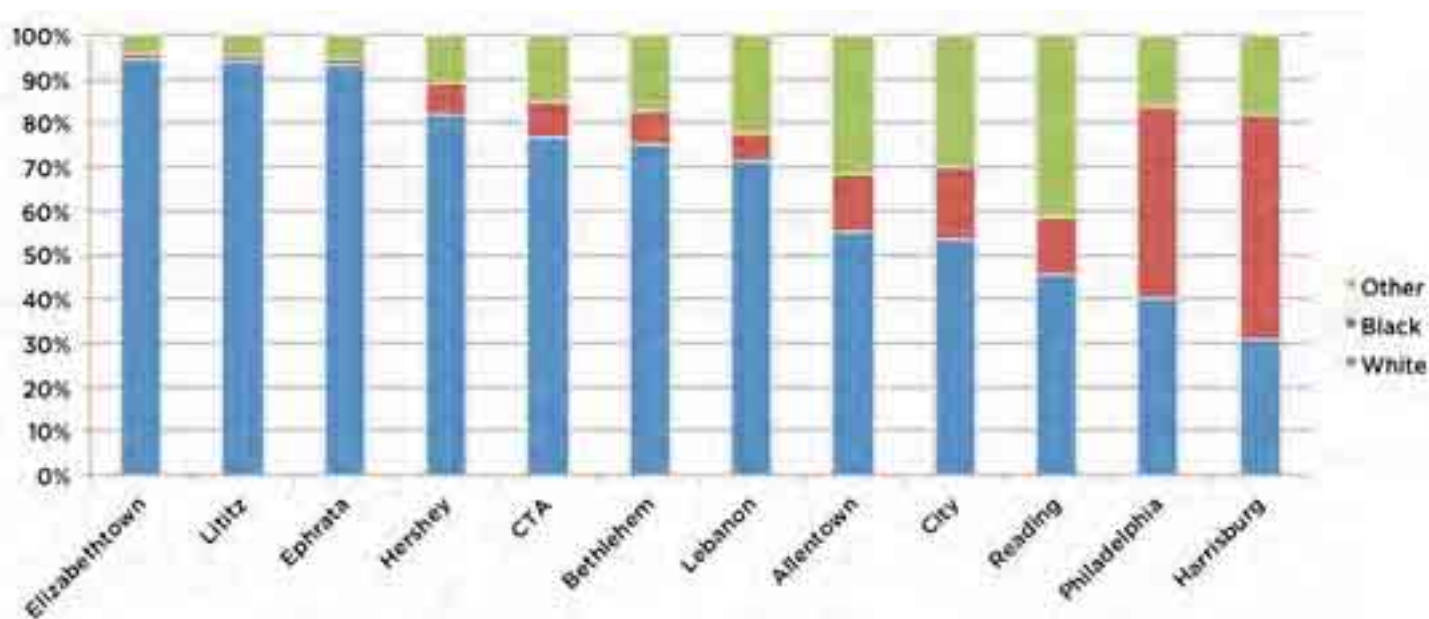
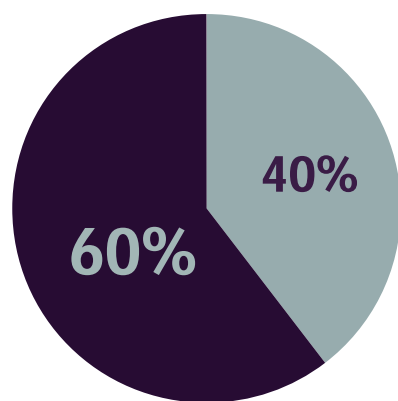


Fig. 12. Basic Racial Representation by City (2013)



- Hispanic or Latino (of any race)
- Not Hispanic or Latino

Source: U.S. Census Bureau, Table DP05, 2008-2010 & 2011-2013 3-Year American Community Survey. Generated by Megan Griffith using American FactFinder, <<http://factfinder2.census.gov>> (5 January 2015).

Fig. 13. Estimated Percentage of Hispanic or Latino Residents in 2013

More recent race and ethnicity data was collected from the American Community Survey's 3 year estimates in 2013. This breakdown, represented in Figure 13, Estimated Percentage of Hispanic or Latino Residents in 2013 (p. 28), suggests that the City's White population has increased, and composed 69% of Lancaster's population in 2013. Similarly, residents identifying as Black or African American increased by 2 percentage points. The increase in White and Black or African American residents came as a result of a loss in residents identifying as Some Other Race, which fell from 19% to just 9% in 2013, and from a loss of residents identifying as Two or More races, which dropped 4 percentage points to just 2%.

The race and ethnic composition in Lancaster indicates that Lancaster is incredibly and uniquely diverse, much more so than the state of Pennsylvania (see Figure 14, p. 29) and the nation as a whole. Recognizing the vibrancy of the City's population, it is crucial to accommodate the diverse needs and values of its residents. A high level of diversity in a City not only affords more retail options for a broader customer base, it can also be celebrated in ways that showcase the uniquely authentic cultural experiences to be had in Lancaster. Additionally, exploring ways to embrace multiple cultures has significant, positive implications for retail districts, lively cultural districts, and local economic growth, especially given the strong representation and leadership present in Lancaster's neighborhoods.

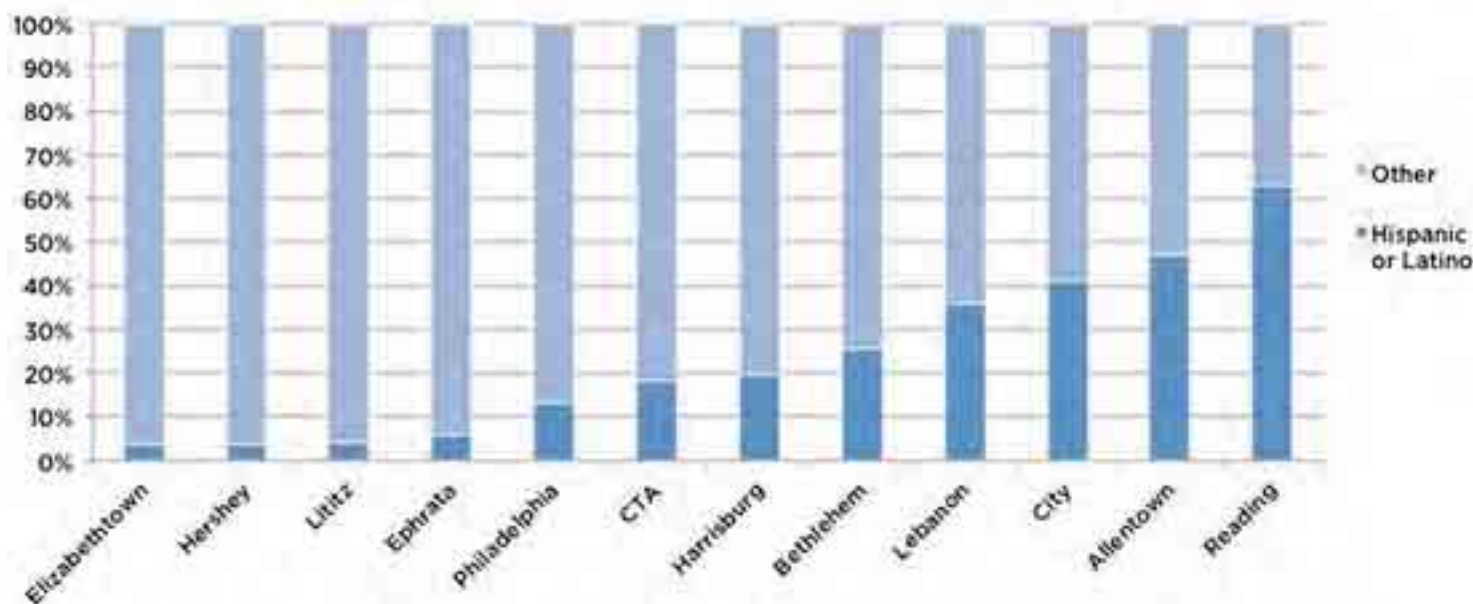


Fig. 14. Basic Ethnic Representation by City (2013)

Workforce and Employment

As a basis for recognizing existing conditions in Lancaster, it is valuable to understand workforce demographics — both of working residents and incoming employees. To accurately paint this picture, this study utilized United States Census Bureau data from the Decennial Census, the American Community Survey, as well as from the Longitudinal Employer-Household Dynamics (LEHD) program.

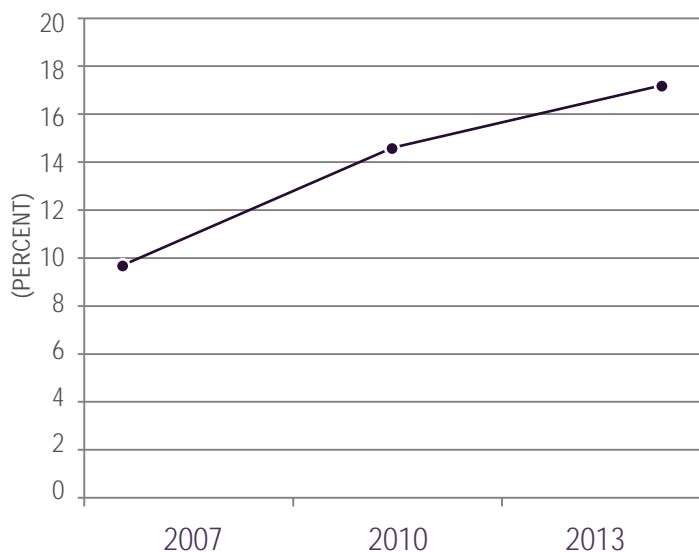
Unemployment

Unemployment in Lancaster has been increasing since 2007 (see Figure 15). In 2013, an estimated 11% of the population was unemployed.

Home Area Profile Report

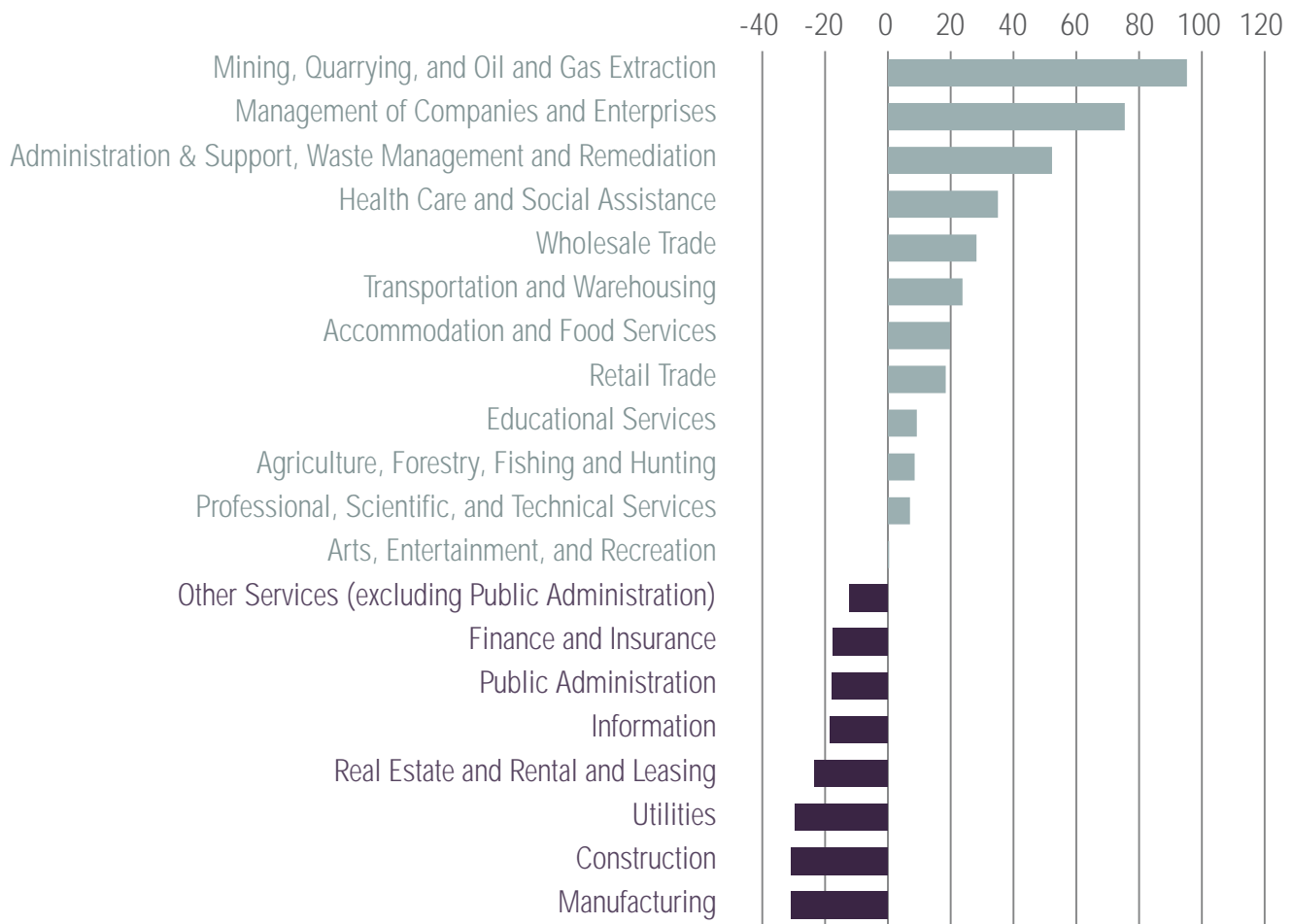
The first workforce analysis conducted was a Home Area Profile, which describes characteristics of Lancaster's employed residents. The following highlights were observed:

- » 15% of Lancaster residents work in Manufacturing, though the total number of residents working in Manufacturing had fallen by 1,855 workers between 2002 and 2011 (see Figure 16, p. 30).
- » Workers age 55 and older increased 39% from 2002 to 2011, while those between the ages of 30 and 54 decreased by 4%.



Source: U.S. Census Bureau, Table S2301, 2005-2007, 2008-2010, & 2011-2013 3-Year American Community Survey. Generated by Megan Griffith using American FactFinder, <<http://factfinder2.census.gov>> (5 January 2015).

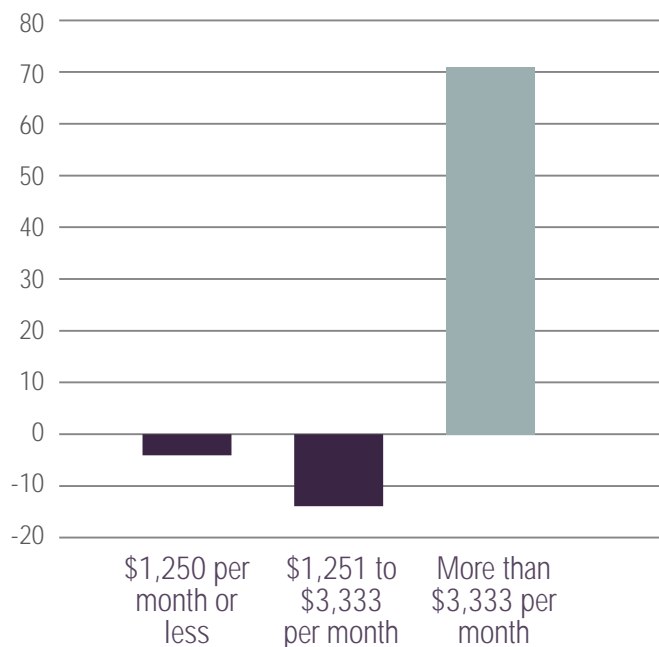
Fig. 15. Estimated Unemployment Rate



Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2011). Generated by Megan Griffith using LEHD On the Map, < <http://onthemap.ces.census.gov/> > (19 June 2014).

Fig. 16. Percent Changes in Employment Industries between 2002 and 2011

- » 17% of Lancaster City's employed residents work in the Health Care and Social Assistance industry.
- » The number of employed residents earning more than \$3,333 per month had increased 70% from 2002 to 2011 (see Figure 17, p. 31).
- » 12% work of residents in Retail Trade Industries.
- » Of Lancaster's employed residents for whom educational attainment data were available, 22% had received a high school or equivalent, but no college. 11% had educational attainment levels less than high school in 2011.
- » Lancaster's employed residents were primarily (80%) White Alone in 2011, with 15% identifying as Black or African American Alone. (Cross referencing this data with American Community Survey 3-year data from 2011 (Table DP05) — which had estimated that Lancaster City's population identifying as White Alone were only 67% — reveals a disproportionate share of employed and unemployed residents by race.)
- » Only a quarter (24%) of Lancaster's employed residents identified as Hispanic or Latino in 2011. (Cross referencing this data with American Community Survey 3-year data from 2011 (Table DP05) — which had estimated that 38% of Lancaster City's population identified as Hispanic or Latino — reveals a disproportionate share of employed and unemployed residents by ethnicity.)
- » The number of employed females fell by less than 1%: from 13,179 in 2009 to 13,081 in 2011. In that same period, employed males increased 3%.



Source: U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics (Beginning of Quarter Employment, 2nd Quarter of 2002-2011). Generated by Megan Griffith using LEHD On the Map, < <http://onthemap.ces.census.gov/> > (19 June 2014).

Fig. 17. Percent Change in Resident Income between 2002 and 2011

Work Area Profile Report

A complementary analysis was also conducted which characterized the population of workers who hold jobs within the City of Lancaster, this is called a Work Area Profile. The following highlights were observed:

- » The population of workers age 54 or younger fell nearly 10% between 2002 and 2011; while workers age 55 and above increased 44% in that same period.
- » The number of employed residents earning more than \$3,333/month had grown 31% from 2002 to 2011.
- » 29% of Lancaster employees were working in the Health Care and Social Assistance industries in 2011; an increase of 38% since 2002.
- » 12% of employees worked in Manufacturing, a decrease of 56% since 2002.
- » 10% worked in Retail, a decrease of only 6% since 2002.
- » Jobs held in the Educational Services industry increased 238% between 2002 and 2011; jobs in the

Management of Companies and Enterprises industries increased 259% in that period.

- » Of workers employed in Lancaster City for whom educational attainment data were available, 26% had some college or an Associate's degree in 2011. 24% had a Bachelor's degree or advanced degree; and 23% had high school or equivalent, no college.
- » Only 6% had educational levels less than high school in 2011.
- » Workers employed in Lancaster City are primarily (91%) White Alone, with only 6% of 2011 workers identifying as Black or African American Alone.
- » Workers employed in Lancaster City were primarily (92%) Not Hispanic or Latino in 2011
- » In 2011, 58% of workers employed in Lancaster City were female.

Home Destination Report

A Home Destination Report identifies the areas where employees in Lancaster are living. Overall, jobs offered in Lancaster City increased over 26% between 2003 and 2011. Additionally, from this analysis, the following highlights were observed:

- » 14% of those employed in Lancaster City also live in Lancaster City.
- » 3.9% of employees live in either Columbia Borough, Millersville Borough, or Willow Street CDP (each pulling 515 employees).
- » 1% of employees come from Philadelphia.
- » "All Other Locations" accounts for 76% of employees.

Distance Direction Report

A Distance/Direction analysis was conducted to observe where Lancaster residents travel for their employment — accounting for both distance travelled and direction headed. In 2011, most residents traveled less than 10 miles to work. However, the total number of residents traveling less than 10 miles actually decreased by 16% between 2002 and 2011. In that same period, the number of residents traveling greater than 50 miles for work increased by 3,780 persons. The number of residents headed south of the City fell by nearly 30%, while residents headed east increased by 12%.

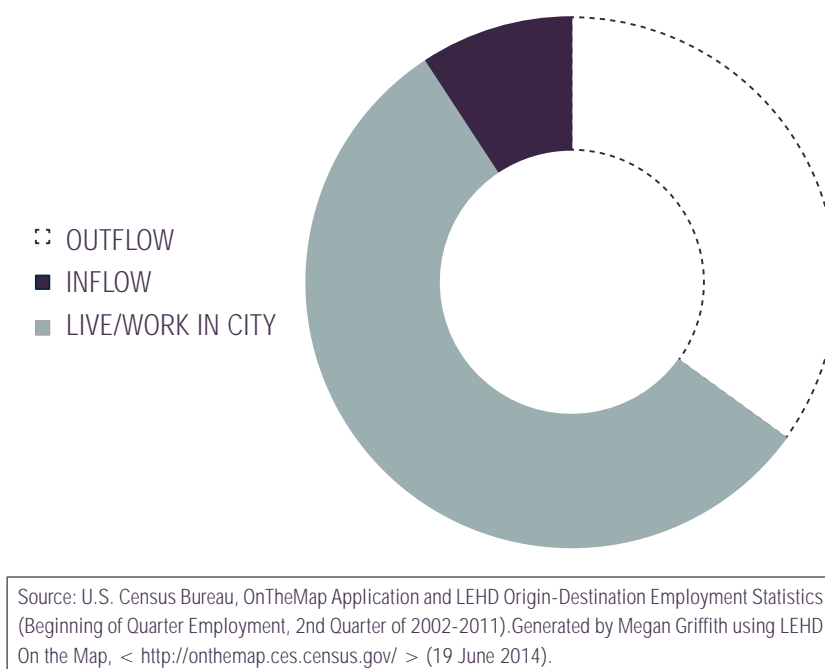


Fig. 18. Lancaster City Workforce Inflow/Outflow in 2011

Inflow/Outflow Report

The Inflow/Outflow report (Figure 18, p. 32) is one of the most telling analyses, as it reveals the overall net exchange of residents and employees. In Lancaster, there was a net outflow of jobs in the City in 2011 (the most recent year for which data is available), meaning more residents left the City rather than came into the City for work. Between 2002 and 2011, the number of residents living and working in Lancaster fell 19%. In 2011, a total of 33,300 Lancaster City jobs were filled by outside workers; 22% of these jobs are filled by workers aged 55+, and there was a 30% increase in jobs generating earnings more than \$3,333 a month. In that same year, only 5,505 Lancaster City residents were filling Lancaster City jobs, accounting for 14% of the jobs held in Lancaster City.

Income

As expected, financial factors play a large part in a local economy's ability to attract development and host an environment in which businesses can thrive. Unfortunately, Lancaster has a relatively high poverty rate of twenty-eight percent, in addition to an unemployment rate that is still high for the region at just under ten percent. While these

numbers are not entirely reflective of the vibrant economy that Lancaster boasts in addition to unique, local retail options, these numbers are indicative of a looming threat to Lancaster's economic climate and pose a formidable obstacle to sustainable economic growth.

The issue of poverty in the City of Lancaster is a complex challenge that will require a coordinated, multi-pronged effort to make a significant reduction in the percentage of City residents now below the poverty level. While the *Building on Strength Economic Development Strategic Plan* can and will play a part in this effort through the development of business and job opportunities, addressing poverty is a goal that must be met on many fronts beyond simply economic development. Fortunately, Lancaster is beginning to address poverty issues through the United Way of Lancaster County with four bold goals for the community. These four goals address education, financial stability and health — all areas that impact the core causes of poverty. The United Way is bringing the community together — investors and volunteers, non-profits, companies, faith-based groups, and government to make change happen that no single organization or individual

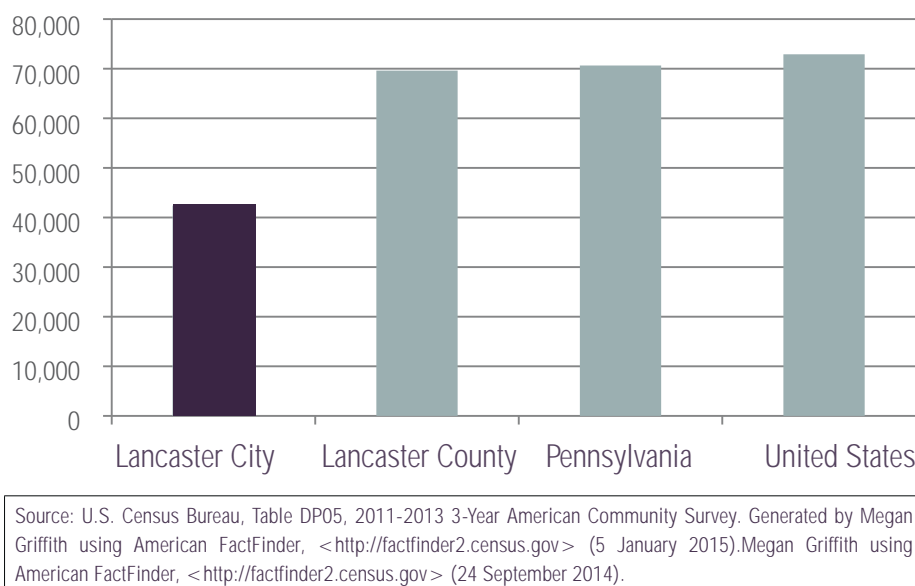


Fig. 19. Estimated 2013 Mean Household Income (in Dollars)

could accomplish alone — to identify community problems and create solutions. This study, the effort of the United Way, and many other partners will be essential to address this concern. The City of Lancaster and the Lancaster City Alliance’s implementation of the Economic Development Strategic Plan will continue to be informed by the work of these collaborative partners over time as the community works to address the issue of poverty.

Much like the potential distortion of the median age attributed to Lancaster’s large collegiate population, as referenced above, the median income of \$40,356 estimated for Lancaster (see Figure 19, p. 33) is likely to skew a bit lower because of the presence of college students. While it is a statistic that hinders the attractiveness of the City as a retail destination, it is not as concerning as the poverty and unemployment rates previously discussed. As an aside, college students would not affect the unemployment rate in the same manner as they are considered to not be in the labor force.

All of these indicators suggest that Lancaster has the potential to have a booming retail economy, but there are some significant challenges that need to be addressed as well. In addition to employment and poverty concerns,

Lancaster should be aware of its housing stock and ensure that it is sufficient to support residents with a wide range of incomes, backgrounds, and households. Additionally, corporate office space in the City draws in huge potential for complementary daytime uses, such as retail and retail-based services. All of these considerations are addressed in a larger context, but the retail market is not exempt from these significant influences.

Market Segmentation

Now that the primary trade area (PTA), which shares boundaries with the City, has been defined and demographic trends have been analyzed, it is time to consider the PTA’s population as a body of consumers with very specific preferences and habits. This is done by way of Nielsen PRIZM market segmentation data, which summarizes demographic data into easy-to-understand categories that describe consumers and their spending habits. PRIZM defines every U.S. household in terms of sixty-six demographic and behavioral types to determine lifestyles, purchasing behaviors, and preferences of the customer base. These data are arranged into “Social,” “Lifestage,” and “Household” groups. Social and Lifestage Groups are addressed below.

These groups represent the level of urbanization in Lancaster with specific regard to density. There are four categories in the PRIZM scale of density - Urban, Suburban, Second Cities, and Town & Rural. Lancaster falls in the middle with eighty-six percent in the Second Cities category, which is slightly less dense than the Suburban category comprising fourteen percent of the City. These groups are the base from which the Social Groups presented in Figure 20, Social Groups in Lancaster, are founded.

Social Group Segmentation

Nielsen PRIZM provides insight into some of the shared social characteristics in a community with its Social Group segmentation, which are derived from overarching urbanization categories, as seen in Figure 21, Social Group Segmentation. The urbanization categories are generally self-explanatory and useful to understand the context of the Social Groups, which require a bit more explanation. Major characteristics of the PRIZM Social Groups identified in Lancaster's primary trade area (The City) are described with explanations from Nielsen.

Figure 21 shows the break out of these Social Groups from the urbanization levels, and the seven subsets are displayed in corresponding color schemes, with the darker colors representing the most affluent groups and the lighter colors representing the least affluent groups. All of the inferences regarding income and categorizations come from Nielsen data. As the chart illustrates, Lancaster clearly leans on a population represented by the groups *Micro City Blues* and, to a lesser degree, *City Centers*.

Suburban Social Groups

Elite Suburbs (1%) | The most affluent suburban social group, Elite Suburbs is a world of six-figure incomes, post-graduate degrees, single-family homes, and managerial and professional occupations. The segments here are predominantly white, with significant concentrations of well-to-do Asian-Americans. Befitting their lofty salaries, members of this category are big consumers of large homes, expensive clothes, luxury cars, and foreign travel. Despite representing a small portion of the U.S. population, they hold a large share of the nation's personal net worth.

The Affluentials (2%) | The six segments in The Affluentials are one socioeconomic rung down from the Elite Suburbs, with a significant drop in median income. However, their

residents still enjoy comfortable, suburban lifestyles. The median income and median home value in this segment are well above the U.S. median values, and the members of this social group are mostly singles who tend to have college degrees and white-collar jobs. Asian-Americans make up an important minority in these predominantly white segments. As consumers, The Affluentials are big fans of health foods, computer equipment, consumer electronics, and the full range of big-box retailers.

Middleburbs (3%) | The five segments that comprise Middleburbs share a middle-class, suburban perspective, but the similarities end there. The group includes a mix of homeowners and renters, as well as high school graduates and college alums. With good jobs and money in their jeans, the members of Middleburbs tend to have plenty of discretionary income to visit nightclubs and casual-dining restaurants, shop at mid-scale department stores, buy and enjoy dance and easy listening songs, and travel across the U.S. and Canada.

Inner Suburbs (8%) | The four segments in the Inner Suburbs social group are concentrated in the inner-ring suburbs of major metros — areas where residents tend to be high school educated, unmarried, and downscale. There's diversity in this group, with segments that are racially mixed, divided evenly between homeowners and

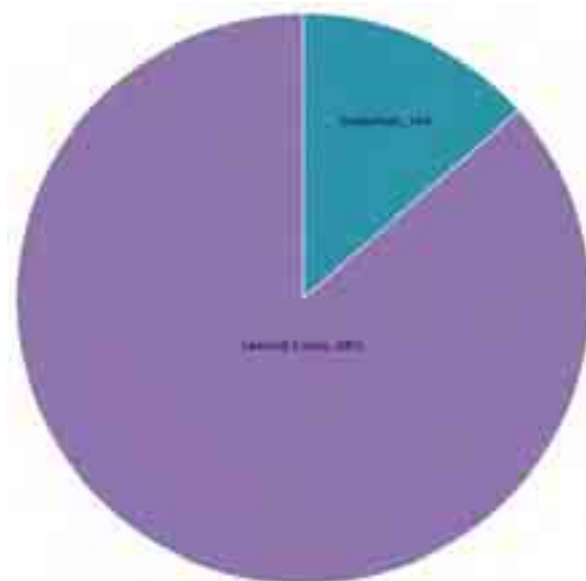


Fig. 20. Social Groups in Lancaster

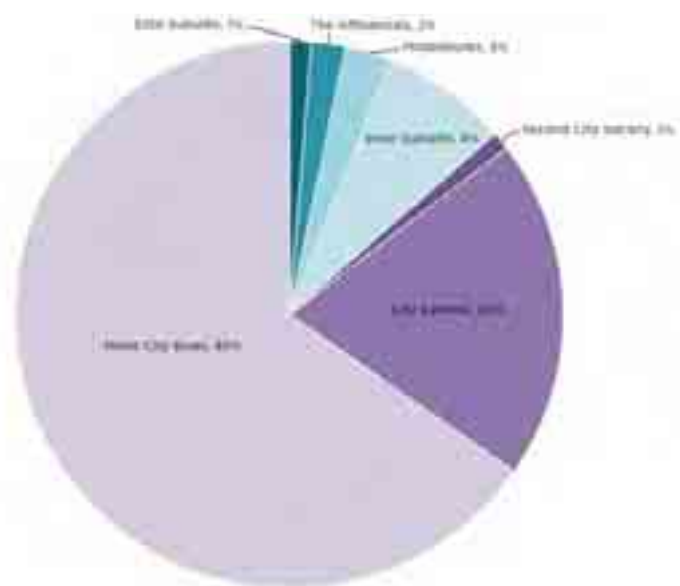


Fig. 21. Social Group Segmentation

renters, and filled with households that are either young or aging in place. However, consumer behavior of these segments is dominated by older Americans who enjoy social activities at veterans clubs and fraternal orders, TV news and talk shows, and shopping at discount department stores.

Second City Social Groups

Second City Society (1%) | Among second-tier cities, Second City Society stands at the top of the heap — a social group consisting of the wealthiest families who live outside the nation’s metropolitan core. Married couples with college degrees, large homes, and executive jobs dominate the three segments in this group. Ethnically, the residents are predominantly white with above-average rates of Asian-American populations. In the marketplace, they spend big on digital and wireless technology, business and cultural media, casual-dining restaurants, upscale retailers, foreign travel, and luxury cars.

City Centers (20%) | The five segments in the City Centers social group consist of a mix of Americans — old and young, homeowners and renters, families and singles — who have settled in the nation’s satellite cities. What they have in common is their middle-class status, educations that include at least some college, and lifestyles heavy on leisure and recreation. The members of City Centers tend

to be big fans of home-centered activities: internet surfing, video renting, TV viewing, and playing games and musical instruments. Outside of their homes, they go to movies, museums, and bowling alleys at high rates.

Micro City Blues (65%) | Micro-City Blues was created via the predominantly downscale residents living in the affordable housing found throughout the nation’s smaller cities. A diverse social group, these five segments contain a mix of old and young, singles and widowers, Whites, African-Americans, and Hispanics. Many of the workers hold blue-collar jobs — hence the name of this group — and their marketplace behaviors reflect the segments’ varied lifestyles. This is a social group of strong dualities, with consumers indexing high for video games and bingo, aerobic exercise and fishing, and BET and CMT on television.

Lifestage Group Segmentation

Similarly to its Social Group segmentations, PRIZM offers *Lifestage Groups* that describe consumer preferences based on what stage of life they are in, and on household characteristics such as age, number of members in the household, and demographic makeup. Generally, these determinations correlate well with age, as is alluded to in the broad Lifestage classifications presented in Figure 22, Lifestage Group, and Figure 23, Lifestage Group Segmentation. As with the Social Groups, each overarching category is depicted in a color that corresponds with its respective Lifestage Groups. These groups also acknowledge affluence, which is again, depicted with darker shades corresponding to higher levels of affluence. The descriptions along with the percentage of Households in Lancaster City with these characteristics are profiled below.

Mature Years Lifestage Groups

Affluent Empty Nests (1%) | While those on the “MTV side” of fifty may debate their inclusion in this group, Americans in the Mature Years tend to be over 45 years old and living in houses that have empty-nested. The four wealthiest segments in this group are classified as Affluent Empty Nests, and they feature upscale couples that are college educated, hold executive and professional positions and are over the age of 45. While their neighborhoods are found across a variety of landscapes — from urban to small-town areas — they all share a propensity for

living in large, older homes. With their children out of the house, these consumers have plenty of disposable cash to finance active lifestyles rich in travel, cultural events, exercise equipment, and business media. These folks are also community activists who write to politicians, volunteer for environmental groups, and vote regularly in elections.

Conservative Classics (3%) | College educated, over 55 years of age, and upper-middle-class, the six segments in Conservative Classics offer a portrait of quiet comfort. These childless singles and couples live in older suburban homes with two cars in the driveway and a wooden deck out back. For leisure at home, they enjoy gardening, reading books, watching public television, and entertaining neighbors over barbecues. When they go out, it's often to a local museum, the theater, or a casual-dining restaurant like the Olive Garden or Lone Star Steakhouse.

Cautious Couples (12%) | Another large group of Mature Years segments is Cautious Couples, featuring an over-55-year-old mix of singles, couples, and widows. Widely scattered throughout the nation, the residents in these seven segments typically are working-class and white, with some college education and a high rate of homeownership. Given their blue-collar roots, Cautious Couples today pursue sedated lifestyles. They have high rates for reading, travel, eating out at family restaurants, and pursuing home-based hobbies, like coin collecting and gardening.

Family Life Lifestage Groups

Young Accumulators (1%) | Compared to the Accumulated Wealth group, the five segments in Young Accumulators are slightly younger and less affluent than their upscale peers. Ethnically diverse, these households include an above-average number of Hispanic- and Asian-Americans. Adults typically have college educations and work a mix of white-collar managerial and professional jobs. Found mostly in suburban and exurban areas, the large families in Young Accumulators have fashioned comfortable, upscale lifestyles in their mid-sized homes. They favor outdoor sports, kid-friendly technology, and adult toys like campers, powerboats, and motorcycles. Their media tastes lean towards cable networks targeted to children and teenagers.

Mainstream Families (4%) | Mainstream Families refers to a collection of eight segments of middle-class and working-class, child-filled households. While the age range of adults is broad (from 25 to 54 years), these are households with at least one child under 18 still at living home. And residents in this exurban group share similar consumption patterns, living in modestly priced homes and ranking high for owning three or more cars. As consumers, Mainstream Families maintain lifestyles befitting large families in the nation's small towns: lots of sports, electronic toys, groceries in bulk, and televised media.

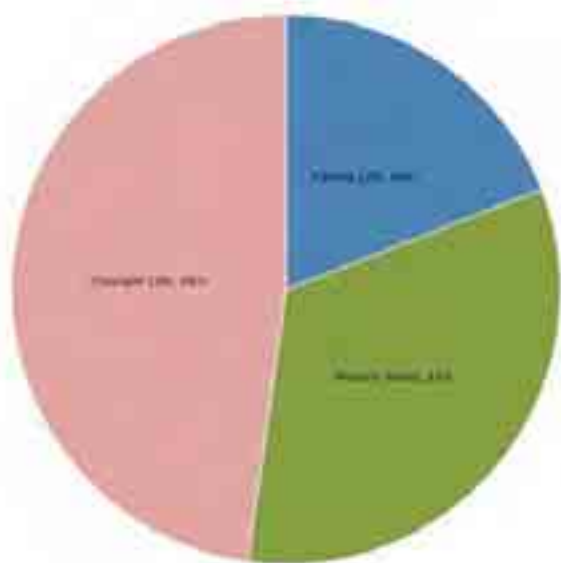


Fig. 22. Lifestage Group

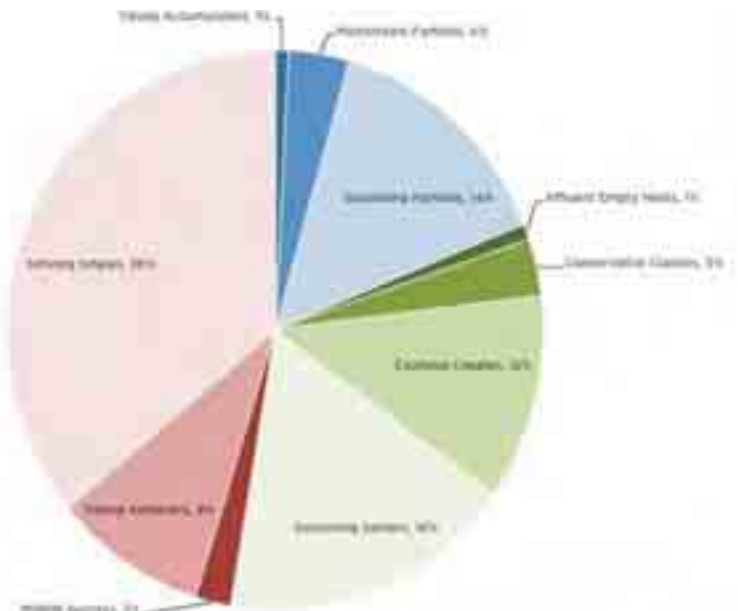


Fig. 23. Lifestage Group Segmentation

Sustaining Families (14%) | Sustaining Families is the least affluent of the Family Life groups, an assortment of segments that range from working-class to decidedly downscale. Ethnically mixed, with a high percentage of African American, Asian, and Hispanic families, these segments also display geographic diversity — from inner cities to some of the most isolated communities in the nation. Most adults hold blue-collar and service jobs, earning wages that relegate their families to small, older apartments and mobile homes. And the lifestyles are similarly modest: households here are into playing games and sports, shopping at discount chains and convenience stores, and tuning into nearly everything that airs on TV and radio.

Younger Years Lifestage Groups

Midlife Success (2%) | The eight segments in Midlife Success typically are filled with childless singles and couples in their thirties and forties. The wealthiest of the Younger Years class, this group is home to many white, college-educated residents who make six-figure incomes at executive and professional jobs, but also extends to more middle class segments. Most of these segments are found in suburban and exurban communities, and consumers here are big fans of the latest technology, financial products, aerobic exercise, and travel.

Young Achievers (9%) | Young, hip singles are the prime residents of Young Achievers, a lifestage group of twenty-somethings who have recently settled in metro neighborhoods. Their incomes range from working-class to well-to-do, but most residents are still renting apartments in cities or close-in suburbs. These seven segments contain a high percentage of Asian singles, and there's a decidedly progressive sensibility in their tastes, as reflected in the group's liberal politics, alternative music, and lively nightlife. Young Achiever segments are twice as likely as the general population to include college students living in group quarters.

Striving Singles (36%) | The seven segments in Striving Singles make up the most downscale of the Younger Years class. Centered in exurban towns and satellite cities, these twenty-something singles typically have low incomes (often under \$30,000 a year) from service jobs or part-time

work they take on while attending college. Housing for this group consists of a mix of cheap apartment complexes, dormitories, and mobile homes. As consumers, the residents in these segments score high for outdoor sports, movies and music, fast food, and inexpensive cars.

Conclusions

Lancaster clearly skews toward a population in the Younger Years (48%) class, but there is strong representation from both the Mature Years (33%) and Family Life (19%) classes as well. Within those classes, it is evident that the less affluent Lifestage Groups are the predominant population sectors. Striving Singles (36%), Sustaining Families (14%), and Sustaining Seniors (18%), combine to represent a substantial portion of Lancaster at sixty-eight percent.

Lifestage Groups can be split into Household Groups, which provide even more information about consumer preferences, and Lancaster has representation from thirty-three of the sixty-six aforementioned groups. The Household groups with the largest representation in Lancaster include *Mobility Blues* at twenty percent, *Family Thrifts* at fourteen percent, *City Startups* at thirteen percent, and *Sunset City Blues* and *Hometown Retired*, both at nine percent. Nearly nineteen percent is comprised of twenty-six different Household groups, further indicating the level of diversity in the community. Although the information provided in these data is highly qualitative, it does verify findings from the demographic analysis indicating that there is a disproportionate amount of lower incomes in the City. Table 4, Psychographic Analysis of Lancaster, offers an in-depth look at the breakdown of the psychographic data presented. It should be noted that all of the information to the right of the number of households (marked "HHs") and percentages of households (marked "Pct.") — both specific to Lancaster — are inferences based on research by Nielsen. They may not accurately portray every community but, rather, they paint a picture about age and lifestyles, including whether or not the household is comprised of singles, couples, or families; type of work, such as white collar (WC), blue collar (BC), executive (Exec), or professional (Prof); and even expected income categories.

