

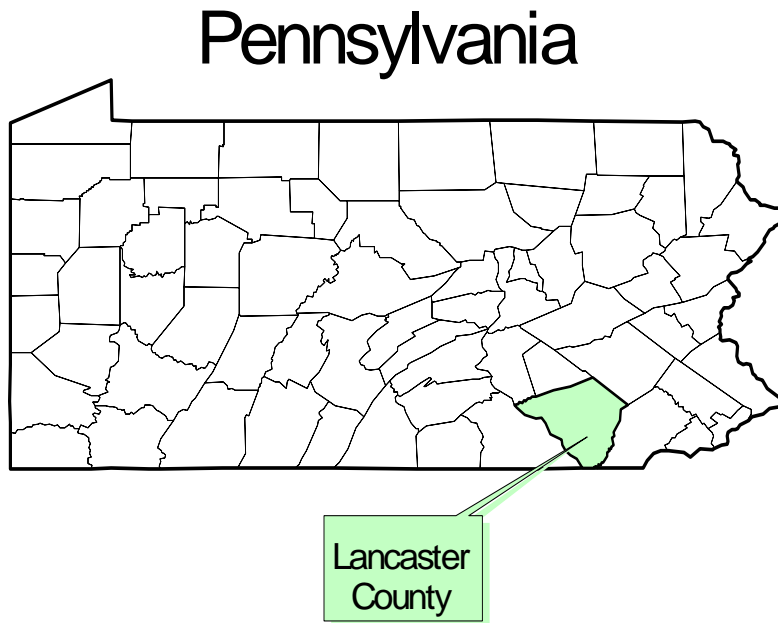
I. GENERAL INFORMATION

Existing Conditions

Geography

Lancaster County is located in south central Pennsylvania between Philadelphia and Harrisburg. Lancaster is considered an “urban county” by the U.S. Department of Housing and Urban Development (HUD); however, it has a significant agricultural base in rural areas. Lancaster County is the largest dairy producer in the Pennsylvania and is home to 10% of all farms in Pennsylvania. The Lancaster county Commissioners have made the conservation of farmland and open space a top priority. The land area for Lancaster County is 984 square miles or 629,879 acres.

Map 1. Location of Lancaster County in Pennsylvania



The three largest employers in Lancaster County in 2004 were Lancaster General Hospital (3,000 employees), County of Lancaster (2,300 employees), and Fulton Financial Corp. (1,500 employees).

Population

The Census 2000 indicated that Lancaster County's population increased by 11% to 470,658. Subtracting the persons in the City of Lancaster, the County of Lancaster's entitlement jurisdiction is comprised of 414,311 persons.

During the 1990's, population in Lancaster increased by an average of 4,780 people annually, increasing from 422,822 in 1990 to 470,658 in 2000. Growth in the Lancaster County, (outside the City) averaged 4,700 people annually, rising from 367,271 to 414,310. Sixty-one percent of the growth occurred as a result of natural increase (resident births minus resident deaths). The remaining growth came from in-migration. Lower interest rates and the lower housing costs (compared to counties to the east and south) have contributed to higher levels of in-migration.

