



CHAPTER II

ECONOMIC DEVELOPMENT PLAN

INTENT

As presented in Chapter 4, Mifflin County, along with the nation, suffered job losses during the economic downturn, beginning in early 2007. From 2006 to 2010, job growth outpaced the state in manufacturing, natural resource-based industries, accommodation/food services, and the health care sector, and in 2010, overall job growth turned positive. As a benchmark, the economic base in Mifflin County in 2010 was largely comprised of the following industry sectors:

- Manufacturing – 27%
- Retail – 13%
- Health Care – 19%
- Educational Services – 11%
- Accommodation and Food Services – 8%

Yet unemployment remains among the highest in the region. Employment opportunities are not matched to residents' skills and interests and workforce training is not aligned to local employment needs, resulting in residents increasingly commuting out of the County, and others increasingly commuting in, for employment. Many commercial properties are vacant or underutilized, while industrial uses have fully occupied designated industrial lands.

The components of this Economic Development Plan include:

- Economic Development Goal and Objectives
- Interrelationships with Other Action Plans
- Economic Development Action Plan

ECONOMIC DEVELOPMENT GOAL AND OBJECTIVES

The County has one economic development goal and six supporting objectives.

GOAL:

To provide opportunities that diversify the County's economic base by building a more highly skilled workforce to attract new business and industry, and by creating new sites and marketing for industrial/commercial growth and development.

OBJECTIVES:

1. Enhance coordination and leadership of economic development efforts in Mifflin County.
2. Leverage the region's educational resources for workforce development.
3. Designate and prepare new sites for industry and prioritize sites for redevelopment
4. Develop financial incentives to encourage economic development
5. Establish unique retail environments throughout Mifflin County
6. Promote Mifflin County as great place for business and industry.

INTERRELATIONSHIPS WITH OTHER ACTION PLANS

The Economic Development Plan is specifically coordinated with other elements of this comprehensive plan.

The Economic Development Plan supports the Housing Plan with recommendations for revitalizing downtowns and villages.

The Economic Development Plan supports the Land Use Plan with recommendations for guidance for identifying potential sites for business and industry zoning and re-using and redeveloping for contemporary uses.

The Economic Development Plan coordinates with the Community Facilities Plan by recommending the extension of water and sewer utilities only within planned growth areas where most business is expected to locate.

The Economic Development Plan relates to the Cultural and Historic Resources Plan through recommendations for historic preservation and expansion of tourism, including heritage tourism.

The Economic Development Plan supports the Environmental Resources Plan with recommendations to brand the natural and cultural features of Mifflin County that make it a distinctive place to live.

The Economic Development Plan coordinates with the Transportation Plan by recommending re-use and redevelopment of existing downtowns and new mixed use neighborhoods that promote walking and biking and by recommending the expansion of trails for non-motorized travel and recreation.

ECONOMIC DEVELOPMENT ACTION PLAN

Action strategies and implementation tools demonstrate how the County and local municipalities can make progress toward the goals and objectives. Action Strategies group recommendations related to specific issues. Each action strategy is followed by key points to implement its associated recommendations:

- a priority level: High, Medium, or Low
- entities responsible for implementation: Mifflin County, Local Municipalities, State Agencies, Private Sector Partners, and/or the School District
- a time frame for initiating the strategy
- potential funding sources, described in Appendix D of this Plan.

Action strategies and implementation tools demonstrate how the County and local municipalities can make progress.

Objective 1. Enhance coordination and leadership of economic development efforts in Mifflin County.

ACTION STRATEGIES AND IMPLEMENTATION TOOLS

AS #1. Coordinate and guide the economic development efforts within Mifflin County.

Mifflin County sits in a key location between two metropolitan areas, State College and the City of Harrisburg. Conveniently accessed by U.S. Route 322 and U.S. Route 522, the County is in a strong position to create new

economic development opportunities.

During the development of the County's Comprehensive Plan, 2000, improving the economic climate was a key consideration. In response to concerns identified during that planning process, an economic development summit was held in September of 2000, resulting in an economic development strategy with clearly defined goals, objectives and a mission statement. Of note, the Economic Development Strategy was never officially adopted by the County.

Team Mifflin County was created in January of 2001 to coordinate and guide the County's economic development efforts. Its membership was comprised of business and industry leaders of Mifflin County but did not have a direct relationship with Mifflin County Board of Commissioners or County departments. The organization faltered for lack of resources and is currently inactive.