Table 4. Psychographic Analysis of Lancaster

| Social Group | Lifestage | Household (HH) Name | HHs | Pct. | Predominant Characteristics | | | | | |
|---------------------|-----------------------|-----------------------|------|--------|-----------------------------|-----------|-----------------|--------------------|-----------------------|-------------------------------|
| | | | | | Income | Age | HH Composition | Education | Employment | Race |
| Elite Suburbs | Affluent Empty Nests | Upper Crust | 96 | 0.43% | Wealthy | Age 45+ | Married Couples | College Grad. + | Exec, Prof, WC | White, Asian |
| Elite Suburbs | Accumulated Wealth | Blue Blood Estates | 39 | 0.17% | Wealthy | Age 35-64 | Families w/Kids | College Grad. + | Exec, Prof, WC | White, Asian |
| Elite Suburbs | Midlife Success | Movers and Shakers | 112 | 0.50% | Wealthy | Age 35-64 | Married Couples | College Grad. + | Exec, Prof, WC | White, Asian |
| Elite Suburbs | Accumulated Wealth | Winner's Circle | 40 | 0.18% | Wealthy | Age 25-54 | Families w/Kids | College Grad. + | Exec, Prof, WC | White, Asian |
| The Affluentials | Midlife Success | Executive Suites | 37 | 0.17% | UpperMid | Age < 55 | Singles/Couples | College | Prof | White, Asian, Hispanic |
| Second City Society | Affluent Empty Nests | Second City Elite | 104 | 0.47% | Upscale | Age 45-64 | Singles/Couples | College Grad. + | WC, Mix | White |
| Second City Society | Midlife Success | Brite Lites, Lit City | 103 | 0.46% | Upscale | Age < 55 | Singles/Couples | College | Prof | White, Asian |
| Second City Society | Young Accumulators | Upward Bound | 34 | 0.15% | Upscale | Age < 55 | Families w/Kids | College | WC, Mix | White, Asian, Hispanic |
| The Affluentials | Conservative Classics | New Empty Nests | 83 | 0.37% | UpperMid | Age 65+ | Married Couples | College | Prof, WC | White |
| The Affluentials | Conservative Classics | Pools and Patios | 79 | 0.35% | UpperMid | Age 45+ | Married Couples | College | Prof, WC | White |
| The Affluentials | Young Accumulators | Beltway Boomers | 64 | 0.29% | UpperMid | Age 35-64 | Families w/Kids | College | Prof, WC | White, Asian |
| The Affluentials | Young Accumulators | Kids and Cul-de-Sacs | 81 | 0.36% | UpperMid | Age 25-54 | Families w/Kids | College | Prof, WC | White, Asian, Hispanic |
| The Affluentials | Midlife Success | Home Sweet Home | 106 | 0.48% | UpperMid | Age 25-44 | Married Couples | College | Prof, WC | White, Black, Asian |
| Middleburbs | Conservative Classics | Gray Power | 128 | 0.57% | Midscale | Age 65+ | Singles/Couples | College | Prof, WC | White |
| Middleburbs | Young Achievers | Young Influentials | 121 | 0.54% | Midscale | Age < 35 | Mostly Singles | College | Prof, WC | White, Black, Asian |
| City Centers | Young Achievers | Up-and-Comers | 382 | 1.71% | Midscale | Age 25-44 | Singles/Couples | College | Prof | White, Asian, Hispanic |
| City Centers | Conservative Classics | Middleburg Managers | 441 | 1.98% | Midscale | Age 55+ | Singles/Couples | Some College | WC, Mix | White |
| Middleburbs | Midlife Success | Suburban Sprawl | 122 | 0.55% | Midscale | Age 25-44 | Singles/Couples | College | WC | White |
| City Centers | Mainstream Families | White Picket Fences | 120 | 0.54% | Midscale | Age 25-44 | Families w/Kids | Some College | BC, Service, Mix | White, Black, Asian, Hispanic |
| City Centers | Young Achievers | Boomtown Singles | 1547 | 6.94% | LowerMid | Age < 35 | Singles/Couples | Some College | WC, Service, Mix | White, Black, Asian |
| Middleburbs | Mainstream Families | Blue-Chip Blues | 86 | 0.39% | Midscale | Age < 45 | Families w/Kids | Some College | WC, Service, BC | White, Black, Hispanic |
| Middleburbs | Cautious Couples | Domestic Duos | 152 | 0.68% | Midscale | Age 65+ | Mostly w/o Kids | H.S. Graduate | Mostly Retired | White, Black |
| City Centers | Cautious Couples | Sunset City Blues | 1989 | 8.92% | LowerMid | Age 55+ | Mostly w/o Kids | H.S. Graduate | Mostly Retired | White, Black |
| Inner Suburbs | Striving Singles | New Beginnings | 567 | 2.54% | Downscale | Age < 35 | Family Mix | Some College | WC, Mix | White, Black, Asian, Hispanic |
| Inner Suburbs | Cautious Couples | Old Glories | 486 | 2.18% | Downscale | Age < 35 | Singles/Couples | H.S. Graduate | WC, Service, BC | White |
| Micro City Blues | Striving Singles | City Startups | 2992 | 13.42% | Low | Age < 35 | Singles/Couples | Some College | WC, Mix | White, Black, Asian, Hispanic |
| Inner Suburbs | Cautious Couples | American Classics | 10 | 0.04% | LowerMid | Age 25-44 | Married Couples | H.S. Graduate | WC, BC, Farm | White |
| Inner Suburbs | Mainstream Families | Suburban Pioneers | 607 | 2.72% | LowerMid | Age < 45 | Mix, w/Kids | Elem. School, H.S. | WC, Service, BC | White, Black, Hispanic |
| Micro City Blues | Striving Singles | Mobility Blues | 4429 | 19.86% | Low | Age < 35 | Singles/Couples | Some College | WC, Mix | White, Black, Asian, Hispanic |
| Rustic Living | Sustaining Seniors | Golden Ponds | 1 | 0.00% | Downscale | Age 65+ | Singles/Couples | H.S. Graduate | WC, Service, BC, Farm | White |
| Micro City Blues | Sustaining Seniors | Park Bench Seniors | 1828 | 8.20% | Low | Age 55+ | Singles/Couples | Some High School | Mostly Retired | White, Black |
| Micro City Blues | Sustaining Seniors | Hometown Retired | 2109 | 9.46% | Low | Age 65+ | Singles/Couples | Some High School | Mostly Retired | White, Black |
| Micro City Blues | Sustaining Families | Family Thrifts | 3202 | 14.36% | LowerMid | Age 25-44 | Families w/Kids | H.S. Graduate | WC, Service, Mix | White, Black, Hispanic |

PART III: MARKET ANALYSIS

In this section, the Lancaster retail market will be examined to identify potential opportunities for new or expanded stores. This information is derived from exploring “retail leakage,” and it will allow the community to assess what kind of additional stores might be attracted to Lancaster. It will also help individual, existing businesses understand how they might diversify their product lines.

Retail Leakage in the Trade Areas

Retail leakage refers to the difference between the retail expenditures by residents living in a particular area and the retail sales produced by the stores located in the same area. If desired products are not available within an area, consumers will travel to other places, or use different methods to obtain those products. Consequently, the dollars spent outside of the area are said to be “leaking” retail sales. Even large communities may see leakage in certain retail categories, while some small communities may be attractors in categories. If communities are bringing in more sales than expenditures, however, there is an “inflow” of money into the retail market.

Such an analysis is not an exact science. In some cases, large outflow may indicate that money is being spent elsewhere (drug store purchases at Wal-Mart, or apparel purchases through the Internet, for instance). It is important to note that this analysis accounts best for retail categories where households — as opposed to businesses — are essentially the only consumer groups. For example, lumberyards may have business sales that are not accounted for in consumer expenditures. Stores such as jewelry shops and clothing stores are therefore more accurately analyzed using this technique.

The leakage study for Lancaster is a “snapshot” in time. Consequently, there are factors that point to this being a more conservative or more aggressive look at retail potential depending on what factors are examined. For example, new residential development would mean that there would be more customers in the future, resulting in greater demand for certain retail categories.

This leakage study only examines the primary and secondary trade areas identified for Lancaster. However, a successful store model might capture sales from well beyond this geography and could foster a strong visitor market as well.

Having addressed the caveats of this particular method, the retail market in Lancaster can be summarized as follows:

- » Residents of Lancaster City, with a population of, 60,191, accounted for \$739.6 million in retail consumer spending in 2013. In that same year, selected retail sales in the primary trade area (PTA) stores amounted to \$296.9 million. Therefore, the overall leakage for the PTA summed to \$442.7 million.
- » In the STA, which has a population of 141,114 residents, consumer expenditures equaled \$2.4 billion and aggregate sales approached \$3 billion, for a total inflow of \$579.2 million.
- » The CTA for Lancaster is a \$3.1 billion consumer market, with \$3.3 billion in sales for an inflow of \$136.5 million.

The type of retail leakage Lancaster is experiencing is unevenly distributed across various retail categories — that is, some categories are experiencing an inflow of sales while other categories are experiencing an outflow of local dollars. This indicates that, depending on the business category, the Lancaster retail market is over- or underperforming as it relates to its trade area market. It also means that certain retail categories are performing well with visitors while others are not.

Detailed Retail Market Potential Tables

Table 5, Primary, Secondary, and Combined Trade Area Retail Expenditures, offers the details of the consumer expenditures, retail sales, and leakage for the primary, secondary, and combined trade areas. It also displays the retail categories in which these trade areas are leaking and gaining sales. This data should be used as an overall guide to retail market potential and should not substitute for detailed market research on the part of any business desiring to open in the area.

The left-hand column indicates retail store types along with North American Industrial Classification System (NAICS) codes for these stores. Please note that some categories are subsets of larger categories. The other columns represent the consumer demand in Lancaster's trade areas. Red numbers indicate an inflow of dollars and black numbers indicate market leakage. It is interesting to note that both inflow and leakage present ample opportunity if interpreted appropriately within the context of the existing market.



A business on Columbia Avenue attracts customers with colorful signage

PART IV: RETAIL MARKET POTENTIAL

The retail market potential for Lancaster combines many different facets of the data gathered above. Not just a collection of numbers, retail markets depend on both quantitative and qualitative information. Moreover, simply because market potential exists for a prospective retail store type, it does not ensure the success of that store type in the community. There are many reasons why a business might succeed or fail, and the retail market is but one of those factors. However, this section does provide a synopsis guide for the “best potential” retail opportunities in the primary trade area (PTA), or Lancaster City.

Clustering Opportunities

Clusters occur when several businesses of the same variety benefit from being in close proximity to one another. These are often identifiable from a large inflow of money into the community, but the type of business is critical to a successful cluster. Used merchandise is a common cluster, whereas an inflow of money in grocery stores would indicate a saturated market.

Lancaster in particular is a tight market with a lot of shopping needs being met in the secondary trade area (STA), which hosts chain stores, shopping strips, and outlet malls. Additionally, Lancaster residents highly value local, independent businesses in the Downtown Core. Undoubtedly, this offers a unique and memorable retail experience, but it also limits the opportunity for new retail from larger businesses that can start up more cheaply and quickly than most independent businesses. The upside to this set of parameters, however, is that specialty niches are more sustainable in such a market because the threat from bigger competitors is less imminent. Considering

these nuances and Lancaster's strong appreciation for arts and culture, the \$2.6 million inflow in Book, Periodical and Music Stores may present an opportunity for a niche cluster in the City.



A flower shop creates an outdoor display on East King Street

Expansion Opportunities

Aside from an unusual clustering opportunity described above, most of Lancaster's retail potential is in expanding various categories. In this context, expansion is referring to both expanding product lines in existing businesses and expanding retail offerings through new business recruitment. Retail leakage in these categories is an indicator that the market can support expansion. It should be cautioned that just because there is market demand for a store type, does not necessarily mean that a particular store will be successful. Many factors account for successful retail operations including location, marketing, merchandising, management, and others. However, the following categories are suitable for expansion in the primary trade area with the caveat that individual market research should complement this broad assessment.

Building Material, Garden Equipment Stores | The \$32.4 million leaving the community in this category would, in itself, suggest that Lancaster could support an independent hardware and garden store. That there is comparable leakage in the secondary trade area in the same category indicates that this is a good opportunity for new business in Lancaster and that such a business may have a regional draw.

Food and Beverage Stores | Lancaster boasts a strong food scene with farmers' markets, great restaurants, craft breweries and distilleries, and plenty of support from the local community. The \$66.2 million leakage in the primary trade area and the \$80.2 million leakage in the secondary trade area in this category indicate that Lancaster could support expansion in this category. Specifically, the missed opportunity is strongest in supermarket sales. Given Lancaster's affinity for local stores, several independent grocers could be supported with this amount of leakage, as opposed to one large chain.

Foodservice and Drinking Places | Similar to the Food and Beverage Stores category, the Foodservice and Drinking Places category, which represents restaurants and drinking establishments, leaks \$35.8 million in the primary trade area (PTA) and \$28.8 million in the STA. Because Lancaster already has reputable restaurants with variety and wide appeal, it is poised to flourish as a restaurant destination. It should be noted, however, that the most significant leakage in this category comes from Limited-Service Eating Places, which often refers to fast food. Although restaurant clusters tend to be strong and are hard to oversaturate in healthy markets such as Lancaster, it would be prudent for potential investors to consider the need for limited-service options that are appropriate in Lancaster.

General Merchandise | This category is often leaking in community cores, and Lancaster is no different. While leakage in the PTA totals \$89.4 million, the STA is filling that void, and then some, with a \$155.9 million inflow. As such, Lancaster could still support expansion in this category through a small, independent store or, more likely, through expanding product lines in existing stores. For example, in order to meet this need and the Building Material, Garden Equipment Stores void, a single new retailer could offer both; alternatively, multiple existing retailers could expand their inventories to include some of each.

Table 5. Primary, Secondary, and Combined Trade Area Retail Expenditures

| Opportunity Gap - Retail Stores | PTA | | | STA | | | COMBINED | | |
|--|-----------------------|--------------|------------------|-----------------------|---------------|------------------|-------------------------|----------------|------------------|
| | Consumer Expenditures | Retail Sales | Leakage (Inflow) | Consumer Expenditures | Retail Sales | Leakage (Inflow) | (Consumer Expenditures) | (Retail Sales) | Leakage (Inflow) |
| Total Retail Sales Incl Eating and Drinking Places | 739,559,061 | 296,864,439 | 442,694,622 | 2,389,028,943 | 2,968,257,502 | -579,228,559 | 3,128,588,004 | 3,265,121,941 | -136,533,937 |
| Motor Vehicle and Parts Dealers-441 | 99,317,070 | 41,214,920 | 58,102,150 | 393,973,091 | 449,582,700 | -55,609,609 | 493,290,161 | 490,797,620 | 2,492,541 |
| Automotive Dealers-4411 | 84,783,788 | 25,208,591 | 59,575,197 | 340,298,113 | 359,835,362 | -19,537,249 | 425,081,901 | 385,043,953 | 40,037,948 |
| Other Motor Vehicle Dealers-4412 | 5,013,753 | 3,498,166 | 1,515,587 | 18,669,402 | 41,219,500 | -22,550,098 | 23,683,155 | 44,717,666 | -21,034,511 |
| Automotive Parts/Accsrs, Tire Stores-4413 | 9,519,529 | 12,508,163 | -2,988,634 | 35,005,576 | 48,527,838 | -13,522,262 | 44,525,105 | 61,036,001 | -16,510,896 |
| Furniture and Home Furnishings Stores-442 | 15,332,319 | 8,514,100 | 6,818,219 | 49,798,908 | 103,115,141 | -53,316,233 | 65,131,227 | 111,629,241 | -46,498,014 |
| Furniture Stores-4421 | 7,728,354 | 3,942,243 | 3,786,111 | 25,989,316 | 44,610,361 | -18,621,045 | 33,717,670 | 48,552,604 | -14,834,934 |
| Home Furnishing Stores-4422 | 7,603,965 | 4,571,857 | 3,032,108 | 23,809,592 | 58,504,780 | -34,695,188 | 31,413,557 | 63,076,637 | -31,663,080 |
| Electronics and Appliance Stores-443 | 13,770,021 | 10,068,064 | 3,701,957 | 48,682,153 | 40,329,399 | 8,352,754 | 62,452,174 | 50,397,463 | 12,054,711 |
| Appliances, TVs, Electronics Stores-44311 | 10,289,248 | 8,027,833 | 2,261,415 | 36,017,587 | 33,684,586 | 2,333,001 | 46,306,835 | 41,712,419 | 4,594,416 |
| Household Appliances Stores-443111 | 1,710,934 | 3,698,883 | -1,987,949 | 6,025,442 | 7,329,076 | -1,303,634 | 7,736,376 | 11,027,959 | -3,291,583 |
| Radio, Television, Electronics Stores-443112 | 8,578,314 | 4,328,950 | 4,249,364 | 29,992,145 | 26,355,510 | 3,636,635 | 38,570,459 | 30,684,460 | 7,885,999 |
| Computer and Software Stores-44312 | 3,050,065 | 1,356,683 | 1,693,382 | 11,237,206 | 6,644,813 | 4,592,393 | 14,287,271 | 8,001,496 | 6,285,775 |
| Camera and Photographic Equipment Stores-44313 | 430,708 | 683,548 | -252,840 | 1,427,360 | 0 | 1,427,360 | 1,858,068 | 683,548 | 1,174,520 |
| Building Material, Garden Equip Stores -444 | 64,336,618 | 31,908,579 | 32,428,039 | 230,968,177 | 197,611,054 | 33,357,123 | 295,304,795 | 229,519,633 | 65,785,162 |
| Building Material and Supply Dealers-4441 | 58,441,738 | 31,660,815 | 26,780,923 | 209,062,589 | 182,232,112 | 26,830,477 | 267,504,327 | 213,892,927 | 53,611,400 |
| Home Centers-44411 | 23,980,432 | 129,476 | 23,850,956 | 84,120,412 | 72,203,736 | 11,916,676 | 108,100,844 | 72,333,212 | 35,767,632 |
| Paint and Wallpaper Stores-44412 | 911,358 | 832,079 | 79,279 | 3,482,380 | 9,902,991 | -6,420,611 | 4,393,738 | 10,735,070 | -6,341,332 |
| Hardware Stores-44413 | 6,207,927 | 4,434,800 | 1,773,127 | 20,762,714 | 6,658,422 | 14,104,292 | 26,970,641 | 11,093,222 | 15,877,419 |
| Other Building Materials Dealers-44419 | 27,342,021 | 26,264,460 | 1,077,561 | 100,697,083 | 93,466,963 | 7,230,120 | 128,039,104 | 119,731,423 | 8,307,681 |
| Building Materials, Lumberyards-444191 | 10,495,414 | 10,269,401 | 226,013 | 38,821,470 | 36,545,576 | 2,275,894 | 49,316,884 | 46,814,977 | 2,501,907 |
| Lawn, Garden Equipment, Supplies Stores-4442 | 5,894,880 | 247,764 | 5,647,116 | 21,905,588 | 15,378,942 | 6,526,646 | 27,800,468 | 15,626,706 | 12,173,762 |
| Outdoor Power Equipment Stores-44421 | 534,905 | 864 | 534,041 | 2,233,779 | 939,703 | 1,294,076 | 2,768,684 | 940,567 | 1,828,117 |
| Nursery and Garden Centers-44422 | 5,359,975 | 246,900 | 5,113,075 | 19,671,809 | 14,439,239 | 5,232,570 | 25,031,784 | 14,686,139 | 10,345,645 |

Table 5; Continued from previous page

| | | | | | | | | | |
|--|-------------|------------|------------|-------------|-------------|--------------|-------------|-------------|--------------|
| Food and Beverage Stores-445 | 108,835,553 | 42,666,811 | 66,168,742 | 308,495,443 | 228,317,935 | 80,177,508 | 417,330,996 | 270,984,746 | 146,346,250 |
| Grocery Stores-4451 | 93,970,593 | 30,556,163 | 63,414,430 | 265,556,932 | 194,410,945 | 71,145,987 | 359,527,525 | 224,967,108 | 134,560,417 |
| Supermarkets, Grocery (Ex Conv) Stores-44511 | 89,196,991 | 28,613,962 | 60,583,029 | 252,255,611 | 188,611,895 | 63,643,716 | 341,452,602 | 217,225,857 | 124,226,745 |
| Convenience Stores-44512 | 4,773,602 | 1,942,201 | 2,831,401 | 13,301,321 | 5,799,050 | 7,502,271 | 18,074,923 | 7,741,251 | 10,333,672 |
| Specialty Food Stores-4452 | 7,954,271 | 674,553 | 7,279,718 | 22,145,631 | 5,399,336 | 16,746,295 | 30,099,902 | 6,073,889 | 24,026,013 |
| Beer, Wine and Liquor Stores-4453 | 6,910,689 | 11,436,095 | -4,525,406 | 20,792,880 | 28,507,654 | -7,714,774 | 27,703,569 | 39,943,749 | -12,240,180 |
| Health and Personal Care Stores-446 | 42,970,227 | 30,917,514 | 12,052,713 | 132,236,179 | 158,851,264 | -26,615,085 | 175,206,406 | 189,768,778 | -14,562,372 |
| Pharmacies and Drug Stores-44611 | 34,493,805 | 28,073,476 | 6,420,329 | 105,572,520 | 127,140,057 | -21,567,537 | 140,066,325 | 155,213,533 | -15,147,208 |
| Cosmetics, Beauty Supplies, Perfume Stores | 3,022,150 | 412,305 | 2,609,845 | 9,281,342 | 9,577,917 | -296,575 | 12,303,492 | 9,990,222 | 2,313,270 |
| Optical Goods Stores-44613 | 1,521,185 | 1,863,100 | -341,915 | 5,449,109 | 12,190,079 | -6,740,970 | 6,970,294 | 14,053,179 | -7,082,885 |
| Other Health and Personal Care Stores-44619 | 3,933,087 | 568,633 | 3,364,454 | 11,933,208 | 9,943,211 | 1,989,997 | 15,866,295 | 10,511,844 | 5,354,451 |
| Gasoline Stations-447 | 78,664,806 | 20,329,904 | 58,334,902 | 246,346,219 | 280,800,645 | -34,454,426 | 325,011,025 | 301,130,549 | 23,880,476 |
| Gasoline Stations With Conv Stores-44711 | 58,398,684 | 17,037,297 | 41,361,387 | 179,630,238 | 249,187,848 | -69,557,610 | 238,028,922 | 266,225,145 | -28,196,223 |
| Other Gasoline Stations-44719 | 20,266,122 | 3,292,607 | 16,973,515 | 66,715,981 | 31,612,797 | 35,103,184 | 86,982,103 | 34,905,404 | 52,076,699 |
| Clothing and Clothing Accessories Stores-448 | 37,514,127 | 28,259,207 | 9,254,920 | 113,021,771 | 280,494,823 | -167,473,052 | 150,535,898 | 308,754,030 | -158,218,132 |
| Clothing Stores-4481 | 29,294,528 | 26,112,065 | 3,182,463 | 85,677,222 | 207,627,475 | -121,950,253 | 114,971,750 | 233,739,540 | -118,767,790 |
| Men's Clothing Stores-44811 | 1,670,851 | 2,702,644 | -1,031,793 | 4,833,971 | 13,743,442 | -8,909,471 | 6,504,822 | 16,446,086 | -9,941,264 |
| Women's Clothing Stores-44812 | 6,688,322 | 10,178,709 | -3,490,387 | 19,514,048 | 44,247,810 | -24,733,762 | 26,202,370 | 54,426,519 | -28,224,149 |
| Childrens, Infants Clothing Stores-44813 | 1,695,834 | 534,067 | 1,161,767 | 5,038,453 | 29,507,683 | -24,469,230 | 6,734,287 | 30,041,750 | -23,307,463 |
| Family Clothing Stores-44814 | 15,366,579 | 3,083,617 | 12,282,962 | 44,811,162 | 99,528,325 | -54,717,163 | 60,177,741 | 102,611,942 | -42,434,201 |
| Clothing Accessories Stores-44815 | 1,183,770 | 672,296 | 511,474 | 3,669,807 | 10,644,426 | -6,974,619 | 4,853,577 | 11,316,722 | -6,463,145 |
| Other Clothing Stores-44819 | 2,689,172 | 8,940,732 | -6,251,560 | 7,809,781 | 9,955,789 | -2,146,008 | 10,498,953 | 18,896,521 | -8,397,568 |
| Shoe Stores-4482 | 5,046,705 | 1,548,333 | 3,498,372 | 12,603,485 | 68,665,810 | -56,062,325 | 17,650,190 | 70,214,143 | -52,563,953 |
| Jewelry, Luggage, Leather Goods Stores-4483 | 3,172,894 | 598,809 | 2,574,085 | 14,741,064 | 4,201,538 | 10,539,526 | 17,913,958 | 4,800,347 | 13,113,611 |
| Jewelry Stores-44831 | 2,854,522 | 598,809 | 2,255,713 | 13,718,910 | 4,195,213 | 9,523,697 | 16,573,432 | 4,794,022 | 11,779,410 |
| Luggage and Leather Goods Stores-44832 | 318,372 | 0 | 318,372 | 1,022,154 | 6,325 | 1,015,829 | 1,340,526 | 6,325 | 1,334,201 |

Table 5; Continued from previous page

| | | | | | | | | | |
|---|-------------|------------|------------|-------------|-------------|--------------|-------------|-------------|--------------|
| Sporting Goods, Hobby, Book, Music Stores-451 | 15,280,750 | 8,860,056 | 6,420,694 | 48,883,227 | 58,905,807 | -10,022,580 | 64,163,977 | 67,765,863 | -3,601,886 |
| Sporting Goods, Hobby, Musical Inst Stores-4511 | 11,461,238 | 2,440,831 | 9,020,407 | 36,051,616 | 43,951,466 | -7,899,850 | 47,512,854 | 46,392,297 | 1,120,557 |
| Sporting Goods Stores-45111 | 6,327,537 | 1,227,946 | 5,099,591 | 18,517,299 | 9,364,805 | 9,152,494 | 24,844,836 | 10,592,751 | 14,252,085 |
| Hobby, Toys and Games Stores-45112 | 3,419,565 | 242,551 | 3,177,014 | 11,520,923 | 27,279,858 | -15,758,935 | 14,940,488 | 27,522,409 | -12,581,921 |
| Sew/Needlework/Piece Goods Stores-45113 | 670,162 | 229,756 | 440,406 | 2,316,086 | 3,449,965 | -1,133,879 | 2,986,248 | 3,679,721 | -693,473 |
| Musical Instrument and Supplies Stores-45114 | 1,043,974 | 740,578 | 303,396 | 3,697,308 | 3,856,838 | -159,530 | 4,741,282 | 4,597,416 | 143,866 |
| Book, Periodical and Music Stores-4512 | 3,819,512 | 6,419,225 | -2,599,713 | 12,831,611 | 14,954,341 | -2,122,730 | 16,651,123 | 21,373,566 | -4,722,443 |
| Book Stores and News Dealers-45121 | 3,196,859 | 5,031,743 | -1,834,884 | 10,671,884 | 12,533,525 | -1,861,641 | 13,868,743 | 17,565,268 | -3,696,525 |
| Book Stores-451211 | 2,928,741 | 4,641,624 | -1,712,883 | 9,855,415 | 12,186,333 | -2,330,918 | 12,784,156 | 16,827,957 | -4,043,801 |
| News Dealers and Newsstands-451212 | 268,118 | 390,119 | -122,001 | 816,469 | 347,192 | 469,277 | 1,084,587 | 737,311 | 347,276 |
| Prerecorded Tapes, CDs, Record Stores-45122 | 622,653 | 1,387,482 | -764,829 | 2,159,727 | 2,420,816 | -261,089 | 2,782,380 | 3,808,298 | -1,025,918 |
| General Merchandise Stores-452 | 103,722,698 | 14,327,433 | 89,395,265 | 308,517,525 | 464,393,198 | -155,875,673 | 412,240,223 | 478,720,631 | -66,480,408 |
| Department Stores Excl Leased Depts-4521 | 41,292,485 | 1,332,170 | 39,960,315 | 124,569,827 | 177,261,040 | -52,691,213 | 165,862,312 | 178,593,210 | -12,730,898 |
| Other General Merchandise Stores-4529 | 62,430,213 | 12,995,263 | 49,434,950 | 183,947,698 | 287,132,158 | -103,184,460 | 246,377,911 | 300,127,421 | -53,749,510 |
| Miscellaneous Store Retailers-453 | 20,021,428 | 12,390,521 | 7,630,907 | 65,382,312 | 123,084,394 | -57,702,082 | 85,403,740 | 135,474,915 | -50,071,175 |
| Florists-4531 | 794,090 | 1,099,518 | -305,428 | 3,063,054 | 1,167,081 | 1,895,973 | 3,857,144 | 2,266,599 | 1,590,545 |
| Office Supplies, Stationery, Gift Stores-4532 | 6,034,767 | 3,628,258 | 2,406,509 | 21,216,233 | 49,512,535 | -28,296,302 | 27,251,000 | 53,140,793 | -25,889,793 |
| Used Merchandise Stores-4533 | 2,020,681 | 1,083,358 | 937,323 | 6,467,280 | 4,164,501 | 2,302,779 | 8,487,961 | 5,247,859 | 3,240,102 |
| Other Miscellaneous Store Retailers-4539 | 11,171,890 | 6,579,387 | 4,592,503 | 34,635,745 | 68,240,277 | -33,604,532 | 45,807,635 | 74,819,664 | -29,012,029 |
| Non-Store Retailers-454 | 58,312,706 | 1,796,231 | 56,516,475 | 186,142,948 | 354,984,319 | -168,841,371 | 244,455,654 | 356,780,550 | -112,324,896 |
| Foodservice and Drinking Places-722 | 81,480,738 | 45,611,099 | 35,869,639 | 256,580,990 | 227,786,823 | 28,794,167 | 338,061,728 | 273,397,922 | 64,663,806 |
| Full-Service Restaurants-7221 | 37,619,647 | 25,407,839 | 12,211,808 | 119,425,350 | 103,163,604 | 16,261,746 | 157,044,997 | 128,571,443 | 28,473,554 |
| Limited-Service Eating Places-7222 | 33,348,063 | 13,114,372 | 20,233,691 | 104,310,735 | 102,956,415 | 1,354,320 | 137,658,798 | 116,070,787 | 21,588,011 |
| Special Foodservices-7223 | 6,437,712 | 3,142,224 | 3,295,488 | 20,242,975 | 7,941,539 | 12,301,436 | 26,680,687 | 11,083,763 | 15,596,924 |
| Drinking Places -Alcoholic Beverages-7224 | 4,075,316 | 3,946,664 | 128,652 | 12,601,930 | 13,725,265 | -1,123,335 | 16,677,246 | 17,671,929 | -994,683 |

Red numbers indicate an inflow of dollars and black numbers indicate market leakage

Retail Opportunities in the Corridors

In addition to examining the overall market, the Team examined the individual Commercial Hubs and their adjacent neighborhoods to better understand retail leakage within a more compact market area. Table 6, Business Inventory of Select Study Areas, and the accompanying map (Figure 24, p. 46), is the result of a survey of the corridors completed in January of 2015 to better understand the existing business offerings along each corridor. The survey utilized research conducted by ASSETS in summer 2014 for their South Lancaster City Research Project. Businesses which had a street presence within the primary study area were recorded and categorized. As this inventory was intended to get a better understanding of businesses beyond the Downtown, it should be noted that the inventory excluded businesses throughout the majority of the Downtown Core. A total of 381 businesses and institutions had identified and were classified into thirteen categories. The following table shows the number of businesses in each category for each corridor as depicted on the map.

While the inventory provides a profile of existing businesses in the corridor, a retail leakage analysis (Table 7, Opportunity Gap Analysis) was conducted for each corridor and its adjacent neighborhood to examine potential retail opportunities in each Commercial Hub. Much like the business inventory, this analysis sought to understand economic activity beyond of the Downtown, and thus the Downtown had been excluded. It is important to note that the information should be used with the keen understanding that smaller geographies fail to account for nearby retail development that may lie just beyond the defined geography boundary. However, the data in the following table does provide some insights that are worth examining in greater detail.

First, each of the Commercial Hubs shows overall retail leakage. The most profound leakage is in both the Manor and the South Prince/South Queen Commercial Hubs; this was in line with input received that suggested these were areas in need of retail development. The least amount of retail leakage occurs in the Northwest area, where significant retail development has taken place in recent years and which is in close proximity to major retail developments.

Table 6. Business Inventory of Select Study Areas

| | East King | Harrisburg | Manor | New Holland | North Duke | South Duke | S. Prince/Queen | Train Station | Water | West King |
|---------------------------------------|-----------|------------|-------|-------------|------------|------------|-----------------|---------------|-------|-----------|
| Auto Repair/Service/Sales | 3 | 3 | 3 | 6 | 0 | 0 | 10 | 6 | 1 | 1 |
| Barber/Hair [Beauty] Salon | 5 | 2 | 3 | 7 | 4 | 1 | 2 | 2 | 0 | 9 |
| Child Care | 1 | 0 | 2 | 0 | 0 | 1 | 5 | 0 | 0 | 2 |
| Construction/Trade Landscaping | 1 | 2 | 1 | 2 | 1 | 0 | 7 | 2 | 5 | 1 |
| Financial/Professional/Technical Svc. | 16 | 4 | 3 | 11 | 12 | 4 | 5 | 1 | 1 | 5 |
| Gas/Convenience | 0 | 0 | 1 | 4 | 0 | 1 | 0 | 0 | 0 | 0 |
| Grocer | 7 | 1 | 2 | 6 | 0 | 2 | 6 | 0 | 0 | 5 |
| Health/Social Service | 2 | 5 | 0 | 12 | 3 | 3 | 1 | 1 | 0 | 2 |
| Manufacturing | 0 | 0 | 1 | 9 | 1 | 0 | 3 | 0 | 1 | 0 |
| Real Estate | 0 | 0 | 0 | 0 | 2 | 0 | 1 | 1 | 0 | 1 |
| Restaurant/Cafe/Bar | 7 | 15 | 1 | 11 | 4 | 3 | 4 | 6 | 2 | 8 |
| Retail | 9 | 9 | 3 | 5 | 2 | 0 | 7 | 3 | 5 | 6 |
| Other | 1 | 2 | 1 | 15 | 2 | 1 | 2 | 4 | 3 | 4 |
| Total | 52 | 43 | 21 | 88 | 31 | 16 | 53 | 26 | 18 | 44 |



Visitors to Lancaster have a variety of hotel options, including boutique hotels

Second, the most profound leakage is occurring in three main retail categories: building material and garden equipment, food-related retail, and general merchandise.

- » Building material and garden equipment stores have clustered into large big box stores nationwide, but this does not necessarily forego a targeted opportunity within the Commercial Hubs.
- » Food related retail, both in restaurants and grocers, represents a significant opportunity Citywide and is further emphasized when examining the Commercial Hubs specifically. This remains one of the most important opportunities for Lancaster.
- » General merchandise, similar to building material, has gravitated into big box stores. However, in recent years, dollar stores have become a fixture in City locations where larger building footprints simply cannot develop. These stores provide basic goods to neighborhood residents, but their design seldom contributes to neighborhood character unless they are carefully regulated.
- » Other specialty retail shows promise within each Commercial Hub, but each category should be carefully vetted to understand nearby competition and the potential to fill a real need within each Commercial Hub.

Office, Hotel, and Housing Report

OFFICE MARKET

Lancaster is fortunate to have a detailed commercial space market analysis released annually by High Real Estate Group: *The Lancaster Commercial and Industrial Market Overview*. High Real Estate Group works closely with the Lancaster County Association of Realtors, the Multiple Listing Service (MLS), Costar (a company tracking commercial space nationwide), and their own proprietary field research of 300 for-lease buildings in the market. This data is analyzed by High Real Estate Group to examine annual vacancy and net absorption rates. High Real Estate Group tracks industrial space Countywide, as well as office and flex products within the City of Lancaster and adjacent municipalities to provide a broad view of the market.

The local data is then examined through the lens of national trends that may impact the local market, making for a thorough quantitative and qualitative analysis. Arnett Muldrow & Associates relied on the detailed data from High Real Estate Group, coupled with research conducted by Lancaster County Geographic Information Services (GIS) to examine the office market as it relates to the study area.

It is important to note that an examination of office/flex space potential in the study area should take a broad view of the market over an extended period of time with

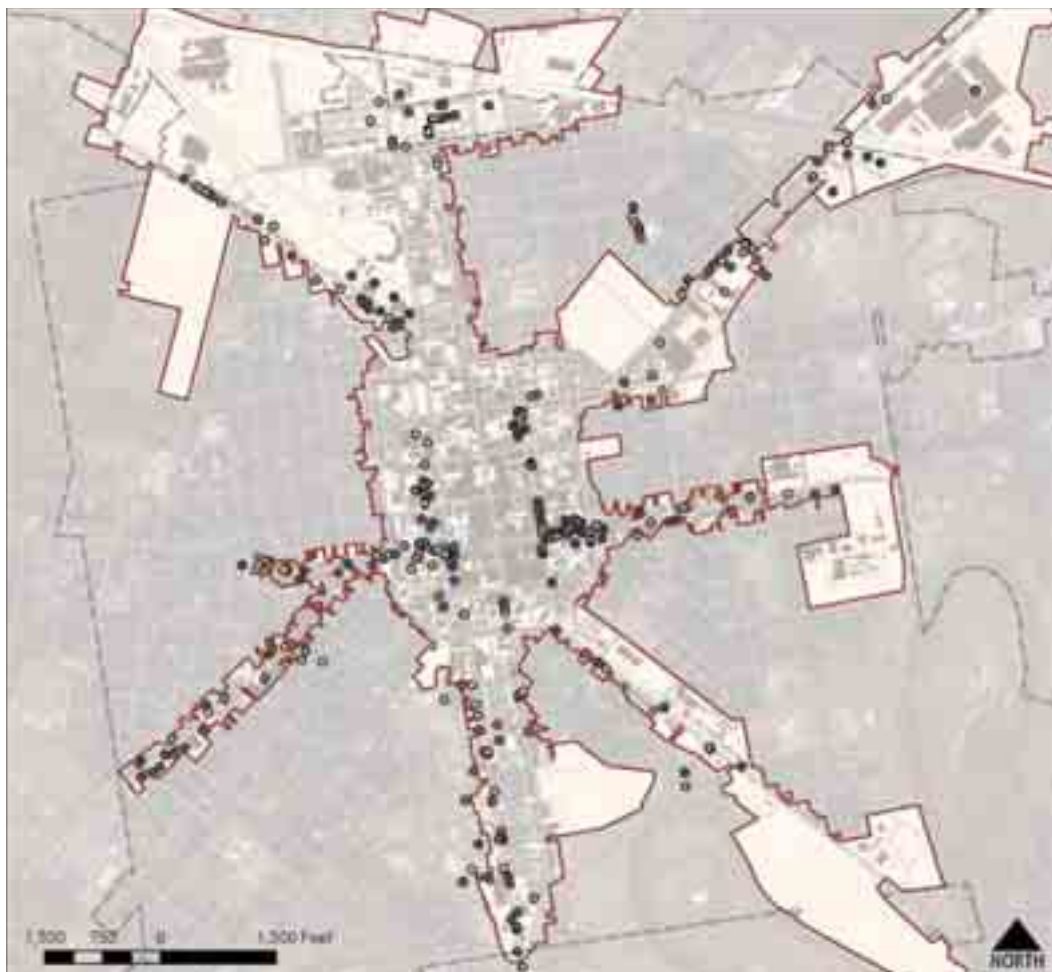


Fig. 24. Business Inventory of Select Areas Map

a healthy examination of current trends that are impacting development. Nationally, the trend toward more urban office development eschewing suburban style development and office parks continues through much of the country. This trend is a positive one for Lancaster as office tenants and investors desire locations within walking distance of dining, shopping, residential, and entertainment options. Millennials are driving this trend.

These workers are also driving a trend toward more flexible workspace options, including more open workspaces, coworking, and collaborative spaces. Coworking spaces have increased by over 80% in the past two years, changing the landscape of the office market and clustering in urban areas.

According to the Lancaster Commercial & Industrial Market Overview by High Associate, Lancaster saw two consecutive years of negative absorption in Class A office space, with a very large negative absorption rate of 146,368 square feet in 2013. As a consequence, the vacancy rate of Class A office space more than doubled between 2012 and 2014, from 5.9% to 13.9% respectively, with 257,044 square feet of available Class A office space on the market in 2014. However, High Real Estate Group' database indicates a positive 15-year average absorption rate of 15,080 square feet, which could point to opportunities in the long-term for office development, particularly if the Class A space is examined in the urban versus suburban context.

Table 7. Opportunity Gap Analysis

| RMP OPPORTUNITY GAP - RETAIL STORES | | | | | | |
|--|-----------------|-----------------|---------------------|-----------------|-----------------|-----------------|
| Retail Stores | NORTHWEST | MANOR | S. PRINCE/ QUEEN | SOUTH DUKE | NEW HOLLAND | EAST KING |
| | GAP/ SURPLUS | GAP/ SURPLUS | GAP/ SURPLUS | GAP/ SURPLUS | GAP/ SURPLUS | GAP/ SURPLUS |
| Total Retail Sales Incl. Eating And Drinking Places | 40,682,241 | 189,781,491 | 115,156,610 | 59,578,580 | 91,393,460 | 67,945,886 |
| Motor Vehicle And Parts Dealers-441 | (1,428,760) | 34,399,283 | 17,405,145 | 8,101,704 | 26,566,479 | 10,055,513 |
| Furniture And Home Furnishings Stores-442 | (1,058,033) | 2,822,476 | 1,788,543 | 891,890 | 2,190,564 | 1,243,733 |
| Electronics And Appliance Stores-443 | 454,379 | 3,943,171 | 2,310,755 | 1,182,745 | 557,856 | 1,499,529 |
| Building Material, Garden Equip Stores-444 | 8,586,734 | 19,224,542 | 8,285,406 | 5,656,135 | 2,513,301 | 6,649,324 |
| Food And Beverage Stores-445 | 21,068,891 | 29,447,508 | 16,844,966 | 10,155,967 | 9,771,119 | 11,727,043 |
| Health And Personal Care Stores-446 | (835,290) | 1,405,284 | 5,304,744 | 2,366,189 | (6,579,756) | 3,803,386 |
| Gasoline Stations-447 | (26,418,914) | 23,432,829 | 12,809,947 | 6,637,605 | 17,551,384 | 3,303,519 |
| Clothing And Clothing Accessories Stores-448 | (690,624) | 5,552,644 | 6,018,302 | 3,460,223 | 257,736 | 3,888,087 |
| <i>Clothing Stores-4481</i> | (2,260,254) | 4,978,976 | 3,727,984 | 2,265,051 | 2,872,184 | 2,424,148 |
| Sporting Goods, Hobby, Book, Music Stores-451 | 2,203,029 | 3,821,382 | 2,571,079 | 1,266,372 | (1,695,659) | 1,679,155 |
| General Merchandise Stores-452 | 18,394,032 | 28,564,630 | 17,389,295 | 6,662,441 | 23,411,057 | 8,464,680 |
| <i>Florists-4531</i> | (219,854) | 107,742 | 120,322 | 60,564 | (53,773) | 69,521 |
| <i>Office Supplies, Stationery, Gift Stores-4532</i> | 2,040,076 | 2,554,622 | 1,445,985 | 804,474 | 1,791,490 | 643,916 |
| <i>Used Merchandise Stores-4533</i> | 221,082 | 232,258 | 265,234 | 151,308 | 164,028 | 189,130 |
| Other Miscellaneous Store Retailers-4539 | 1,015,331 | 980,337 | 1,471,655 | 733,509 | 1,375,237 | 607,163 |
| Full-Service Restaurants-7221 | 1,913,857 | 4,058,598 | 4,591,837 | 2,533,949 | (498,427) | 3,552,349 |
| Limited-Service Eating Places-7222 | 7,168,867 | 8,445,647 | 5,191,726 | 2,505,497 | 2,140,242 | 2,503,804 |

Red numbers indicate an inflow of dollars and black numbers indicate market leakage

An important consideration for any examination of office space is that a single user or site could change the dynamic in a relatively short period of time (e.g., the gain or loss of a corporate headquarters).

Class B Office Space

The Lancaster Commercial & Industrial Market Overview by High Real Estate Group indicates positive, albeit relatively slow absorption rates for Class B space since 2012. However, this positive gain is likely a function of very high vacancy rates that have hovered around 20% for the last five years, and over 500,000 square feet of currently available space. It is very likely that Class B space will continue to be a challenge in the market in the coming years.

Business Center Space

While Business Centers are not the key focus of the Economic Development Study area (with the notable exception of Burle Office Park on New Holland Avenue), the Lancaster Commercial & Industrial Market Overview indicates positive absorption rates averaging 13,339 square feet over fifteen years; a vacancy rate slightly higher than Class A space, at 14.2%; and an available supply that has decreased from 243,000 to 167,000 square feet between 2011 and 2014.

Office Rents

In addition to the Lancaster Commercial & Industrial Market Overview by High Real Estate Group, Arnett Muldrow & Associates examined properties available for lease on LoopNet (a subsidiary of CoStar) in order to better understand market price and rents for commercial space. The LoopNet data profiled 53 for-rent properties in Lancaster and adjacent townships with the following conclusions

- » The average lease rate for commercial property in greater Lancaster is \$12.21. Downtown is less at \$11.36.
- » Total space available in greater Lancaster is a conservative 600,000 square feet, which corresponds with the High Report data.
- » The highest lease rate is around \$23.00 per square foot triple net rent, with only two properties available above \$19.00 per square foot.
- » Much of the space is not Class A, accounting for some of the relatively low rents.
- » There is a dearth of available Class A space listed on the MLS and LoopNet within Lancaster City Limits, particularly Downtown.
- » The median space size is 4,796 square feet.
- » The vast majority of the available space is less than 10,000 square feet, with only eight out of the 53 properties inventoried above 20,000 square feet.

REIS provides commercial real estate market information and analytics nationally and provides another valuable tool in assessing office rates. Examining data to compare

Lancaster with lease rates in nearby markets, the relatively low rates come into clearer focus (Table 8, Rent Rates by Market). Lancaster has the second lowest “low” rent rate of the markets examined and the lowest mean, median, and high rent rates of the comparative markets. This data substantiates the anecdotal information heard during stakeholder input which suggested the rents that developers are able to command in Lancaster often do not correlate with the cost of renovating or constructing new office space.

For Sale Office Space

Information gleaned from the Lancaster Commercial and Real Estate Council and the Multiple Listing Service provided a database of 59 properties within the study area to examine current market offerings.

- » The average price per square foot for commercial real estate inside the City is \$64.77.
- » A wide range of use types are covered, from flex/storage space to Class A office.
- » The total space listed as available for sale in the study area is 670,000 square feet as of the fall of 2014.
- » Average space size 11,584 square feet, while the median space size is 5,164. Several very large properties are skewing the average to a higher amount.
- » Downtown space is marketed at a slightly higher price per square foot, while South Prince Street is among the lowest of leasing rates.
- » North Prince Street has some “premium” priced office product for sale, and Downtown is cited in marketing material as a “prime location.”

Table 8. Rent Rates by Market

| REIS Rent Rates by Market | | | | |
|---------------------------|---------|---------|---------|---------|
| | Low | Mean | Median | High |
| Harrisburg | \$9.82 | \$16.48 | \$16.44 | \$25.41 |
| Allentown | \$10.38 | \$17.15 | \$17.00 | \$26.94 |
| Exton/Malvern | \$15.36 | \$23.07 | \$23.09 | \$28.71 |
| Lancaster | \$10.36 | \$15.71 | \$15.44 | \$24.27 |
| Philadelphia | \$14.08 | \$24.71 | \$24.04 | \$37.90 |

Office Market Conclusions

The office market in Lancaster City presents several challenges:

- » Lower rents than competitive markets verify anecdotal evidence which suggested that commanding higher rents is an obstacle to redevelopment and development of space.
- » An excess of office space is currently available; though, with the notable exception of Liberty Place, the majority of the space is smaller in size.
- » The real availability of space as reflected on the market is an inaccurate reflection of the amount of space that might potentially be available if upper floor space is factored in.