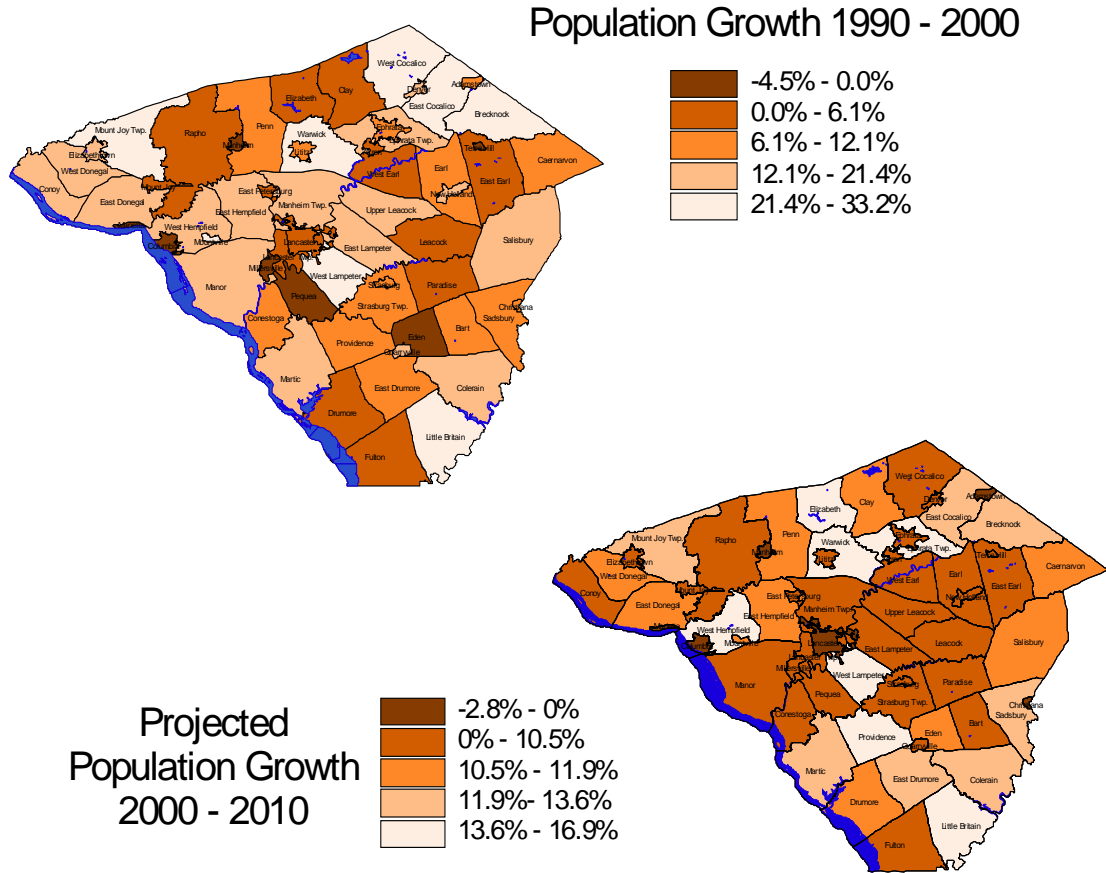
Based on population projections from the Lancaster County Planning Commission, Lancaster County as a whole is expected to grow by 9.5% from 2000 to 2010. Most boroughs are expected to see small increases in population. In fact, six of the 18 boroughs are projected to see population declines. The following is a chart showing the population projections for the boroughs in Lancaster County for 2010.

Chart 1. Population Projections in Lancaster County Boroughs

	2000 Actual	2010 Projected	% Change 2000-2010
Manheim Borough	4,784	4,648	-2.8%
Columbia Borough	10,311	10,123	-1.8%
Marietta Borough	2,689	2,652	-1.3%
Christiana Borough	1,124	1,116	-.7%
Adamstown Borough	1,201	1,198	-.2%
Terre Hill Borough	1,237	1,252	1.2%
Millersville Borough	7,774	7,992	2.8%
Akron Borough	4,046	4,244	4.9%
Lititz Borough	9,029	9,483	5.0%
New Holland Borough	5,092	5,368	5.4%
East Petersburg Borough	4,450	4,702	5.7%
Mount Joy Borough	6,765	7,152	5.7%
Quarryville Borough	1,994	2,109	5.8%
Ephrata Borough	13,213	14,010	6.0%
Strasburg Borough	2,800	3,037	8.5%
Elizabethtown Borough	11,887	12,923	8.7%
Denver Borough	3,332	3,666	10.0%
Mountville Borough	2,444	2,723	11%

The municipalities with the largest projected population growth are Warwick Township (16.9%) and West Hempfield Township(16.6%).

Map 3. Projected Population Growth 2000to2010



Age

The population in Lancaster County is getting older. 65,892 people are aged 65 or older; a 19% increase over 1990 figures. According to Lancaster County Planning Commission, the following chart shows the age distribution in Lancaster County, according to the U.S. Census 2000:

Chart 2. Age Distribution in Lancaster County Population, 2000

Age Ranges	Number of Persons	% in Age Range
0 -17	125,195	26.6%
18 - 64	279,571	59.4%
> 65	65,892	14.0%
Combined	470,658	100.0%

Chart 3. Lancaster County Population Projections, 2000 to 2010

	2000	2005	2010
85+	8,965	11,628	14,078
80-85	10,218	11,752	11,480
70-79	30,163	28,648	27,656
60-69	34,858	38,434	47,712
50-59	51,251	61,735	70,200
40-49	70,979	75,123	68,809
30-39	67,423	59,132	56,428
20-29	57,563	63,387	71,467
10-19	70,619	37,690	71,693
5-9	35,939	32,872	33,903
Under 5	32,680	33,700	36,308
Totals	470,658	489,975	509,726

Racial Composition

The residents of Lancaster County, outside the City of Lancaster, are predominantly White with approximately 4% of the population represented by minorities. Hispanic and Latino residents (of any race) account for 2.2 percent of the population.