The need to have a coordinated economic development effort is as important today as it was in 2001.

Although a decade has passed, the need to have a coordinated effort is as important today as it was in 2001. In order to achieve the economic objectives identified within this Plan, the County must establish broad economic leadership to facilitate and coordinate economic development efforts throughout the County.

RECOMMENDATIONS

1. Establish a Mifflin County Economic Development Commission (or re-conceive Team Mifflin County as a public-private partnership) and its mission: to coordinate and guide the economic development efforts in Mifflin County. The Commission would be the official economic development arm of the County. Its 11 to 15 members would be appointed by the Mifflin County Board of Commissioners by resolution and serve staggered terms.

The Commission would meet quarterly to discuss economic development issues and to monitor the implementation of this Economic Development Plan. It would file an annual "State of the County" report with the County Commissioners and hold an annual meeting to present the report to leaders of the community, including local officials, business leaders, non-profits, and other institutions engaged in improving the economic climate in Mifflin County.

Suggested members of the Economic Development Commission include:

- County Commissioners
- County Planning Department

- Mifflin County Industrial Development Corporation (MCIDC)
- Juniata River Valley Chamber of Commerce
- Downtown Lewistown
- Mifflin County School District
- Tuscarora Intermediate Unit
- Career Technology Center
- Lewistown Hospital
- A financial institution representative
- Local municipal representative(s), preferably from townships with industrial/commercial growth potential
- Private Industry representatives, e.g. GE, Standard Steel
- A Retail Sector representative

Priority Level: High

Responsible Entity(ies): County, Local Municipalities, Private Sector

Time Frame: 2014-2015

Funding Sources: Discovered and Developed in PA Program (D2PA)

AS #2. Expand the Planning and Development Department to include Economic Development.

Although the creation of the Economic Development Commission is important, the implementation of this Plan will require regular staff support.

The Economic Development Commission will require regular staff support.

RECOMMENDATIONS

1. Retitle the Planning and Development Department to include economic development, e.g. as the Community and Economic Development Department.
2. Allocate at least 12-16 hours per week towards the effort of implementing the recommendations of this Economic Development Plan.
3. Provide funding to properly train county staff in the field of economic development. For example, a basic course in economic development is offered by Penn State. The course is offered in early December with a registration fee of approximately \$600.

Priority Level: High

Responsible Entity(ies): County, Local Municipalities, Private Sector

Time Frame: 2014-2015

Funding Sources: Not applicable

Objective 2. Leverage the region’s educational resources for workforce development.

ACTION STRATEGIES AND IMPLEMENTATION TOOLS

AS #3. Build and Maintain the Workforce

The County needs to invest in quality education programs to properly train its present and future workforce.

In today’s ever-changing economy, it is critical that the County’s youth be provided with quality K-12 education that enables them to enter the workforce with core capabilities and technical skills and that provides a foundation for continued learning at post-secondary education levels. The skills gained through the Mifflin County’s public education system and its additional workforce training programs are not meeting the technical skill requirements of the existing local industry nor those of industries targeted for growth. The County needs to invest in quality education programs to properly train its present and future workforce to enable them to gain and retain consistent employment, and to grow the County’s overall economy.

RECOMMENDATIONS

1. Conduct a 2-part community audit to determine needs, resources, and gaps in the local workforce development system:
 - A labor analysis to gather information on employment status (employed, underemployed, re-entering retirees); employment location; commuter patterns; willingness to travel; interest in changing jobs; occupational background and skills; education training; and wage requirements.
 - An employer analysis to determine recruiting experience; labor characteristics; commuting patterns; training capabilities and program; and outside training assistance currently provided.
2. Identify training programs to be developed through the Tuscarora Intermediate Unit-11, the Mifflin County School District, and the workforce development program based on the gaps identified through the labor and employer analyses.
3. Develop special fairs and events at primary and secondary schools to educate the County’s youth on the importance of having a quality education and the local employment opportunities that exist for those who further their education after high school.
4. Develop special programs and events geared towards the County’s adults to keep them informed of educational programs as well as opportunities for employment within the County.

Priority Level: Medium

Responsible Entity(ies): County, Local Municipalities, Private Sector,

Education Partners
Time Frame: 2016-2017
Funding Sources: Discovered in PA, Developed in PA (D2PA)

Objective 3. Designate and prepare new sites for industry and prioritize sites for redevelopment.