On a more positive note:

- » 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.
- » Flexible and open floorplan space is growing in demand, presenting opportunities for ongoing growth in “creative” spaces for offices.
- » The potential for office clustering around strong industries in Lancaster County such as food and staging could lure headquarters space if marketed within a development opportunity.

HOTEL MARKET

Local Supply

The hotel market was examined through several techniques. First, a survey of hotel space in Lancaster reviewed 41 properties in the Lancaster Market. Of these spaces:

- » 10 properties were non-flagged properties, ranging from budget to full service hotels.
- » 12 properties were flagged with “budget” brand chains and were older properties, typically with exterior corridor entrances.
- » 12 properties were flagged with “value plus” brands that ranged from relatively new construction to older properties.

- » 3 properties were flagged as “full service” brands, offering on site restaurants, meeting space, and full service amenities.
- » 4 hotel properties were located in the central area of Lancaster. These properties accounted for approximately 15% of the hotel rooms in the survey. Of these, three were independent/boutique hotels and one (the Marriott) was flagged as a national brand.
- » Interviews with tourism officials at Discover Lancaster and representatives of the Lancaster County Convention Center indicate that some conferences may not be coming to Lancaster because of a lack of Downtown hotel rooms. Moreover, the concentration of institutions — such as Lancaster General Health, Franklin and Marshall College, and the Pennsylvania College of Art and Design — will have increasing pressure to have hotel rooms proximate to their locations.

County Trends

The Pennsylvania Tourism Office has used Tourism Economics to produce an economic impact of travel and tourism since 2009. The methodology uses a tourism satellite account model — a methodology used by the United States Bureau of Economic Analysis, several states, and many nations — as opposed to a traditional input/output model. The Tourism Office produces an annual tourism impact report that provides data for each tourism region in the Commonwealth, as well as for individual counties.

With the exception of 2009, tourism spending in Lancaster County has increased each year since 2005 (See Figure 26, Lancaster Tourism Spending). Within the nine-county “Dutch Country Road” tourism region, Lancaster County is second only to Dauphin County in tourism spending.

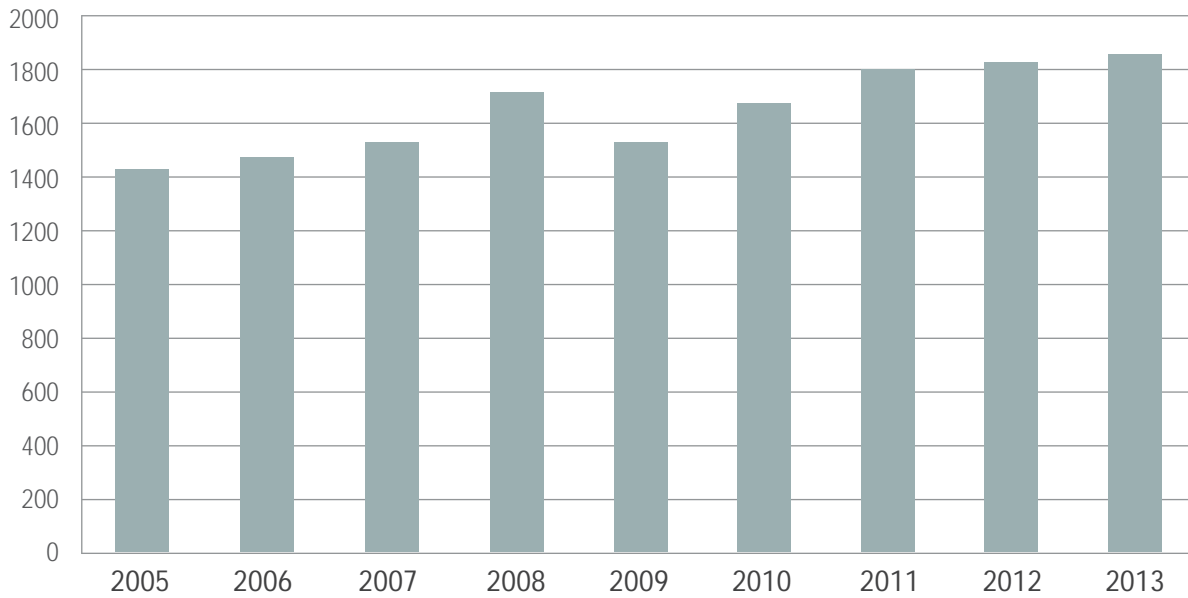


Fig. 25. Lancaster Tourism Spending (In Millions)

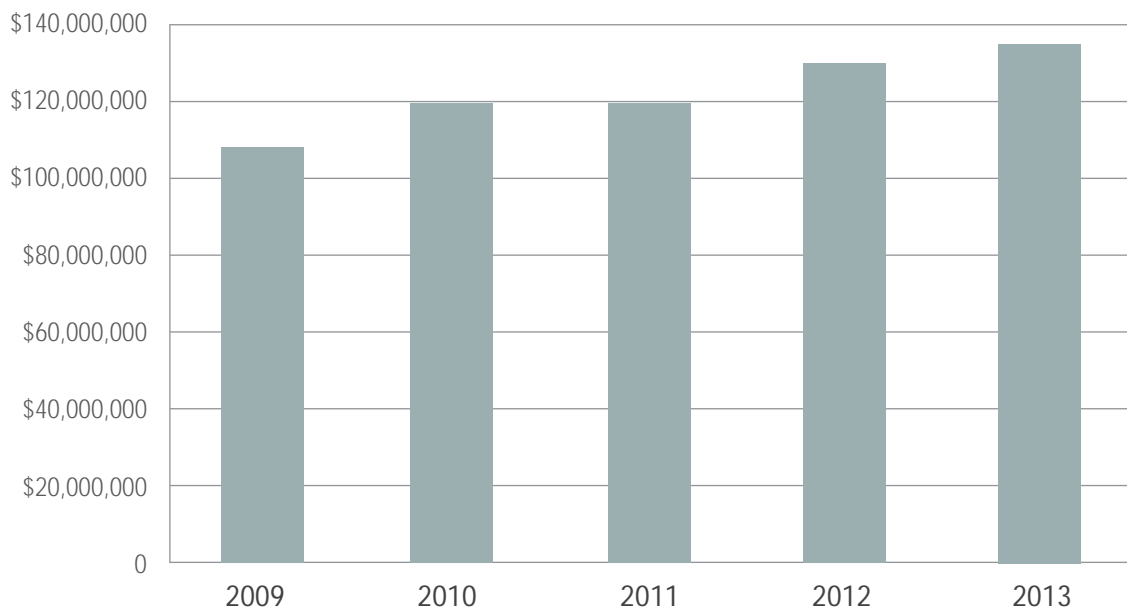


Fig. 26. Estimated 2013 Mean Household Income (in Dollars)

This data directly correlates with spending on lodging within Lancaster County, as tracked by the Lancaster County Hotel & Excise Tax Summary by Year (See Figure 27, Lancaster County Spending on Lodging). The chart shows that 2013 was a banner year for lodging in Lancaster, with spending at \$133.6 million in Lancaster County hotels. This represents a 24% increase over 2009 revenues. In 2014, there was total spending of \$155.4 million, a 10.6% increase from 2013.

PA Tourism also tracks regional occupancy rates using reporting from Smith Travel Research, Inc. (STR). While this data is for the nine county Dutch Country Roads region of Pennsylvania, it provides telling information about the industry:

- » Occupancy rates in the area have been increasing for the past several months. (In the February 2014 report, Dutch Country Roads had the highest occupancy rate of all the PA tourism regions.)
- » Average Daily Rates (ADR) — while “middle of the pack” in the Pennsylvania region — have increased each month for the past 14 months.
- » One of the most important figures is Revenue per Available Room (RevPAR), which have been on a consistent and positive trend for the past 14 months.
- » However, the RevPAR is lower than many of Pennsylvania’s tourism regions, which is an indicator of the “value” properties in the region as compared with more urban areas like Philadelphia and Pittsburgh.
- » The region is more seasonal, as compared to other areas within the state that rely more on business travel.



People visit Lancaster year round for festivals, music series, conventions, conferences, and other events

National trends also work in favor of additional hotel development in Lancaster:

- » Demand for sustainable, healthy, locally-authentic properties, with an eye toward attracting Millennials is increasing,
- » Adaptive reuse of interesting non-hotel buildings that provide a strong sense of place and, often, tax advantages for the developer is a growing trend,
- » Renovation of existing hotel properties to meet pent-up demand and rising consumer expectations is raising the bar on hotel offerings,
- » Renewed popularity has emerged of large projects mixing hospitality, residential, workplace, entertainment, sports, and other functions not only in large markets but also mid-sized markets such as Lancaster, and
- » The rise of the value-oriented “select-service” category, bridging the gap between luxury and economy with hotel brands such as Hotel Indigo (IHG), Courtyard by Marriott, Canopy (Hilton), and Aloft (Starwood) locating in downtowns points to a positive trend toward more hotel development in Downtown Lancaster.

Finally and perhaps most importantly, since the commencement of this study, the Hotel Lancaster has opened in Downtown, the Marriott has announced an expansion, and a new boutique hotel has been announced in Downtown.

HOUSING MARKET

Current housing conditions in Lancaster were evaluated using American Community Survey 3-year estimates, analyzing the 3-year trends from 2007 to 2013. The number of occupied housing units has remained relatively stable from 2007 to 2013, with an estimated 91% of housing units occupied in 2013. That percentage had fallen from 2007 due to an estimated increase of nearly 1,000 housing units. As a result of this increase in total housing units, the vacancy rate was estimated to have risen from 7% in 2007, to an estimated 9% in 2013.

Despite construction of new housing units, much of Lancaster’s housing stock is historic, with about 62% of owner-occupied housing units built in 1939 or earlier.

Indeed, much of the feedback received through stakeholder input had indicated that historic structures were a challenge for landlords and developers, who were faced with the cost and sometimes difficult process of renovating and maintaining older structures.

A majority of housing in Lancaster is renter-occupied. In 2013, an estimated 56% of housing units were rented, as opposed to owner-occupied units. The estimated median household value, in 2013 adjusted dollars, had risen from \$97,523 in 2007 to \$109,100 in 2013. However, the data suggests increased hardship in terms of housing affordability, as the median household income in that same period had fallen by \$2,842. Again, affordability was a challenge that had been repeatedly discussed with, and mentioned by stakeholders.

Zimmerman/Volk Study

In September of 2013, Zimmerman/Volk Associates, Inc. completed a comprehensive Housing Market Analysis for Lancaster County, commissioned by Lancaster Housing Opportunity Partners (LHOP). This detailed study provides rich insight into the housing market for Lancaster County, makes recommendations to the community, and provides recommendations for opportunities for Lancaster City itself.

The housing analysis will cite key points in the Zimmerman/Volk Study for consideration, with the strong recommendation that the original study be reviewed in detail. Some salient points from the study are as follows:

- » Between 2008 and 2012, 6,303 residential building permits were issued in Lancaster County and 21,615 existing housing units were sold Countywide. Annualized, this equals 5,584 “moves” per year in the County.
- » As determined by the target market methodology, 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. The five-year total potential market exceeds 115,000 households.
- » There is a severe shortage of rental housing Countywide at all price points.
- » A disconnect exists with building permits issued and the future demand for housing, resulting in a decline

in demand for single-family detached housing, which points to stronger future demand for housing within Lancaster City.

- » The study states: “A continuation of current trends in Lancaster County—with the emphasis on new for-sale housing construction concentrated in single-use, single-family subdivisions, new rental construction largely limited to market-rate rents, and a lack of diversity in both housing types and affordability—risks economic stagnation and declines in housing values.”
- » The macro trends work in favor of the City of Lancaster as millennials and empty nesters seek alternates to the traditional single-family detached house in lieu of more urban living. More importantly, Lancaster County will undergo a shift from a predominance of empty nesters to a more balanced demand from Generation X and Millennials.

The Zimmerman/Volk Associates study makes a series of fifteen recommendations for Lancaster to explore to address housing affordable housing and homeownership in the county:

- » Mixed-Income Development
- » Gap Financing Pool
- » Land Bank
- » Aggressive Control of Vacant Buildings
- » Sales Tax Incentives
- » “Arts District” Housing
- » Sales and Income Tax Incentives for Artists
- » Lease-Purchase Programs
- » Individual Development Accounts
- » Shared-Equity/Shared-Appreciation Homeownership Programs
- » Employer-Assisted Housing
- » Down Payment Assistance
- » Community Land Trust
- » Limited-Equity Cooperatives
- » Home Purchase Rehabilitation Program

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VISION & PLAN ASPIRATIONS

VISION STATEMENT

As we look to the future, it is important to reflect on the original vision for Lancaster's future as cited in the 1998 Lancaster Economic Development Action Agenda. It stated:

We see Lancaster City as a vibrant urban community where people will choose to live, work, worship, learn, play, and celebrate our diverse heritages.

We see Lancaster City as:

A friendly environment in which to promote business development and retention, job creation, technology and research industries, and investor activity;

The dynamic hub of Lancaster County's financial, legal, medical, educational, and governmental activities; and

An exceptional destination and special experience for residents and for visitors from the northeastern US and throughout the world who are attracted to Lancaster's heritage, arts, cultural, unique retailing, and entertainment activities.

We see a sustained, action-driven, private/public, committed inclusive leadership, in partnership with an enthusiastic and involved community, making this vision a reality.

This vision is as true today as it was in 1998 and this Plan suggests the following addition:

Lancaster 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.

STRATEGIES

The project identified 4 primary strategies of the Plan:

Strategy 1 | Expanding Success: Traditional Economic Development Investment

Strategy 2 | Embracing the Collaborative Economy: Cultivating Entrepreneurs (Creative and Technological)

Strategy 3 | Leveraging the Brand: Marketing Lancaster City

Strategy 4 | Quality of Life: Reinforcing Commercial Hubs

Plan Aspirations

Lancaster aspires to accomplish the following by way of this Plan. 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.

Target Outcomes

By 2030 Lancaster City will have:

- » 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.
- » Achieve 100,000 square feet of new and renovated retail/restaurant space in the 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.



Photo courtesy of LCA

Students from Hand Middle School



STRATEGIES

GUIDING THEMES

Based upon stakeholder and the planning team's review of background documents and professional observations, the team identified the following Guiding Themes around which to organize the recommendations to achieve the vision for the City of Lancaster.

Strategy 1 | Expanding Success: Traditional Economic Development Investment

Strategy 2 | Embracing the Collaborative Economy: Cultivating Entrepreneurs (Creative and Technology)

Strategy 3 | Leveraging the Brand: Marketing Lancaster City

Strategy 4 | Quality of Life: Reinforcing Commercial Hubs

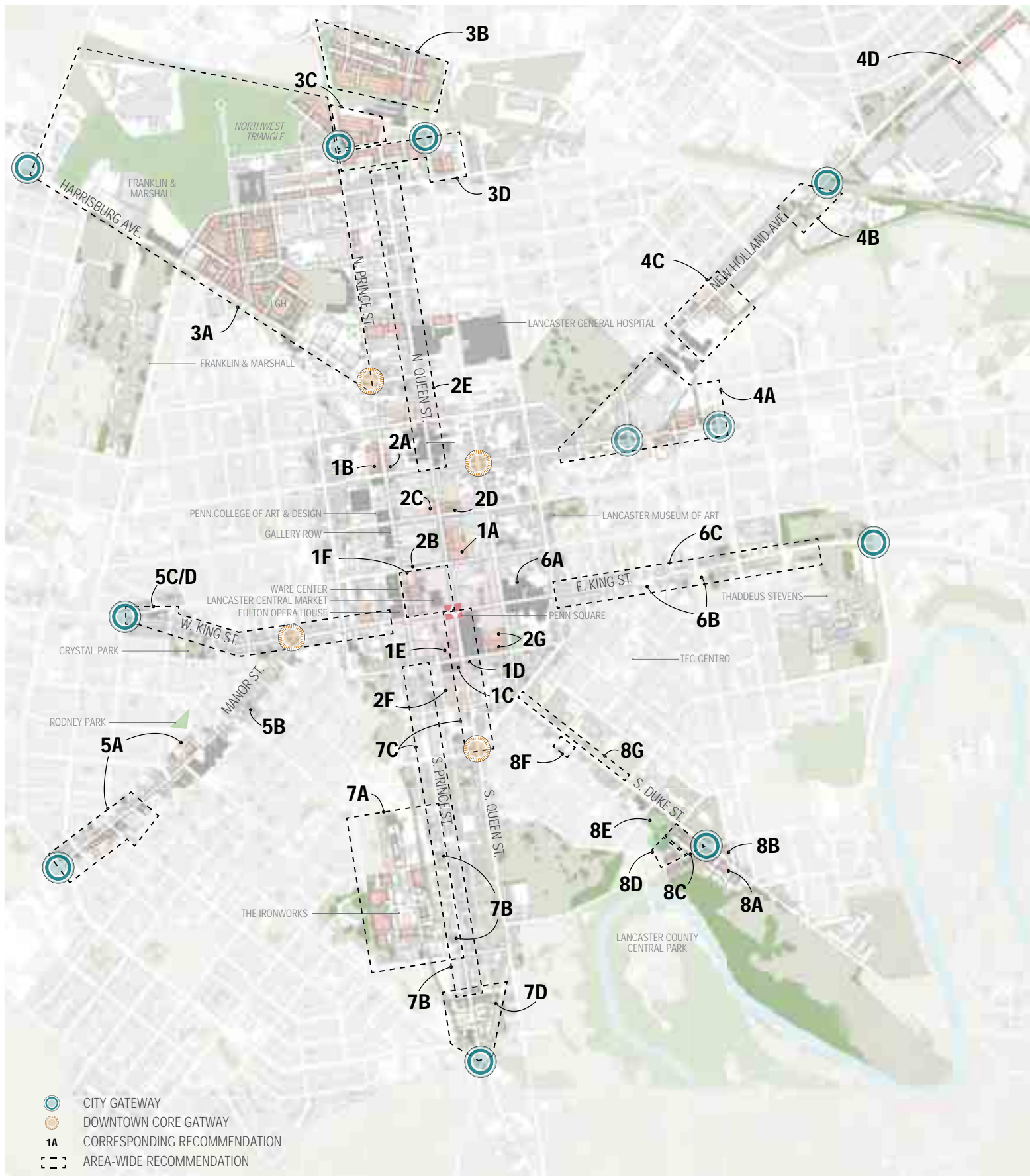


Fig. 27. Strategies and Recommendation Key Plan

**AREA 1: DOWNTOWN CORE –
PRIMARY OPPORTUNITIES**

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

**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: MANOR/WEST KING STREETS

- 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

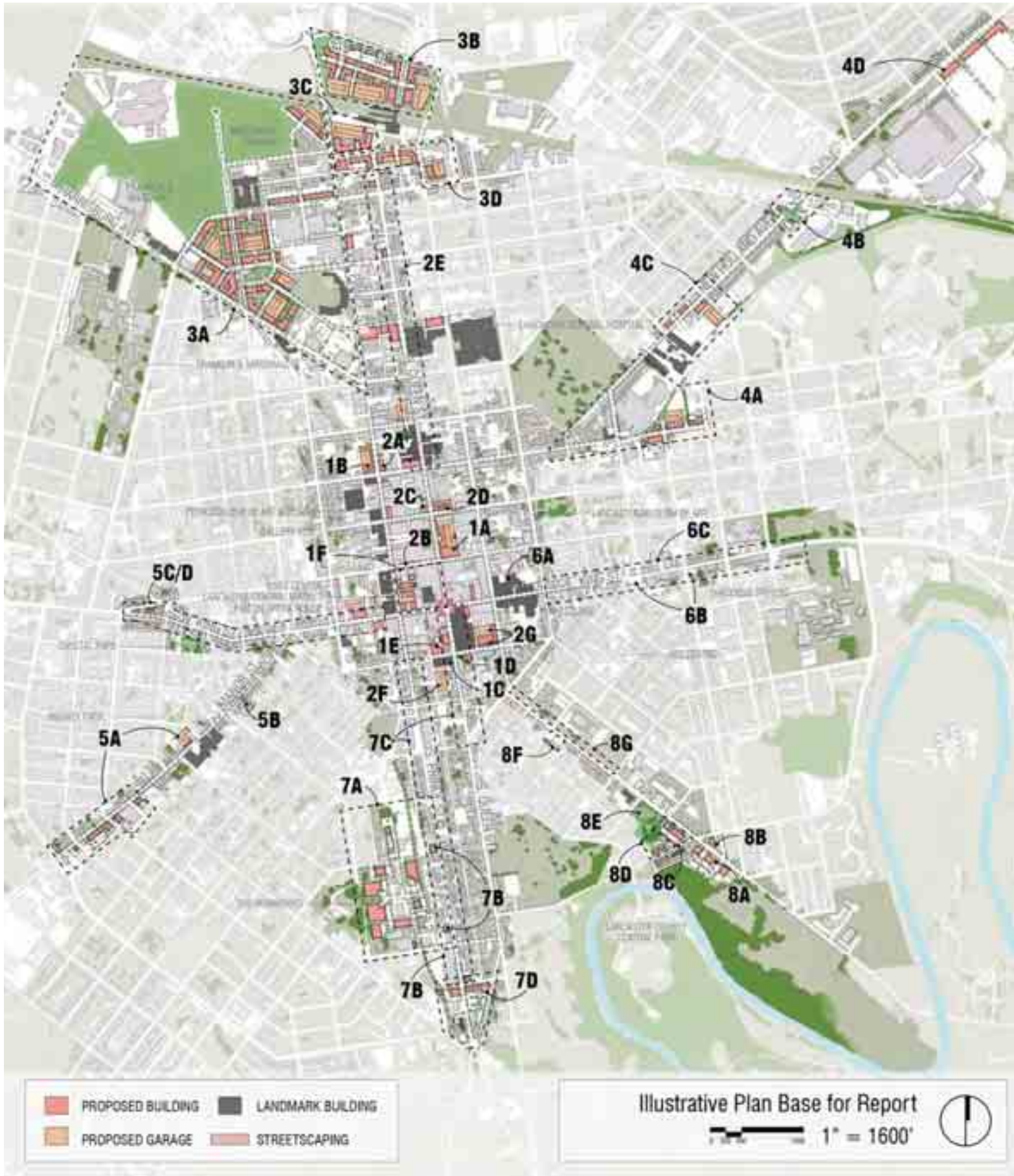
- 6A: Excelsior Building
- 6B: East King Infill Development
- 6C: Façade/Property Enhancements

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



STRATEGY 1 | EXPANDING SUCCESS: TRADITIONAL ECONOMIC DEVELOPMENT INVESTMENT

BACKGROUND

Traditional investment activity is the core of any viable community economic development strategy. The City of Lancaster, the Lancaster City Alliance, the Lancaster County Economic Development Corporation, and the Lancaster Chamber of Commerce and Industry have a very strong partnership rarely evident in other communities with multiple jurisdictions. The roles of each partner (and other partners in the community) are distinct, yet collaborative.

Downtown Lancaster and the Commercial Hubs located throughout the City represent a dynamic center of commerce, cultural and educational institutions, and government activity for Lancaster County. New investment opportunities exist throughout this area. Redevelopment will create higher and better uses for vacant and underutilized land, foster investment that will create job opportunities for Lancaster residents, and better connect a successful and vibrant Downtown with viable Commercial Hubs.

GOAL

The City of Lancaster, alongside many partners, will establish a compelling environment for investment in the community that will create jobs, improve property values, and continue to enhance the City as an ideal place to live, work, visit, and invest. Investment will depict high quality design standards in terms of scale, height, massing, use of materials, and overall design.

Recommendation 1A | Investment Sites

Purpose: *Since the 1999 plan, Lancaster has enjoyed significant investment in Downtown with new development, redevelopment, building improvements, and major public/private initiatives. These changes have dramatically impacted the Downtown, improved perceptions about the City, and fostered additional interest in investing. However, Downtown Lancaster still has several key sites that can be developed and redeveloped over the coming fifteen years. This subsequent listing categorizes these sites, presents concepts for developing them, and identifies issues and opportunities for each location.*

Description: Identify key sites within the study area that present short and long-term opportunities for investment. Investment includes significant development areas; key development sites and infill; major/minor building renovations; upper floor redevelopment; and short-term, small scale interventions leading up to potential longer-term redevelopment. Some are identified as “Primary Opportunities”; these are key sites in Lancaster City that present significant investment opportunities for large-scale development. There is a wide variety of sites that can attract different types of investment including housing of a variety of price points, office, technology uses, corporate, hotel, retail, restaurant as well as entrepreneurial uses. The following are investment sites by area.

THROUGHOUT THE STUDY AREA – PARKING OPPORTUNITIES

Parking Considerations

The Lancaster Parking Authority (LPA) recently released a final draft of *“The State of Parking in Lancaster City, as of winter, 2015”*. This whitepaper describes the background of the LPA, outlines its inventory and capacity and identifies some of the challenges the LPA is facing. It is important to note that while many of the parking structures within

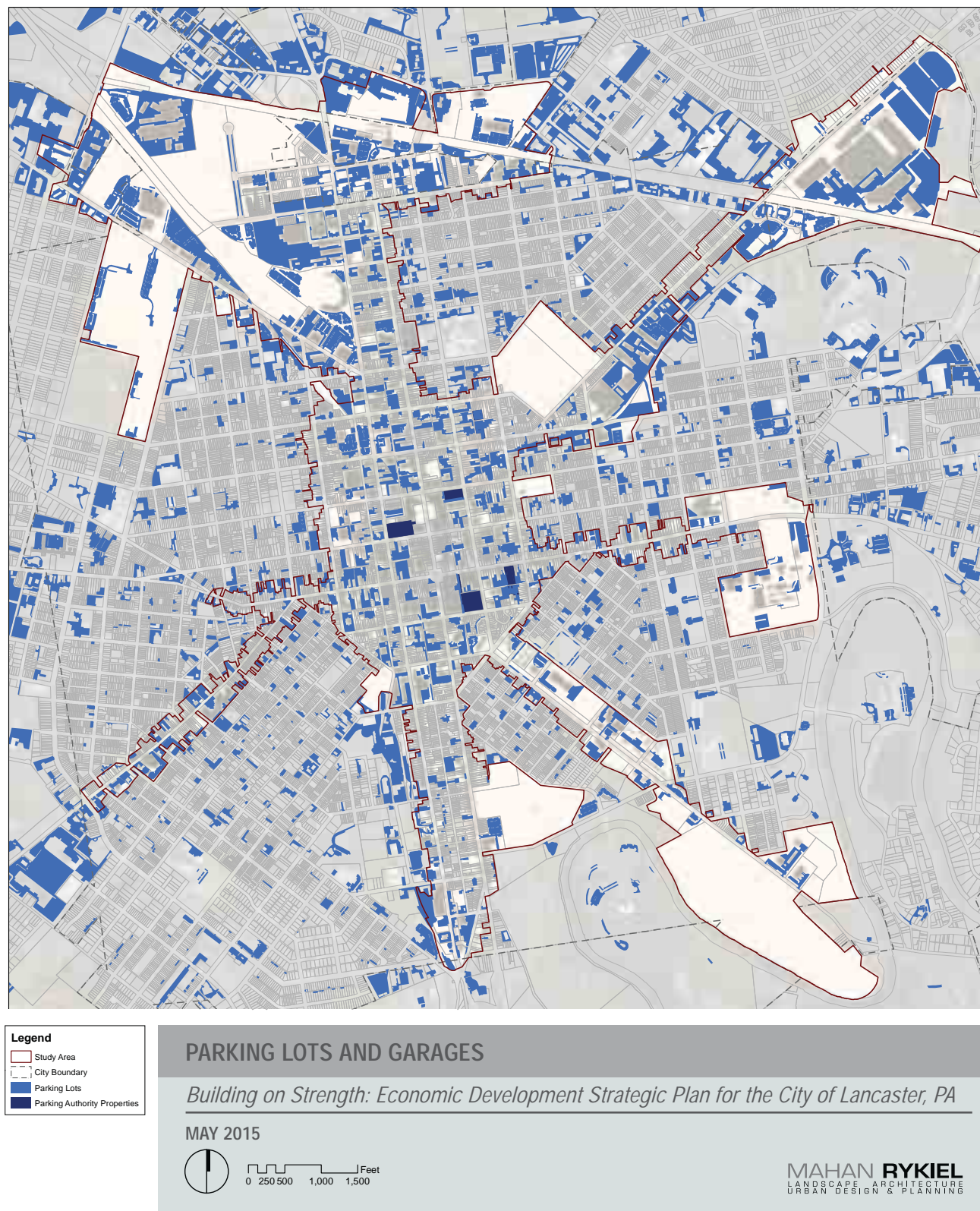


Fig. 28. Parking Lots and Garages

Downtown Lancaster are aging (25, 33, 39 and 44 years old), the LPA's philosophy is to maintain the structural integrity of its assets for the foreseeable future. However, the LPA parking program is currently at capacity and is maximizing its assets during daytime hours, particularly as the convention center continues to book additional events. The whitepaper also identifies that the many development projects underway and planned as part of this economic development strategy will impact parking in the future. The LPA is to be credited for recognizing that future parking structures need to avoid stand-alone structures and incorporate mixed use development, particularly at the ground level, and well-designed façades. Additionally, they should be credited for encouraging future rate adjustments that price on-street parking higher than structured parking which encourages higher turnover for visitors and shoppers who place a premium on the convenience of on-street parking.

In addition to the LPA's work, the recent *Downtown Walkability Analysis* (2015) supports the need for "right pricing" that encourages higher turnover for on-street parking spaces. This analysis also identifies potentially more than 160 additional on-street parking spaces with the elimination of unnecessary turn lanes, excessive sight triangles and potentially oversized bus lanes.

While this economic development strategy is not a detailed parking study, it is important to address potential future opportunities for future parking facilities and to preserve these opportunities for when (if) the facilities are needed, whether in the Downtown Core or within the Commercial Hubs. It is often tempting to develop parking resources on properties as they become available, but this can be detrimental to a Downtown, particularly if the available sites are located on street corners or in areas where other development is needed to strengthen connections. Outlined below are some general considerations for Lancaster as the City explores future opportunities for additional parking resources. Additionally, specific considerations for parking are described under many of the investment sites described below. This is not to say that each of these sites should develop the parking resources described; rather the recommendations identify where there are opportunities, particularly as it relates to parcel size, the ability to support

multiple businesses or new developments within close proximity or where there are currently parking challenges.

- » Develop parking resources that incorporate parking into a mixed-use project, and shift away from stand-alone parking structures (as already recognized by the LPA);
- » Develop facilities in a manner that allows future development of air rights;
- » Avoid corner lots where the parking structure could have the most negative impact unless the structure can be wrapped with retail or other active pedestrian uses; and
- » Develop any surface parking lots as temporary with an eye toward redevelopment in the future.

AREA 1: DOWNTOWN CORE — PRIMARY OPPORTUNITIES

1A | Bulova Site

The Bulova Site remains one of the key development opportunities in Downtown Lancaster. Located strategically along North Queen Street, the site has been a barrier between vibrant southern and northern blocks adjacent to the development. Cited in the 1998 plan, the Bulova site is a pivot point that has the potential to "close the gap" along North Queen Street, to better connect North Queen and North Prince Street, and to foster a major investment in Downtown. A major step toward the renovation of this block is underway with the renovation and reopening of Hotel Lancaster. Future plans should take into consideration the following:

- » Redevelopment that considers renovation of the existing building, a portion of the existing building or replacement of the existing building.
- » Lower-level retail and restaurant uses, particularly along North Queen and East Orange Street frontages. In addition, the primary and upper floor uses for the site may include residential, office and/or hotel uses;
- » Structured parking integrated with new development;
- » Structured parking to allow future development of air rights and to accommodate a public parking component as well;
- » Phased structured parking to allow Duke Street Garage to come off-line for redevelopment (parking and street level uses), if appropriate;

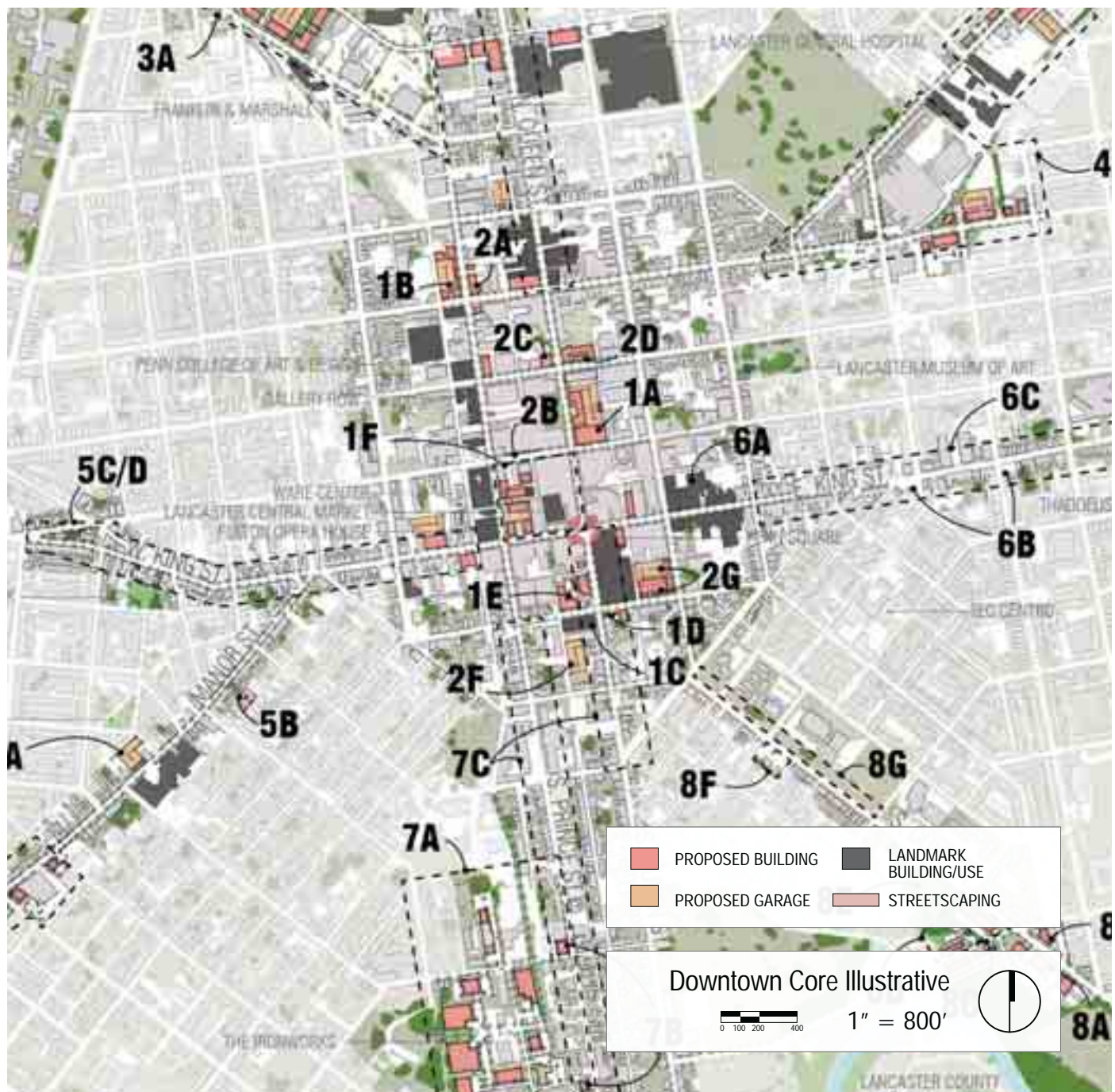


Fig. 29. Illustrative Plan of Recommendations for the Downtown Core

- » An emphasized connection between the 300 Block of North Queen and the Downtown Core;
- » A restored East Marion Street connection between North Duke and North Queen Streets. This connection should maintain the visual axis of East Marion Street and may restore the connection as a pedestrian street or as a shared pedestrian/vehicular street (if the existing Bulova Building is to be maintained and renovated, a portion of the building would need to be demolished in order to restore this connection); and
- » An activated North Christian Street frontage, responding to this street as a significant high quality north-south shared-space bike facility, as recommended in *Downtown Walkability Analysis*.



Fig. 30. Concept sketch of the City Crossings Lot (2A, 1B)

1B | City Crossings Lot

This lot represents a significant opportunity for mixed-use development. The large surface parking lot, coupled with the surface parking lot across North Prince Street (HDC property) creates a gap between the core and areas to the north. Development and activation of this lot will strengthen the connection to the Northwest Triangle and Train Station Commercial Hubs.

- » Uses to consider include lower-level retail, particularly along North Prince and West Walnut Street frontages;
- » Plan for structured parking, partially wrapped or flanked by development;
- » Potential to develop structured parking in the early phases, and wrap (or flank) with development in the future;
- » Allow for development of air rights in the future for structured parking areas;
- » Give care to the Water Street façade, and respond accordingly to the scale and character of this street;
- » Plan in conjunction with/consideration of the HDC property infill described below; and
- » Coordinate redevelopment with any efforts to eliminate the southbound dedicated right-turn lanes from North Prince Street onto West Walnut Street as recommended in the *Downtown Walkability Analysis*.

1C | Southern Market

The Southern Market building presents a pivotal re-use opportunity. The careful reuse of this building can help reinforce connections between the Downtown Core and South Lancaster.

- » Seek activity-generating uses that occupy and preserve the interior structure and volume of the space. It will also be important to seek secondary uses that complement the primary use and help activate the street frontages of South Queen Street and West Vine Street;
- » Consider in conjunction with the Swann Hotel Corner and the South Queen and West Vine Site (LNP site) described below; and
- » Consider in conjunction with West Vine/West Farnum Parking Deck described below.
- » Consider relationship with potential north-south bike facilities along Beaver Street as recommended in the *Downtown Walkability Analysis*.

1D | Swann Hotel Corner

The Swann Hotel occupies a prominent corner and, together with the Southern Market and a collection of surrounding properties, has the opportunity to strengthen the connection between the Downtown Core and South Lancaster.

- » Consider including lower-level retail/restaurant uses to activate the South Queen Street and East Vine Street frontages. Upper floor uses should consider housing and/or office; and
- » Consider planning in conjunction with the Southern Market and the South Queen and West Vine Site (LNP site) described above and below.

1E | South Queen and West Vine Site (LNP Site)

The LNP site at South Queen and West Vine Streets represents possibly the most important redevelopment site in the core of Downtown Lancaster. This site is a symbolic bridge between the neighborhoods of South Lancaster and the core of Downtown. Its strategic location across from the Lancaster County Convention Center and the Southern Market Building make it ideal for a high quality mixed-use development. Considerations for the site should be as follows:

- » The Old Press Building could be considered as one of several potential locations for the Lancaster Innovation Center described below in *Recommendation 2B / Lancaster Creative Spaces Initiative*. This older structure, located along Mifflin Street, is relatively small when contrasted with the rest of the site. With little visible frontage, it would not be as marketable to Class A development; however, it would be well suited as a gathering place in a richly historic and uniquely constructed building; and
- » The balance of the site is quite large and incorporates a significant structure that could possibly be repurposed into common space for a mixed-use development—incorporating a small, high-end boutique hotel, an extended stay suite product, or a select service “quality of life” hotel model that is a growing trend in urban markets. The site should also be considered for a mixture of other uses, including ground floor retail and dining uses, potential office space (if a dedicated user can be found), and/or market rate residential (either for rent or for sale) development at a scale that would change the dynamics of the Downtown market.

Design considerations for the site should include:

- » Respect for South Queen Street and West Vine Street by having active uses face each street,
- » Changes to Mifflin Street to make it friendlier to both pedestrians and limited automobile traffic,
- » Some degree of acknowledgment of the corner, and
- » Potential for bike facilities and signage recognizing that the site is the northern terminus of a potential Beaver Street cycle corridor.



Fig. 31. Concept sketch of the South Queen and West Vine Street Site (1C, 1D, 1E, 2F)

1F | Market District Sites

The following recommendations are for specific buildings or sites within the Market District, supporting the general recommendations described above in *1B | Market District*.

Identify a redevelopment opportunity for the Shand Property with consideration of the following:

- » Uses to consider include lower-level retail/restaurant uses that complement the market and/or add vitality to the District; potential residential, office and/or hotel infill development.
- » Activate street frontages (filling in the “gaps”) along West King Street and North Prince Street, and West Orange Street.
- » Develop higher density and height, but stepped back and with articulated forms that respect adjacent rooflines and cornices.
- » Incorporate structured parking and/or below grade parking; however, maintain important street and alley connections at grade level and line these with activate uses. In particular, maintain the West Grant Street connection (with parking connections bridging over at upper-levels) as a vibrant pedestrian connection, potentially activated with market-related uses.



A Market District will build upon the success of the Lancaster Central Market by attracting complementary uses

Additionally, the following is recommended:

- » Initiate RFP process for Old City Hall Buildings, seeking incorporation of uses complementary to the Lancaster Central Market. The ornate meeting room on the upper floor should remain intact regardless of the use, but could be ideal for a demonstration kitchen, classroom space and/or event space for market-related events and programs and also non-market related events.
- » Consider attracting additional market-complementary uses to ground floor of Hager Building.
- » Encourage higher utilization of Central Market Mall, Place Marie and the Griest Building.

1G | Upper Floor Redevelopment (Throughout Downtown Core)

Upper floor development opportunities exist throughout the Downtown Core. Encouraging upper floor development is a challenge in many communities as it relates to addressing building codes, particularly for less experienced developers and property owners. One strategy employed by some communities is to provide an urban infrastructure grant for upper floor development (not necessarily limited to residential uses). This concept is explored in greater detail in Recommendation *1E | Building the Market*.

AREA 2: DOWNTOWN CORE — SECONDARY OPPORTUNITIES

2A | HDC Property Infill

The surface parking lot in front of the apartment towers on North Prince Street presents a long-term opportunity for mixed-use infill development.

- » Primary uses to consider include senior housing with lower-level retail to activate North Prince and West Walnut Street frontages;
- » Establish Prince Street frontage with uses and façade treatments (windows, doorways, etc.) that activate the street edge; and
- » Plan in conjunction with/consideration of the City Crossings Lot described above.

2B | Prince Street Garage Site

The Prince Street Garage, operated by the Lancaster Parking Authority, is by far the largest of the parking structures in the core of Downtown. This garage is an important asset to Downtown, but it creates a daunting barrier for pedestrians along North Prince and West Orange Streets. While the garage is unlikely to change in the near future, the Lancaster Parking Authority and the City of Lancaster should explore ways to add active uses within the broad setback area along the West Orange Street frontage to reinforce connections between Gallery Row and Queen Street/Downtown Core. Additionally, the City and Parking Authority need to consider how the site could redevelop in the future, at a time when this might be necessary.

- » Consider inclusion of single level retail and gallery space or seasonal/temporary retail stalls (which could be an early phase to longer term development) that complement uses in the Market District.
- » Continue to explore feasibility of developing multi-story, single loaded, and narrow-depth residential as a liner to the parking garage (independent of the parking structure itself) with ground level retail spaces. In addition to funding subsidies that would likely be required to make this realistic, the ability to demolish and reconstruct the garage at such time that it may be required would need to be explored.
- » Considering the age of the parking structure, explore the long-term feasibility of incorporating mixed-use development in conjunction with long-term garage replacement, with lower level retail and upper level office/residential uses activating the North Prince and West Orange Street frontages.

2C | North Queen and West Chestnut (NW Corner) Infill

This corner lot, currently occupied by surface parking, reinforces the gap between the 300 Block of North Queen Street and the Downtown Core. With the development of the RRTA garage and lower-level restaurant uses on the northeast corner, along with the opening of the Hotel Lancaster on the southeast corner, infill development on the northwest corner could further activate this entire intersection area with mixed-use development.

- » Consider lower-level restaurant and/or retail uses to activate the West Chestnut and North Queen Street

frontage and upper-level housing, office or potential boutique hotel uses.

- » Reinforce the connection to 300 block of North Queen.
- » Complement rich architectural frontage along West Chestnut Street.

2D | RRTA Garage Air Rights

The RRTA garage was wisely developed with the ability to utilize the air rights above the garage for future development. Ideally, this opportunity would be reserved for a combination of Class A office space and residential development.

2E | North Queen Street Retail Commercial

Several blocks of North Queen Street were recently rezoned to accommodate commercial uses. These blocks should be considered for additional restaurant and retail uses to build upon the strength of the 300 block of North Queen Street, to support employees and visitors to LGH, and to extend Queen Street commercial from Downtown to the Train Station. Specific recommendations include:

- » In the event that Lebzelter's Total Car Care relocates, consider long-term multi-story infill development for the northwest corner of North Queen and West Walnut Streets, building on the strengths of the 300 Block of North Queen Street (and reinforce connections to potential infill development in the City Crossings Lot and HDC property, described above).
- » Work with LGH to encourage restaurant/retail uses on the lower levels of any new infill development on the southwest corner of North Queen and West Frederick Streets.
- » Should the existing convenience store at the northwest corner of North Queen and West Clay Streets ever be redeveloped, there is an opportunity for multi-floor infill development oriented to the street corner with parking located to the side and rear.
- » Several underutilized properties along the block of North Queen Street between Liberty and McGovern Streets should be considered in conjunction with redevelopment of the properties around the Train Station as described below in Investment Site Area 3D, Train Station South.
- » Consider redevelopment of the Stahr Armory building.

2F | West Vine/West Farnum (behind uses on South Queen and Southern Market)

Consolidation of individual lots could allow for the development of a significant parking structure behind the uses on West Vine, West Farnum, and South Queen Streets. The Parking Authority and the City of Lancaster should work with the property owners to explore the feasibility of preserving this opportunity for the future. The benefits of a significant parking resource in this location (at a time when it is needed) include:

- » Support for commercial, retail and/or residential uses along South Queen Street and in the Southern Market, and location close enough to accommodate Convention Center visitors;
- » If phased appropriately, use as a temporary replacement parking resource, should the nearby Penn Square garage site ever be redeveloped with mixed-use and parking as described below;
- » Depending on how pedestrians access the garage, potential pedestrian activation of South Queen Street;
- » An allowance for future development of air rights above the existing parking structure; and
- » Preservation of the buildings and architectural character facing South Queen Street.
- » With the potential Beaver Street cycle corridor, consider covered commuter bike parking within facility.

2G | Penn Square Mixed-use Opportunity

The Penn Square parking facility is one of the older parking structures in Lancaster. It has an inefficient floor-to-floor height, and it is located at the core of the Downtown, adjacent to the Marriott Hotel and the Lancaster County Convention Center. While redeveloping this site will be difficult and will require a parking replacement strategy on the West Vine/West Farnum site (as described above), the Penn Square garage should ultimately be considered for long-term demolition and replacement with a mixed-use development that wraps or incorporates a significant parking facility, and should additionally consider the opportunity for expanded meeting space of the Convention Center.

- » Consider inclusion of significant public parking resource; lower-level retail/office uses along South Duke and East Vine Streets (to activate those street edges and to provide a stronger connection to the

southeast); expanded convention center meeting space; and upper-level residential uses.

- » Activate street frontages with uses and façade design.
- » Allow for future development of air rights if upper-level development is not initially incorporated into the design.
- » Give careful consideration to project phasing so that temporary replacement parking (such as with the West Vine/West Farnum site described above) could be created prior to any demolition.

AREA 3: NORTHWEST TRIANGLE/ TRAIN STATION AREA

Collaborate with all property owners and governing entities in the Northwest Triangle and Train Station areas to realize the visions that have been developed for these important districts as vibrant, walkable, mixed-use destinations.

3A | Northwest Triangle

Collaborate with LGH, F&M and other property owners to work toward a consistent vision for the area. Additionally, collaborate with the City to make sure zoning requirements allow for appropriate urban development patterns and sharing of parking resources.

- » Work with LGH and F&M to outline a phased strategy for the Northwest Triangle that considers the development of housing, hotel, and office space uses within their boundaries in conjunction with any other needs of these two institutions.
- » Include other adjacent property owners to ensure that the entire Northwest Triangle is developed in a coordinated manner, regardless of current property line configurations which could be enhanced with minor land swaps and/or mutually agreed upon adjustments.
- » Implement infrastructure (streets, sidewalks, open spaces, etc.) that provide a walkable and connective framework — with West Frederick Street serving as an important pedestrian-friendly link between LGH and the Northwest Triangle. Additionally, consider western extensions of Clay and Ross Streets to strengthen the grid.
- » Identify a strategic location for shared structured parking resources that allow structured parking to be phased over time and wrapped or fronted with development/active uses as replacement for the surface parking lots that now exist in the area.



Fig. 32. Illustrative Plan of Recommendations for Northwestern Areas of Lancaster City

3B | Train Station North (Keller Avenue Properties)

Collaborate with property owners and governing entities to establish and realize a consistent vision for the long-term redevelopment of this gateway property, located north of the Train Station. While long-term high-density mixed-use development is desirable through the application of Manheim Township's T-6 Overlay District, the property owners may wish to develop with lower density development in the short-term. Regardless of density and use, a site design that supports walkability and connectivity to the Train Station is encouraged.

- » Address the strong need for parking near the Train Station and continue to work with PennDOT to develop surface parking for the Train Station which can be then developed with structured parking and mixed-use development.
- » Consider long-term, high density development, including hotel, office, residential, lower-level retail/restaurant and shared structured parking resources. Uses to consider for shorter-term, low-density development includes retail/restaurant uses and shared parking resources.
- » Re-explore the TRID (Transit Revitalization Investment District) Act of 2004, legislation that offers a flexible approach to plan for and implement transit-oriented development(TOD); Work with the Lancaster School District, RRTA, Manheim Township, Manheim Township School District and property owners to inform of potential TRID benefits. At the same time, recognize that development may occur prior to the establishment of a TRID; this Plan should therefore set a stage that will facilitate an appropriate form of development, should it begin, in the near term. Establish a pedestrian connection across the railroad tracks to platform and station. This connection should be designed as a deliberate and integral part of the site design for the Train Station and north property, rather than appear as an afterthought.
- » Work with PennDOT (and all stakeholders) in establishing best locations for parking structure.

3C | Train Station West

This parcel of land is located within the City of Lancaster, at the northeast corner of McGovern Avenue and North Prince Street.

- » Consider inclusion of structured parking resources, set back to allow development along North Prince Street, McGovern Avenue, and Train Station drop-off frontages. Additional uses could include office, residential, hotel, and/or lower-level retail/restaurant.
- » Work with PennDOT to consider this location as an alternate site for structured parking.

3D | Train Station South (McGovern Avenue Properties)

The properties along the southern frontage of McGovern Avenue are within Manheim Township and are underutilized, considering their close proximity with Pennsylvania's second-busiest Train Station. They should be considered for long-term redevelopment that defines and activates McGovern Avenue.

- » Uses to consider include office, retail, and restaurant, with parking located behind the buildings and/or within the structured parking located in the Train Station West area described above.
- » Surface parking lots should be discouraged along this frontage as long-term uses. However, because of the strong need for parking at the Train Station, surface parking facilities are viable for the short-term or until such time redevelopment is feasible. The corner of McGovern and North Duke provides a good opportunity for one such temporary surface parking facility.
- » The property at the southeast corner of North Prince Street and McGovern Avenue and the properties on the southeast and southwest corners of North Duke Street and McGovern Avenue are important "gateway" parcels for traffic coming from the north. Site plans and architectural design should take advantage of this opportunity.

AREA 4: NEW HOLLAND AVENUE

4A | Plum and Walnut Anchor

Continue to strengthen this area as a gateway to Downtown, and as a Commercial Hub in and of itself.

- » Consider residential and/or office with some lower-level retail/restaurant uses.
- » Work with property owners to explore long-term infill development opportunities on the north and south sides of East Walnut Street (between North Plum and North Marshall Streets) where surface parking lots and/or vacant lots currently exist. Explore ways to accommodate parking needs for the existing

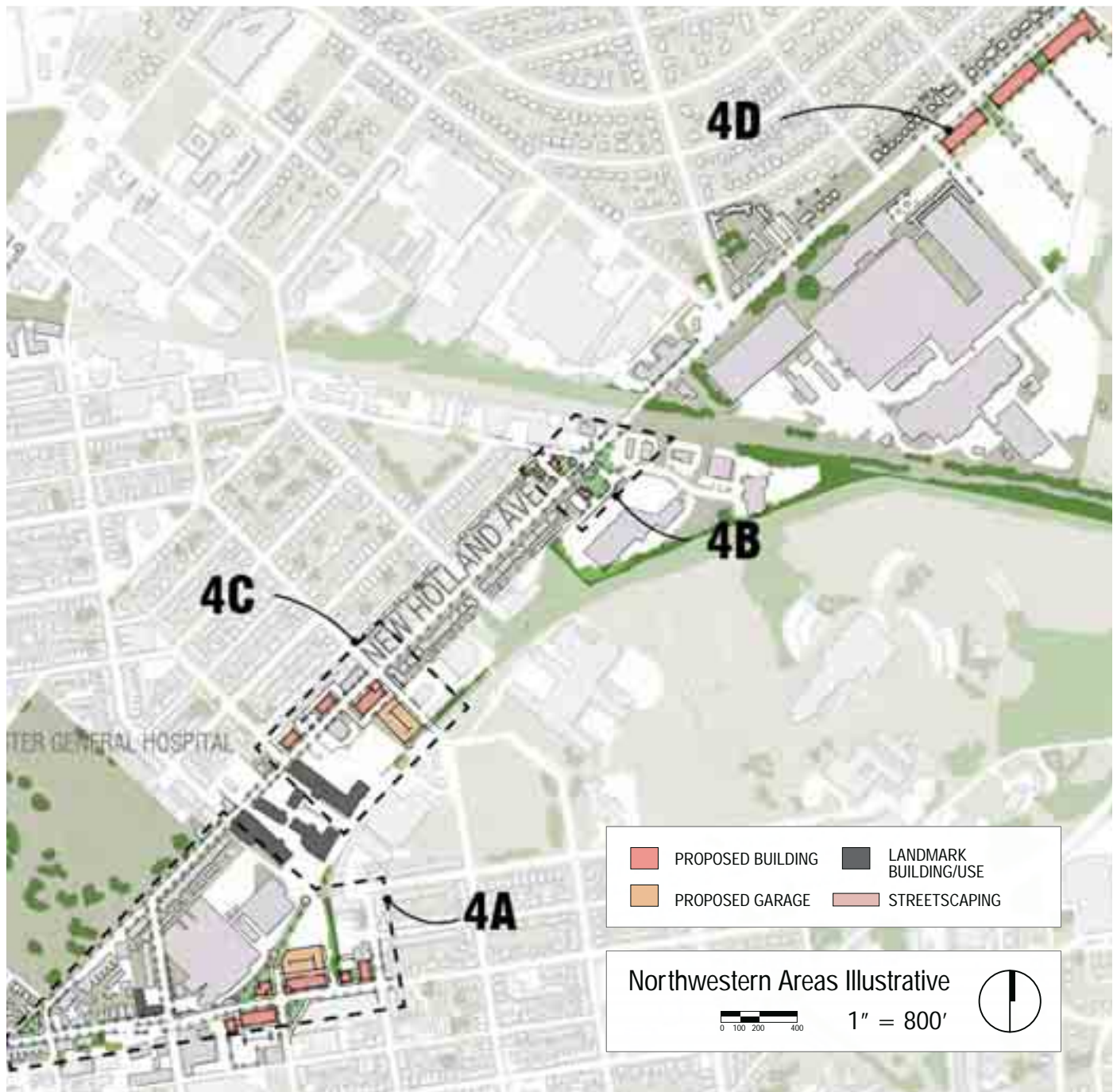


Fig. 33. Illustrative Plan of Recommendations for Northwestern Areas

businesses while siting new development along the East Walnut Street frontages.

- » Explore streetscape and gateway treatments as described in Recommendation 4B / *Street Network and Improved Accessibility*.
- » As suggested in the *Northeast Revitalization Initiative*, consider reversing the traffic flow to one-way, westbound (it is currently one-way eastbound) along the stretch of New Holland Avenue between North Plum and North Shippen Streets to reinforce this area as a gateway to the Downtown Core.

4B | Ross Street Gateway

Implement other recommendations of the *Northeast Revitalization Initiative* to redevelop the southwestern and southeastern corners of the intersection at East Ross Street and New Holland Avenue.

- » Consider inclusion of office and/or retail uses;
- » Orient buildings to street edge;
- » Include gateway plaza and signage; and
- » Repair and illuminate the railroad underpass.



Fig. 34. Concept sketch of East Walnut Street, Looking Toward Plum (4A)

4C | New Holland Avenue Infill

Strengthen the cohesiveness of uses in the Northeast along New Holland Avenue, particularly between North Plum and North Ann Streets. Consider short-term enhancements as well as long-term redevelopment, should property owners wish to redevelop.

- » Include a short-term neighborhood market within an existing structure as described in 2C / *Neighborhood Healthy Food Initiative*. Long-term uses could include retail/restaurant and office. Additionally, a neighborhood market could be incorporated as part of a new construction infill development.
- » Consider potential reallocation of some of the available acreage from the 130 total acres of the City Revitalization and Improvement Zone (CRIZ) Program that had been removed from the former Aquatic Center project to this location. The CRIZ parcels will provide economic development and job creation within a political subdivision.
- » Consider short-term enhancements that include façade improvements through a façade master plan program, as described in 1E / *Building the Market*, and streetscape/site improvements to enhance the edges of surface parking lots and the pedestrian environment.



Fig. 35. Phase I Concept sketch of New Holland Avenue at the Ross Street Gateway (4C)



Fig. 36. Phase II Concept sketch of New Holland Avenue at the Ross Street Gateway

- » Plan for long-term improvements that redevelop underutilized properties by locating buildings along the street edge with parking located behind. Buildings should be 2-3 levels to be compatible with the adjacent residential development.
- » Consider a centrally-located parking resource that could serve the Commercial Hub. One such location that is large enough, should the property owner wish to relocate or redevelop, is located along the southwest side of North Franklin Street, on the south side of New Holland Avenue. This could be developed with surface or decked parking and could support long-term redevelopment of several underutilized parcels in this vicinity along New Holland Avenue.



Burle Center is a significant office complex in Lancaster

4D | Burle Office Park Infill Development:

Consider underutilized area of the Burle Office Park (since the Aquatic Center will no longer be located there) as an opportunity for infill development. Develop with additional business uses along the New Holland Avenue frontage with parking located to the rear. Preserve opportunities for some minor restaurant or retail uses on the lower levels, although the emphasis for retail should be further to the west near Franklin Street, to create a vibrant Commercial Hub. Newer buildings could be oriented closer to the street edge than the existing buildings located in the office park, particularly if some retail uses are included. This site could also be a location for a large scale multi-family housing development with close proximity to Downtown Lancaster.



Fig. 37. Concept sketch of Manor/West King Infill (5A)

AREA 5: MANOR/WEST KING

5A | Manor Street Infill/Property Enhancements

There are limited infill development opportunities along the Manor Street Corridor; however, two properties across from the Kunzler facility at Manor and 3rd Street present opportunities, should the property owners wish to explore future potential. The concepts for these properties as had been illustrated in the *Southwest Revitalization Initiative* remain valid. Infill development at 3rd Street will not only help to activate the Manor Street Commercial Hub, but will build upon the nearby investments in both Rodney Park and Crystal Park. Additionally, the site is large enough to accommodate two-levels of deck parking, integrated into the overall site design. This parking could serve the immediate site as well as the existing Manor Street commercial establishments that are within close proximity.

Additional long-term redevelopment opportunities exist farther west along Manor Street, from Fairview Avenue to Hershey Avenue. There are several older, one-story commercial properties set back from the street with surface parking lots in front. In the long-term, these properties could be redeveloped with retail/restaurant uses oriented to the street edge, with parking located to the rear. In the short-term, these properties could be enhanced with façade improvements and streetscape to improve the image of the corridor and to promote future private investment.

- » Coordination with Kunzler will be critical for any infill development at 3rd Street.
- » Short-term uses could include a neighborhood market within an existing structure/business along the corridor, as described in *2C | Neighborhood Healthy Foods Initiative*. Alternatively, a neighborhood market could be incorporated as part of a new construction for any future infill development.

5B | Consolidated Parking Resources

Implement recommendations of *Southwest Revitalization Initiative* to consolidate inefficient parking lots, particularly along Lafayette Street to create more efficient parking resources. Parking resources are limited in this part of the City, and streets are narrow. Improved access to parking will be critical to support neighborhood businesses.

5C | West King Street Infill Development/Property Enhancements

With its commercial development, mix of uses and engaged neighbors - particularly the Fulton Theater, HDC and active property owners – West King Street should be considered an extension of Downtown. As such, strengthen the cohesiveness of uses along West King Street, particularly between North/South Water Street and North Charlotte Street. Consider short-term enhancements and long-term infill development and/or redevelopment of underperforming buildings to address the development gaps between North/South Water and Mulberry Streets.

- » Uses to consider include lower-level retail/restaurant and upper floor housing and/or office;
- » Lancaster Arts Lab (*See Recommendation 2B3*) is yet another possibility;
- » Short-term enhancements could include façade improvements through a façade master plan program, as described in *1E | Building the Market*, and streetscape/site improvements to enhance the edges of surface parking lots;
- » Long-term enhancements should consider working with property owners to consolidate parking resources behind buildings for greater efficiency and to allow for infill development to occur within gaps; and
- » On-street parking should replace a significant portion of the dedicated turn lane along the south side of West King Street, between South Water and South Mulberry Streets, to support new and existing businesses, as recommended in the *Downtown Walkability Analysis*.
- » Consider expansion of the Downtown Investment District (DID) to this area.

5D | Upper Floor Redevelopment

There are numerous opportunities for upper floor housing within these Commercial Hubs, particularly along West King Street. Encouraging upper floor development is a challenge in many communities as it relates to addressing building codes, particularly for less experienced developers and property owners. One strategy employed by some communities is to provide an urban infrastructure grant for upper floor development (not necessarily limited to residential uses). This concept is explored in greater detail in Recommendation *1E | Building the Market*.

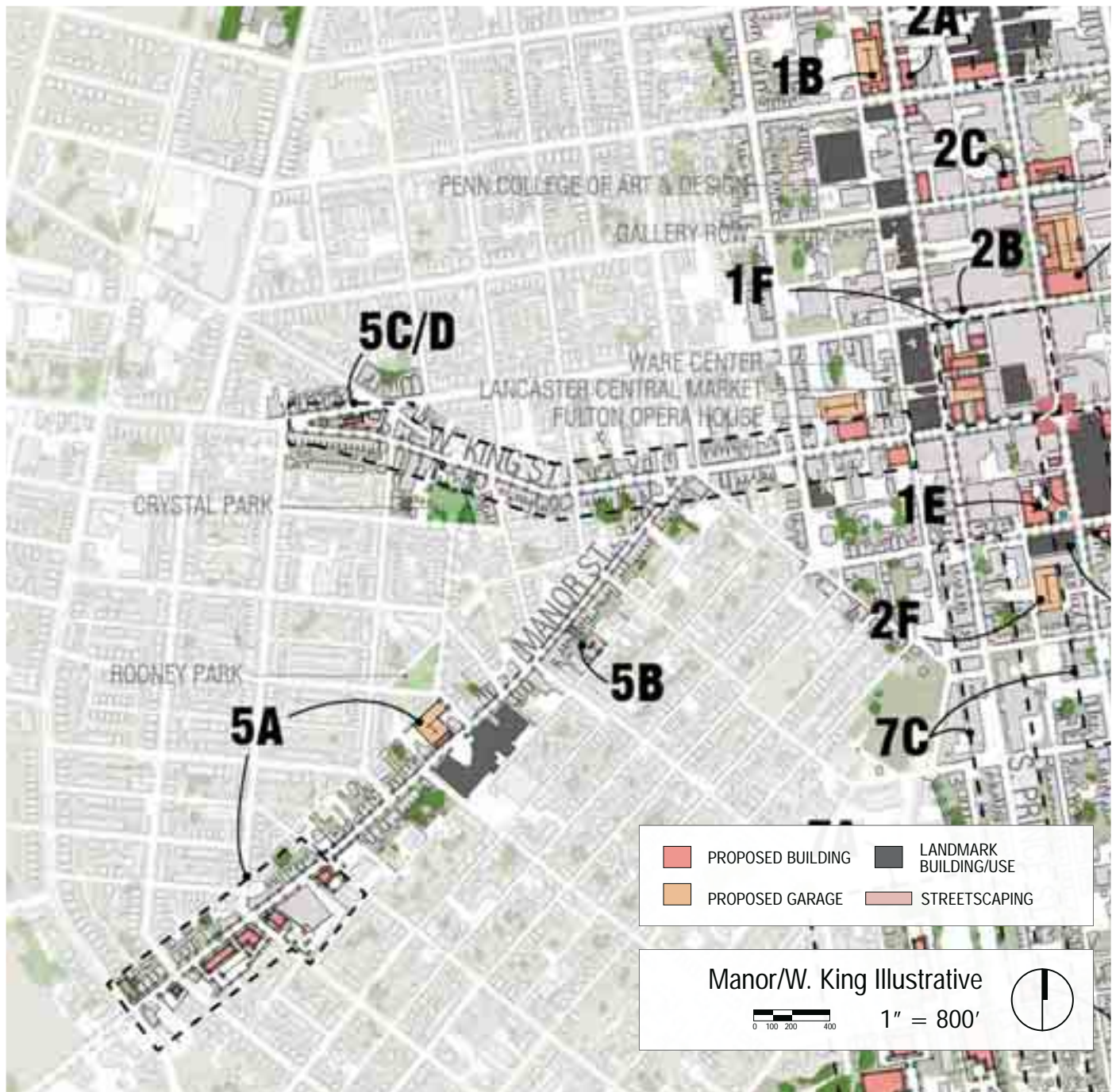


Fig. 38. Illustrative Plan of Recommendations for Manor and W. King Streets

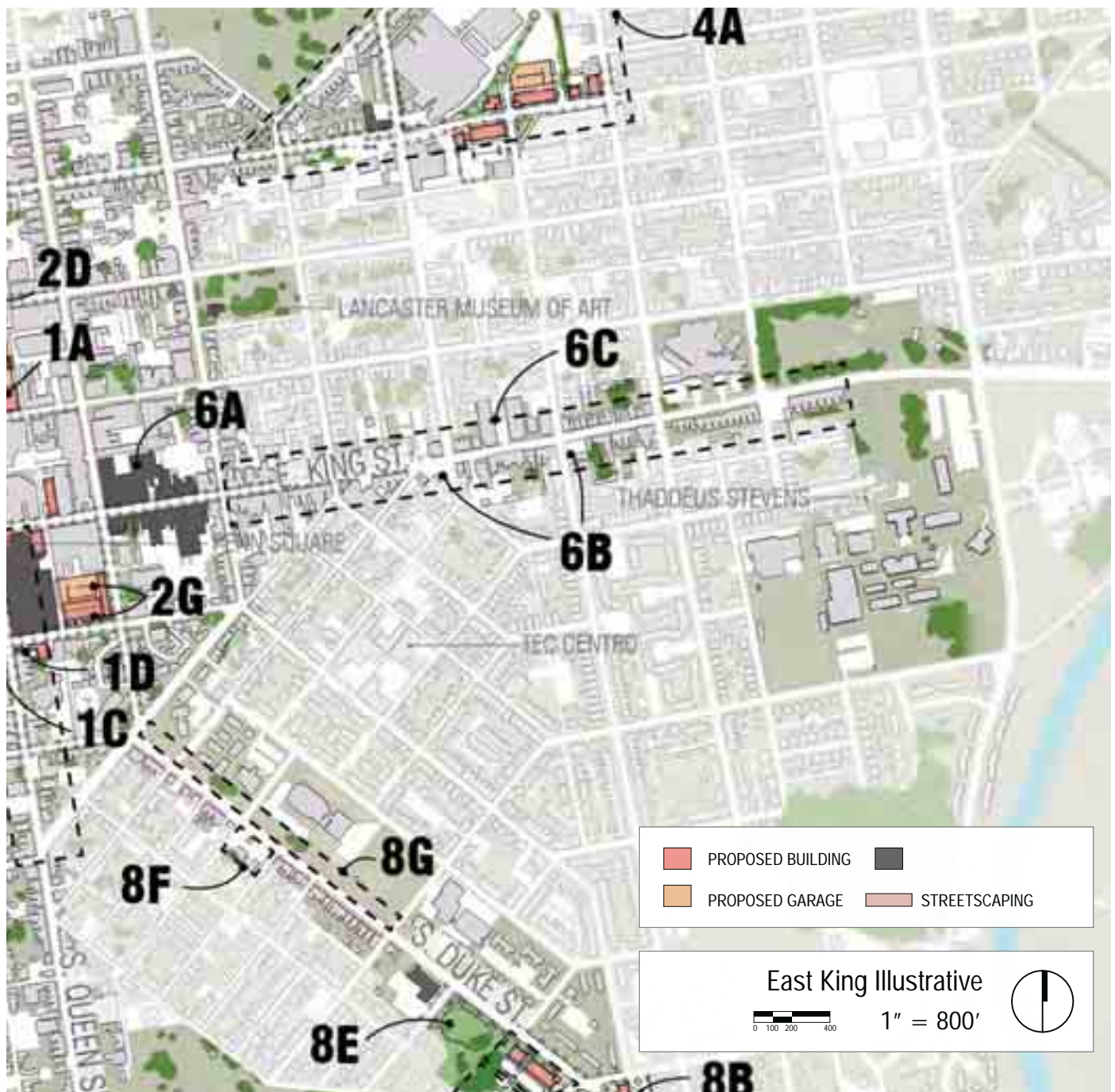


Fig. 39. Illustrative Plan of Recommendations for East King Street

AREA 6: EAST KING

6A | Excelsior Building

The Excelsior Building is currently planned to be an event space. Use of this building as an event venue is a positive vehicle to expose more people to the recent East King investments and the potential for new investments farther east. Ultimate uses for this building could consider lower-level retail/restaurant uses and upper floor housing and/or office space.

6B | East King Infill Development

Strengthen the cohesiveness of uses along East King Street, particularly east of North/South Lime Street. Consider long-term redevelopment of the three single story commercial buildings set back from the street.

- » One of these locations is at the southwest corner of East King and South Plum Streets. The triangular parcel would lend itself well to a restaurant located closer to the street with outdoor seating to take advantage of the awkward lot configuration and prominence at the convergence of three streets.
- » The other site is located on the southeast corner of East King and South Ann Streets. Should this property owner redevelop, the building should be oriented to the street with parking located to the rear.
- » The third site is the southeast corner of East King and South Franklin Streets. Similarly to above, should this property owner redevelop, the building should be oriented to the street with parking located to the rear.

Until such time that redevelopment may occur on the above sites, consider short-term enhancements to the properties that could include façade improvements through a façade master plan program as described in *1E | Building the Market* and streetscape/site improvements to enhance the edges of surface parking lots.



East King is a rapidly revitalizing Commercial Hub, which features a variety of locations for potential redevelopment opportunities

AREA 7: SOUTH PRINCE/SOUTH QUEEN

7A | The Ironworks

The Lancaster City Business Park provides an opportunity to construct relatively inexpensive office and manufacturing space within the Keystone Opportunity Zone (KOZ) Incentive District, a district which offers greatly reduced state and local taxes. This name, however, is unfamiliar to most people, and the business park has little presence or identity on South Prince Street. There is an opportunity to draw upon historic uses in the area and re-brand this business park as “The Ironworks,” while building upon recent activity in the area, including the expansion of the Spring House Brewing Company and the relocation of the Lancaster Food Company.

- » Create a presence for The Ironworks along South Prince Street at Seymour and Hazel Streets.
- » Develop Harvest Park Lancaster (*See Recommendation 2B2*)

7B | South Prince Street Infill Development

Commercial development along South Prince Street is sporadic, particularly between West Vine Street and Fairview Avenue. However, commercial uses tend to cluster at the intersections and there is an opportunity to reinforce these as Commercial Hubs, particularly between Seymour and Hazel Streets. Additionally, several commercial properties are defined by modest buildings set back from the street with surface parking along the street edge.

There is the opportunity to strengthen the cohesiveness of uses along South Prince Street with long-term redevelopment, should property owners wish to redevelop. Long-term uses could consider retail/restaurant and office uses. Alternatively, a neighborhood market could be incorporated as part of a new construction infill development. Potential sites include:

- » The northwest corner of South Prince and Hazel Streets where a single story building sets back from the street. Infill development could be oriented to the street and take advantage of the grade change to develop some parking underneath. A building on this corner could strengthen the pedestrian connection to and image of The Ironworks;
- » The surface parking area to the north of Rhoads Energy. Parking could be relocated to the rear and shared as part of The Ironworks where existing parking does not efficiently utilize the site;

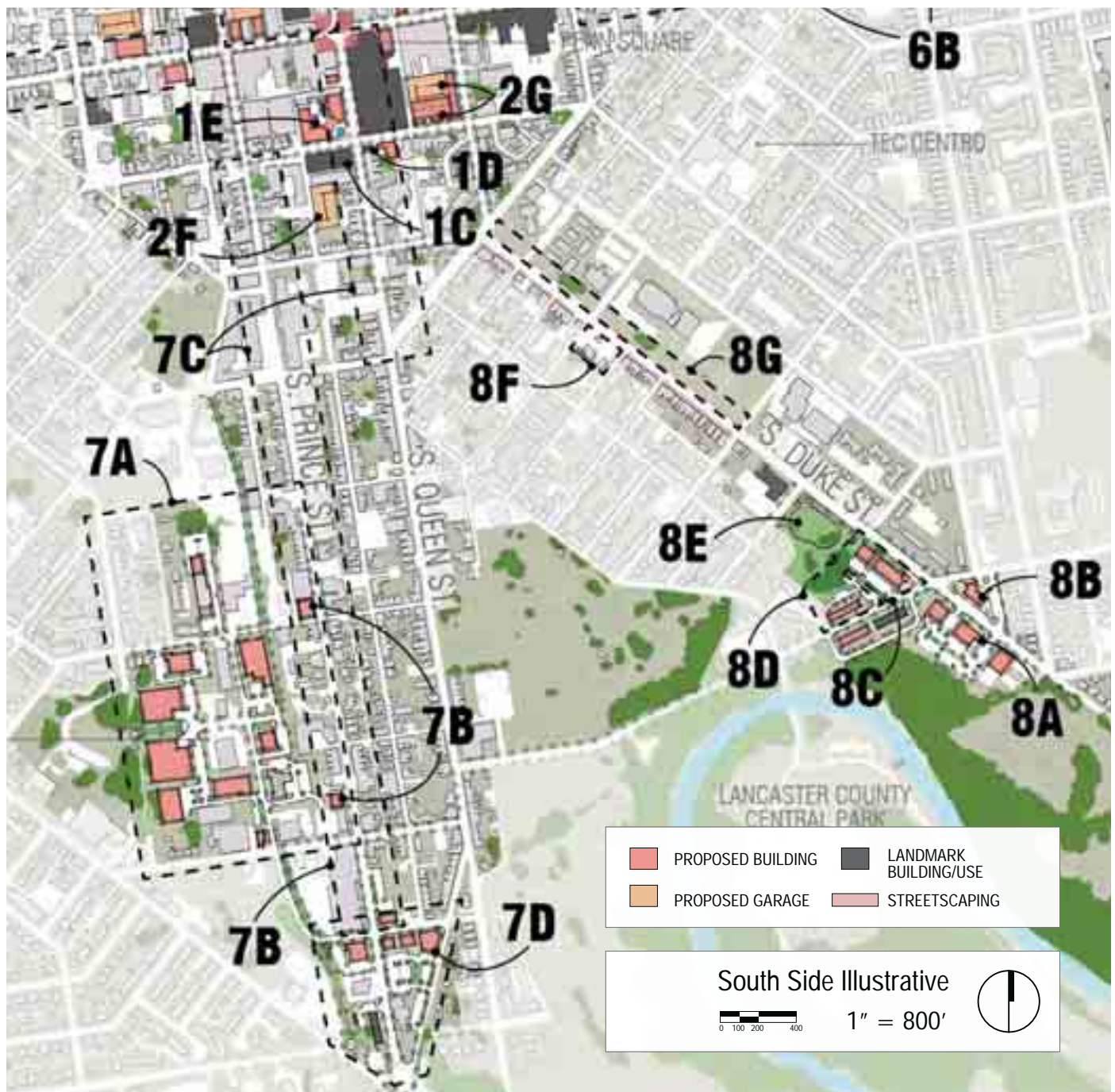


Fig. 40. Illustrative Plan of Recommendations for Southern Areas of Lancaster City

- » The properties on the east side of South Prince Street on the north and south sides of Furnace Street (any redevelopment of the properties south of Furnace Street should be coordinated with potential Rebman's redevelopment described below); and
- » The property on the west side of South Prince Street at Furnace Street.

7C | Façade/Property Enhancements

Recognizing that some property owners may not be interested in redeveloping their properties as described above, short-term enhancements should be considered to enhance the image of the Commercial Hub. These may include façade improvements through a façade master plan program — as described in *1E | Building the Market* — and streetscape/site improvements to enhance the edges of surface parking lots and pedestrian environment. Additionally, short-term uses could include a neighborhood market within an existing structure as described in *2C | Neighborhood Healthy Food Initiative*.

7D | Rebman's Redevelopment

A significant long-term opportunity is the former Rebman's located at the southwest corner of the intersection at Furnace Street and South Queen Street. Any future redevelopment of this property should consider coordination with the properties to the west (fronting Prince Street) as described above to create a larger development parcel and to ensure a significant presence on South Prince Street. The grade change could allow for a relatively inexpensive two level parking facility that would allow access on the lower level from South Prince Street and access to the upper level from South Queen Street. This would allow active uses to be concentrated along Furnace Street, facing South End Park and providing architectural anchors at both South Prince and South Queen Streets. Uses could include office and some support retail.



The Rebman's building sits on a 1.4 acre lot. (Photo from Google Maps)

AREA 8: SOUTH DUKE

8A | Conestoga Plaza

Conestoga Plaza is currently under construction at the southwest corner of Chesapeake and South Duke Streets and includes a grocery store and Dollar General among other uses. When open, it will anchor the South Duke Commercial Hub and can set the stage for further potential redevelopment as described below.

8B | Conestoga East (South Duke at Chesapeake SE Corner)

The development of Conestoga Plaza at the southwest corner of South Duke and Chesapeake Streets, in conjunction with the new housing being developed by the Spanish American Civic Association (SACA), will begin to strengthen the Commercial Hub along South Duke Street. Consequently, the existing commercial center across from Conestoga Plaza presents short term enhancement and long-term redevelopment opportunities to further strengthen this hub.

Short-term/Existing Building Opportunities

- » Work with the property owner to incorporate streetscape and pedestrian enhancements along the South Duke and Chesapeake Street frontages.
- » Incorporate a gateway element and expanded pedestrian gathering area at the intersection.
- » Consider converting some parking spaces adjacent to the building to outdoor dining areas, particularly if a restaurant use locates in the building.

Long-Term Redevelopment Opportunities

Should the property owner wish to redevelop the property, work with them to:

- » Consider and target retail and office uses complementary to those in Conestoga Plaza.
- » Orient the building to the street edge with parking located behind. In particular, the architecture should respond to the corner of South Duke and Chesapeake Streets to create a strong visual presence to southbound motorists and a terminus to Roberto Clemente Park.
- » Consider how new development can relate to the recommended bike lanes as identified in the *Downtown Walkability Analysis*.



Fig. 41. Aerial Sketch Showing Potential for the South Duke Street Commercial Hub (8A-E)

8C | Conestoga North (Bank and Office Site)

Similar to above recommendations, the parcels to the north of Conestoga Plaza present long-term redevelopment opportunities for multi-story, mixed-use development to strengthen this Commercial Hub and support the adjacent neighborhoods.

- » Consider and target retail and office uses complementary to those in Conestoga Plaza. In addition, consider opportunities for upper floor housing or office uses.
- » Explore reallocation of some CRIZ acreage (from the formerly proposed Aquatic Center) and consider for long-term redevelopment potential.
- » Orient the building to the street with parking located behind.
- » Consider how new development can help activate the southern edge of South Duke Square, described below.

8D | Residential Development

Consider additional residential development on the north side of Chesapeake Street between Chesapeake Court and South Duke Street.

8E | South Duke Square

Work with the First Spanish Assembly Church to formalize the open space (south of Juniata Street) as a more intentional gathering /event space to be used more frequently by the church and the broader community. For purposes of this report, the space is referred to as “South Duke Square”, however, the church and community should be involved in developing an appropriate name for the open space.

8F | South Duke Infill Development

As with many of the other Commercial Hubs, commercial development along South Duke Street is sporadic,

particularly between Chesapeake and Church Streets. However, commercial uses tend to cluster at intersections, and there is an opportunity to reinforce these as smaller Commercial Hubs that support the primary hub centered on Conestoga Plaza. Additionally, several commercial properties are defined by modest buildings set back from the street with surface parking along the street edge. There is the opportunity to strengthen the cohesiveness of South Duke Street with long-term redevelopment of these properties, should property owners wish to redevelop. Two such properties are located at the southwest corner of South Duke Street and North Street. In the long-term, these uses could be replaced with retail and commercial uses oriented to the street with parking located to the rear. In the short-term, these properties could be enhanced with façade improvements through a façade master plan program as described in *1E | Building the Market* and streetscape/site improvements to enhance the edges of surface parking lots.

8G | Outdoor Market

As part of the effort to extend healthy food into the Commercial Hubs as described in *2C | Neighborhood Healthy Food Initiative*, and outdoor market could be considered along the South Duke Street Mall/Roberto Clemente Park, between Church and Dauphin Streets.

Recommendation 1B | Market District

Purpose: *The Lancaster Central Market is the oldest farmers market in the United States and a national treasure. Few markets can rival the Lancaster Central Market in authenticity, diversity, and vibrancy. On market days, its location at Penn Square creates a street atmosphere unrivaled in peer cities. Lancaster has a singular opportunity to leverage the richly historic and vibrant Lancaster Central Market into a true market district on par (with appropriate scale) of similar districts in Seattle, Washington and London, England.*

While the market is a critical asset, there is no other real manifestation of the major food industry that exists in Lancaster County in the Downtown other than Auntie Anne's pretzels. Cultivating the Market District sends a real signal to the major industry partners that Downtown could be a friendly corporate location. Moreover, the market

data indicates that food-related retail represents one of the most significant opportunities for the community. Nationally, food is one of the fastest growing sectors of the retail economy, as large format big box stores such as Walmart have overtaken traditional supermarkets. Perhaps most importantly, having a stronger presence of food in Downtown is the most dynamic way to connect the traditions of Lancaster County with a contemporary and vibrant Downtown. It is important to note that the existing, strong mix of businesses in the Downtown should be supported and maintained while recruiting additional, market-related businesses when the opportunities arise.

Description: Over time, promote and cultivate a "Market District" in the northwestern quadrant of Penn Square by recruiting tenants and new development that adds to the market experience, including those already working in this area. Promote display kitchens, permanent food stores, kitchen supplies, and farm-to-table dining for the area and organized around the intimate network of lanes that serve the District. Additionally, use new infill development to add to the vitality of the District, as it is important to celebrate and build upon the great success and attraction of the Lancaster Central Market and the Central Market Master Plan. Partner with the Lancaster Central Market Trust to promote the idea of a "Market District" with complementary uses. In addition to new infill, consider all of the underutilized properties within this district; these include Central Market Mall, Griest Building, and Place Marie.

Complementary uses, along with potential programming are described below. Opportunities for specific buildings and properties are described under *1A | Investment Sites*.



Visitors travel great distances to shop at the Lancaster Central Market (Photo courtesy of LCA)

- » Consider a demonstration food kitchen, classes (adult and children), food/cooking retail, etc.;
- » Consider a commercial kitchen that could service market vendors and new businesses in the area.
- » Coordinate programming with schools and raised garden plot programs;
- » Consider potential as an expansion of higher education; possible culinary arts classes/programs;
- » Provide central location/clearinghouse for information about food and beverage in Lancaster (with the Lancaster Office of Promotion (LOOP) in the Visitors Center); and
- » Promote infill development/investment opportunities that may include hotel, upper floor housing and/or office uses.
- » Create opportunities for market activities to extend into Commercial Hubs throughout the city (as described below).

Promote other food-related districts, including nearby Reading Terminal Market in Philadelphia, to act as economic development drivers. In Seattle the hotels with the highest room rates per night are closest to Pike Place Market, as are the most expensive condos in Downtown.

Recommendation 1C | Development Clearinghouse

Purpose: *Urban development and redevelopment can be a daunting task for developers large and small. Even simple projects can become complex when dealing with old buildings and infill sites. Input gathered from investors indicated that, for many, working through the City's development process was both professional and orderly, while others felt that an effort could be made to foster a stronger link between organizations such as the Lancaster City Alliance and departments within the City to act as a seamless development process. This recommendation will create additional efficiencies for working through the development process in the City of Lancaster.*

Description: With the renovation of City Hall and all of the local development review agencies now located in one building, the City is organized in such a way that it can streamline the development process for investment in the community and work "hand in glove" with

economic development partner organizations. Typically, this happens in one of three ways. The first is the co-location of development services in one facility so that staffing and investors can all work together during the development process. The second is by having an assigned "ombudsman" that will shepherd key investment projects through the development process. The third method is to provide guidance in the selection of a "development team" of consultants and contractors knowledgeable in urban development; in this way, the contacts throughout the project remain the same from project start to finish.

This effort may also create a more streamlined way for the Lancaster City Alliance, the Lancaster County Economic Development Corporation, and the Lancaster Chamber of Commerce and Industry to work directly with the City and investors, both big and small, through a pre-development clearinghouse process.



It will be valuable for Lancaster to register businesses and monitor growth and investment in the City (Photo courtesy of LCA)

Recommendation 1D | Business Registration Program

Purpose: *Many communities nationwide have business licensing programs or business privilege taxes that are levied on businesses within a specific jurisdiction. Lancaster does not levy such a tax, and does not have an effective way to determine what businesses are actually operating within the city limits. This inhibits the City and its economic development partners, as there is no easy way to reach out to business owners, coordinate business associations, or work with existing businesses to ensure ongoing support from the public sector.*

Description: Support the City of Lancaster in continuing with its plan to create a business registration system that catalogues existing businesses within the City. Operate the registration online and provide a simple way for businesses to register their locations, trades, and any other pertinent information for the City's official records. This system will allow the City to provide aggregated data on the number and types of businesses to economic development partners as a means to promote investing in Lancaster. To be clear, this recommendation is not meant to infer that the City should institute a business license program or tax, as this is not allowed under Pennsylvania state law nor is it recommended as a revenue generating tool for the City.



Art and Glassworks enhances their facade after receiving an incentive
(Photo courtesy of LCA)

Recommendation 1E | Building the Market

Purpose: *Both the quantitative market study and qualitative input from Lancaster investors indicated that market rents within the City of Lancaster are at a point where rents that buildings and developments can command are not high enough to justify the costs of assembling a development project requiring significant rehabilitation or new investment. Annual reports from High Associates confirm a market in Lancaster that maintains relatively conservative rents.*

Description: Provide a variety of incentives to tenants, investors, and property owners to help close the “gap” between achievable rental rates and the costs of new construction and rehabilitation. Adjusting the rental rates for properties is often a long-term prospect for a community, yet incentives are an effective technique that can be used to edge rents forward.

1E1 | Façade Grant Program

One approach would be to provide façade grants for building owners to complete improvements to properties, thus making them more appealing to tenants. The City of Lancaster has provided a façade grant program for some years now. This program could be expanded throughout the study area, with more robust funding in coming years. These grant programs are time-proven to leverage investment much greater than the minimum match required, provide a way for property owners to initiate improvements without sinking too much cost into a project, and be passed through to tenants for simple improvements such as awnings and signs.

1E2 | Façade Master Plan

A “Façade Master Plan” is distinct from a traditional façade grant program. This model approaches the comprehensive rehabilitation of many buildings at one time, and can be used to target a specific block or district. A property owner gives the public entity a temporary easement (usually lasting five years) on the façade of their building, allowing the local government to spend funds on its improvement. In exchange for this temporary easement, the grant funds will pay for the façade improvements. The advantages of this type of program are that it allows for a single source of project management, a single source of design, and

a single source for construction. However, the biggest advantage to this approach is the ability for a targeted block or commercial district to receive a visually cohesive appearance facelift in a remarkably short amount of time. Moreover, when used in conjunction with a grant source (e.g., CDBG funds), the façade enhancements are realized with no costs to the building owner or tenant. If the funding and/or grant source requires a match from the property owner, the enhancements are still realized with nominal investment on their part that is far less than if they improved their façade on their own using solely private sector funds. The same process could be done through private sector or foundation funding, and could be completed without the easement.

In short, the benefits of the Façade Master Plan approach include:

- » Single source of project management streamlines the project and removes burden from individual property owners;
- » Single source of design, combined with a coordinating program, ensures that façade enhancements are sympathetic to the historic character;
- » Single source of construction allows for dramatic cost savings due to bulk purchasing and contracting;
- » Ability for a commercial district to receive a complete facelift in a short amount of time; and
- » When used in conjunction with a grant source (e.g., CDBG funds, or other federal, state, or local funding sources), the enhancements are realized with no costs to the building owner or tenant.

The implementation process for a façade master plan is rather straightforward:

1. The local community develops guidelines for the administration of the grant funds.
2. Business/property owners apply for and receive grant funding for design and construction.
3. A local entity (such as the Lancaster City Alliance) solicits a RFQ from design professionals to develop the façade enhancement designs.
4. The entity negotiates and hires the design professional.
5. The design professional photographs the subject properties and interviews each property owner/tenant to ascertain appropriate enhancement approach.

6. Design professional develops renderings and technical recommendations for each façade.
7. The administrative party and the design professional develop specifications and bid documents.
8. Prospective contractors are pre-qualified.
9. Bid package submitted to pre-qualified contractors.
10. The administrative party negotiates with and hires the low bidder.
11. Construction commences with oversight by administrative party and design professional.
12. A final punch list and project close out is completed.



Fig. 42. Graphic highlighting Lancaster's potentially improved digital infrastructure

1E3 | Building Infrastructure Grants

Infrastructure grants are rooted in the concept that any development may require a certain amount of infrastructure to be successful. The long held approach of providing roads, water service, sewer, and other infrastructure to foster development in suburban areas can be simply transcribed into the urban environment, where the needs are different. Frequently, urban development and redevelopment requires elevators to comply with accommodating those with disabilities, and sprinklers to comply with fire codes, and perhaps most importantly access to broadband internet (described below). Consequently, some communities (including the State of Vermont) provide tax abatement to projects for these improvements, writing down the cost of development.