ACTION STRATEGIES AND IMPLEMENTATION TOOLS

AS #4. Identify and Prioritize Sites for New Industrial/Commerce Parks.

Industrial parks are currently at full capacity with no surrounding area available for expansion. The County should work with the MCIDC, with input from local officials, to identify new sites conducive to industrial and/or commerce parks that have ready access to rail freight and highway transportation services.

RECOMMENDATIONS

1. Develop and maintain a prioritized inventory of potential industrial properties to expand the County’s industrial capacity. Ensure that all rail-served industrial site expansion and development opportunities are coordinated with the SEDA-COG Joint Rail Authority.
2. Rank each site by the following criteria; rate each criterion on a scale of 1 (low) to 3 (high):
 - Availability
 - Developable acreage
 - Access to roads/rail
 - Infrastructure (sewer, water, electric, broadband, etc.)
 - Compatibility with surrounding land uses
3. Select one or more of the highest ranking sites for development or further investment.
4. Seek funding to develop the priority site into industrial and/or commerce parks.

Many properties should be evaluated for potential future industrial designation and (re)development with input from county economic development leaders and

Priority Level: Medium
Responsible Entity(ies): County, Local Municipalities, Private Sector
Time Frame: 2016-2017

Funding Sources: Business in Our Sites Loans (for infrastructure development)

AS #5. Identify and prioritize underutilized properties and/or sites and identify highest and best use/redevelopment scenarios for these properties/sites.

There are a number of sites and properties located throughout Mifflin County that are underutilized. These sites represent an opportunity for Mifflin County to not only strengthen its tax base, but to reinvigorate these areas with new life and energy and convey a positive image of the County to its residents and visitors alike.

Redevelopment not only strengthens the tax base but also invigorates neighborhoods with new vitality and a

RECOMMENDATIONS

1. Develop and maintain a prioritized inventory of potential properties/sites that are underutilized, vacant and in need of redevelopment.
2. Rank each site by the following criteria; rate each criterion on a scale of 1 (low) to 3 (high):
 - Availability
 - Location (i.e. gateways, commercial plaza/strip center, etc.)
 - Infrastructure (sewer, water, electric, etc.)
3. Prioritize the sites based on the highest score received during the ranking process.
4. Develop a master plan for the highest and best use of the priority sites.
5. Develop a redevelopment plan for each site to determine resources required.
6. Seek assistance and identify partnerships needed to redevelop sites according to redevelopment plan.

Priority Level: High

Responsible Entity(ies): County, Local Municipalities, Private Sector

Time Frame: 2016-2017

Funding Sources: Business in Our Sites Loan program

AS #6. Develop Infrastructure to Expand and Create New Opportunities for Economic Development

While some areas of the County have been improved with construction of new roads, water, sewer and broadband facilities, there are others areas of the County that lack this type of infrastructure. To diversify its economic base, the County must identify areas that are in need of basic infrastructure.

Mifflin County must provide infrastructure in areas planned for growth.

RECOMMENDATIONS

1. Using infrastructure gaps identified during AS#5, move forward with infrastructure improvements and/or expansion to help facilitate the development of new industrial and commercial sites. Address:
 - Public water and sewer service
 - Broadband service
 - Natural gas service
 - Highway and rail access
2. Seek federal and state grant funds to construct infrastructure in each of the priority areas.

Priority Level: Medium

Responsible Entity(ies): County, Local Municipalities and Authorities, Private Sector

Time Frame: 2018-2019

Funding Sources: Pennsylvania Infrastructure Bank, PennVEST, Keystone Communities Public Infrastructure Grant, PennDOT Rail Freight Assistance Program, USDA Rural Utility Service Broadband Initiatives Program, Public-Private Partnerships

Objective 4. Develop financial incentives to encourage economic development.

LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE (LERTA)

Local Economic Revitalization Tax Assistance districts are defined areas that provide property owners forgiveness on real property taxes that are directly attributable to a property's increased valuation brought about by new construction or other improvements. According to state law, a LERTA district shall be established for a period not to exceed 10 years. A taxpayer who applies for an exemption any time before the LERTA district expires

Local Economic Revitalization Tax Assistance, LERTA, forgives the tax increase in improved property value for up to 10 years.

is entitled to the full exemption schedule authorized by local ordinance. Local ordinances typically establish an exemption schedule that abates a percentage of a property's assessed value. After the exemption schedule has been satisfied, property owners resume paying all real estate taxes based on their property's full assessed value. Properties located within a LERTA district must continue to remit taxes associated with the property's base value (i.e., the assessed value prior to district establishment).