1E4 | Lancaster High Speed Internet

Lancaster has announced a partnership to bring Wi-Fi and broadband to Downtown. This will be a critical quality of life improvement, and add valuable infrastructure tools to attract businesses.



Fig. 43. Potential logos of a Lancaster Land Trust

Recommendation 1F | Land Bank

Purpose: *Abandoned, vacant, and properties in tax arrears threaten the safety of Commercial Hubs and the stability of the City's tax base by driving down the value of adjacent properties. Land Banking provides a way for a locality to assemble property, create a mechanism for property disposition, hold funds, and partner with local municipalities, financial institutions, and developers.*

Description: In November of 2012, Pennsylvania House Bill 1682 was signed into law allowing local municipalities in the Commonwealth the power to create local Land Banks. The statute allows Land Banks a broad array of powers as a body politic of the local municipality — including purchase, sale, lease, and development of property through joint venture. The bill also allows Land Banks to borrow money, issue bonded debt, and acquire property through delinquent tax sale and other means. To be clear, Land Banks do not have the power of Eminent Domain.

Establish a Land Bank in Lancaster to enable the City to perform these functions. Utilize the Land Bank to acquire individual blighted properties and prepare them for sound investment, to facilitate coordination with partner groups on development, and to assemble under-performing properties that create “gaps” between highly successful areas. This provides an opportunity to link multiple areas of investment to create a greater impact.

As first steps toward establishing a Land Bank in Lancaster, explore how similar efforts have been started in other Commonwealth communities. The most important consideration of any Land Bank is capitalization. Existing,

publicly-held land can be transferred to the Land Bank; alternatively (or additionally) a cash infusion from public and/or private sources can be used to capitalize the Land Bank. The goal, over time, is for the Land Bank's transactions to allow it a degree of self-sustenance.

Land Banks and Community Land Trusts were both recommendations of the 2013 Zimmerman Volk study of housing in Lancaster, a report that was commissioned by the Lancaster Housing Opportunity Partnership (LHOP) as a key way to solve some of the housing issues of the community. The Lancaster Land Trust should consider both housing and commercial property in its portfolio.

Recommendation 1G | Community Land Trust Subsidiary

Purpose: *Consider creating a Community Land Trust as a subsidiary of the Land Bank to ensure the long-term stability of a neighborhood or Commercial Hub while providing a way to keep pricing affordable for potential leaseholders.*

Description: Over time, Lancaster may also consider creating a *Community Land Trust* that could serve as a subsidiary of the Land Bank. A Community Land Trust operates similarly to a Land Bank, but maintains a 99-year leasehold on properties, ensuring the long-term stability of a neighborhood or commercial district while providing a way to keep pricing affordable for potential leaseholders. Such an effort can be nested within the Land Bank as a way to preserve affordability and create quality housing opportunities for those of lesser means within the community.

Recommendation 1H | Plan Funding Program

Purpose: *In prior years, Lancaster has discussed the prospect of a campaign to raise private capital to invest in economic development. Many communities with focused economic development plans use a capital campaign as a way to “jumpstart” the economic development effort. In no way is a campaign expected to fund all of the recommendations of a plan; rather, it should serve as seed money and/or gap funding to leverage additional investment by rallying private sector partners as investors in the future economic health of the community.*

Moreover, national interest in locally sourced funds to invest in economic enterprise with the expectation of long-term (sometimes modest) return on investment has increased throughout the country. This type of funding takes on many different forms. A small rural community of less than 1000 in Mississippi formed a building investment club that has renovated ten buildings in Downtown since its inception. More ambitious efforts have included local “angel” investment funds. Most recently, open sourced funding programs have been considered, and many states are codifying these efforts into statute pending Securities and Exchange Commission rules that will help frame how these open sourced funds may work.

Description: Launch a capital campaign for economic development in Lancaster City. It is strongly advised that the community engage the services of a professional in this endeavor to test which recommendations have the most interest through a thorough feasibility study. Utilize this study to evaluate the benefits of a citywide versus countywide effort.

The feasibility study is likely to hone in on a series of fundable recommendations in this Plan, develop a target amount for the initial effort, and provide an approach for raising the funds. The most effective economic development campaigns are those that engage a partnership of entities — including groups like the Lancaster City Alliance, the Lancaster Chamber of Commerce and Industry, the Lancaster County Economic Development Corporation, and public entities such as the City of Lancaster.

The nature of this fund could be two-fold. First, it could grow through donations and contributions from investors that would be providing money without an expectation of a direct return on their investment but, rather, a return in increased economic vitality in the community that will in turn benefit the investing business. Concurrently, the community should also explore a complementary funding program that could incorporate a modest return on investment. The JOBS Act, signed into law by President Obama, requires that the SEC create some parameters for this type of investing. In light of a slow roll out of these regulations, several states, including Maryland, have initiated their own framework on how these investment funds might take shape. In the present absence of such structure in Pennsylvania, there is nothing to preclude local investors to create a more traditional angel investment program or a property renovation company with the expectation that there will be a return on investment.

It is also important to understand that this funding recommendation is designed to augment existing funding options that vary from traditional bank financing to state and federal tax credits. Any investment fund is best used to leverage other financial tools available for a project. This plan includes a Funding Matrix in Table 9 below that details the many options available (or potentially available) in Lancaster. It is important to note the following:

- » This is a “living document” as funding options change constantly. As such it should be updated regularly.
- » It is not exhaustive in detail, nor does it cover every potential program.
- » Not every project will qualify for funding in this matrix.

For a detailed review of funding mechanisms and opportunities, see Table 9 Funding Matrix on the following pages.

Table 9. Funding Matrix

| Funding Option | Funding Source | Local Administration | Mechanism | Target Market | Status |
|--|---|--|-------------------------------------|--|------------------------|
| TRADITIONAL BANK FINANCING | Private | Banks | Loan | Developers with capital | Existing |
| SMALL BUSINESS ADMINISTRATION 504 LOAN PROGRAM (504 PROGRAM) | Public (Federal Government) | Economic Development Company of Lancaster County | Loan | Small investors with some limited access to capital. | Existing |
| COMMUNITY REINVESTMENT ACT (CRA) | Public (Federal Government) | Local Banks | Loan | Community Housing Developers | Existing |
| COMMUNITY FIRST FUND | Non-Profit Central Pennsylvania Regional Community Development Financial Institution (CDFI) | Community First Fund | Grants, Loans, Technical Assistance | Investors with limited access to traditional financing | Existing |
| NEW MARKETS TAX CREDITS | Public (Federal Government) | Community First Fund | Federal Income Tax Credit | Investors | Existing/ Potential |
| ASSETS LANCASTER | Non-Profit | Assets Lancaster | Loans, Technical Assistance | Entrepreneurs | Existing |
| LANCASTER COUNTY COMMUNITY FOUNDATION | Non-Profit (Foundation Funds) | Lancaster County Community Foundation | Grants | Non-profits | Existing |
| PRIVATE FOUNDATIONS | Private | Various | Grants, Loans | Non-profits, private sector and governments | Existing |
| REDEVELOPMENT ASSISTANCE CAPITAL PROGRAM (RCAP) | Public (Commonwealth of Pennsylvania) | City of Lancaster Economic Development | Grant | Local Governments | Existing |
| LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE ACT (LERTA) | Public (Commonwealth of Pennsylvania) | City of Lancaster Economic Development | Tax Abatement | Private property | Existing |

Funding Matrix (continued)

| Program Brief | Qualifications | Existing Use | Future Opportunities |
|--|---|---|---|
| Loans to private sector enterprise | Private businesses with individual credit worthiness according to bank standards | Loans to private sector enterprise | Explore options for broadened qualifications for local businesses |
| Second position loan at 40% of loan value with 50% bank financed and 10% equity funds | Private businesses with flexible needs not fully fundable through traditional financing | Loans to private sector enterprise determined to be important to the economic health of Lancaster County | Ongoing partnerships with local banks |
| Percentage of bank lending dedicated to reinvesting in local communities | Low to moderate income housing | Primarily used to fund housing tax credit products in Lancaster | Potential to expand beyond housing tax credit projects over time |
| Manages six loan programs to qualified projects and businesses. Has held New Market Tax Credits Training/Counseling | Varies, depending on programs. NMTC typically funds projects with a minimum investment of \$5 million | Loans to businesses and projects not currently eligible for traditional bank financing. Array of tools deployed regionally | Potential for future allocation of New Markets Tax Credits |
| Income tax credits for qualifying projects inside lower income census tracts | Private sector development projects that benefit a qualifying census tract | Have been used to fund projects in Lancaster in the past, current allocation is committed | Community First Fund is applying for a future allocation that could be used on qualifying projects in the study area |
| Lending Circles, Training, Mentoring, Advocacy for Social Enterprise | Focus on social enterprise and economically disadvantaged populations | Training Programs, Loans, Mentoring | Recent allocation of funds from the Department of Health and Human Services to provide loans for business development |
| Grants to local community benefit organizations (CBOs) meeting qualifications that serve Lancaster. | Qualifications vary based on the funding source housed within the Foundation. | Funds/grants to organizations contributing to Lancaster's success and well being. | Potential to explore Impact Investment as a way to place funds in local enterprise |
| Grants vary depending on foundation goals | Varies | Varies | Potential partners in a well defined Local Investment Fund. Potential to explore Impact Investing as well |
| State grant funds for capital projects in municipalities in PA focusing on Acquisition and construction of regional economic, cultural, civic, recreational, and historical improvement projects | Current focus is on projects that create economic development and job creation | Has been used for major projects throughout Lancaster including the Stadium, the Convention Center, parking decks, the Quilt Museum, and F&M University | Potential focus is subject to change under new government administration |
| Tax abatement program for properties within a specified geography in a community. | Project must exist inside the geographic boundary and apply to the City of Lancaster | Has been used on numerous projects throughout the core of Lancaster | Potential future projects |

Funding Matrix (continued)

| Funding Option | Funding Source | Local Administration | Mechanism | Target Market | Status |
|---|---------------------------------------|---|-----------------------------|-----------------------------|------------------------------|
| TAX INCREMENT FINANCING (TIF) | Public (Commonwealth of Pennsylvania) | City of Lancaster Economic Development | Bond | Public infrastructure | Existing |
| CITY REVITALIZATION AND IMPROVEMENT ZONES (CRIZ) | Public (Commonwealth of Pennsylvania) | City of Lancaster CRIZ Board/ Economic Development Staff | Grant, Loan | Private investment | Existing |
| KEYSTONE INNOVATION ZONE (KIZ) | Public (Commonwealth of Pennsylvania) | City of Lancaster Economic Development/ Lancaster City Alliance | Tax Credit | Private Investment | Existing (Possibly Inactive) |
| KEYSTONE OPPORTUNITY ZONE (KOZ) | Public (Commonwealth of Pennsylvania) | City of Lancaster Economic Development | Tax Abatement | Private Sector | 5 years remaining |
| COMMUNITY INVESTMENT FUND | Private | Undetermined | Grant, Loan, Equity Partner | Private, Public, Non-profit | Proposed |
| BUILDING INFRASTRUCTURE GRANTS | Private/Public | Undetermined | Grant | Private investors | Proposed |
| FAÇADE GRANTS | Public (City of Lancaster) | City of Lancaster Economic Development | Grant | Private investors | Existing |
| CROWDFUNDING | Private | Undetermined | Private | Private | Proposed |

| Program Brief | Qualifications | Existing Use | Future Opportunities |
|---|---|--|--|
| Captures a portion of incremental investment within a designated geography to fund infrastructure within that geography | Must be within a designated TIF district limited to 10% of geography of the City | Currently designated in Lancaster, bonded debt issued for public infrastructure, existing revenue to going toward debt service | Potential for future use of TIF funds on other projects with permission of taxing jurisdictions. |
| Captures selected state revenue increases from a baseline and allocates the increment to qualifying projects | Project must be inside the CRIZ district, must create new jobs, and cannot transfer from within PA | Currently several projects are pipelined to receive CRIZ funding with one project underway (Hotel Lancaster) | Potential for future projects that would qualify for CRIZ funding |
| Provides tax credit allocation for qualifying businesses within the zone boundaries that transfer higher education benefits to the private sector | Qualifying businesses are limited to technology businesses that grow from intellectual and educational sources | Zone established in Lancaster | Potential future businesses may qualify if program is active |
| Provides both state and local tax abatement for businesses located within the zone | Businesses must be located within the zone | Currently only a few properties available within the Lancaster KOZ zone | Businesses that elect to locate on remaining properties may benefit from the remainder of the credit period |
| Proposed flexible funding mechanism for a variety of projects and initiatives within Lancaster raised through private capital. Possible two functions: one would be contributions to initiatives deemed valuable to the community, the other would be “patient capital” designed to invest in local initiatives with an eventual return on investment | Undetermined | | Two potential funds. One that would be allocated to grants that leverage additional funds and seed funds for projects that might not otherwise develop. A second fund may be investment capital with an expected slow return on investment |
| Expanded façade, building improvement, ADA accessibility, and code compliance funds to accelerate investment in properties in Lancaster | Potential geographic limits based on this economic development strategy | | Could expand the success of building renovation and unfit in Lancaster targeted areas. |
| Façade grant program to help in the cost of building renovation. | ? | Currently used to assist property owners with improvements to buildings | May expand over time |
| Funding through a wide solicitation of investment from a cross section of investors – some with expectation of return others with desire for a certain product, project, or outcome | Some degree of confusion with current SEC rules on how crowdfunding can be expanded to certain kinds of investments | National crowdfunding sites are driving the movement | State governments are beginning to recognize crowdfunding and codifying it to enable more clear uses within a state |

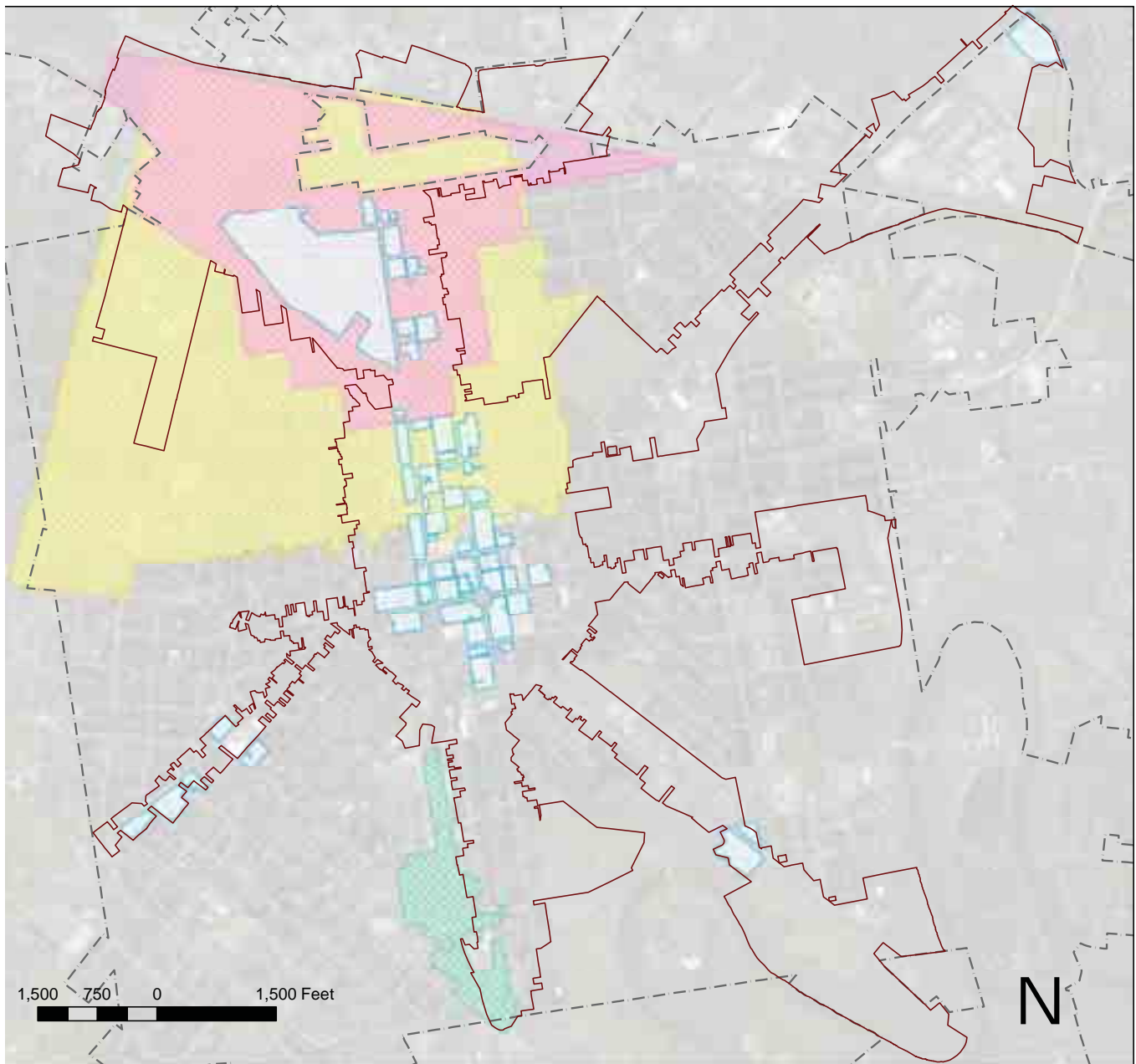
Funding Matrix (continued)

| Funding Option | Funding Source | Local Administration | Mechanism | Target Market | Status |
|---|---|---|-----------------------------|---|--------------------|
| LANCASTER LAND BANK | Private (Potentially via Community Investment Fund/City of Lancaster) | Undetermined | Public | Public/Private/ Non-Profit | Proposed |
| LANCASTER COMMUNITY LAND TRUST | Private Sector (Potentially via Community Investment Fund) | Potentially Lancaster Housing Opportunity Partnership | Land Write Down | Homeowners/ Renters/ Small Businesses | Proposed |
| STATE HISTORIC TAX CREDITS | Public (Commonwealth of Pennsylvania) | City of Lancaster | State Tax Credits | Historic Building Owners | Existing/ Unfunded |
| FEDERAL HISTORIC TAX CREDITS | Public (Federal Government) | City of Lancaster | Federal Tax Credits | Historic Building owners who wish to renovate income producing property | Existing |
| BEN FRANKLIN TECHNOLOGY PARTNERS | Public (Commonwealth of Pennsylvania) | Lancaster Economic Development Company | Training; Mezzanine Funding | Technological Businesses | Existing |
| PENNSYLVANIA INDUSTRIAL DEVELOPMENT AUTHORITY (PIDA) | Public (Commonwealth of Pennsylvania) | Lancaster Economic Development Company | Grants | Qualifying Businesses | Existing |

COLOR KEY

| |
|--------------------------------|
| TAX CREDIT OR INCENTIVE |
| LOAN |
| GRANT |
| OTHER |

| Program Brief | Qualifications | Existing Use | Future Opportunities |
|--|--|---|---|
| Acquisition of properties that can then be packaged for redevelopment. Can be both scattered and aggregated in nature | Varies | | Potential to have land available for redevelopment to increase the tax base of Lancaster City and eliminate blighting conditions |
| Primarily used to encourage housing affordability over time. Operates on a land lease which writes down the cost of home ownership | Varies | | Potential for a Land Trust in Lancaster to enhance home ownership opportunities, encourage mixed income neighborhoods, and stabilize challenged neighborhoods |
| Income tax credit for the rehabilitation of Historic Structures | Building must qualify for the Federal Historic Tax Credit | Unfunded | Potential for the Commonwealth to infuse the legislation with funds to be used for historic preservation |
| 20% Federal Income Tax Credit for the substantial rehabilitation of an income producing property | Property must be on the National Register of Historic Places or a contributing structure within a National Register District, must be income producing, and must be substantially restored | Used on existing buildings that meet the qualifications | Ongoing program that could be strengthened with a matching funded Pennsylvania Historic Tax Credit |
| Training and advocacy for technology businesses; Some mezzanine funding | | | |
| | | | |



Legend

- Lancaster City Parcels
- Study Area
- City Boundary
- CRIZ Districts
- TIF
- KIZ
- KOZ

SPECIAL INCENTIVE DISTRICTS

Building on Strength: Economic Development Strategic Plan for the City of Lancaster, PA

MAY 2015



MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING

Fig. 44. Special Incentive Districts

STRATEGY 2 | EMBRACING THE COLLABORATIVE ECONOMY: CULTIVATING ENTREPRENEURS

BACKGROUND

For decades, fostering entrepreneurship has been an “adjunct” initiative for many Economic Development plans. The rise of entrepreneurship (especially in post-Great Recession America) is redefining the way communities look at entrepreneurs and what many have dubbed the “creative class.” Lancaster itself has become a hotbed of activity with entrepreneurs, start-up businesses, and socially minded enterprises. Much of that activity has focused in the core of the community where investors — both large and small — are leveraging the history of the community to foster interest in an environment of entrepreneurial activity. Informal networks thrive in Lancaster.

GOAL

This Plan should acknowledge and work to support these efforts in meaningful ways. It should engage with an often economically underserved local population, provide locations where job skills can be honed, create new spaces throughout Lancaster that foster additional collaboration, and integrate existing institutions of higher learning in the process.

Recommendation 2A | Entrepreneurs Forum

Purpose: *Events such as Start-Up Weekend, The Great Social Enterprise Pitch and other more informal meetings are already taking place in Lancaster. Moreover, groups such as ASSETS Lancaster, SCORE, the Susquehanna Sustainable Business Network, the Lancaster Chamber of Commerce and Industry, The Candy Factory, and others are actively meeting and networking. There is an opportunity and the input process for this Plan indicated a keen interest in regular gatherings of entrepreneurs to discuss issues with Economic Development partners such as the Lancaster City Alliance, the City of Lancaster, and the Lancaster County Economic Development Company in an informal basis.*

Description: 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. Initially, these meetings could simply be information sharing forums. Over time, the group might wish to launch initiatives like a local business plan prize and outreach events in other communities to recruit creative businesses to Lancaster.



Lancaster is already home to some very successful coworking spaces, such as the Candy Factory (pictured here)

Recommendation 2B | Lancaster Creative Spaces Initiative

Purpose: *Creative spaces such as coworking spaces, accelerators, makerspace, and hybrid concepts are thriving in the United States. These spaces have witnessed dramatic growth in the last five years, and are expected to continue robust growth as businesses and entrepreneurs rethink the traditional work environment. Lancaster also has unique spaces such as the well-conceived Candy Factory, retail environments such as Building Character, and venture capital-created spaces such as that completed by Aspire Ventures on North Queen Street. New spaces are emerging in the City as well, with recent announcements of the Arch by the Candy Factory (focusing on the arts) and Warehouse 210, which will offer individual coworking spaces within a large existing space.*

Description: Coworking spaces have moved from what some might consider a fad into a full-blown national trend with over 80% growth in available coworking spaces during the past two years. Capitalize on the national trend of growth in coworking spaces while continuing to foster environments for creativity and places to develop skills and job training.

Before delving into the specific recommendations, it is important to begin to define how each of these spaces work, as semantics can sometimes get in the way of truly understanding the purpose of these new models. It is also important to know that, although their definitions are provided below, the fluidity within which they can function in a space is as creative as the very ideas themselves:

Coworking Spaces provide spaces for individuals or small companies to work in a shared environment. Companies can interact with one another in informal ways, form collaborations, or simply share in the creative atmosphere of the space. Coworking spaces may host events and activities, but rarely provide formal business coaching. These spaces are available in Lancaster through the splendid work of the Candy Factory (and now Warehouse 210). Private sector investment in similar spaces is expected to continue into the future.

Incubator Spaces are also places where businesses co-locate as well. A key difference between coworking

and incubator space is the level of support provided to grow businesses. These spaces frequently have a higher education partner that is helping to cultivate and coach businesses toward success. Many incubators have the desire to “graduate” businesses from the space.

Accelerator Spaces provide a structured way to “graduate” companies, often within a specified period of time. Usually, accelerator spaces receive significant support from venture capital that is directly investing in the start-ups. The goals of an accelerator is to “spin out” successful ventures. These spaces tend to gravitate around “like businesses” that have collaborative capabilities.

Makerspaces are physical locations where people gather to share resources and knowledge. Unlike the spaces described above, makerspaces focus on projects and fabrication. Consequently, makerspaces provide tools and facilities for the makers. While experts or university-affiliated advisors might be available, makers frequently get help from other users. These spaces began to be associated with fields such as engineering, fabrication, computer science, and graphic design. Many makerspaces have higher education partnerships that desire to create an informal combination of lab, shop, and conference room. Frequently, 3-D printers, manual tools, and classroom spaces are associated with makerspaces.

For Lancaster, these spaces should be considered fluid and subject to change. The following recommended spaces should be considered, many of which are hybrids of the models outlined above. It is critical that these be viewed as options and will very likely evolve with ongoing planning.



The Pennsylvania Guild of Craftsmen host a Makersfest to celebrate a tradition of craftsmen in Lancaster City (Photo courtesy of LCA)

FOOD DESERTS

Food deserts, as defined by the United States Department of Agriculture (USDA), are “urban neighborhoods and rural towns without ready access to fresh, healthy, and affordable food” (USDA, ¶ 1). A census tract is classified as a Food Desert if it meets the following two criteria: first, it qualifies as a “low-income community” (LI) due either to a poverty rate of 20 percent or greater, or a median family income at or below 80 percent of the area median family income; and, second, it also qualifies as a “low-access community”(LA) based on a count of at least 500 persons and/or a minimum of 33 percent of the census tract’s population living one mile or farther from a supermarket or large grocery store.

Using the original USDA measures, there are no areas within the City of Lancaster that would be strictly classified as a Food Desert. However, when vehicle access is taken into consideration, three census tracts on the western edge of the City, between Manor Street and Harrisburg Avenue, are indicated as such. Additionally, if you reduce the distance to a supermarket or grocery to ½ a mile, nine of Lancaster’s census tracts are considered Food Deserts.

Food Deserts, however, do not take into consideration the quality or nutrition of available food. Therefore, it is possible for a census tract to avoid classification as a food desert, yet still provide residents with an abundance of food; albeit from corner stores or limited service food markets where most fresh food items are unavailable. These areas are called Food Swamps. Recognizing and identifying these two concepts—Food Deserts and Food Swamps—it is critical that solutions are put forth that will increase access to healthy, fresh, and affordable food options in the City of Lancaster.

2B1: Lancaster Innovation Center

A makerspace combined with support from an incubator program and jobs skill training could be a dynamic addition to Downtown Lancaster. Makerspaces typically require large free span space and there are several alternatives such as the old Print Room at LNP that could be suited to such a use. It is a free-span room with clerestory lights that open onto Mifflin Street. A mezzanine provides a place for makers to gather and collaborate. The upper floors of the building (at one time used for offices) could be home to a business incubator supported by institutions of higher learning that are providing classroom and training space for those in the Old Printing House and throughout the City or region. (Ideally these classes would be provided to young people as a means to expose them to the concepts and activities going on in the makerspace). These spaces could also be the home of support organizations such as the SBDC and SCORE. Over time, the Lancaster City Alliance and the Lancaster Chamber of Commerce and Industry might consider the use of the well-positioned Jasper Yeates house as a one-stop shop for commerce and innovation. The makerspace could be located elsewhere; however, this Plan does recommend that the makerspace be located within, or at the edge of the Downtown.

2B2: Harvest Park Lancaster

While not a true accelerator in the definition provided above, Harvest Park Lancaster could continue to foster the food industry that is so important to the history (and present) of Lancaster. According to the USDA, a Food Hub is “a centrally located facility with a business management structure facilitating the aggregation, storage, processing, distribution, and/or marketing of locally/regionally produced food products.” Food Hubs provide broad access to institutional and retail markets for small to mid-sized producers, while at the same time providing access of fresh, healthy food for consumers — including underserved areas and food deserts. With a potential location in the Lancaster City Business Park, Harvest Park Lancaster could be a strong partner — it might even function as a subsidiary of the Lancaster Central Market, as well as a partner with Lancaster General Health, Lancaster City Schools, and private sector partners. A key goal of Harvest Park Lancaster would be to provide job skills training and employment for area residents and access to healthy food.



People look at artwork through a gallery window on a First Friday. (Photo courtesy of LCA)

2B3: The Lancaster Arts Lab

The Lancaster Arts Lab is envisioned as a way to continue the market success of Gallery Row that has evolved into a dynamic location since the completion of the original Economic Development Plan, while spurring much economic and social activity in Downtown Lancaster. The Lab could take on a multitude of concepts — each would likely integrate some gallery function. It may provide small studio spaces for artists, and could even be a residential location for artists who wish to live where they work. To note, any additional discussion of such a space would require a strong partnership with the Pennsylvania College of Art and Design () to build upon their current housing initiative on West King Street.



An artist paints in a park. (Photo courtesy of LCA)

Recommendation 2C | Neighborhood Healthy Food Initiative

Purpose: As shown in the market study, which will be included in the final report, the City of Lancaster leaks sales in the food and beverage categories (not including restaurants). When examined by corridor, this leakage becomes even more evident where, for instance, Manor Street is the most underserved corridor, with \$29 million in leakage. It is important to note that this examination does not account for grocery stores located immediately outside of the Commercial Hub geography, but it does give an overview of the need for food-related retail in each Commercial Hub. Much work has been done in promoting Healthy Food through programs like the Buy Fresh Buy Local campaign, Lancaster General's healthy eating initiative, and a food pantry (called the Food Hub) organized by the Council of Churches in the community. This effort is not designed to replace these efforts, but rather, to reinforce them as a way to generate economic activity within an industry that is already well established in Lancaster County.

Description: Establish a Neighborhood Healthy Food initiative that includes partnerships with existing entities like Lancaster General Health, the Lancaster Central Market Trust, and other partners. This initiative will carry over to other districts, but is described in detail here. The Healthy Food Initiative could take several different forms. One concept would be to work with existing businesses to ensure that healthy locally-sourced food is available within existing stores. Another approach would be to have "satellite" Neighborhood Markets in certain Commercial Hubs that fill the gaps for healthy food. In any event, the current efforts underway should be reinforced and expanded over time.



A Neighborhood Healthy Food initiative can help bring fresh, local food items into Lancaster's Commercial Hubs. (Photo courtesy of LCA)

STRATEGY 3 | LEVERAGING THE BRAND: MARKETING LANCASTER CITY

BACKGROUND

Lancaster City has a strong brand as A City Authentic. New efforts by LOOP are vigorously promoting activities within the City, re-imagining the visitors' center in Downtown Lancaster, and communicating the successes of Lancaster to a broad audience. Discover Lancaster (formerly the Pennsylvania Dutch CVB) has a dedicated focus of profiling not only the traditional attractions of Lancaster County, but also the City of Lancaster as a key component of the visitor experience. Additionally, it provides local guidance to broaden the appeal of Lancaster to a wider array of potential visitors.

GOAL

A City Authentic should be reinforced throughout Lancaster, and be extended to clearly indicate a vibrant, cohesive, and clear message to potential residents, investors, businesses, and existing stakeholders.



Lancaster's branding is already utilized significantly in the Downtown, but could be expanded throughout the City

Recommendation 3A | Locate Lancaster Residential Initiative

Purpose: *Promoting Lancaster as a place to live is critically important to control the message about what city living is like. Perceptions still exist among some that the City of Lancaster is a dangerous place to live, that housing options are limited, and that the schools are not on par with nearby districts. Lancaster should be proactive in changing that perspective, and in providing the resources necessary for viable, quality housing options in the City.*

Description: The Locate Lancaster Residential Initiative can go hand-in-glove with several existing efforts. These include marketing for the capital campaign, the land banking initiative that will have properties to market (some of which are likely to be residential), employer assisted housing programs, and the Locals Love Lancaster initiative currently being launched by Discover Lancaster. Lancaster City previously benefited from the Lancaster City Living initiative. However, with limited staff, this program was unable to sustain itself. As a new approach, coordinate with current marketing initiatives and partner with the real estate and development community to profile incentives for moving into Lancaster, and highlighting the benefits of living in the City. This effort serves as a marketing piece to explain what Lancaster living is about. Through this effort,



By marketing child-friendly activities, the City can attract and retain families

showcase the educational opportunities within the City as a way to promote the School District of Lancaster and the city's many institutions of higher learning. The Locate Lancaster Residential initiative should not focus exclusively on homeownership, but must recognize the great potential for a rental market in Lancaster by improving the experience for renters living in, or moving into, the city.



Recently completed Magnolia Place residences (Photo courtesy of LCA)



Homes on South Duke Street



Residences and businesses along South Queen Street

Recommendation 3B | Locate Lancaster Economic Development Initiative

Purpose: *Similar to the residential initiative, a cohesive, well-messaged Economic Development promotional campaign should be launched for Lancaster to clearly showcase the potential of investing the community.*

Description: 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." For the City's portion of the marketing, leverage the "A City Authentic" and Lancaster City's existing logo. It is vital that the Locate Lancaster Economic Development Initiative — and the corresponding web portal — be consistent with the City's existing brand and messaging. Likewise, through similar marketing, remove the perception that the development process at the City and the Economic Development process are two distinct and separate initiatives. Much like the clearinghouse mentioned for Economic Development projects, the Locate Lancaster initiative would package incentives, organizations, locations, and opportunities within both Lancaster City and Lancaster County. A combination of facts about the broader community and testimony from existing businesses would round out this effort.

Recommendation 3C | Continue Effort to Build the City Brand for Tourism through LOOP

Purpose: *Lancaster Office of Promotion (LOOP) has launched an aggressive marketing initiative that promotes the many available visitor activities, showcases existing shopping and dining options, and creates a new visitor center in the heart of Downtown through a partnership with Discover Lancaster.*

Description: While Discover Lancaster is tasked with marketing the entire County, LOOP can provide valuable information — both through Discover Lancaster outlets, as well as directly to city visitors. 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."



Fig. 45. Potential reconfiguration of the "A City Authentic" colored logo

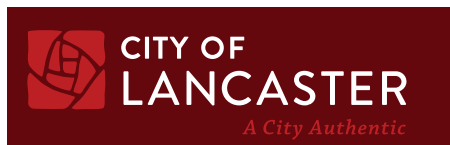
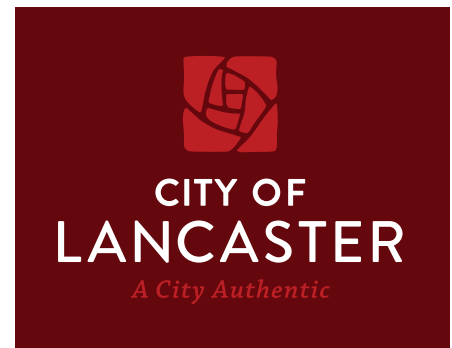


Fig. 46. Potential variety of uses of the "A City Authentic" logo

STRATEGY 4 | QUALITY OF LIFE: REINFORCING COMMERCIAL HUBS

BACKGROUND

Lancaster City has dramatically transformed the core of its Downtown over the past 15 years with highly visible investments in new streetscapes, wayfinding signage, revitalized parks, “clean and safe” programs, and new businesses. Some areas of investment, however, are disconnected from one another and do not benefit from potential synergies. With the exception of several recent park enhancements, areas beyond the Downtown Core and the Commercial Hubs have not enjoyed the same level of private investment.

GOAL

Connect areas of success within the Downtown Core, and extend the success of this core into other areas of Downtown and to the Commercial Hubs. Create strong identities that reinforce (not segregate) the overall “A City Authentic” brand; provide meaningful input on economic development ventures; and improve the city’s overall appearance.

Moving forward, build upon the success and popularity of existing events, such as First Friday, Music Friday, the Roots & Blues Festival, the LAUNCH Music Conference & Festival, the Latino Festival, and many others.



LCA's Bike Ambassadors enhance the quality of life for people who live, work and visit this area of the City. (Photo courtesy of LCA)

Recommendation 4A | Foster Commercial Hubs within Neighborhoods

Purpose: *“A City Authentic” is a well-conceived identity for Lancaster as it accurately reflects that the City is, first and foremost, a place within the County (often misconstrued as a rural locale by those unfamiliar with the community). A City Authentic can become a toolbox for marketing all parts of the City — both to visitors and locals.*

Description: “A City Authentic” can easily be deployed along the Commercial Hubs with modified messages. For instance, Urban Place, along New Holland Avenue, is truly an “Authentic Renovation” of an historic factory complex; SACA’s efforts are providing “Authentic Engagement” with the local community along South Duke Street; and products such as Thistle Finch, being distilled behind West King Street, are “Authentically Lancaster.” Recognize the character and cultures of Lancaster’s Commercial Hubs, and establish those identities through branding and place-making techniques. In reinforcing identities of the City and each individual Commercial Hub, build upon the strengths and successes of existing events, such as First Friday, Music Friday, the Roots & Blues Festival, the LAUNCH Music Conference & Festival, the Latino Festival, and many others.

For promoting these and many other great efforts, the community might consider a “locals guide to everything Lancaster” that showcases shops, restaurants, businesses, and other attributes to Lancaster that are truly authentic. This model for promoting a community has been successful elsewhere. In Spartanburg, South Carolina, for example, local writers were commissioned to craft an “underground guide” that profiled the community’s unique, quirky, and often hard-to-find places. The Spartanburg book, *An Insider’s Guide to Spartanburg*, is now on its second run. In addition to marketing, wayfinding signage has the potential to highlight each Commercial Hub as a key district within the City. The existing wayfinding system should be updated and extended from the Downtown throughout the study area.



2nd Annual Festival Latino Americano



The Harvest Breakfast at Lancaster Central Market draws crowds into Downtown Lancaster (Photo courtesy of LCA)



The Celebrate Lancaster festival in Lancaster Square (Photo courtesy of LCA)

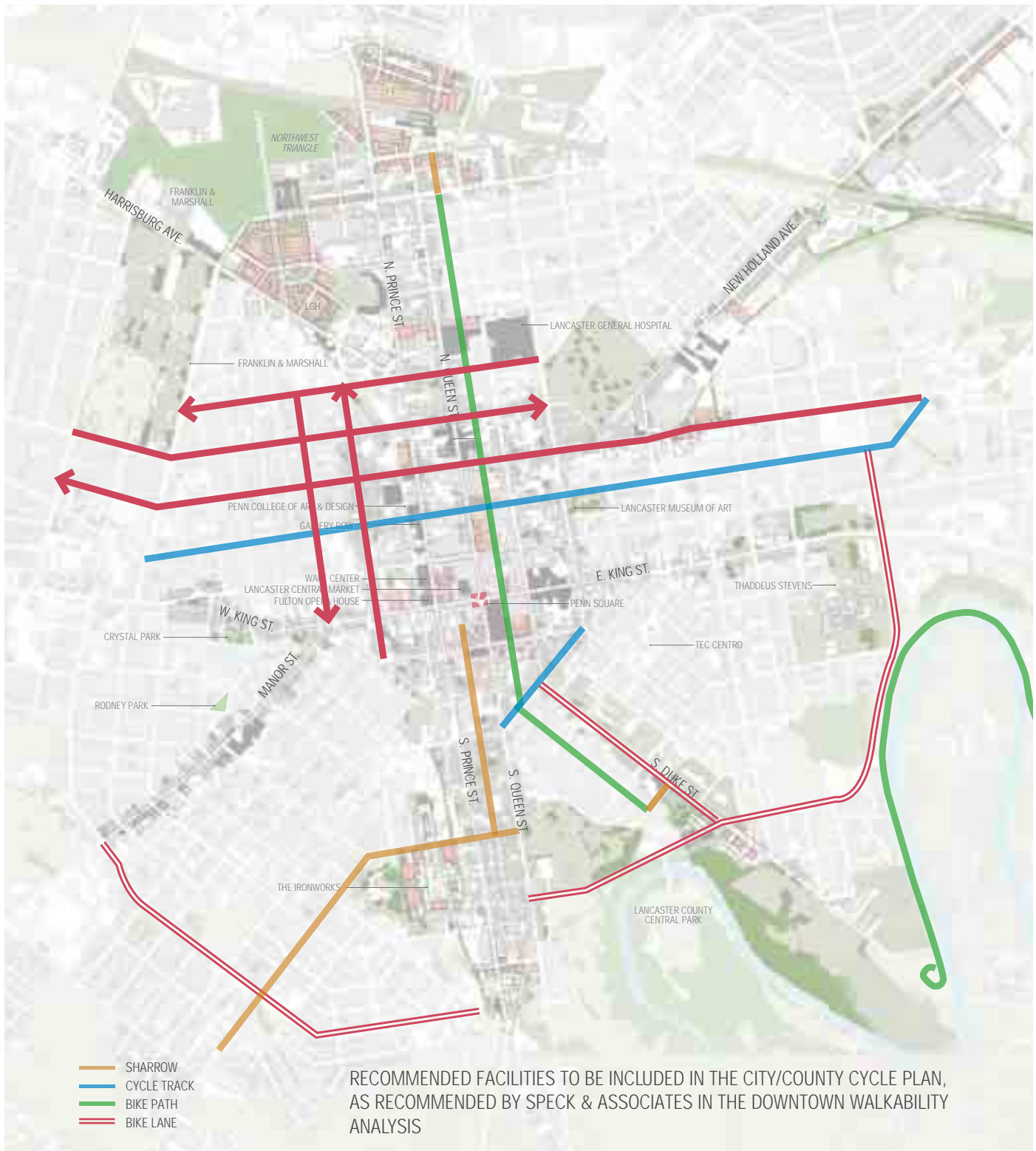
Recommendation 4B | Street Network and Improved Accessibility

Purpose: *Improving pedestrian and transit connectivity throughout the City is an integral part of economic development. Improved connectivity is needed for residents and visitors as they navigate to and from homes, jobs, schools, hotels and/or attractions.*

Description: The following recommendations include considerations for enhancements to the street and transportation network, as well as aesthetic enhancements for streetscapes and community gateways. They build upon concepts and recommendations previously adopted by the City, including the Streetscape Design Guidelines (2004); Lancaster's Urban Park, Recreation and Open Space Plan (2009); the Northeast and Southwest Revitalization Initiatives (2007); and the Lancaster County Bicycle Map (2008). Additionally, this economic development strategy is being developed concurrently with the *Downtown Walkability Analysis* by Speck & Associates. This analysis identifies specific opportunities to create more viable Downtown and Commercial Hub districts by improving environments for walking and biking. The recommendations focus on networks that reinforce quality of life in Downtown and the Commercial Hubs and those that reinforce critical connections throughout the City to provide better walkability, bikeability, and transit opportunities.

4B1 | Two-Way Street Conversions

The extensive one-way street network continues to be a challenge for Lancaster City pedestrians and visitors from a safety and ease-of-navigation perspective. Economic Development is also a consideration because businesses along one-way streets have decreased visibility as they are only exposed to 50% of the vehicular traffic. The City is making positive changes, however, and beginning to make conversions to two-way traffic, including conversions along North Charlotte and North Mulberry Streets (which will also include designated bike lanes). While complete conversion of a one-way to two-way system may be cost-prohibitive, in addition to the challenges of many of the roads being under the control of PennDOT, the City should continue to explore long-term opportunities to work with PennDOT and consider additional conversions. An exception exists where one-way streets facilitate enhancing the bicycle



network. The *Downtown Walkability Analysis* includes a detailed discussion regarding the value of two-way streets and the challenges associated with conversion, as well as streets where the one-way system should be maintained to accommodate bicycle facilities.

4B2 | Circulator

While there is broad agreement that a reliable circulator system is needed (particularly one that links the Train Station to the Downtown Core), there has been considerable discussion and debate regarding whether or not this system should be a “rubber wheel” or “fixed-rail” circulator. While the planning team for this economic development strategy has neither the expertise nor scope to fully study this issue, we are able to draw the following conclusions from the stakeholder and Steering Committee process:

The Lancaster Streetcar Company is a committed group of citizens who are passionate about the potential for fixed rail trolley, and some stakeholders agree that a fixed rail trolley would be beneficial to the community. However, few stakeholders with whom we have spoken agree that the economic benefits will outweigh the inherent costs and timeframe needed to implement a fixed rail system. Additionally, the planning team has not found significant support for a fixed rail system through the planning process. While numerous cities have implemented new fixed rail trolley systems, it is difficult to find a community with such a system that is comparable to Lancaster. A fixed rail system in Lancaster would not provide access to economic development opportunities due to the absence of vast tracks of developable or re-developable property throughout the majority of the city.

With the many recommendations outlined in this economic development strategy, resources needed for a viable fixed-rail system could be better allocated to other initiatives.

Because of the broad support recognizing the need for a circulator, the Steering Committee has supported recommending a rubber-wheeled system, initially, which could possibly lead to a fixed rail system in the long-term. Some important considerations for a rubber wheeled system include:

- » Utilize contemporary vehicles that are boldly branded (fake “historic” tourist-style trolleys should be avoided);

- » Establish an initial north-south route that extends from the Train Station to the Southside, possibly terminating in the vicinity of The Ironworks described in *1/B Investment Sites*. Additionally, an east-west route should be established connecting the Thaddeus Stevens campus to The West End;
- » Provide user-friendly system maps; and
- » Provide well-branded transit stations with shelters and incorporation of public art.

Additionally, the *Downtown Walkability Analysis* describes use of a potential jitney service timed to coincide with the arrival and departure of Amtrak trains throughout the day as a short-term solution. This could be an excellent way to provide immediate service and connection to the Train Station prior to any major investment in a circulator system.



Fig. 47. Potential logo of a Lancaster Bicycle Network

4B3 | Bicycle Network

A solid bicycle network, with a variety of bicycle facilities provided throughout the City, will be an important component of the economic development strategy — particularly when considering the growth in numbers of young millennials and active empty nesters locating in the community, the desire to have a more walkable Downtown and Commercial Hub areas and the need to provide alternative modes of transportation to connect residents to jobs, visitors to attractions, etc. Currently, there are active groups and initiatives in Lancaster City that promote increased bike activity, such as Lancaster Bikes, who could be the primary facilitator for bike interests. Additionally, The Common Wheel in Reservoir Park is a community bike center that offers hands-on education and provides tools in hopes of empowering people to ride bikes as a viable form of getting around the City. The City and County have recently commissioned a cycling plan which also

incorporates a bike share program. The City is also in the process of converting Mulberry and Charlotte to two-way traffic with the addition of a bike lane on each of these streets.

The recently completed *Downtown Walkability Analysis* also addresses the importance of a useful and comprehensive cycling network and suggests several key recommendations for consideration as the foundation of a cycling plan. These recommendations, if implemented, will certainly support economic development initiatives in the Downtown core and Commercial Hubs. These recommendations include:

- » Christian Street Bike Path: This is a proposed shared-space bike facility and would become an important north-south link in the bike network. It would provide direct connections among the Train Station Area, Downtown Core, East King and South Duke Commercial Hub areas. Additionally, consideration should be given to providing cycle connections to the Northwest Triangle along Frederick, Clay and/or Ross Streets.
- » Beaver/Hazel/Wabank Cycling Corridor: This is a proposed network marked with sharrows and signage and would connect the Downtown Core to the South Prince/South Queen Commercial Hubs. With the redevelopment of a portion of the LNP site (Investment Opportunity Site 1E), bike facilities and signage could be incorporated into that redevelopment. Additionally, the potential parking structure between West Vine/West Farnum (Investment Opportunity Site 2F) could accommodate covered bike commuter parking. This corridor also connects to The Ironworks. Consideration should be given to extending the markings on Beaver south to Furnace Street and South End Park to connect to the potential redevelopment described earlier (Investment Opportunity Site 7D). Additionally, consideration should be given to connecting to the South Central Greenway.
- » South Duke/Broad/Chesapeake Bike Lanes: Proposed bike lanes along these streets will provide useful bike facilities while narrowing the excessive street widths. Additionally, they will provide useful connections among the East King, South Duke and South Prince/South Queen Commercial Hubs as well as to Thaddeus Stevens' campus. The network along Chesapeake and Broad also reinforces the recommendation to establish

an Outer Greenway Loop, as described in the Urban Park, Recreation and Open Space Plan.

- » Hershey Bike Lanes: Proposed bike lanes along Hershey Avenue will also provide useful bike facilities while narrowing the excessive street widths. These will reinforce connections among the Manor Street and South Prince/South Queen Commercial Hubs.
- » Chestnut Street Cycle Track: This is a potential 2-way bike facility along Chestnut Street providing a significant east-west cycle facility through Downtown. Consideration should be given to how this cycle track could connect to the proposed Northeast Greenway.
- » James/Lemon/Walnut Bike Lanes: Proposed additions of bike lanes along these streets would help connect the New Holland Avenue Commercial Hub with the Downtown Core as well as reinforce connections to F&M.



Bike infrastructure will facilitate the work of Lancaster's Bike Ambassador program, and will create safer conditions for residents. (Photo courtesy of LCA)

4B4 | Gateways and Streetscapes

Attractive gateways and streetscapes are important to neighborhoods in establishing a positive first impression as one approaches Downtown, as well as for establishing a positive impression for the Commercial Hub in which they are located. While streetscape enhancements will need to be phased-in, incrementally over the long-term, gateway enhancements, or some elements of them, may be established prior to full-scale streetscape enhancements. Gateway treatments should not only



Fig. 48. Streetscaping Recommendations

take into consideration signage, lighting, and landscape enhancements, but also the surrounding building façades, new infill development opportunities, and unique landforms (such as embankments). In addition to the criteria outlined in the Streetscape Design Guidelines report, considerations for key gateway and streetscape treatments are outlined below.



A view along of Manor Street. (Photo courtesy of LCA)

Gateways

Harrisburg Avenue at State Street: Capitalize on the green space associated with the Franklin & Marshall campus, and coordinate City and College gateways appropriately.

North Prince Street at Manheim Avenue: Extend gateway treatment beyond the existing planting and signage. The entire area in the vicinity of North Prince Street and McGovern Avenue is an important gateway. Long-term redevelopment of City and Township parcels need to take this into account with architectural design of buildings and any parking structures, particularly those in prominent locations. Additionally, reconfiguration of the intersection as recommended in the *Downtown Walkability Analysis* needs to be considered.

Lititz Pike/North Duke Street at McGovern Avenue: The entire area in the vicinity of Lititz Pike and McGovern Avenue is an important gateway. Long-term redevelopment of City and Township parcels need to take this into account with architectural design of buildings, particularly those in prominent locations.

New Holland Avenue at East Ross Street: Continue to move forward with concepts for infill development

and gateway treatments as depicted in the *Northeast Revitalization Initiative* with redevelopment at the street intersection and aesthetic/lighting enhancements to the railroad underpass.

East Walnut Street at North Plum Street (Short-Term): Work with property owners to incorporate streetscape elements between North Marshall and North Plum Streets. In particular, provide street trees, pedestrian-scaled lighting and ornamental fencing to provide edge definition in the short-term, with potential for infill development in the long-term as described in 1A | *Investment Sites*.

East Walnut Street at North Marshall Street (Long-Term): If higher density redevelopment occurs along East Walnut Street between North Plum and North Marshall Streets, the gateway could potentially move to this intersection.

East King Street at Broad Street: Capitalize on extensive green space associated with the Thaddeus Stevens campus and Reservoir Park. Coordinate City and College gateways appropriately.

South Prince/South Queen Streets at Fairview Avenue: Consider the vast scale of this “five points” intersection, and consider façade treatments/infill development as important components of the gateway treatment. Collaborate with property owners to utilize the existing embankment to incorporate into the gateway treatment where South Queen Street splits from South Prince Street.

South Duke Street: Capitalize on the extensive green aspect (Conestoga River Valley and Riverview Cemetery) of South Duke Street and consider a gateway corridor with gateway signage located in the vicinity of Conestoga Plaza. Continue the use of curb extensions (utilized further to the north), but simultaneously consider these areas as opportunities for stormwater management (e.g., East Walnut at North Plum).

West King at Columbia Avenue and West Orange Street: Continue to move forward with concepts for façade enhancements and gateway treatments as depicted in the *Southwest Revitalization Initiative*.

Manor Street at Hershey Avenue/South West End Avenue: Capitalize on the green aspect of the Lancaster Community Park. Work with the property owner and Township on considering ornamental fencing in place of the chain link at the historic house on the southwest corner of Manor Street and South West End/Hershey Avenue (currently home to a Wells Fargo Bank branch). Work toward long-term elimination of the billboards located within the green space on the northwest corner of Manor and South West End/Hershey Avenue, or consider use of these billboards to promote the Lancaster City and Manor Street Commercial Hub identities.



Looking southeast on South Duke Street

Primary Streetscapes

North and South Prince Streets: Streetscape enhancements have been completed for several blocks of Prince Street in the core. Enhancements should continue to the north and south to connect Downtown with the Harrisburg Avenue/Train Station Commercial Hubs and the South Prince/South Queen Commercial Hub. As sections are phased, priority should be given to the blocks that define the core within each of the Commercial Hubs.

North and South Queen Streets: Similarly, some streetscape enhancements have been completed on Queen Street in the Downtown core. Additional enhancements should continue to the north and south to connect the Commercial Hubs. For Queen Street, priority blocks include the 200 and 300 blocks of North Queen and the block between Vine and Farnum on South Queen.

West and East King Streets: Beyond the Downtown core, streetscape enhancements should continue to the west with the priority area between Prince and Manor Streets to reinforce this area as an extension to Downtown. Similarly, enhancements should continue to the east with the priority between Duke Street and the Eastern Market to, also, reinforce this as an extension of Downtown.

Harrisburg Avenue: Streetscape enhancements would help link F&M with the Downtown core. Any streetscape enhancements along Harrisburg Avenue should be coordinated with the recommendations of the *Downtown Walkability Analysis*.

New Holland Avenue: Streetscape enhancements should extend from North Plum to East Ross Street, emphasizing a more pedestrian-friendly environment in the Commercial Hub area. Additionally, introduce improved lighting and sidewalks along New Holland Avenue next to the cemeteries to encourage the pedestrian connection between Urban Place and the Downtown Core.

South Duke Street: Continue enhancements to the south to connect the Commercial Hub area at Conestoga Plaza to areas further to the north where streetscape has been implemented. Coordinate enhancements with the recommendations of the *Downtown Walkability Analysis*.

Manor Street: Implement streetscape improvements along the entire length of Manor Street between West King Street and Hershey Avenue.

Other Streetscapes

While it will be important to build upon the City's recent streetscape enhancements and complete enhancements for all major Downtown streets, a few streets, in particular, stand out as being important in the network:

West Orange and West Chestnut Streets: Streetscape enhancements on these two east-west streets are important to enhance the connections between North Prince Street's Gallery Row and the 300 block of North Queen Street.



South Lancaster from above, looking South on Queen Street. (Photo courtesy of LCA)

West Frederick Street: As identified in Lancaster General Hospital (LGH) planning studies, West Frederick Street will be an important east-west pedestrian connection between the LGH campus and future Northwest Triangle development. Enhancements to the existing street segment between North Prince and North Queen Streets is important, as is also the westward extension of this street into the Northwest Triangle.

Crystal Street and 3rd Street: Third Street is a key cross street along Manor. It links the Commercial Hub to the recently revitalized Rodney Park and Rodney Park Community Center, and onward to the widely utilized and recently improved Crystal Park. Additionally, this Plan recommends working with adjacent property owners to create a stronger visual connection between Crystal Park and West King Street, as originally proposed in the City's Urban Park, Recreation and Open Space Plan.

Seymour and Hazel Streets: As gateways into the Lancaster City Business Park (The Ironworks), Seymour

and Hazel Streets will bring significant traffic to the future development in this area. Introducing gateway treatments to enhance these major entry points will increase visibility of The Ironworks. These streets, however, are not only gateways into The Ironworks, but are major east-west connector roads linking South Prince Street Commercial Hub and the Business Park at The Ironworks with the recently renovated Brandon Park and the heavily used Fairview Avenue.

Christian Street: The *Downtown Walkability Analysis* recommends this to be a significant north-south bike path, connecting the Train Station Area, Downtown Core and South Duke Commercial Hub. In addition to the signage and pavement markings described in the walkability study, long-term consideration should be given to special lighting, public art, special plantings (where possible) and façade treatments to enliven this as a critical part of the bicycle network.

North Water Street: Where at one time it had served as a boundary of the Downtown Core, North Water Street has become a significant commercial street

and stepping stone into the neighborhoods located west of Downtown. The scale of Water Street is quite different from other major commercial streets within the Downtown, but this corridor is still fronted by a number of businesses. At the same time, it remains an important street for improving vehicular access and relieving congestion throughout the city. In order to accommodate both pedestrian and vehicular traffic, and to enhance the overall experience of the street, façade improvements, pedestrian-scaled lighting fixtures, and other streetscape enhancements should be considered.

East Walnut Street: Streetscape enhancements along East Walnut Street should emphasize the connection between the Downtown Core and the New Holland Commercial Hub. Improvements should build upon the existing stormwater management features, and should facilitate pedestrian east-west access.

General Streetscape Considerations

- » Continue to utilize the City's Streetscape Design Guidelines to steer new streetscape enhancements.
- » Explore opportunities to bury overhead utilities as they are in the Downtown Core. While this will primarily be an option on new street networks (such as within the Northwest Triangle), there may be some additional opportunities adjacent to Downtown and within the Commercial Hubs as streetscape projects are being considered. Any desire to bury overhead utilities will need to be balanced with the challenges associated with potential conflicts with underground water and sewer as well as costs which can run upwards of \$1 million per block.
- » Continue to implement concepts and recommendations in the streetscape design guidelines to minimize "sign clutter".
- » While banners are not desired in the Downtown Core, consider the use of banners on ornamental light poles within the Commercial Hubs to help reinforce the individual identities of the Hubs as they relate to the overall Lancaster City brand.
- » Update and extend the existing wayfinding system from the Downtown throughout the study area.

Recommendation 4C | Commercial Hub Partner Organizations

Purpose: *Currently, Lancaster does not have a formal process to organize businesses along key Commercial Hubs. Many of the businesses do not have regular corridor networking meetings.*

Description: Strengthen the Commercial Hubs by organizing advocacy groups that can spearhead "clean and green" efforts and organize events. Some cities and/or non-profits have dedicated staff to work with commercial corridor groups. Develop in such a way that, over time, groups can become formalized with mission statements, funding mechanisms, staff and a stronger volunteer network. Some groups may simply use this forum as a way to gather people and ideas, and to stay up to date on events and activities occurring within the Commercial Hub.



Efforts similar to the Lancaster City Alliance's Clean Team (top), whose work currently focuses on the Downtown Improvement District (DID), could be extended throughout the City to help improve the cleanliness and appearance of the Commercial Hubs. College Row (bottom) also does a great job at maintaining its streetscape. (Photos courtesy of LCA)



IMPLEMENTATION

OVERVIEW

This plan is a framework to guide growth and enhancements in the City of Lancaster over the next ten years, and beyond. Implementation of the recommendations will occur incrementally by a partnership among many public and private entities and individuals as outlined throughout the report and below. It is important to note that the master plan is intended to be a guiding, yet flexible document. Many of the concepts illustrated will be further refined and vetted as they become real projects. Additionally, it is important to view the master plan as a “menu” of projects, particularly as it relates to redevelopment opportunities. The redevelopment scenarios illustrated and modeled would not all happen, certainly within the next 10 years. However, they serve as a guide should opportunities arise for particular properties. Similarly, opportunities may arise for properties not illustrated in this plan. The concepts of the plan, however, can be applied to these properties.

IMPLEMENTATION SUPPORT

Early Implementation Partners

The potential implementation will partners vary depending upon the specific project. Most projects will require a partnership among several partners, with one partner having the primary responsibility. Implementation partners for *Building on Strength* include:

- » A Common Wheel
- » Arts & Cultural Institutions
- » ASSETS Lancaster (ASSETS)
- » Ben Franklin Technology Partners
- » Bike Friendly Coalition
- » Bike Groups
- » Business Community
- » Candy Factory
- » City of Lancaster
- » Commercial Banks

- » Community Action Program (CAP)
- » Community First Fund (CFF)
- » Community Organizations
- » Coworking Spaces
- » Developers
- » DID Merchant Committee
- » Discover Lancaster
- » Downtown Improvement District (DID)
- » Economic Development Company of Lancaster County (EDC)
- » Employers
- » Entrepreneurs
- » Foundations
- » Future Bike Share
- » Higher Education
- » Kevin Lehman Pottery
- » Keystone Arts & Culture
- » Keystone Opportunity Zone (KOZ)
- » Lancaster Bikes
- » Lancaster Central Market Trust
- » Lancaster Chamber of Commerce & Industry (LCCI)
- » Lancaster City Alliance (LCA)
- » Lancaster City Redevelopment Authority
- » Lancaster County ("County")
- » Lancaster County Association of Realtors (LCAR)
- » Lancaster County Community Foundation (LCCF)
- » Lancaster County Council of Churches
- » Lancaster Downtown Walkability Analysis
- » Lancaster General Hospital (LGH)
- » Lancaster Housing Opportunity Partnership (LHOP)
- » Lancaster Newspapers (LNP)
- » Lancaster Office of Promotion (LOOP)
- » Lancaster Opera Company
- » LCA/DID Clean and Safe Bike Ambassadors
- » Local Media
- » Make 717
- » Neighborhood Anchors
- » Outreach Partners
- » Power Packs Project
- » Private Sector
- » Property Owners
- » Public Sector
- » Red Rose Transit Authority (RRTA)
- » School District of Lancaster (SDOL)
- » SCORE
- » Small Business Development Center (SBDC)
- » Spanish American Civic Association (SACA)
- » State of Pennsylvania
- » Third Party Agencies
- » United States Department of Agriculture (USDA)
- » United Way
- » Workforce Investment Board (WIB)



The Extraordinary Give raises funds for local Lancaster organizations

STRATEGY IMPLEMENTATION MATRIX

The Strategy Implementation Matrix, divided among the following two page spreads, is a summary of the recommendations and time frames for implementation. The Implementation Matrix is organized by the four strategies of the plan, and the goals for each of those strategies. The time frames for each are categorized as Short (2016-2017), Medium (2017-2019), Long (2019-2030), and ongoing. With this Implementation Matrix, it is important to note:

- » Recommendations will not be implemented all at once. Rather, they will be implemented in phases over many years.
- » The strategies are interrelated; therefore, implementation will overlap with recommendations from each of the four strategies.

Each action is identified by the recommendation number used to describe it in the report. The Matrix identifies the potential lead organizers and additional implementation partners. Implementation will depend upon numerous partners working together, with certain responsibilities lying with different partners, depending upon the project or recommendation.

As the Plan is implemented, an “Achievements” column can be added immediately following each of the strategies. As actions are completed, they can be moved into that column. Ideally, this would occur during an “Annual Strategic Plan Summit” among partners, using this Implementation Matrix as a guide for action. Communities can effectively use the summit to grade their progress — giving themselves an “A” if they completed the action; a “C” if some progress has been made; and an “F” if no progress has been made. It is important to note that an “F” should not necessarily mean failure. In some cases an action might not be completed because other actions became priorities or are necessary to complete prior to making any advancement, or that the dynamics of the particular project had changed. It is, therefore, important that the Implementation Matrix remain a fluid document.



The Empty Bowls event partners with Kevin Lehman's Pottery & Lancaster Creative Factory to raise funds for the Transitional Living Center

The Implementation Matrix is a living document and an evolving tool. Additional information will develop and be identified as this Plan's recommendations are individually addressed. Information identified under Lead Organization, Potential Implementation Partner, Estimated Time Frame, Tactics, and Performance Metrics Examples, as well as data in the “Potential Funding Mechanisms” columns, include preliminary ideas only. As Implementation 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.

The full Implementation Matrix can be found on the following pages.

Table 10. Implementation Matrix

| | | | | IMPLEMENTATION CONSIDERATIONS | | |
|---|----|---|--------------------------------------|-------------------------------|------------------------------|--|
| Strategy | # | Recommendation | Critical Action Component | Priority | Lead Organization | Potential Implementation Partner |
| Strategy 1 Expanding Success: Traditional Economic Development Investment | 1A | Investment Sites (See Separate Matrix for Investment Sites) | | | LCA/City/EDC | CFF, City, Commercial Banks, Developers, EDC, SDOL (TIF), Property Owners, State |
| | 1B | Market District | | | LCA/City | Central Market Trust, DID, Merchant Committee |
| | 1C | Development Clearinghouse | | VH | City | Developers, LCA, Third Party Agencies |
| | 1D | Business Registration Program | | VH | City | DID, LCA |
| | 1E | Building the Market | 1E1: Façade Grant Program | H | City/LCA | City, Community Organizations, DID, LCA |
| | | | 1E2: Façade Master Plan | M | City/LCA | City, Community Organizations, DID, LCA |
| | | | 1E3: Building Infrastructure Grants | M | City | City, County, LCA |
| | | | 1E4: Lancaster High Speed Internet | H | City | City, County, Private Sector |
| | 1F | Land Bank | 1F1: Land Bank | VH | City Redevelopment Authority | City, County, LCCF |
| | 1G | Community Land Trust Subsidiary | 1F2: Community Land Trust Subsidiary | H | LHOP | City, County, LCCF, Community Organizations |
| | 1H | Plan Funding Program | | VH | LCA | CFF, City, EDC, Foundations, Private Sector |

Implementation Matrix (continued)

| IMPLEMENTATION CONSIDERATIONS (contd.) | | | FUNDING | | BIG PICTURE |
|--|---|--|---------------|--|------------------------|
| Estimated Time Frame | Tactics | Performance Metrics Examples | Funding Level | Potential Funding Mechanisms | Recommendation Overlap |
| Long | | # of identified investments sites approved for development and/or successfully developed | \$\$\$ | CRIZ, Historic Tax Credits, LERTA, New Market Tax Credits, Private enterprise, State | 1B, 1E, 1H, 2B, 3A, 3B |
| Medium-Long | Designation of an official market district area program | % of and/or # of qualifying property uses participating in a market district program | \$\$ | CRIZ, DID, Private Sector, State | 1A, 2B2, 2C, 4C |
| Short | Creation of a Development Clearinghouse | # of development projects initiated annually | \$ | Permit Fees | 1A, 1E, 1H, 3B |
| Short | Completion of initial Business Registration Inventory | # of registered businesses | \$ | Registration Fees | 1A, 1B, 3B |
| Short | | # of participating property owners, and/or total funds utilized | \$\$ | State and Foundation Grants | 1A, 1H, 4B4 |
| Short | | # of participating property owners in a concentrated area; and/or # of master plans underway | \$\$ | State and City Grants | 1A, 1H, 4B4 |
| Medium | | Total grant funds utilized | \$\$ | Bonds, Federal and State Grants | 1G, 4B1, 4B4 |
| Short | | # of properties with improved access | \$\$\$ | National, Federal, and State Grants, Private enterprise | 2B1, 4A |
| Short | Creation of a Land Bank and Community Land Trust | # of properties held and/or dispersed; housing affordability index | \$\$\$ | CDBG, Contributed Properties, State Grants | 1A, 3A |
| Medium | | | \$\$\$ | Crowdfunding, Federal Grants, Foundations, State Grants | 1A, 3A |
| Short | Establishment of a Capital Campaign | Total private funds secured; Total of public funding tools utilized defined by project type | \$\$\$ | Foundations, Private Sector | 1A, 1E, 1F |

Implementation Matrix (continued)

| Strategy | # | Recommendation | Critical Action Component | IMPLEMENTATION CONSIDERATIONS | | |
|---|----|--|----------------------------------|-------------------------------|-------------------|---|
| | | | | Priority | Lead Organization | Potential Implementation Partner |
| Strategy 2 Embracing the Collaborative Economy: Cultivating Entrepreneurs (Creative and Technology) | 2A | Entrepreneurs Forum | | H | LCA | ASSETS, Ben Franklin Technology Partners, Business community, Coworking spaces, Entrepreneurs, Higher Ed., SACA |
| | 2B | Lancaster Creative Spaces Initiative | 2B1: Lancaster Innovation Center | VH | LCA | Ben Franklin Technology Partners, City, Existing Coworking Spaces, Higher Ed., KIZ, LCCI, LNP, Make717, SCORE, SDOL, WIB |
| | | | 2B2: Harvest Park Lancaster | H | LCA | Central Market Trust, City, KOZ, LGH, SBDC, SDOL, USDA |
| | | | 2B3: The Lancaster Arts Lab | H | LCA | City, Higher Ed., LOOP, Existing Arts and Cultural Institutions and Organizations, Pennsylvania College of Art & Design, SDOL |
| | 2C | Neighborhood Healthy Food Initiative | | M | LGH | CAP, Central Market Trust, City, Council of Churches, Power Packs Project |
| Strategy 3 Leveraging the Brand: Marketing Lancaster City | 3A | Locate Lancaster Residential Initiative | | H | City | Community Organizations, Discover Lancaster, Employers, LCA, LCAR, LHOP, Local Media, LOOP, SDOL |
| | 3B | Locate Lancaster Economic Development Initiative | | VH | LCA/CITY | ASSETS, Discover Lancaster, EDC, Higher Ed., LCCI, Local Media, LOOP, WIB |
| | 3C | Building the City Brand for Tourism through LOOP (Lancaster Office of Promotion) | | M | LOOP | City, DID, Discover Lancaster, LCA, Local Media |

Implementation Matrix (continued)

| IMPLEMENTATION CONSIDERATIONS (contd.) | | | FUNDING | | BIG PICTURE |
|--|---|--|---------------|--|------------------------|
| Estimated Time Frame | Tactics | Performance Metrics Examples | Funding Level | Potential Funding Mechanisms | Recommendation Overlap |
| Short | First Annual Entrepreneurs Forum | Total # of Forum participants; % of satisfied, engaged participants | \$ | Contributions, Crowdfunding | 2B, 3B |
| Medium-Long | Creation of a Lancaster Innovation Center | # of participating entrepreneurs/businesses; # of graduated entrepreneurs/businesses; # of organized classes/programs; # of community members provided workforce training; All targeted implementation partners contributing | \$\$\$ | Crowdfunding, Private enterprise | 1A, 1E4, 1H, 2A |
| Medium | Creation of a Lancaster Food Hub | # of Lancaster City residents employed; # of regional food producers participating | \$\$\$ | CRIZ, Crowdfunding, Federal Grants, Foundation, Private Sector, State Grant | 1A, 1F, 1G, 2A, 2C |
| Medium | Creation of the Lancaster Arts Lab | \$ generated for arts industries, # of artists utilizing Live/Work opportunities | \$\$\$ | CRIZ, Crowdfunding, Foundations, Federal Grants, Private Sector, State Grants | 1A, 2B, 3C |
| Short - Medium | Creation of a Neighborhood Healthy Food Initiative | # of Neighborhood Markets, # of residents served (calculated within a 1/4 mile radius) | \$\$ | Crowdfunding, Federal Grants, Foundations, State Grants | 1A, 2B2, 4C |
| Short, Ongoing | Creation of a Locate Lancaster Residential Initiative | # or % increase in Lancaster City Residents; # of employers participating in employer-assisted housing programs; # or % increase in housing supply | \$\$ | Developers, Realtors, Sponsorships, State Grants | 1A, 1D, 3D, 4A, 4C, 1H |
| Short, Ongoing | | # or % increase in outside developers investing in community; # of developers/businesses reached through campaigns | \$\$ | Businesses, Community, County, Developers, Foundations, Realtors, Sponsorships, State Grants | 1A, 1B, 1D, 1F, 2A |
| Short, Ongoing | | Social Media Reach (# of unique visits to webpage, followers on facebook, etc.); # of visitor guides distributed; # of member businesses; # of attendees at LOOP events, integrated branding | L/N | City, Fees, Private Sector, Sponsorships, State Grants | 2B3, 3D, 4A |

Implementation Matrix (continued)

| Strategy | # | Recommendation | Critical Action Component | IMPLEMENTATION CONSIDERATIONS | | |
|---|----|--|---------------------------------|-------------------------------|-----------------------------|--|
| | | | | Priority | Lead Organization | Potential Implementation Partner |
| Strategy 4 Quality of Life: Reinforcing Commercial Hubs | 4A | Foster Commercial Hubs within Neighborhoods (Economic Development) | | VH | City | ASSETS, Community Organizations, Entrepreneurs, LOOP, Private Sector |
| | 4B | Street Network and Improved Accessibility | 4B1: Two-Way Street Conversions | L | City | Community Organizations, Downtown Walkability Analysis |
| | | | 4B2: Circulator | M | City | Higher Ed., LOOP, RRTA |
| | | | 4B3: Bicycle Network | H | City | Bike Friendly Coalition, A Common Wheel, County, Downtown Walkability Analysis, Future Bike Share, Lancaster Bikes, LCA, LGH |
| | | | 4B4: Gateways and Streetscapes | M | City/Private Sector | Community Organizations, County, Downtown Walkability Analysis, LCA (Clean and Safe, Bike Ambassadors, et al.) |
| | 4C | Commercial Hub Partner Organizations | | H | LCA/Community Organizations | City, Neighborhood Anchors, Private Sector |

| KEY | |
|----------------|---|
| Funding Level: | L/N = Low/No New Cost; \$ = Low; \$\$ = Medium; \$\$\$ = High |
| Priority | VH=very high priority; H=high priority; M= medium priority; L= Low priority |
| Time Frame: | Ongoing; Short: 1-5 years; Medium: 5-10 years; Long: 10+ years |

Implementation Matrix (continued)

| IMPLEMENTATION CONSIDERATIONS (contd.) | | | FUNDING | | BIG PICTURE |
|--|--------------------------|--|---------------|---|---------------------------|
| Estimated Time Frame | Tactics | Performance Metrics Examples | Funding Level | Potential Funding Mechanisms | Recommendation Overlap |
| Long | | # of "branded" Commercial Hubs, # of net new businesses | \$\$ | BIDs, CDBG, City, Foundations, Historic Tax Credits, NIDs, State and Federal Grants, New Market Tax Credits | Strategy 1, 3A, 3C, 4B |
| Long | | # of businesses with increased visibility; # of streets converted to two-way | \$\$\$ | Federal Grants, Local Funds, State Grants | 1A, 4B2, 4B3, 4B4 |
| Medium | Creation of a Circulator | # of businesses with improved access (within 1/4 mile of the route); # of additional or enhanced transit stations/shelters | \$\$\$ | BID, Crowdfunding, Local Grants, Private Enterprise, Sponsorship, State Grants | 1A, 4B1, 4B3, 4B4 |
| Medium | | # of bike facilities (by type of facility), # of bike share stations. | \$\$ | Crowdfunding, Federal Grants, Foundations, Local Grants, Private Sector, State Grants | 1A, 4B1, 4B2, 4B4 |
| Long | | # of gateway enhancement areas, miles of enhanced streetscapes, businesses impacted by streetscape enhancements | \$\$\$ | Bonds, Federal Grants, Local Grants, Private Sector, State Grants | 1A, 4A, 4B1, 4B2, 4B3, 4C |
| Short | | # of Commercial Hubs/Communities with affiliated community partner organizations; # of block captains | \$ | Contributions | 1F, 2C, 3A, 3B, 4B |



APPENDIX

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Appendix A: Acknowledgement of Stakeholders

During the July 2014 through January 2015 work sessions in the City of Lancaster, the planning and design team met with numerous stakeholders to garner input on the City regarding its assets, challenges, and opportunities. The team augmented this input with reconnaissance and professional observations.

STAKEHOLDER PARTICIPANTS

Steering Committee

Ben Bamford, Chair, *Lancaster Township Board of Supervisors*

John Biemiller, *Economic Development Finance Company of Lancaster County*

Michael Callahan, *Benchmark Construction*

Dennis Cox, *Lancaster Downtown Investment District*

Rob Ecklin, *Ecklin Group*

Paul Fulmer, *NAI Commercial Partners, Inc.*

R. Ed Gordon, *Wohlsen Construction Company*

Sam Houser, *Franklin & Marshall College*

Craig Kauffman, *Susquehanna Bancshares*

Melody Keim, *Lancaster County Community Foundation*

Robert Krasne, *Steinman Communications*

Jack Krecek, *Fenner Drives*

Randy Patterson, *City of Lancaster*

Lisa Riggs, *Economic Development Company of Lancaster County*

Chris Stump, *Harsco*

Tom Smithgall, *High Real Estate Group*

Jeff Vrabel, *Baker Tilly Virchow Krause, LLP*

Susan Wynne, *Lancaster General Health*

Shane Zimmerman, *The Steinman Foundation*

Below is a list of stakeholder participants (not already identified in the Introduction section of this report) followed by a summary of reoccurring themes regarding the City of Lancaster. The list of participants does not include all attendees to public meetings, open houses, or Council/Planning Commission meetings.

Working Group

James Reichenbach, *City Council/Resident*

Jim Abert, *Score Chapter 16*

Gene Aleci, *Property Owner/Resident*

Adam Althouse, *National Penn*

Reverend Edward Bailey, *Bethel African Methodist Episcopal Church*

Jennifer Baker, *MOOSE*

Thomas Baldrige, *The Lancaster Chamber Of Commerce & Industry*

Peter Barber, *Two Dudes Painting Company*

Deb Barber, *Resident*

Dave Bender, *Compass Mark*

Michael Biggerstaff, *NxtBook Media*

Bob Brandt, *Benchmark Construction Company*

Deborah Brandt, *Moxie House*

Melissa Brosey, *Prudential/Resident*

Chris Caldwell, *Bike Enthusiast/Resident*

Steve Carlson, *Artist/Resident*

Dawn Cox, *Prana Functional Manual Therapy LLC/Resident*

Charlie Crystle, *The Lancaster Food Company/Resident*

Brian Davidson, *High Real Estate/Property Owner*

Joe Devoy, *Tellus360*

Andy Espenshade, *Prudential*

Tony Essis, *Property Owner/Investor*

Jill Fanning, *Urban Place*

Joe Frank, *Property Owner*

Hawa Good, *Coe Camera/Discerning Eye/Resident*

Doug Groff, *TeraVerde Management*

Mary Colleen Heil, *Pennsylvania College of Art & Design*

Jeremy Hess, *Jeremy Hess Photographers*

Ole Hongvanthong, *PhotOle Photography/Resident*

J. Samuel Houser, *Franklin & Marshall College*

Charlotte Katzenmoyer, *City of Lancaster*

Cynthia Kettering, *Iron Links Investments Inc.*

Jessica King, *ASSETS Lancaster Inc.*

Anne Kirby, *The Candy Factory*

Kevin Lehman, *Artist/Resident*

Jessica Mailhot, *Lancaster Central Market*

Ryan Martin, *The Infantrree/Resident*

Melanie Martinez, *SDOL/Resident*

Mike McMonagle, *Fly Magazine/Musician*

Noah Miller, *Innovation Focus, Inc./Property Owner/Resident*

One-on-One Interviews

JULY WORKSHOP #1

- » Robert Krasne, *Steinman Communications*
- » Peggy Steinman, *Steinman Foundations*
- » Douglas Shand, *Property Owner*
- » John Meeder, *Meeder Development*
- » Sam Wilsker, *Meeder Development*
- » J. Samuel Houser, *Franklin & Marshall College*
- » Ed Drogaris, *Drogaris Companies*
- » Honorable P. Michael Sturla, *House of Representatives 96th District*
- » Craig Lehman, *Lancaster County Commissioner*
- » Dr. Aminta Breaux, *Millersville University*
- » Scott Martin, *Lancaster County Commissioner*
- » Honorable Lloyd Smucker, *State Senator PA 13th District*
- » Matt Parido, *Chief of Staff, PA 13th District*
- » Tim Schwartz, *Friendly Transportation*
- » Dave Martens, *Zamagias Properties*
- » Dave Kilmer, *RRTA*
- » Sam Bressi, *Lancaster County Community Foundation*
- » Dennis Stuckey, *County Commissioner's Chair*
- » James Cowhey, *County Planning*
- » Scott Standish, *County Planning*
- » Dale High, *High Industries*
- » Nevin Cooley, *High Companies*
- » Gene Aleci, *Community Heritage Partners, LLC.*
- » Larry Cohen, *Lancaster Parking Authority PA*
- » Joe Deerin, *LMS Properties*
- » Donna Deerin, *LMS Properties*
- » Kirk Liddell, *Irex Corp.*
- » R. Scott Smith, *Fulton Financial*
- » Pete Slough, *Berkshire Hathaway*
- » Carlos Graupera, *Spanish American Civic Association*
- » Mike O'Brian, *Oak Tree Development*

AUGUST WORKSHOP #2

- » Barry Baldwin, *Urban Place*
- » Jill Fanning, *Urban Place*
- » David Proulx, *Franklin and Marshall College*
- » J. Samuel Houser, *Franklin and Marshall College*
- » Jim Schultz, *Lancaster Housing Opportunity Program*
- » John Cox, *Turkey Hill Dairy*

- » Lisa Douglas, *Planning & Zoning for Manheim Township*
- » Randy Patterson, *City of Lancaster*
- » Charlotte Katzenmoyer, *City of Lancaster*
- » Tom Beeman, *Lancaster General Health*
- » Jan Bergen, *Lancaster General Health*
- » Chief Tim Gregg, *Lancaster City Fire Department*
- » Exit Lancaster Youth
- » Dr. John Anderson, *Millersville University*
- » Kathleen Frankford, *Discover Lancaster*
- » Lisa Riggs, *Economic Development Company of Lancaster County*
- » Essam (Sam) Abadir, *Aspire*
- » Debra Brandt, *Moxie House*

OCTOBER WORKSHOP #3

- » Randy Patterson, *City of Lancaster*
- » John J. "Ski" Sygielski, *Harrisburg Community College*
- » Victor Ramos, *Harrisburg Community College*
- » Kyle Sollenberger, *The Commons Company of Lancaster, LLC*
- » Charlie Crystle, *The Lancaster Food Company*
- » Joe Musgavero, *Industrial Resolution*
- » Joel Walker, *Industrial Resolution*
- » Robert Macina, *Lancaster General Health*
- » Joe Devoy, *Tellus 360*
- » Allison Weber, *Tec Centro/Spanish American Civic Association*
- » Robert Nye, *Thaddeus Stevens College of Technology*
- » Andres Zorilla, *ASSETS Lancaster*
- » Dan Betancourt, *Community First Fund*
- » Debra Brandt, *Moxie House*

DECEMBER SPECIAL MEETINGS

- » Tom Smithgall, Marshall Snively, Bob Shoemaker—progress discussion
- » Greg Keasey, *Spring House Brewery*
- » Matt Keasey, *Spring House Brewery*
- » Jessica Mailhot, *Lancaster Central Market*
- » David Heck, *Manheim Township Commissioners*
- » Albert King, *Manheim Township Commissioners*
- » Randy Patterson & Bob Shoemaker
- » Larry Cohen, *Lancaster Parking Authority*
- » Jennifer Baker, *LOOP*
- » Tim Peters & Board Members, *Lancaster Streetcar Company*

- » Pedro Rivera, *School District of Lancaster*
- » Toby Fauver, *PennDOT*
- » Lisa Riggs, *Economic Development Company of Lancaster*

JANUARY WORKSHOP # 4

- » Bob Krasne, *Steinman Communications*
- » David Kilmer, *RRTA*
- » Pedro Rivera, *School District of Lancaster*
- » Debra Brandt, *Moxie House*

Focus Groups

ARTS GROUP

| | | | |
|-------------------|--------------------|------------------|--------------------|
| Baker, Jennifer | Lassanah, Hawa | Lindsay, Leigh | Shifflet, Aaron |
| Beyl, Tracy | Gray, Gail | Lovett, Lee | Smith, Judy |
| Bolt, Carol | Haverstick, Mary | Mast, Ryan | Snively, Marshall |
| Brock, Robert | Heberlein, Joyce | McFarling, Paige | Stoltzfus, Freiman |
| Carlson, Steve | Heil, Mary Colleen | Milner, Erica | Strazzo, Amber |
| Clark, Brandi | Hershey, Jerome | Mohler, Nick | Schwartz, Annie |
| Cole, Stephanie | Hess, Liz | Mummert, George | Snader, Mackenizee |
| Cupples, Paul | Hongvanthong, Ole | Mundok, Jason | Swartz, Julia |
| David, Christiane | Hunter, Alana | Natale, Marcie | Wagner, Colleen |
| Dewan, Bill | Kemp, Amanda | Nugent, Mitch | Weiss, Jeremy |
| Dienner, Derek | Kendall, Laura | Owen, Harvey | Young, Aaron |
| Dunhill, Jennifer | Lampe, Anne | Reisig, Vanessa | |
| Faulkner, Rick | LaRue, Nicole | Ryan, Tom | |
| Gerdy, John | Lehman, Kevin | Sharp, Jude | |

DID MERCHANT COMMITTEE

| | | | |
|----------------|------------------|--------------------|------------------|
| Aichele, Dave | Keating, Larry | Snively, Marshall | Younger, Theresa |
| Andresky, Adam | Larkin, Hannah | Sullivan, Kathlene | Weaver, Kathy |
| Burgum, Tom | Mailhot, Jessica | Slaugh, David | Watso, Melissa |
| Davis, Gary | McFarling, Paige | Swartz, Terry | |

EDUCATION GROUP

| | | | |
|--------------------|-----------------|--------------------|---------------------|
| Anderson, John | Helicher, Larry | Ramos , Victor | Solava Reid, Shanon |
| Barbosa, Marilyn | Houser, Sam | Sheely, Scott | Sygielski, John |
| Burgum, Tom | King, Jessica | Simcox, Mary Grace | Teague, Peter |
| Graupera, Carlos | Koon, Diane | Simmons, Gerald | Williams, Mary Kay |
| Griscom, William | Lytch, Carol | Smith, Pam | |
| Heil, Mary Colleen | Nauman, Shelby | Shoemaker, Bob | |

ENTREPRENEURS GROUP

| | | | |
|-------------------|-------------------|-----------------|-------------------|
| Arroya, Angelique | Dasgupta, Srirupa | Martin, Andrew | Snively, Marshall |
| Berridge, Randy | Drogaris, Ed | Miller, Noah | Vital, Bob |
| Buckwalter, Mark | Early, Matt | Park, Jocelyn | |
| Coleman, Jonathan | Fulmer, Paul | Richards, Diane | |
| Crystle, Charles | Kirby, Anne | Sauder, Nicole | |
| Cupples, Paul | Lamphier, Sarah | Shoemaker, Bob | |

FAITH-BASED GROUP

| | | | |
|--------------------------|-----------------|---------------------|----------------------|
| Bender, Dave | Mcdonough, John | Nauman, Shelby | Shoemaker, Bob |
| Cameron, Eddie | Mentzer, Tim | Powers, Maureen | Snively, Marshall |
| Gemmill, Tom | Mills, Crystal | Reidenbaugh, Stacie | Washington, Adrienne |
| Glover, Bonnie | Milner, Monty | Riggs, Randy | Watson, Shayna |
| Gregg, Tim | Mundy, Jennifer | Rittenhouse, Gail | Woodcock, Bethany |
| Hershey-Materia, Susanne | Phillips, Carol | Schoeck, Robert | |

SELECT COMMUNITY MEMBERS

| | | | |
|------------------|-----------------|---------------|-------------------|
| Baldrige, Thomas | Mcminn, Jane | Ponessa, Tom | Shoemaker, Bob |
| Biemiller, John | Mundy, Jennifer | Rankin, Rick | Snively, Marshall |
| Mailhot, Jessica | Nowak, Joshua | Shirk, Andrea | |

PROPERTY OWNERS AND REAL ESTATE PROFESSIONALS

| | | |
|-----------------|-------------------------|--------------|
| Aichele, Dave | Horst, Tracy | Shultz, Jim |
| Berger, Marilyn | Jackson, Rick | Vedock, Ted |
| Carper, Michael | Meeder, John | Wilsker, Sam |
| Dantinne, John | Molloy, Kevin | Wolman, Rich |
| Detter, Brent | Pasic, Adnon | Zook, Larry |
| Finley, Brian | Peters, Christopher | |
| Glisson, Jeff | Ramsay Carrigan, Althea | |
| Greener, Lisa | Shand, Douglas | |

Commercial Hub Groups

EAST KING STREET

| | | | |
|-------------------|------------------|-------------------|-----------------|
| Brandt, Deborah | Keim, Melody | Molyneaux, Dennis | Shoemaker, Mike |
| Butterfield, Jay | Kutz, Holly | Morales, Luis | Shultz, Jim |
| Butterfield, Anne | McMurtrie, Chris | Paulson, Gregory | Stacks, Phyllis |
| Jureckson, Mitch | Metzler, Chris | Shenk, Bob | Williams, Anne |

MANOR AND WEST KING STREETS

| | | | |
|---------------|----------------|----------------|--------------------|
| Aleci, Gene | Millner, Erica | Martin, Jean | Rush, Donald |
| Barber, Peter | Jackson, Paula | McFalls, Jason | Sullivan, Kathlene |
| Bigler, Sam | Kendell, Laura | Meeder, Anne | Trissler, Chuck |
| Dewan, Bill | Martin, Andrew | Neff, Dan | |

NEW HOLLAND

| | | | |
|------------------|-------------------|----------------|-------------------------|
| Butterfield, Jay | Hamilton, Paul | Keares, Teddy | Ramsay Carrigan, Althea |
| Egan, Pat | Huber-Bell, Linda | Margerum, Leah | Reed, Gallen |
| Fanning, Jill | Keares, Dimitvi | Miller, Noah | Roland, Catherine |

NORTHWEST/TRAIN STATION AREA

| | | | |
|----------------|----------------|-------------------|--------------------|
| Cohen, Larry | Durkota, Bill | Houser, J. Samuel | McGrann, Mara |
| Drogaris, Ed | Horst, Ange | Matthew, Johncey | Stankiewicz, Eric |
| Donaldson, Joe | Horst, Sheldon | McGrann, John | Sternberg, Matthew |

SOUTH DUKE STREET

| | | | |
|-------------------|--------------------|------------------|-----------------|
| Berridge, Randy | Graupera, Carlos | Powell, Charasay | Simmons, Gerald |
| Coleman, Jonathan | Jones, Helen | Rodriguez, Elvin | Waters, Daryl |
| Farmer, Wes | Pagan Crespo, Lori | Shirk, Hilda | |

SOUTH PRINCE AND QUEEN STREETS

| | | | |
|--------------------|-----------------|----------------------|-------------------|
| Berridge, Randy | Jackson, Len | Sheehan, Captian Tim | Woodcock, Bethany |
| Coleman, Johnathon | Johnson, Duffy | Smith, John H. | |
| Grimm, Brian | Maneval, Chuck | Stokes, Lee | |
| Grimm, Dottie | Mcfarlin, James | Weglarz, Jean | |

Our apologies to any community stakeholder that may have been inadvertently omitted or listed incorrectly.