Pennsylvania's LERTA law gives local governments complete discretion in how they structure tax abatements in a LERTA district. Some taxing bodies provide different tax abatements for new construction vs. building renovations and/or might extend the abatement period for projects associated with significant job creation. It is less common that a taxing body would provide 100% abatement for a full 10 years without attaching specific capital investment and/or job creation requirements.

TAX INCREMENT FINANCING (TIF)

Tax Increment Financing districts are defined areas that capture a portion of tax revenue above a property's initial assessed valuation and utilize that increment to retire debt used to finance public or private improvements related to a new development. TIF-generated financing must be used to pay debt service on improvements associated with the TIF district.

Pursuant to Pennsylvania's Urban Redevelopment Law, properties to be included within a proposed TIF district must satisfy the criteria for "blight" and be designated as such by the local municipality. In order to qualify for TIF, projects must be able to satisfy a "but for" test – "but for" TIF the development would not occur. TIF is most beneficial for real estate development projects that have significant up-front infrastructure costs that cannot be supported in the project pro forma based on anticipated revenue from land sales and/or tenant leases. Developers benefit from a TIF because this finance mechanism does not rely on a project's revenue stream (e.g., land sales, tenant leases) to finance improvements.

The percentage of incremental tax revenue captured for debt service is often referred to as the "diversion rate" or "capture rate." Each of the three local taxing bodies (e.g., municipality, school district, county) must agree to opt in OR opt out of the TIF district and via ordinance or resolution must establish their particular "diversion rate." Each taxing body can establish its own unique diversion rate, but ultimately, the taxes diverted must be sufficient to service TIF debt or there must be a developer agreement sufficient to offset debt service costs not supported by diverted tax increment.

Tax Increment Financing, TIF, captures above a property's assessed value and applies it to debt used to finance local

ACTION STRATEGIES AND IMPLEMENTATION TOOLS

AS #7. Develop Financial Incentives to Encourage Economic Development.

Mifflin County is competing on regional, state, national, and global levels for new business and industry. Financing tools at one or more levels could help to attract private investment into the County. Financial incentives, such as the Local Economic Revitalization Tax Abatement (LERTA), Tax Increment Financing (TIF), and Historic Tax Credits programs, are tax-related tools being used by older communities to encourage redevelopment and to entice developers to invest in a community. Local loan assistance is available from the Mifflin County Revolving Loan Fund and Mifflin County Industrial Development Authority financing programs. Additional financing tools are available from the Pennsylvania Industrial Development Authority and SEDA-COG.

Financing tools could help to attract private investment into the County.

RECOMMENDATIONS

1. Based on AS #4 and #5, identify areas to be designated as LERTA Districts and TIF Districts. These two programs should be used on sites identified as high priority development/redevelopment sites.
2. Meet with local elected officials to discuss the LERTA and TIF programs.
3. Develop LERTA Program. Guidelines should include:
 - Boundaries of the LERTA program
 - Amount of exemption (percentages of taxes to be abated)
 - Number of years for abatement
 - Other stipulations as discussed with local municipal officials
4. Develop a Mifflin County TIF program. Guidelines should include:
 - Districts to be established
 - Improvements to be financed through the TIF:
 - Roadways
 - Rail
 - Sewer/Water
 - Utility Relocation
 - On-site improvements
5. Develop authorizing ordinances to be adopted by each of the participating municipalities, as well as resolutions for the County and School District, to authorize desired financing programs.

6. Promote financing tools in conjunction with a broader economic marketing campaign.

Priority Level: Medium

Responsible Entity(ies): County, Local Municipalities

Time Frame: 2016-2017

Funding Sources: Not applicable

Objective 5. Establish unique retail environments throughout Mifflin County

ACTION STRATEGIES AND IMPLEMENTATION TOOLS

AS #8. Develop Opportunities to Create Unique Retail Environments

With the exception of downtown Lewistown, Mifflin County lacks the kind of retail environments that provide an opportunity for the clustering of boutique retail stores. Some of the County's older plazas and strip centers have not been renovated since construction, one or more decades ago, and require new facades, if not redevelopment, to create attractive shopping environments that appeal to destination retailers and customers.