Public Meetings

AUGUST

| | | | |
|-------------------|---------------------|--------------------|------------------|
| Aleci, Gene | Graybill, Karl | N., Gloria | Wiebern, Joel |
| Aleci, Linda | Gregg, Tim | Neidig, Judy | Williams, Anne |
| Althouse, Adam | Guevvero, Iber | Neslind, Dave | Williams, Ellen |
| Atlee, Adrienne | Hackenburg, Mark | Newman, Beth | Wilson, Barbara |
| Barber, Deborah | Hamme, Emma | Nicholas, Dave | Yoder, Jared |
| Barber, Rob | Hassler, Tom | Nye, Robert | Zimmerman, Judy |
| Bender, Dave | Heil, Thomas | Paulson, Gregory | Zimmerman, Shane |
| Berardi, Larry | Heisler, Henertta | Powell, Chrasay | |
| Berger, Marilyn | High, David | Powell, Jennifer | |
| Bond, Melonia | Hindle, Christopher | Ridgeway, Mike | |
| Bosma, Janet | Hongrathog, Ole | Roper, Candance | |
| Brown, Macajah | Hoover, Susan | Russell, Barry | |
| Burns, Amanda | Hopwood, Doug | S., Aaron | |
| Burns, Joseph | Ibold, Bob | Sebastian, Caren | |
| C., Gina | Jackson, Paula | Seitz, Del | |
| Chillas, William | Jarvis, Sally | Shull, Jane | |
| Coleman, Jonathon | Keener, Nelson | Shultz, Jim | |
| Crystal, Charlie | Keim, Melody | Soost, Jack | |
| Crystle, Amy | Kiely, Albert | Sote, Jesus | |
| Cunningham, Mark | Landis, Devon | Soto, Peto | |
| Demarco, Cheryl | Lewis, Sara | Standish, Scott | |
| Diehl, Christine | Linberger, Gary | Stauffer, Heather | |
| Domin, Mike | Mailhot, Jessica | Stewart, Brad | |
| Drogaris, Andi | Margerum, Leah | Stoltzfus, Matthew | |
| Drogaris, Ed | Mcfarlene, James | Stoltzfus, Paul | |
| Esbenshade, John | Mcgahran, Sarah | Stoner, Mark | |
| Faiz, Annie | Mcgrann, John | Strazzo, Amber | |
| Forrey, Brad | Mcminn, Jane | Sullivan, Kathlene | |
| Frank, Ben | Meeder, Anne | Tataro, Robert | |
| Freeman, Denise | Meeder, John | Taylor, Ann | |
| Freund, Tim | Milner, Erica | Thomas, Kristen | |
| Fry, Chad | Molina, Kevin | Tracy, Jack | |
| G., Helen | Moragne, Nina | Vaughn, Ethan | |
| Glass, Andrea | Murphy, Patrick | W., Doug | |
| Good, Martha | Murray, Steve | Weber, Allison | |
| Gouveia, Fran | Musengezi, Faith | Weiss, Jeremy | |
| Graupera, John | Muth, Robert | Whalen, Andrew | |
| Graupera, Josh | Myers, Nick | Whittle, Danny | |

Appendix B: Background Materials

Master & Comprehensive Plans

- 2015 - 2017 City of Lancaster Strategic Plan (2015)
- Franklin & Marshall College Campus Master Plan (2010)
- Gateways Revitalization Strategy (2007)
- Green Infrastructure Plan for the City of Lancaster (2011)
- Growing Together: A comprehensive Plan for Central Lancaster County, PA (2006)
- Lancaster City Strategic Plan
- Lancaster County Bicycle and Pedestrian Transportation Plan, Phase II (2004)
- Lancaster General Health Urban Master Plan (2009)
- Lancaster Train Station Master Plan (2012)
- Northeast Revitalization Initiative (2007)
- Southwest Revitalization Initiative (2007)
- Urban Park, Recreation and Open Space Plan for the City of Lancaster, Pennsylvania (2009)
- Walkability Study (2015)
- High Real Estate Group's Commercial and Industrial Market Overview (2015)
- Housing Market Analysis (2013)
- Lancaster City Alliance's Strategic Plan
- Lancaster County Bicycle Map (n.d.)
- Lancaster Crime Commission Reports
- Lancaster's Economic Development Action Agenda (LDR Plan) (1998)
- Lancaster Prospers (2004)
- Lancaster Redevelopment Opportunities: A Study of underutilized properties, and strategies for revitalization (2010)
- Prosper or Perish Financing Local Government Services in Pennsylvania (2011)
- South Lancaster City Research Project, ASSETS (2014)
- The State of Parking in Lancaster City AS of Winter 2015 (2015)
- Tourism Economics: The ROI of the PA Dutch CVB Promotional Activities (2014)

Design Guidelines

- Streetscape Design Guidelines for the City of Lancaster, Pennsylvania (2004)
- Upper Level Development Guidebook for the City of Lancaster, Pennsylvania (1989)

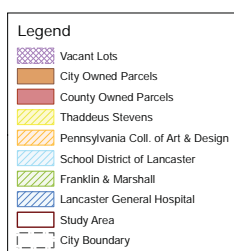
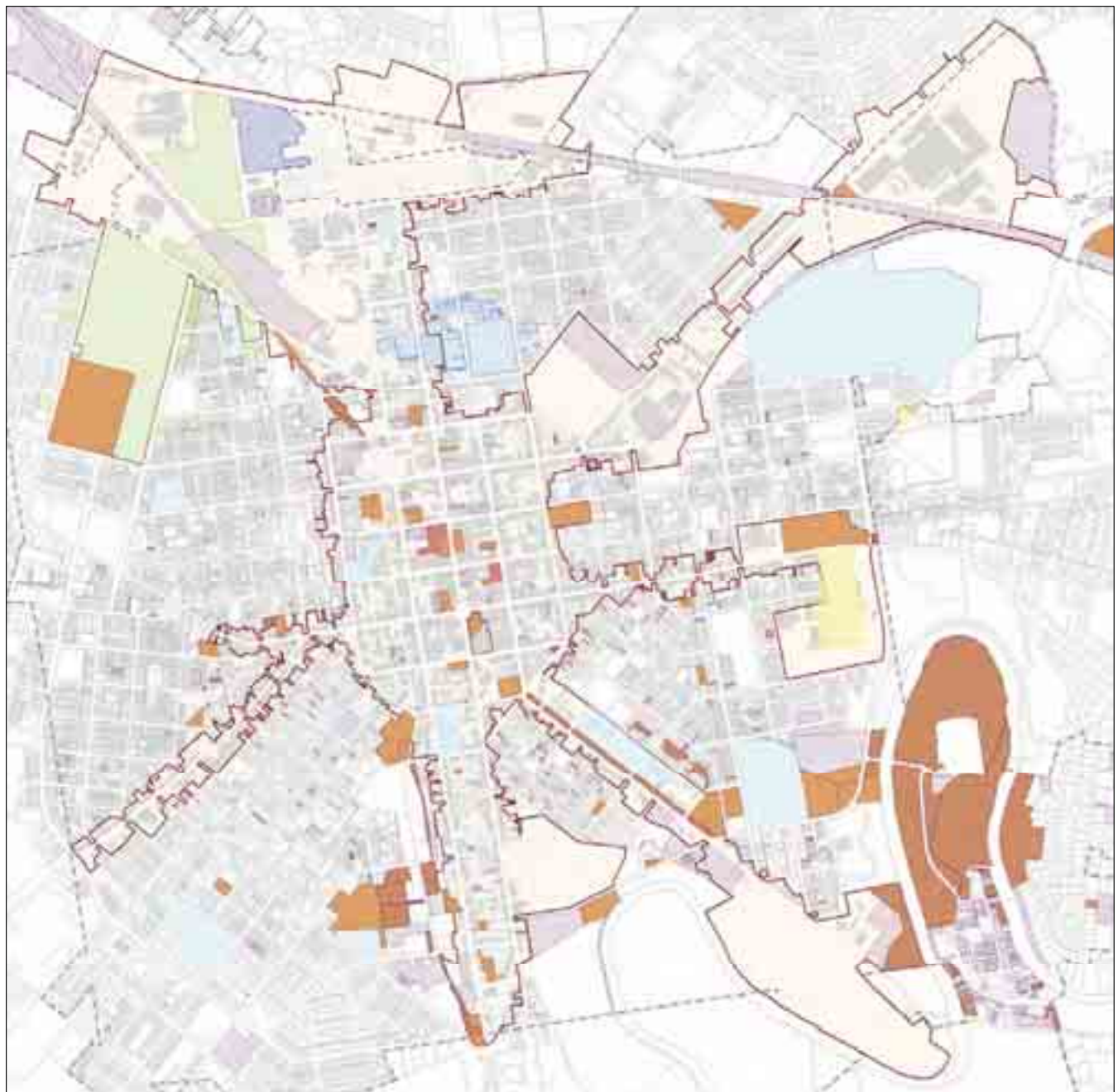
Other Plans, Documents & Miscellaneous Materials

- Beyond the Code: Success Stories in Upper Level Development
- City Revitalization & Improvement Zone (CRIZ) Incentive
- Community Development Block Grant Program Annual Action Plan (2014)
- Draft Downtown Improvement District (2015, forthcoming)
- The Economic Benefits of Green Infrastructure: A Case Study of Lancaster, PA (2014)
- Economic Development Company of Lancaster's 2015 Strategic Plan, Communications and Marketing Strategy

Appendix C: Analysis Maps

The following five maps were created in the early stages of the project to facilitate a better understanding of Lancaster City's economic, social, and environmental atmosphere. They informed conversations, facilitated the development of a SWOT (Strengths, Weaknesses, Opportunities, and Threats) Analysis, and led to the initial stages of strategy development.

The maps were created using Geographic Information System (GIS) Data that had been provided by the Lancaster County Planning Department.



INSTITUTIONAL AND MUNICIPAL PROPERTIES

Building on Strength: Economic Development Strategic Plan for the City of Lancaster, PA

MAY 2015V



MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING

Fig. 49. Institutional and Municipal Properties

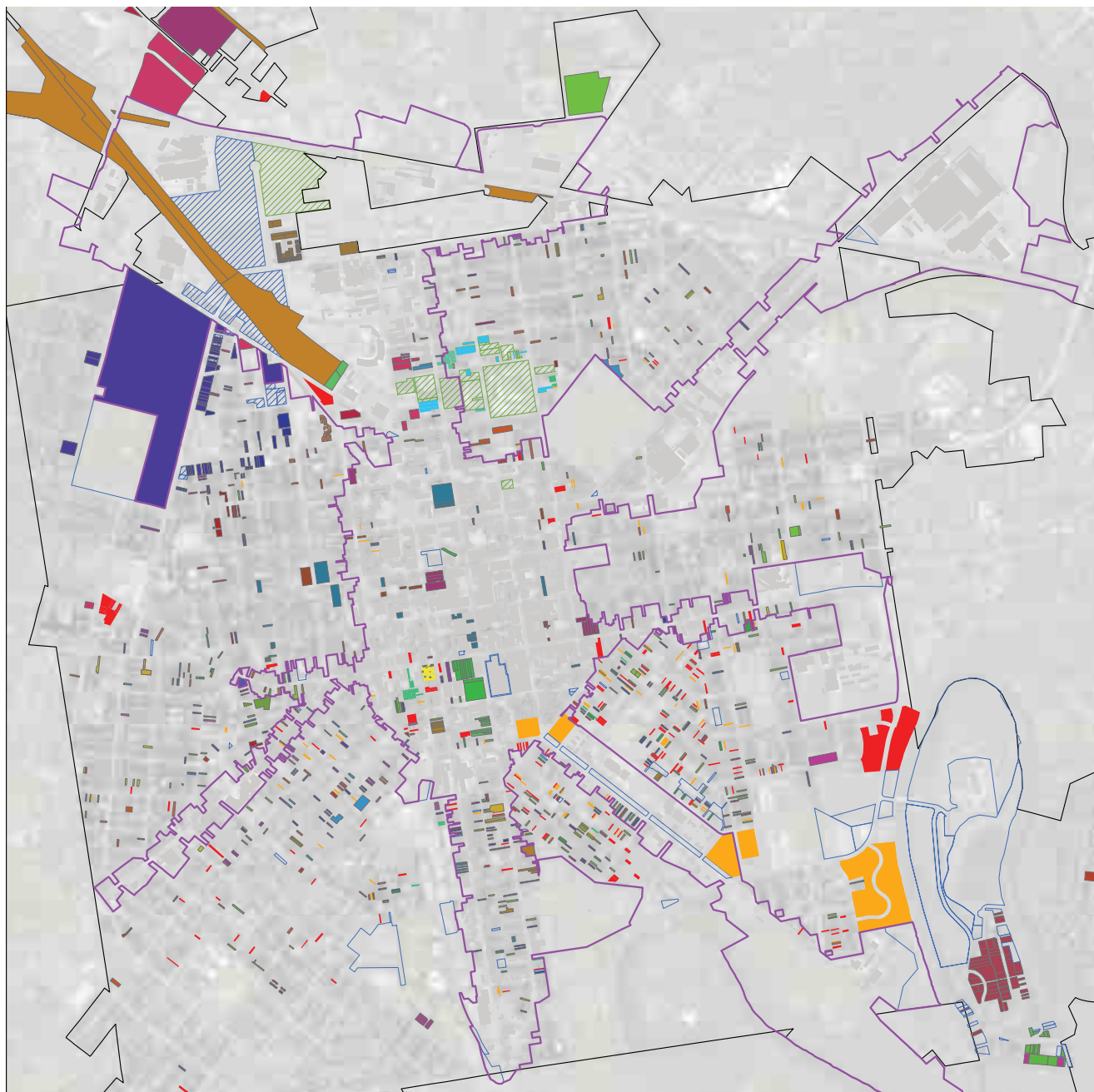


Figure maps property owners with 10 or more properties. To protect the privacy of the property owners, their names have been withheld.

LANDHOLDERS WITH MORE THAN 10 PROPERTIES

Building on Strength: Economic Development Strategic Plan for the City of Lancaster, PA

MAY 2015



MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING

Fig. 50. Landholders with more than 10 properties

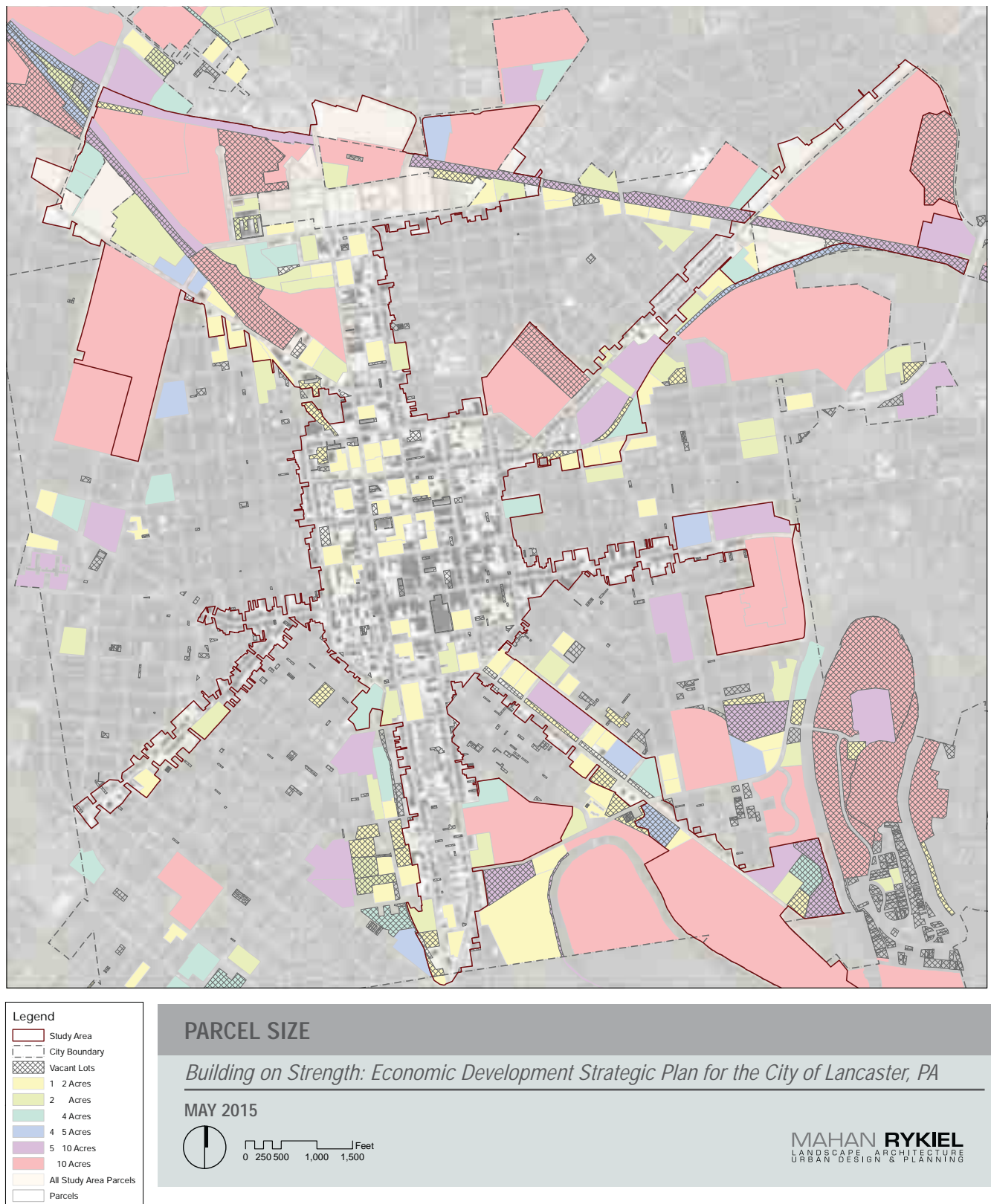


Fig. 51. Parcel Size

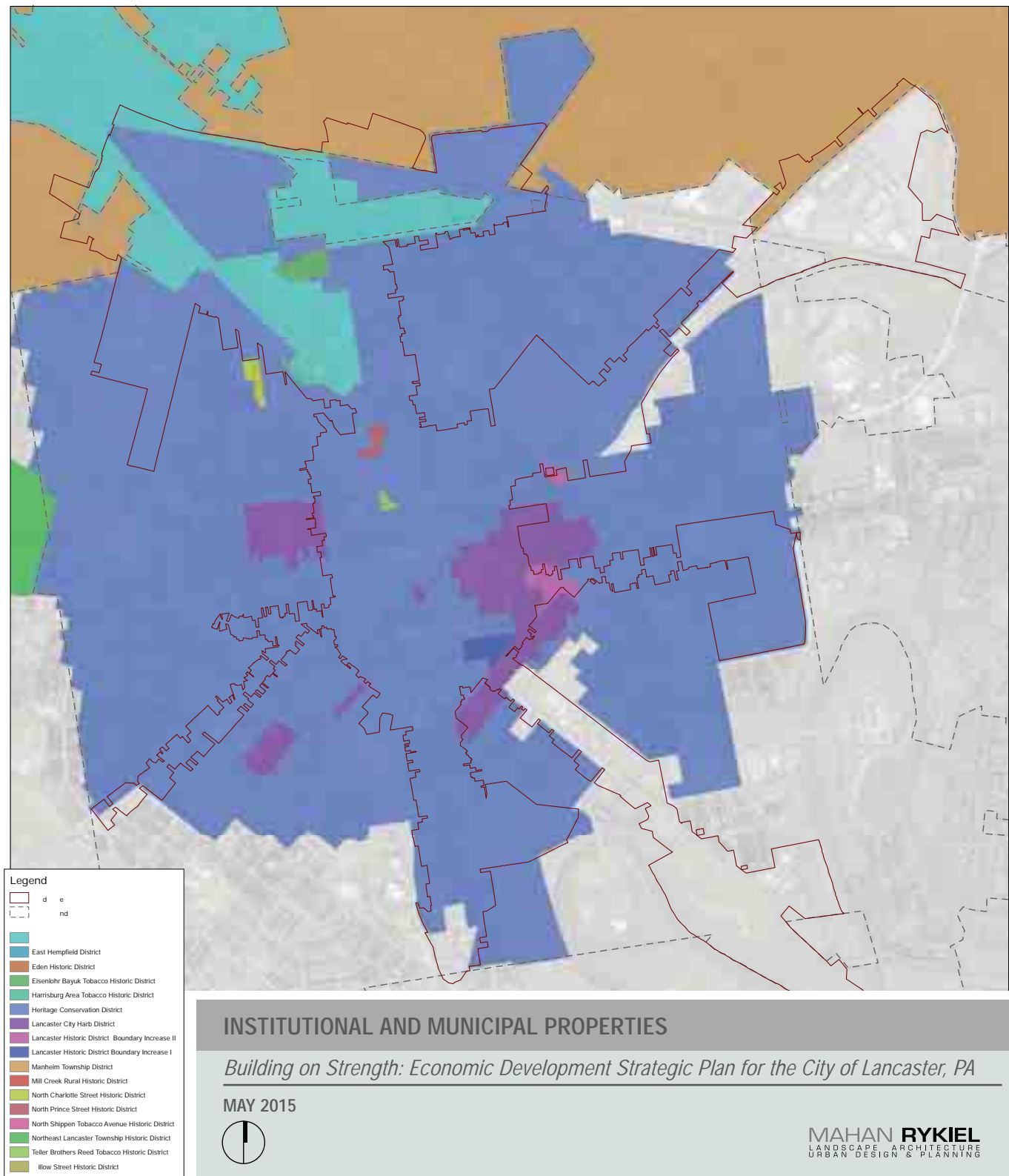


Fig. 52. Institutional and Municipal Properties

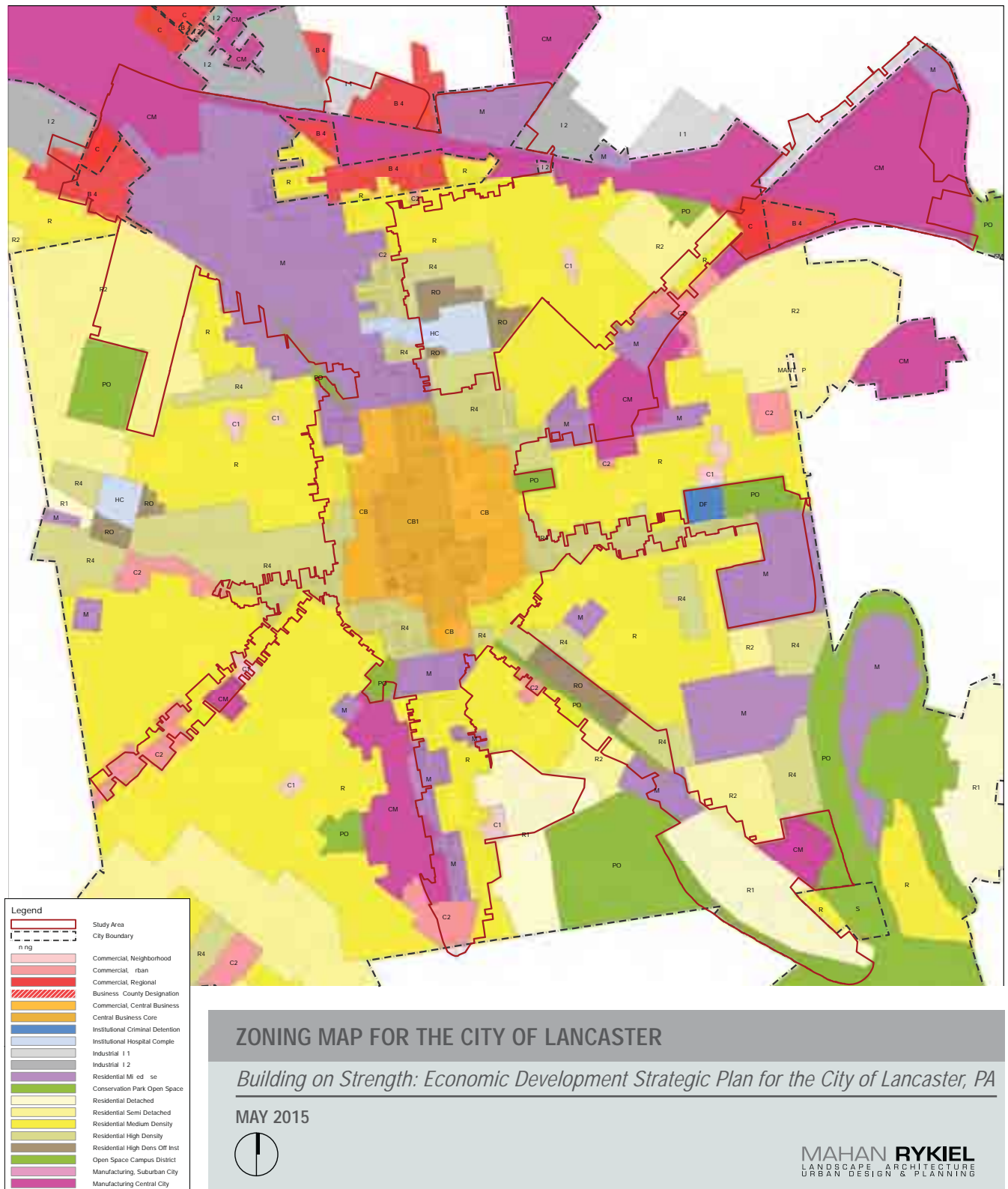


Fig. 53. Zoning Map

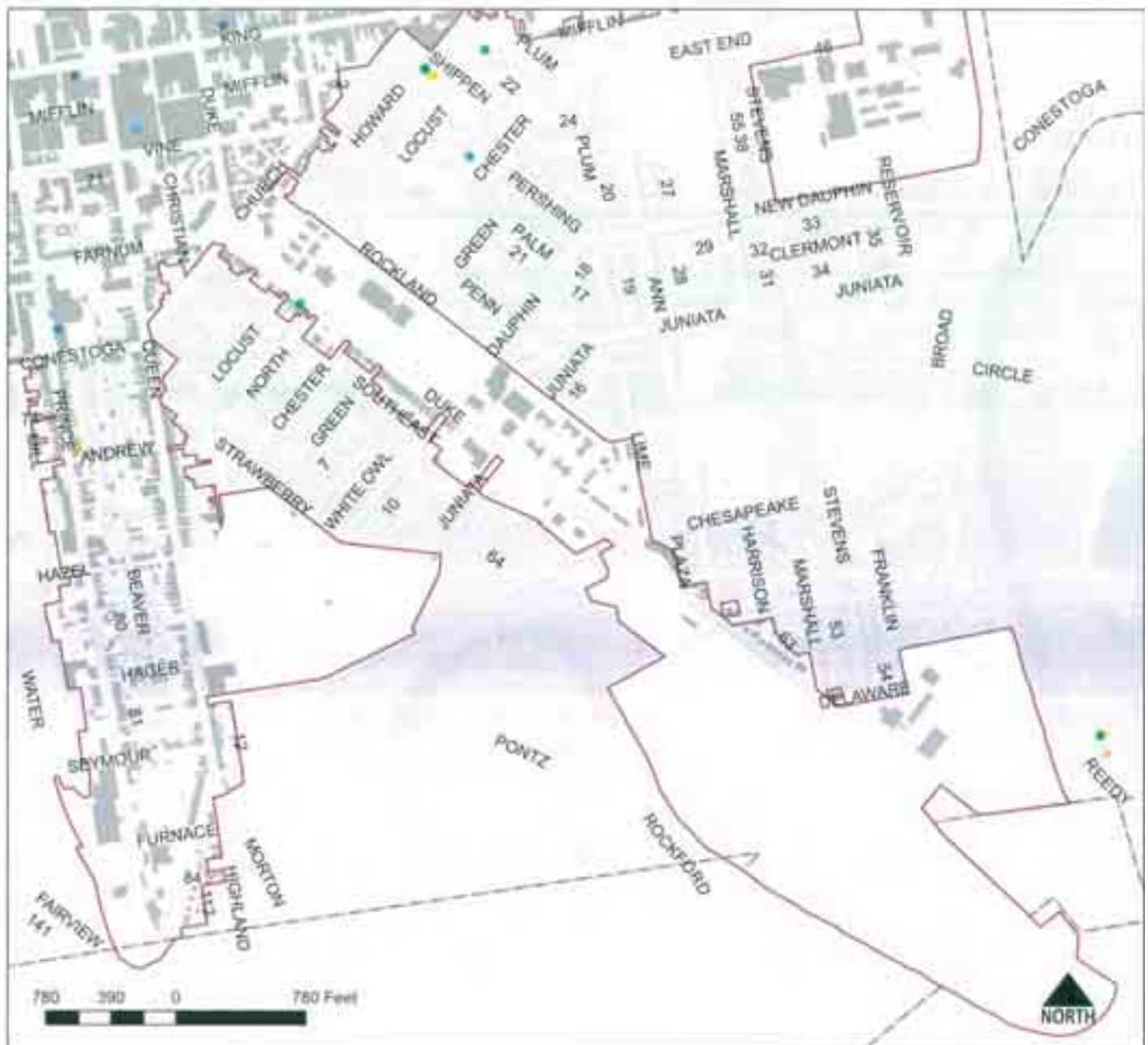
Appendix D: Public Meeting Exercises

In addition to a variety of steering committee, working group, and focus group meetings, three Public Meetings were organized for this project, the first in August 2014, another in January 2015, and the final meeting in March 2015. During the August and January meetings, attendees were asked to participate in two different exercises.

In August, participants were asked to place sticker dots on maps of seven different study areas to indicate where they live (green), properties they owned (yellow), where

they worked (red), and businesses they owned (blue). This not only helped paint a picture of those in attendance, but it helped to give the Project Team a better idea of the community dynamics in Lancaster City.

In January, attendees were asked to vote on the proposed recommendations which they felt were most important. The attendees were divided into two groups, then given four total sticker dots to distribute as they saw fit across the 17 recommendations.



LEGEND

- Home
- Work
- Business
- Property

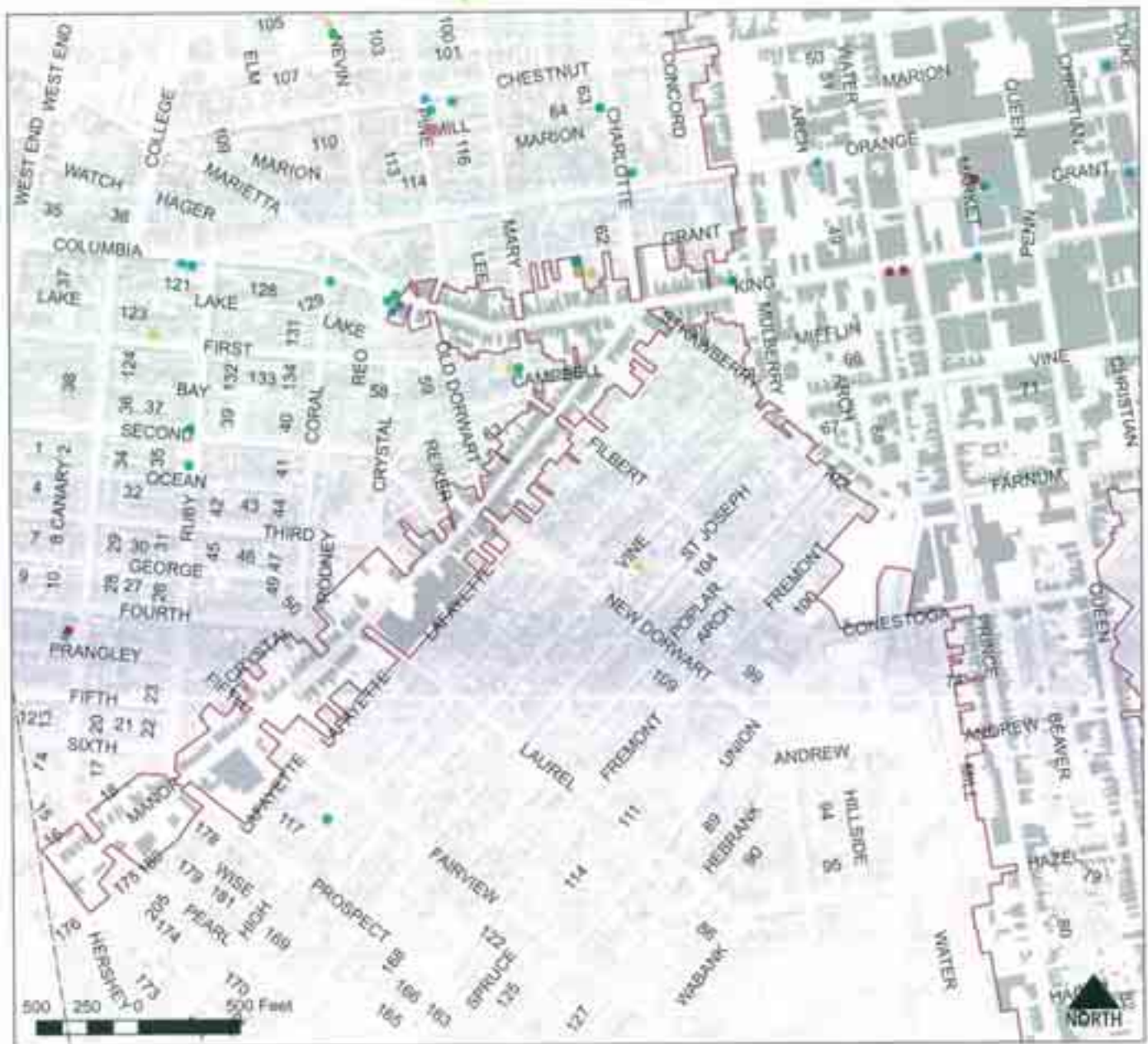
SOUTH DUKE STREET, AUGUST PUBLIC MEETING EXERCISE

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MAY 2015



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URBAN DESIGN & PLANNING



LEGEND

- Home
- Work
- Business
- Property

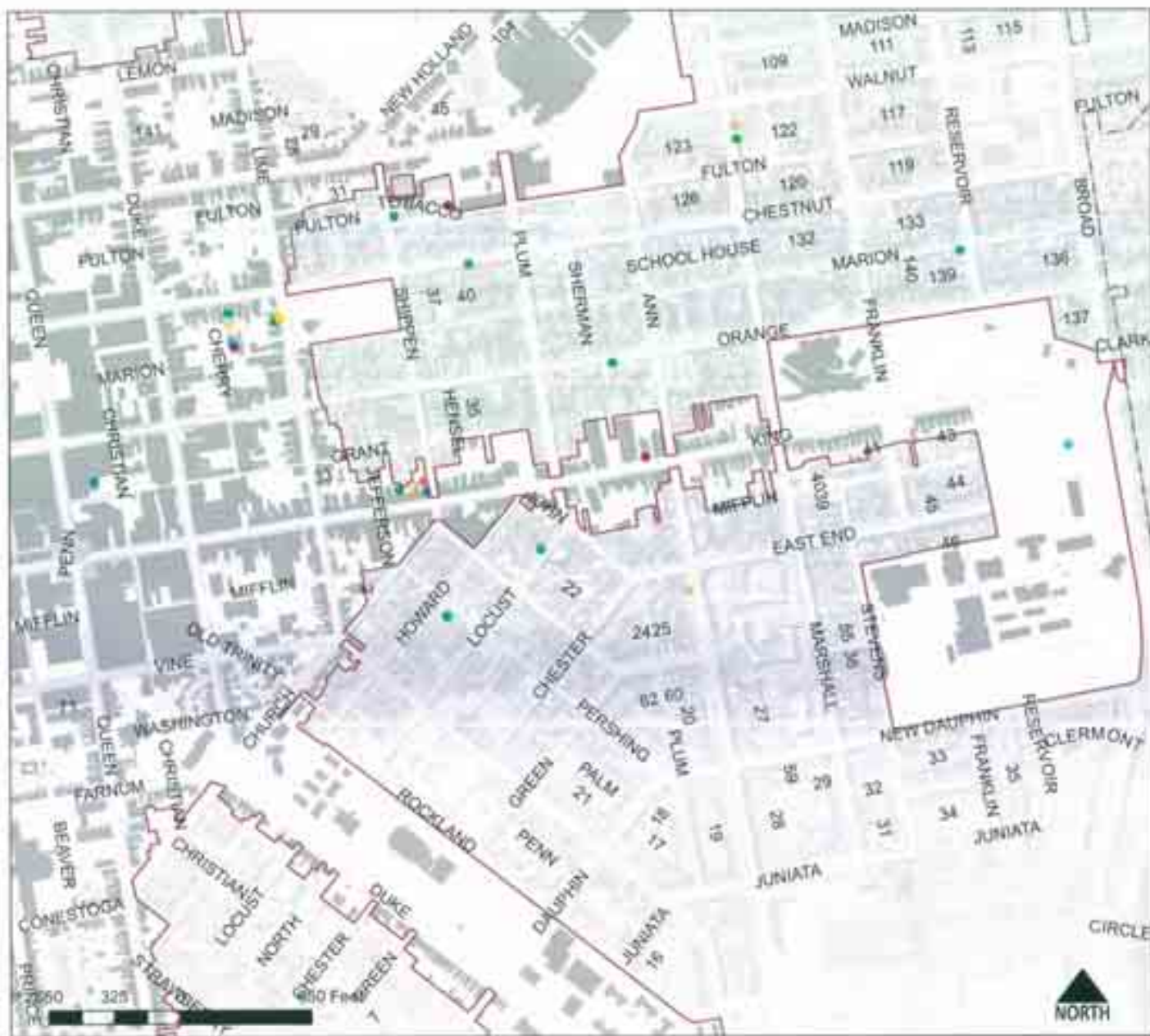
WEST KING STREET/MANOR STREET, AUGUST PUBLIC MEETING EXERCISE

Building on Strength: Economic Development Strategic Plan for the City of Lancaster, PA

MAY 2015



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LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING



LEGEND

- Home
- Work
- Business
- Property

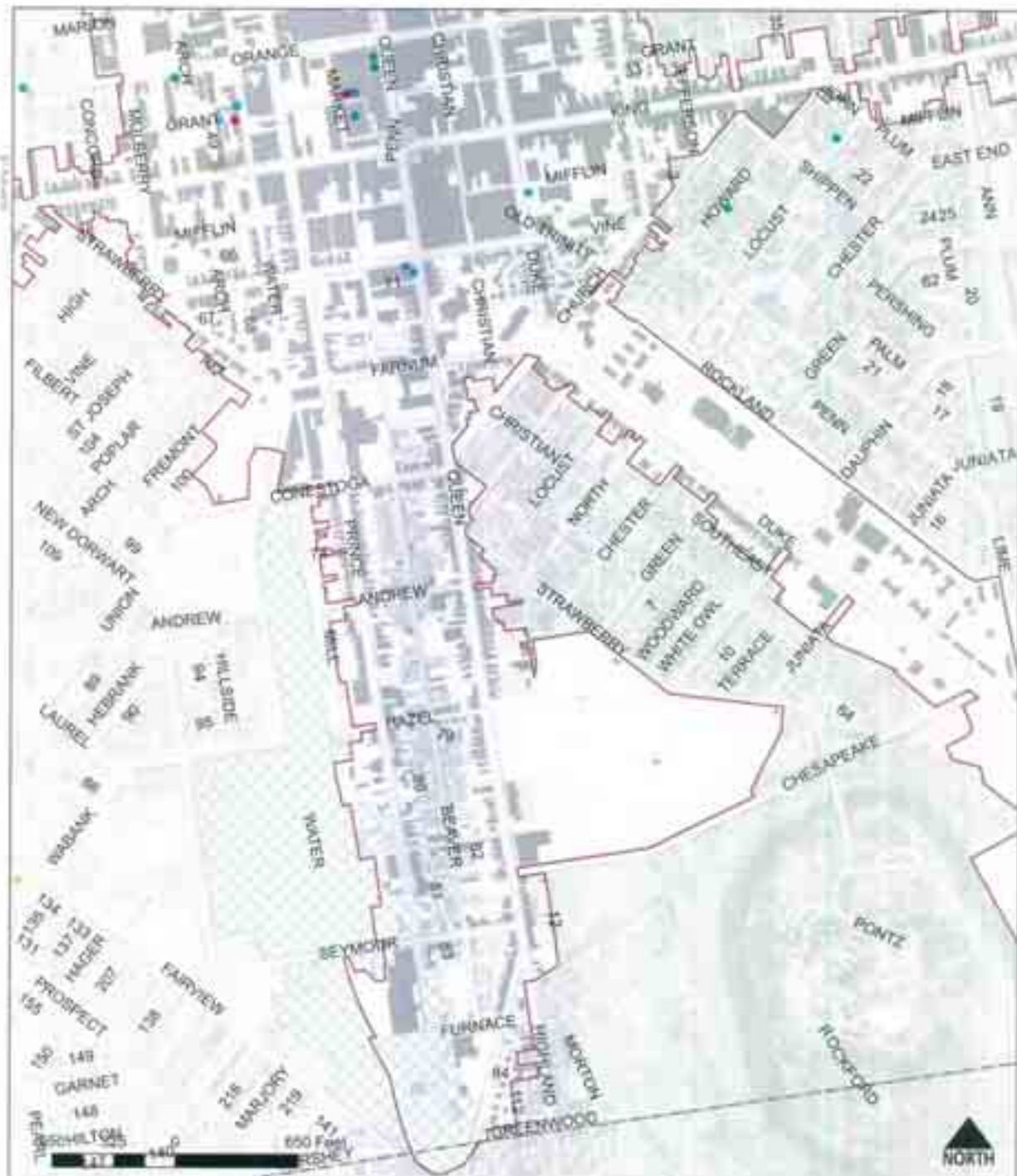
EAST KING STREET, AUGUST PUBLIC MEETING EXERCISE

Building on Strength: Economic Development Strategic Plan for the City of Lancaster, PA

MAY 2015



MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING



LEGEND

- Home
- Work
- Business
- Property

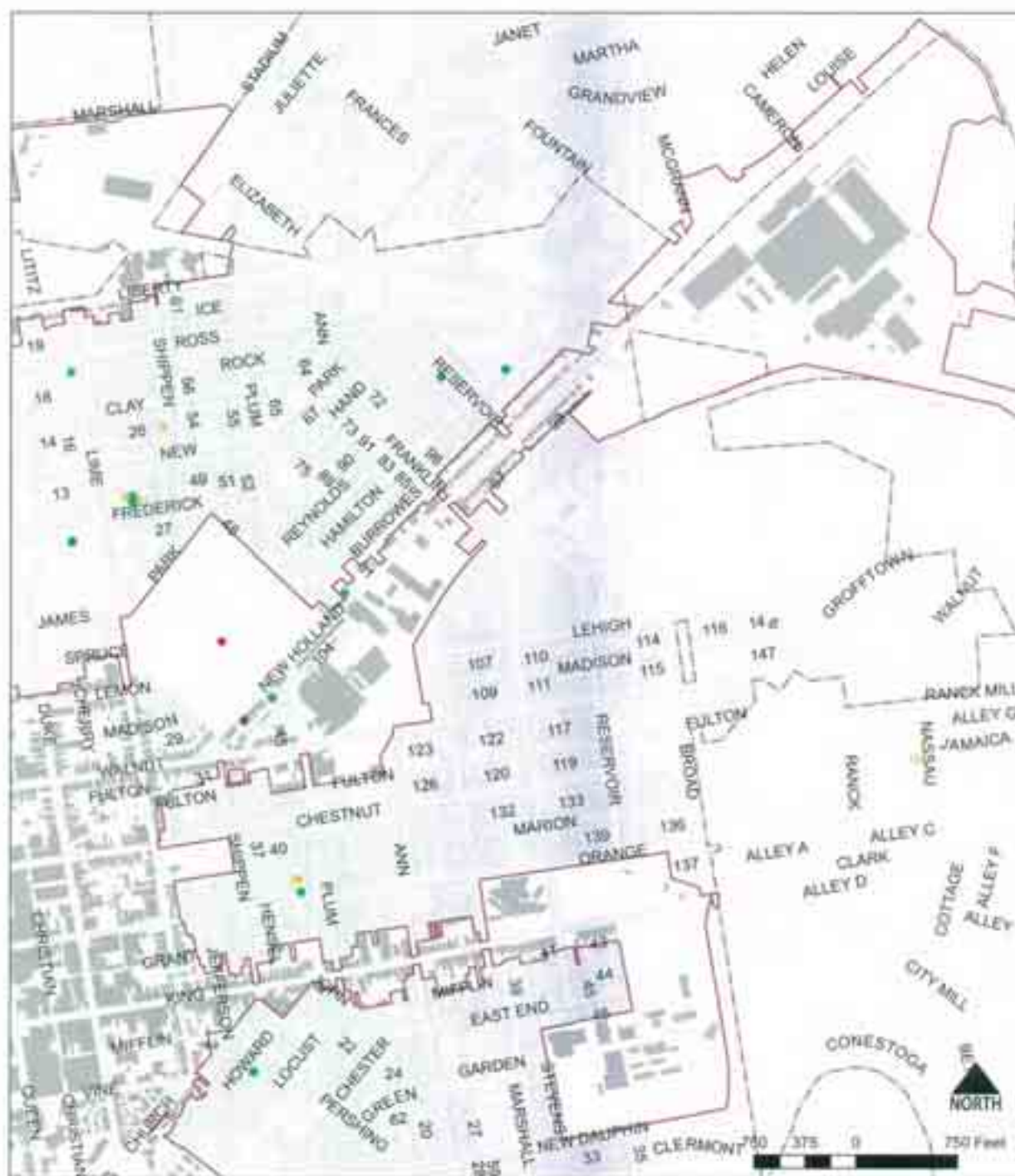
NEW HOLLAND AVENUE, AUGUST PUBLIC MEETING EXERCISE

Building on Strength: Economic Development Strategic Plan for the City of Lancaster, PA