Mifflin County lacks retail environments that support clustered boutique stores.

RECOMMENDATIONS

1. Identify areas within the County for site development to enable the clustering of unique, boutique retail stores. These sites could include, but should not be limited to:
 - A. J. Peachy and Sons Inc. Restaurant. This location would take advantage of the existing consumer base attracted to the restaurant
 - The Quillas Creek development project located adjacent to the County's airport
 - The Dairyland Site, which has the visibility of U.S. Route 322
 - Belleville, Allensville, Reedsville, Milroy, McVeytown also provide opportunities for creating niche retail
2. Visit places that offer boutique retail stores and restaurants to understand how the projects evolved. For example, Kitchen Kettle Village in Intercourse, Pennsylvania, is an example of a retail village that began as a two-car garage cannery and has expanded to include restaurants, a canning kitchen, boutique retailers, and special events.

3. Provide technical and financial assist to developers, such as that of the Derry Heights project, to create unique retail and entertainment anchors.

Priority Level: Medium

Responsible Entity(ies): County, Local Municipalities

Time Frame: 2016-2017

Funding Sources: Discovered in PA, Developed in PA (D2PA)

Objective 6. Promote Mifflin County as great place for business and industry.

ACTION STRATEGIES AND IMPLEMENTATION TOOLS

AS #9. Develop a Brand and Marketing Campaign for the County

Mifflin County needs to actively promote itself as a place to conduct business and as a place to live, work, visit and play. It should collaborate with the Chamber of Commerce and Focus Pennsylvania to invite and pursue new business online and in person.

Mifflin County needs to actively promote itself as a place for business with quality workers and services.

RECOMMENDATIONS

1. Develop a brand image for Mifflin County's economic development program. The image should embody positive attributes of Mifflin County's location, workforce, infrastructure, public services, and culture.
2. Develop a marketing plan that identifies the target audience(s) and methods of advertising to be used (print material, billboards, etc.).
3. Develop marketing materials that support the marketing plan. The marketing materials may include the single page profiles, available online and compiled in hard copy, about:
 - o County assets
 - o County demographics
 - o Available properties and areas for development
 - o Financial incentives

Priority Level: Medium

Responsible Entity(ies): County, Local Municipalities

Time Frame: 2018-2019

Funding Sources: Discovered in PA, Developed in PA (D2PA)

AS #10. Foster and promote year round recreation opportunities for people who live, work, and visit Mifflin County.

Having plenty of things to do year round makes a community an enjoyable place to live, work, and visit. “Things to do” in small towns and rural communities include parks and recreation facilities and recreation and cultural programs and special events – places and programs that enable people to be physically, mentally and socially active both indoors and outdoors. The County’s scenic beauty and outdoor recreational resources, in particular, could help to position this central Pennsylvania region as a tourism destination. The Juniata/Mifflin Counties Greenway, Open Space and Rural Recreation Plan should guide efforts to develop and promote recreational and cultural opportunities for residents and visitors.

Having plenty of things to do year round will help make Mifflin County an enjoyable place to live, work, and visit.

1. Continue a close alliance with the Juniata River Valley Chamber of Commerce and Visitor’s Bureau. Continue to invite broader participation in the Mifflin County Parks and Recreation Council.
2. Support the Juniata River Valley Regional Tourism Plan. Incorporate the parks and outdoor recreation opportunities as part of the tourism program. Develop brochures on outdoor recreation destinations for racks in visitor locations such as rest stops, hotels, and restaurants. Focus on the activities that appeal to both residents and tourists such as bicycling, hiking, enjoying nature, and special events. Coordinate efforts with the Juniata River Valley Chamber of Commerce and the Visitor’s Bureau.
3. Undertake projects in recreation that utilize heritage and natural resources to advance tourism for both local “staycations” and distance travelers. This may include the development and promotion of cycling routes along historic sites, and interpretive trails and programs highlighting of how local industry has used natural resources.
4. Consider the development of an agri-tourism program. Work with willing partners who support the idea to find, develop, and promote on-farm lodging, pick-your-own produce, and other activities.
5. Identify and publicize gaps in hospitality services.

Priority Level: High
Responsible Entity(ies): County, Local Municipalities, Private Sector
Time Frame: 2014-2015 and ongoing
Funding Sources: Community Conservation Partnership Program, Keystone Communities, CDBG