MAY 2015



MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING



LEGEND

- Home
- Work
- Business
- Property

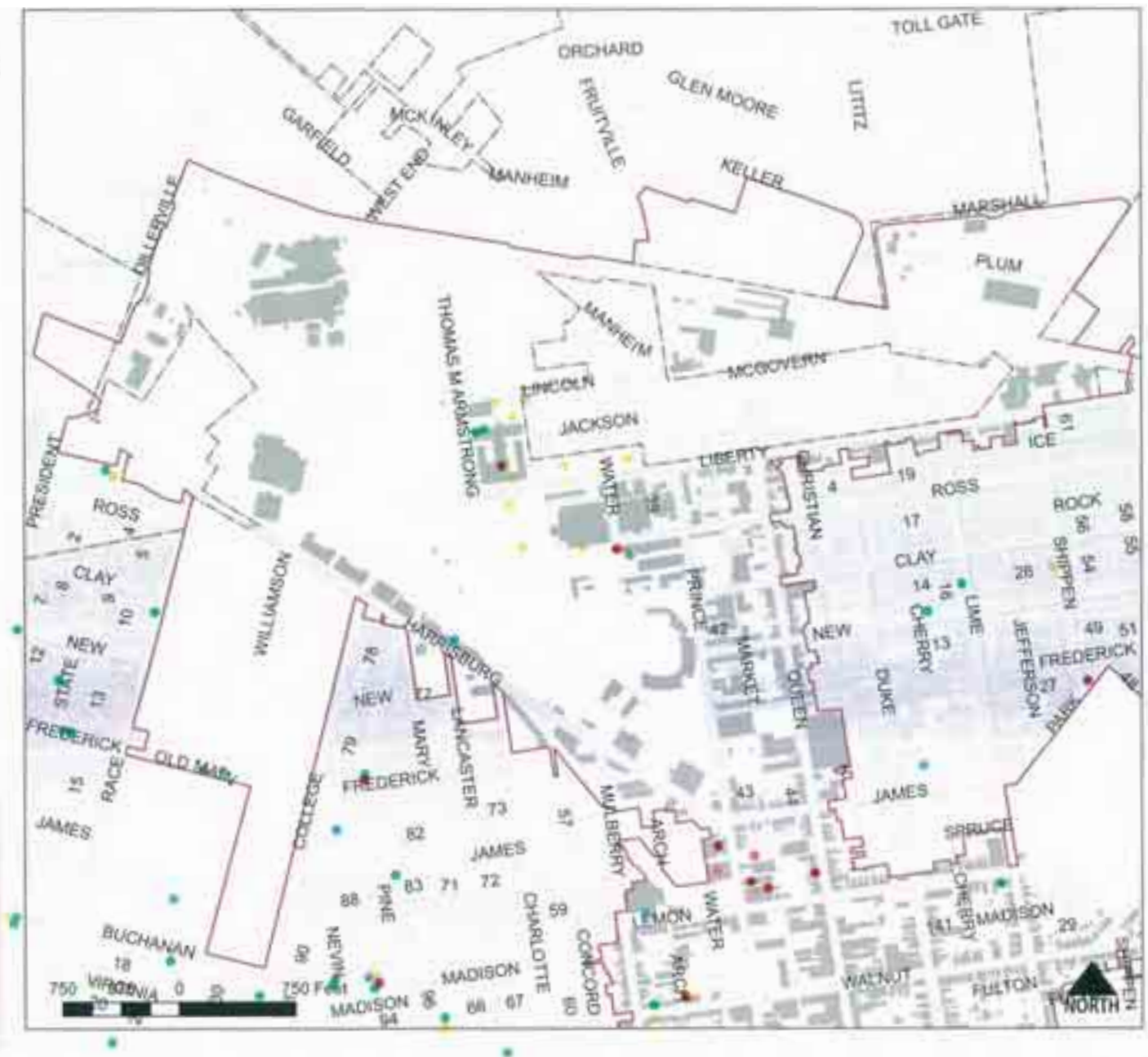
NEW HOLLAND AVENUE, AUGUST PUBLIC MEETING EXERCISE

Building on Strength: Economic Development Strategic Plan for the City of Lancaster, PA

MAY 2015



MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING



LEGEND

- Home
- Work
- Business
- Property

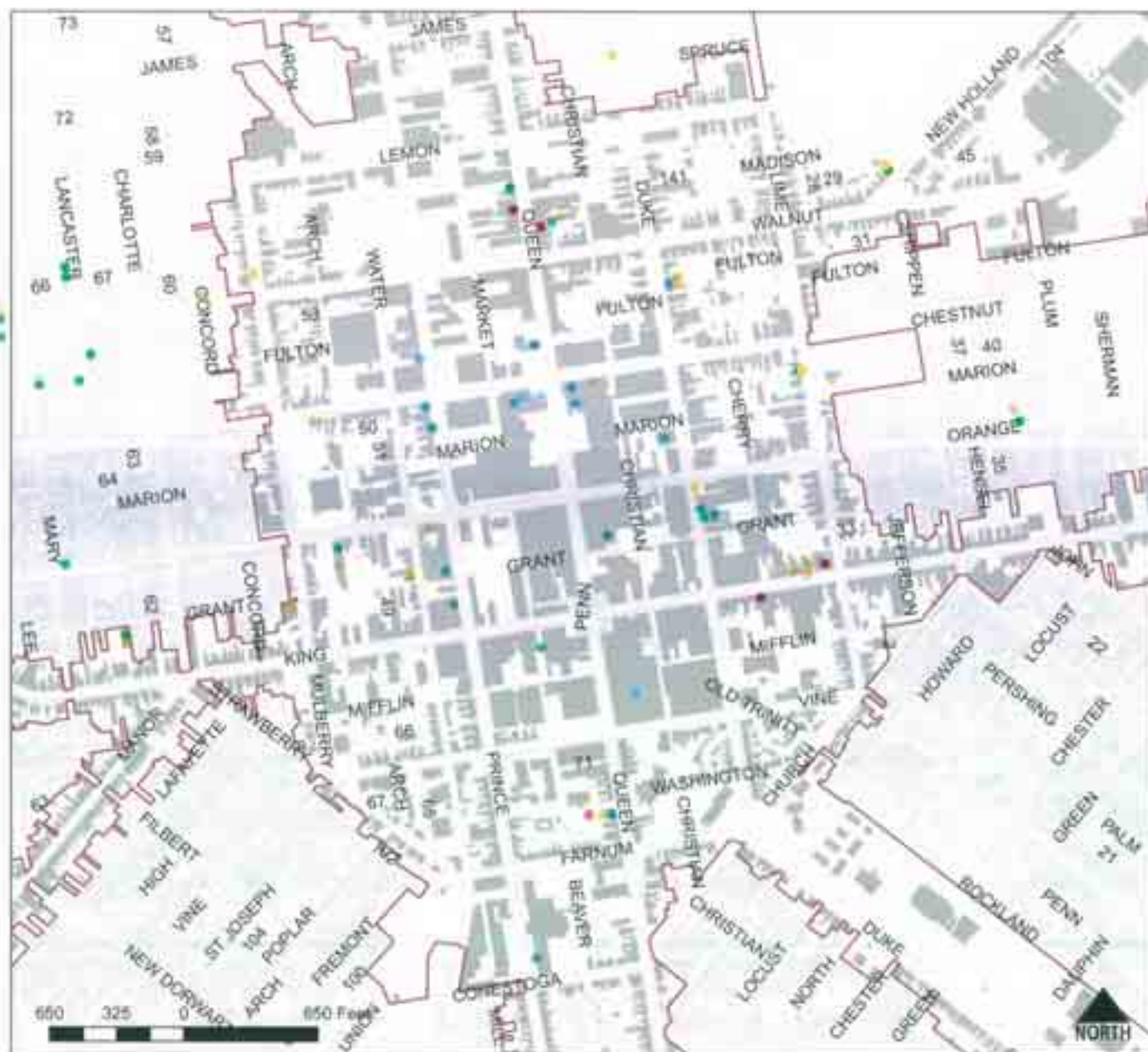
WEST KING STREET/MANOR STREET, AUGUST PUBLIC MEETING EXERCISE

Building on Strength: Economic Development Strategic Plan for the City of Lancaster, PA

MAY 2015



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LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING



LEGEND

- Home
- Work
- Business
- Property

DOWNTOWN CORE, AUGUST PUBLIC MEETING EXERCISE

Building on Strength: Economic Development Strategic Plan for the City of Lancaster, PA

MAY 2015



MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING

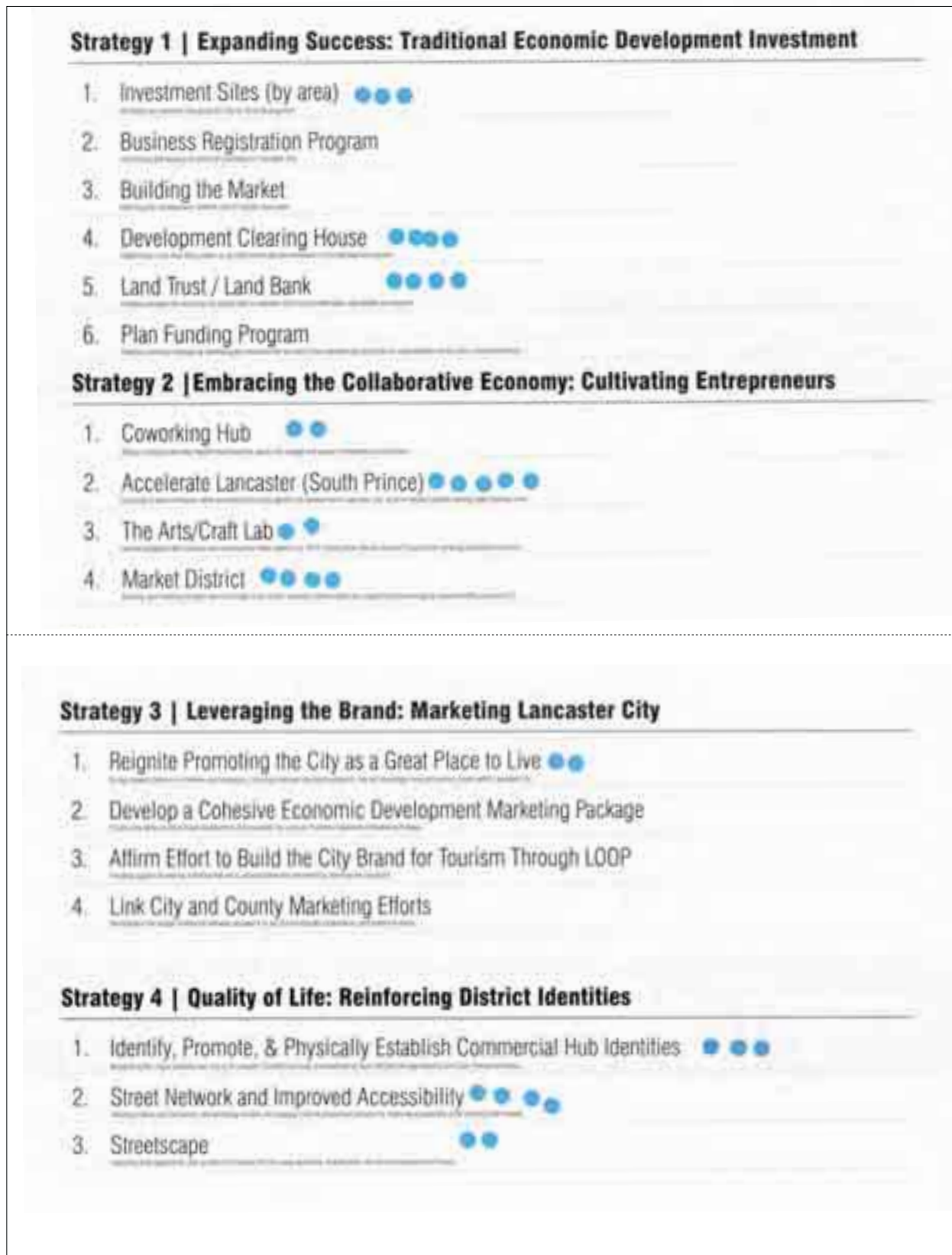


Fig. 54. January Public Meeting Voting Exercise, Group 1

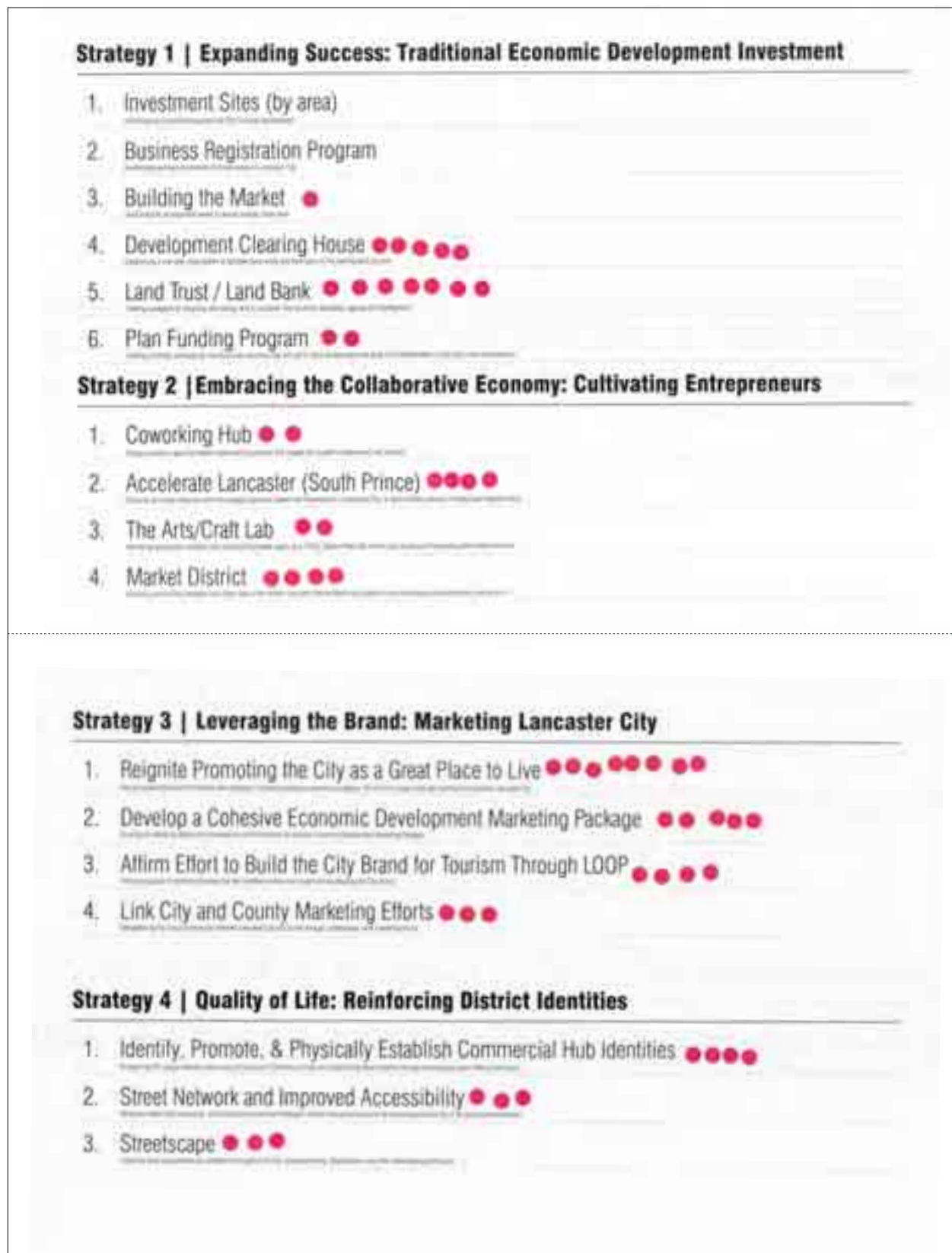


Fig. 55. January Public Meeting Voting Exercise, Group 2

Appendix E: Commercial Hub Profiles

While each of the Commercial Hubs share many of the same qualities, they also feature many unique characteristics that are specific to that area of the City. Using data obtained from the United States Census Bureau, the study area was divided into seven areas (Harrisburg Avenue and the Train Station Area were combined as one area). Boundaries were drawn using Census Block Groups.

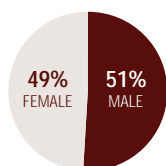
The Commercial Hub profiles looked at the total population, and the composition of residents in terms of age and gender. Likewise, the profiles also studied the racial and ethnic composition of the area. Monthly earnings were studied as shares of three possible earning groups. The top 10 employment industries were listed, and remain relatively consistent throughout the seven areas, with Healthcare and Manufacturing the top two industries in all areas. Finally, the profiles looked at educational attainment for each area.

COMMERCIAL HUBS: BY COMPARISON

Population Breakdowns

1,426
SMALLEST
SOUTH DUKE
(6% OF STUDY AREA)

4,479
LARGEST
NEW HOLLAND
(20% OF STUDY AREA)



Breakdown of Entire Study Area

GENDER

All but **NEW HOLLAND** and **SOUTH DUKE** were majority Male

- **New Holland Avenue:** 51% Female
- **South Duke Street:** 51% Female

AGE

- Largest percentage of residents below the age of 30: **Core (34%)**
- Largest percentage of residents below the age of 55: **Manor/W. King Street (combined 85%)**
- Largest percentage of residents above the age of 55: **Harrisburg Avenue (20%)**

Monthly Earnings

LOWEST EARNINGS:

- **South Duke Street:** 28% earning \$1,250 or less
- **South Duke Street:** 55% earning between \$1,251 and \$3,333

HIGHEST EARNINGS:

- **Harrisburg Avenue:** 35% earning above \$3,333
- **New Holland Avenue:** 34.5% earning above \$3,333

Employment: Top Industry Sectors

HEALTHCARE:

- Core/Downtown
- New Holland Avenue
- Manor/West King Street
- Harrisburg

Manor/West King & Harrisburg have significant Finance & Insurance Employment Sectors

MANUFACTURING:

- South Prince/Queen Streets
- South Duke Street
- East King Street

Race & Ethnicity

Largest White pop.: Harrisburg (85.4%)

Largest African American pop.: S. Duke (24.5%)

Smallest: Harrisburg (9.6%)

Largest Asian pop.: New Holland (4.3%)

Largest Two+ Races: S. Prince/Queen (2.5%)

HISPANIC // NON-HISPANIC



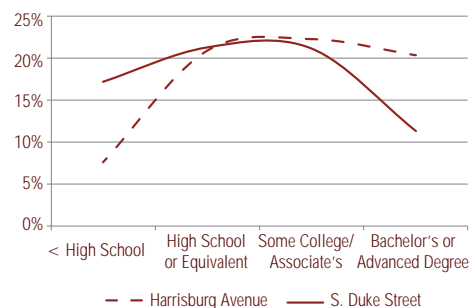
Entire Study Area

ETHNICITY:

Hispanic Populations:

- S. Duke (59%)
- South Prince/Queen (38%)
- East King (30%)
- ...
- Harrisburg (13%)

Educational Attainment



SOURCE: U.S. Census Bureau, 2013. OnTheMap Application. Longitudinal-Employer Household Dynamics Program. <http://onthemap.ces.census.gov/>



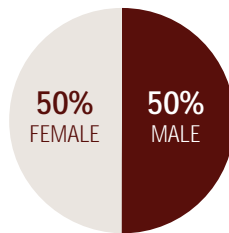
MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING

MANOR/WEST KING COMMERCIAL HUB

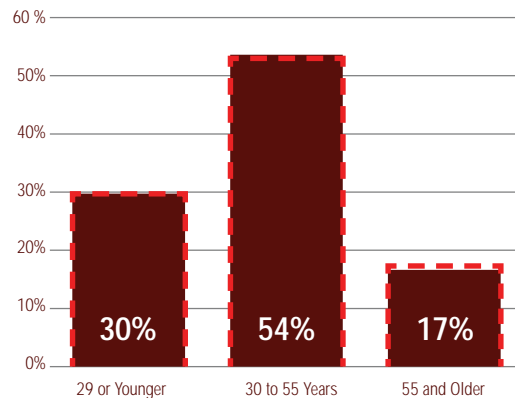
Study Area Population Breakdown

4,334
RESIDENTS

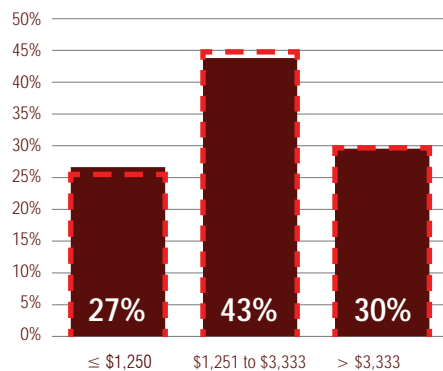
GENDER



AGE



Monthly Earnings

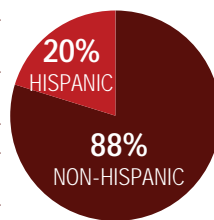


Employment: Top Industry Sectors

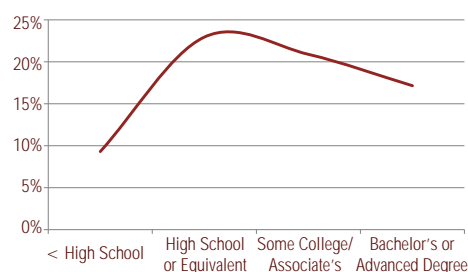
| | |
|--|-----|
| Health Care and Social Assistance | 706 |
| Manufacturing | 676 |
| Retail Trade | 581 |
| Accommodation and Food Services | 383 |
| Administration & Support, Waste Management and Remediation | 285 |
| Educational Services | 266 |
| Wholesale Trade | 194 |
| Professional, Scientific, and Technical Services | 193 |
| Transportation and Warehousing | 158 |
| Finance and Insurance | 155 |

Race & Ethnicity

| | |
|---|-------|
| White Alone | 83.0% |
| Black or African American Alone | 12.3% |
| American Indian or Alaska Native Alone | 0.3% |
| Asian Alone | 2.6% |
| Native Hawaiian or Other Pacific Islander Alone | 0.2% |
| Two or More Race Groups | 1.6% |



Educational Attainment



SOURCE: U.S. Census Bureau. 2013. OnTheMap Application. Longitudinal-Employer Household Dynamics Program. <http://onthemap.ces.census.gov/>



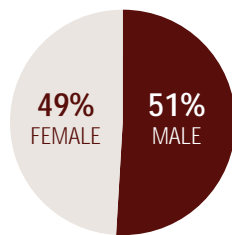
MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING

EAST KING COMMERCIAL HUB

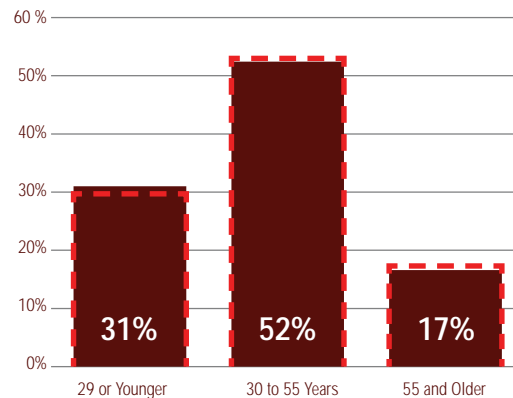
Study Area Population Breakdown

3,145
RESIDENTS

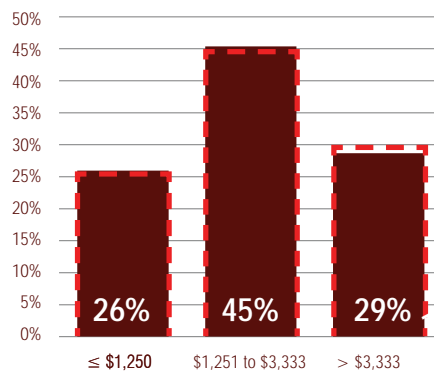
GENDER



AGE



Monthly Earnings

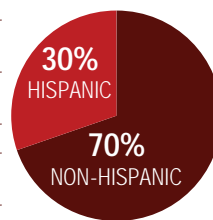


Employment: Top Industry Sectors

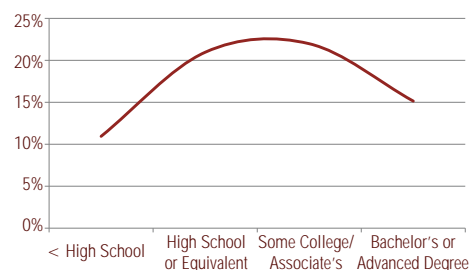
| | |
|--|-----|
| Manufacturing | 544 |
| Health Care and Social Assistance | 514 |
| Retail Trade | 424 |
| Accommodation and Food Services | 297 |
| Administration & Support, Waste Management and Remediation | 233 |
| Educational Services | 171 |
| Wholesale Trade | 152 |
| Transportation and Warehousing | 126 |
| Professional, Scientific, and Technical Services | 114 |
| Construction | 99 |

Race & Ethnicity

| | |
|---|-------|
| White Alone | 77.3% |
| Black or African American Alone | 17.6% |
| American Indian or Alaska Native Alone | 0.6% |
| Asian Alone | 2.7% |
| Native Hawaiian or Other Pacific Islander Alone | 0.1% |
| Two or More Race Groups | 1.7% |



Educational Attainment



SOURCE: U.S. Census Bureau, 2013. OnTheMap Application. Longitudinal-Employer Household Dynamics Program. <http://onthemap.ces.census.gov/>



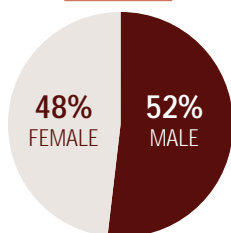
MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING

HARRISBURG/NW GATEWAY, TRAIN STATION COMMERCIAL HUB

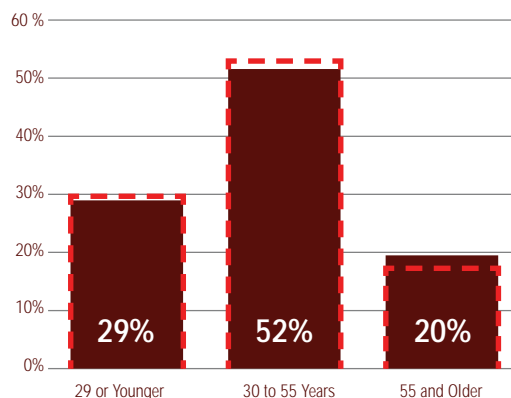
Study Area Population Breakdown

4,400
RESIDENTS

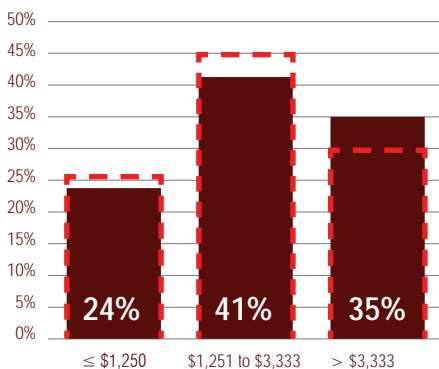
GENDER



AGE



Monthly Earnings

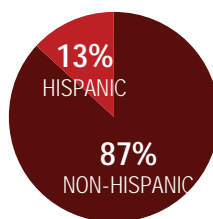


Employment: Top Industry Sectors

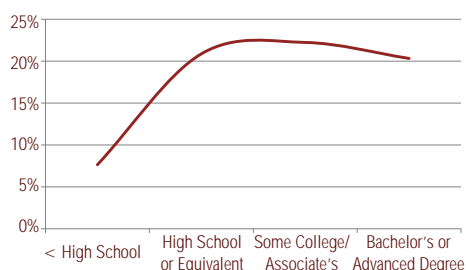
| | |
|--|-----|
| Health Care and Social Assistance | 792 |
| Manufacturing | 592 |
| Retail Trade | 539 |
| Accommodation and Food Services | 396 |
| Educational Services | 310 |
| Administration & Support, Waste Management and Remediation | 281 |
| Professional, Scientific, and Technical Services | 224 |
| Wholesale Trade | 205 |
| Transportation and Warehousing | 159 |
| Finance and Insurance | 153 |

Race & Ethnicity

| | |
|---|-------|
| White Alone | 85.4% |
| Black or African American Alone | 9.6% |
| American Indian or Alaska Native Alone | 0.4% |
| Asian Alone | 3.1% |
| Native Hawaiian or Other Pacific Islander Alone | 0.1% |
| Two or More Race Groups | 1.5% |



Educational Attainment



SOURCE: U.S. Census Bureau, 2013. OnTheMap Application. Longitudinal-Employer Household Dynamics Program. <http://onthemap.ces.census.gov/>



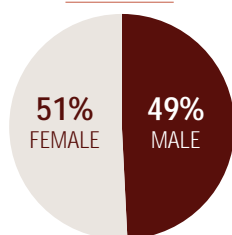
MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING

NEW HOLLAND COMMERCIAL HUB

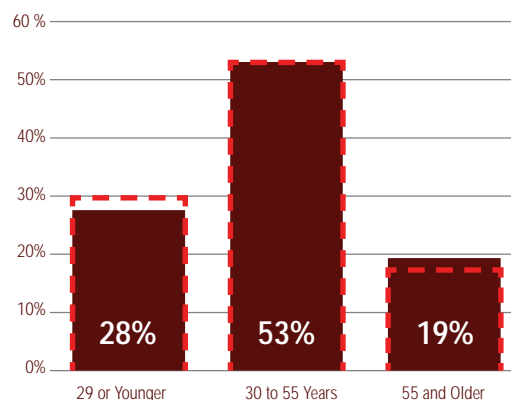
Study Area Population Breakdown

4,479
RESIDENTS

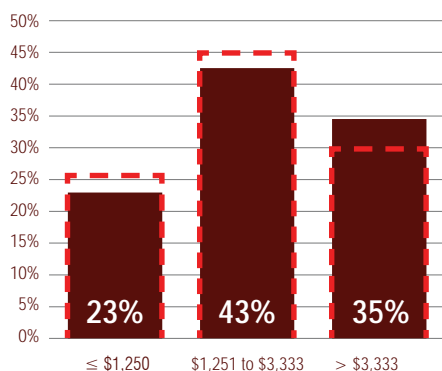
GENDER



AGE



Monthly Earnings

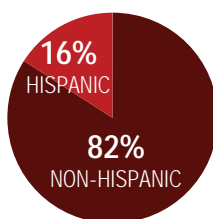


Employment: Top Industry Sectors

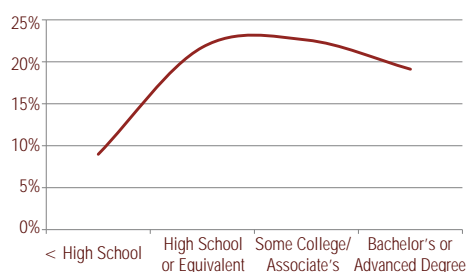
| | |
|--|-----|
| Health Care and Social Assistance | 871 |
| Manufacturing | 719 |
| Retail Trade | 512 |
| Educational Services | 347 |
| Accommodation and Food Services | 339 |
| Administration & Support, Waste Management and Remediation | 231 |
| Professional, Scientific, and Technical Services | 214 |
| Wholesale Trade | 194 |
| Construction | 167 |
| Transportation and Warehousing | 147 |

Race & Ethnicity

| | |
|---|-------|
| White Alone | 83.7% |
| Black or African American Alone | 10.4% |
| American Indian or Alaska Native Alone | 0.5% |
| Asian Alone | 4.3% |
| Native Hawaiian or Other Pacific Islander Alone | 0.0% |
| Two or More Race Groups | 1.1% |



Educational Attainment



SOURCE: U.S. Census Bureau, 2013. OnTheMap Application. Longitudinal-Employer Household Dynamics Program. <http://onthemap.ces.census.gov/>



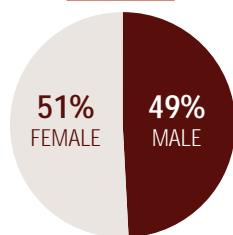
MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING

SOUTH DUKE COMMERCIAL HUB

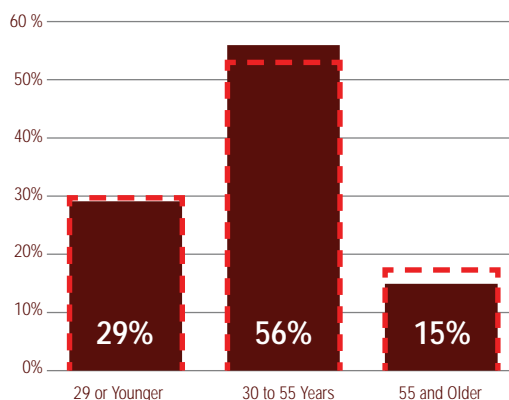
Study Area Population Breakdown

1,426
RESIDENTS

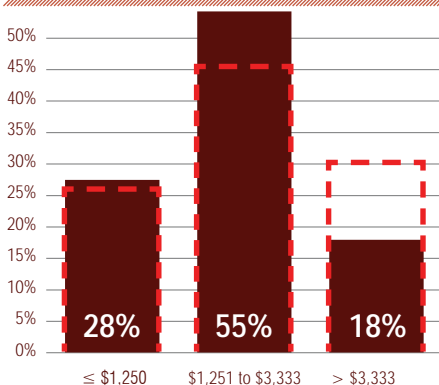
GENDER



AGE



Monthly Earnings

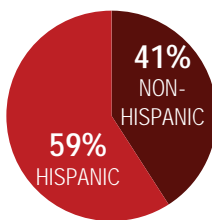


Employment: Top Industry Sectors

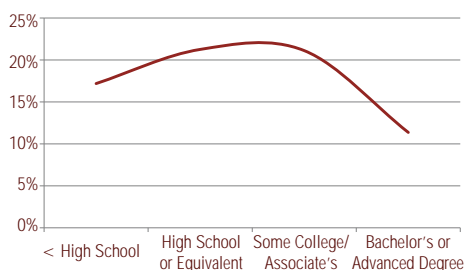
| | |
|--|-----|
| Manufacturing | 367 |
| Health Care and Social Assistance | 257 |
| Accommodation and Food Services | 157 |
| Administration & Support, Waste Management and Remediation | 116 |
| Retail Trade | 104 |
| Educational Services | 65 |
| Wholesale Trade | 64 |
| Transportation and Warehousing | 56 |
| Construction | 48 |
| Public Administration | 39 |

Race & Ethnicity

| | |
|---|-------|
| White Alone | 69.8% |
| Black or African American Alone | 24.5% |
| American Indian or Alaska Native Alone | 0.9% |
| Asian Alone | 2.5% |
| Native Hawaiian or Other Pacific Islander Alone | 0.1% |
| Two or More Race Groups | 2.1% |



Educational Attainment



SOURCE: U.S. Census Bureau, 2013. OnTheMap Application. Longitudinal-Employer Household Dynamics Program. <http://onthemap.ces.census.gov/>



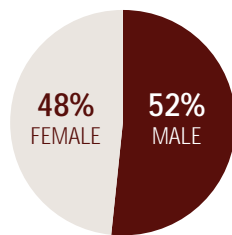
MAHAN RYKIEL
LANDSCAPE ARCHITECTURE
URBAN DESIGN & PLANNING

SOUTH PRINCE/QUEEN COMMERCIAL HUB

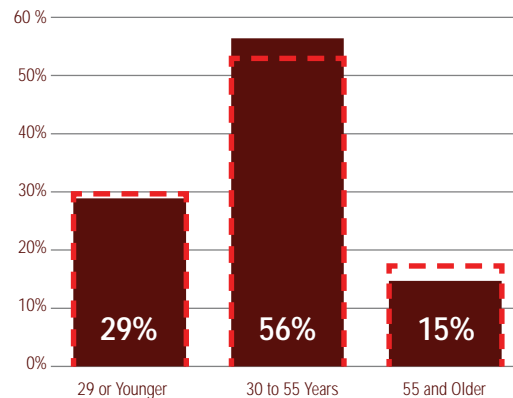
Study Area Population Breakdown

2,977
RESIDENTS

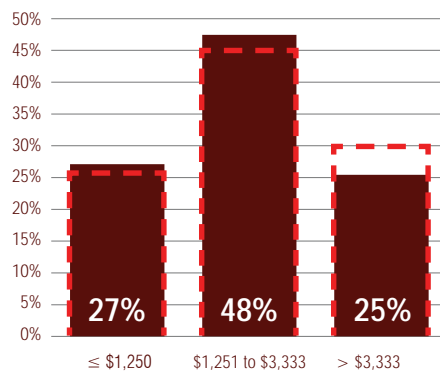
GENDER



AGE



Monthly Earnings

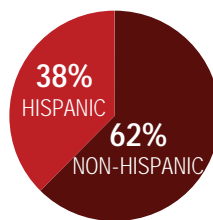


Employment: Top Industry Sectors

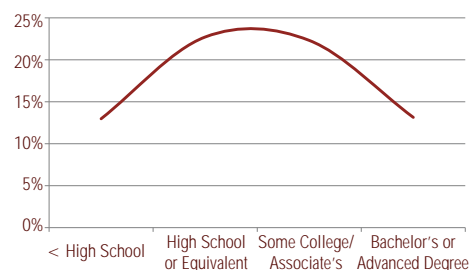
| | |
|--|-----|
| Manufacturing | 569 |
| Health Care and Social Assistance | 498 |
| Retail Trade | 380 |
| Accommodation and Food Services | 296 |
| Administration & Support, Waste Management and Remediation | 236 |
| Wholesale Trade | 145 |
| Educational Services | 144 |
| Transportation and Warehousing | 114 |
| Professional, Scientific, and Technical Services | 103 |
| Construction | 94 |

Race & Ethnicity

| | |
|---|-------|
| White Alone | 73.9% |
| Black or African American Alone | 20.4% |
| American Indian or Alaska Native Alone | 0.8% |
| Asian Alone | 2.2% |
| Native Hawaiian or Other Pacific Islander Alone | 0.1% |
| Two or More Race Groups | 2.5% |



Educational Attainment



SOURCE: U.S. Census Bureau, 2013. OnTheMap Application. Longitudinal-Employer Household Dynamics Program. <http://onthemap.ces.census.gov/>



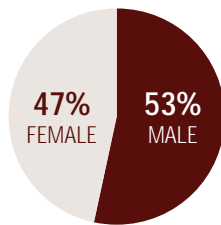
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URBAN DESIGN & PLANNING

DOWNTOWN CORE COMMERCIAL HUB

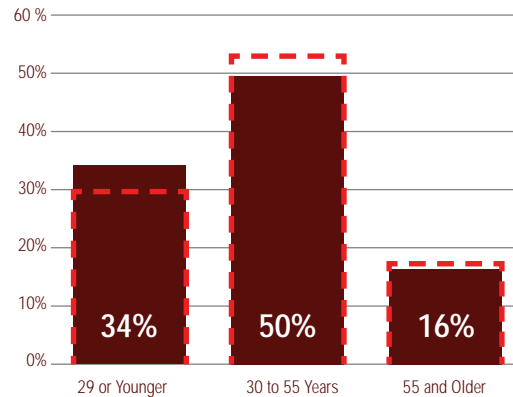
Study Area Population Breakdown

2,752
RESIDENTS

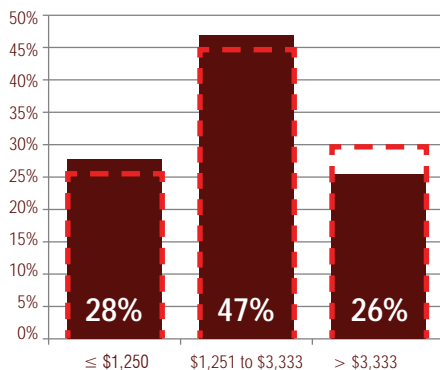
GENDER



AGE



Monthly Earnings

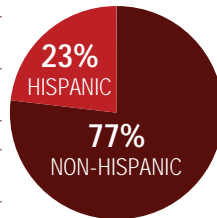


Employment: Top Industry Sectors

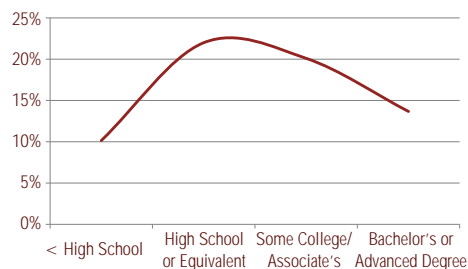
| | |
|--|-----|
| Health Care and Social Assistance | 489 |
| Manufacturing | 455 |
| Accommodation and Food Services | 324 |
| Retail Trade | 321 |
| Administration & Support, Waste Management and Remediation | 163 |
| Educational Services | 154 |
| Wholesale Trade | 137 |
| Professional, Scientific, and Technical Services | 129 |
| Transportation and Warehousing | 90 |
| Construction | 81 |

Race & Ethnicity

| | |
|---|-------|
| White Alone | 83.8% |
| Black or African American Alone | 12.9% |
| American Indian or Alaska Native Alone | 0.4% |
| Asian Alone | 1.3% |
| Native Hawaiian or Other Pacific Islander Alone | 0.2% |
| Two or More Race Groups | 1.3% |



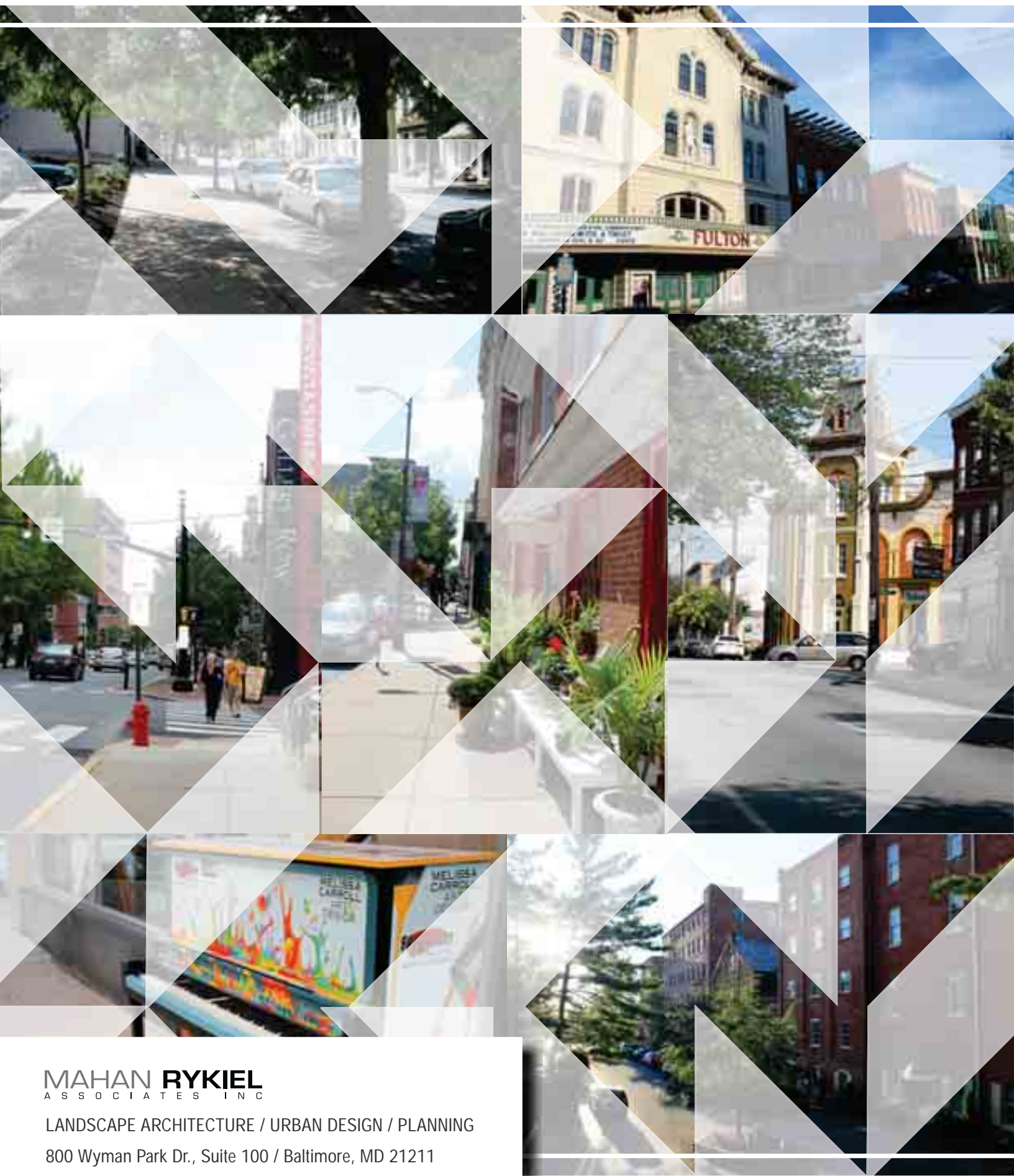
Educational Attainment



SOURCE: U.S. Census Bureau. 2013. OnTheMap Application. Longitudinal-Employer Household Dynamics Program. <http://onthemap.ces.census.gov/>



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