Both Manheim and Lancaster Townships have the highest percentage of non-whites in the Lancaster County, but neither municipality exceeds 10%. There are no areas of racial/minority concentration in Lancaster County outside the City of Lancaster. However, the overall minority population is growing much more rapidly than the population as a whole.

Chart 4. Racial Composition of Lancaster County, 2000

	Yr. 2000	% of Population
White	396,102	95.6%
Black (Non Hispanic)	4,685	1.1%
Native American (Non Hispanic)	433	0.1%
Asian & Pacific Islanders	5,411	1.4%
Other Race	3,820	0.9%
Two or more races	3,860	0.9%
Hispanic	9,221	2.2%

Households

The Census 2000 data indicates that the total number of households in Lancaster County is 172,780. Subtracting the number of households from the City of Lancaster, there were 151,627 households in Lancaster County in 2000. Lancaster County, outside the City of Lancaster, gained 2,145 households per year from 1990 to 2000. Since 1990, Lancaster County has also had the sharpest growth in the number of female heads of households, a total of 8,604 households. The second largest increase in household demographics was among non-family households, with a 25% increase over 1990.

The average household size in Lancaster County is 2.64.

Poverty Level

Poverty level is an income limit established by the U.S. Department of Health and Human Services (HHS). This income limit is revised annually and is broken down by household size. While similar to the Median Family Income, it generally has lower income limits.

According to Census 2000 data, a total of 24,391 people or 6% of Lancaster County residents outside the City of Lancaster live below the poverty level. The municipalities with the highest percent of persons living below the poverty level are:

Chart 5. Percent of Persons Below Poverty Level by Municipality

Municipality	% Below Poverty Level	Number of Persons Below the Poverty Level
Millersville Borough	16.45%	906
Leacock Township	15.38%	750
Earl Township	14.97%	923
Fulton Township	13.68%	385
Little Britain Township	13.60%	477

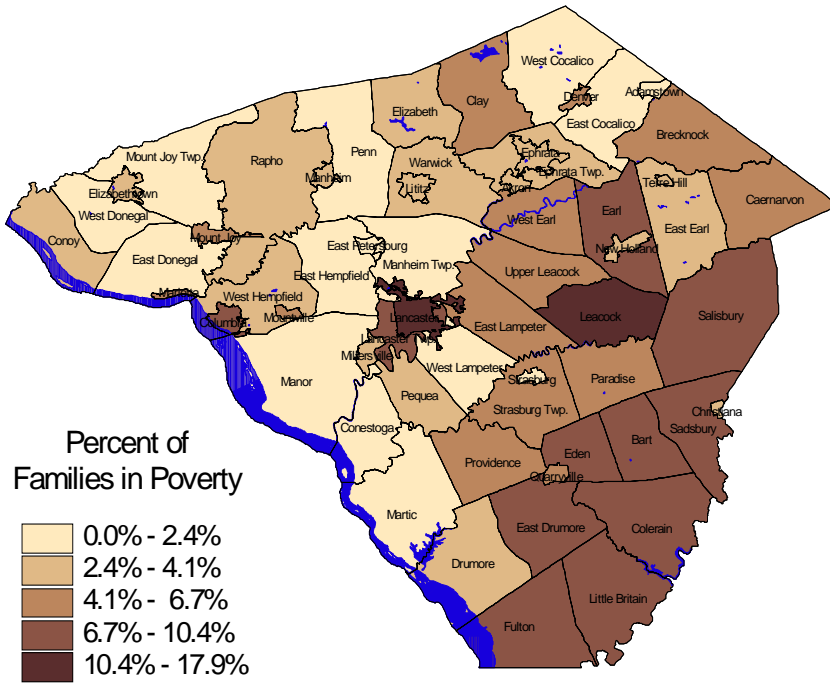
The municipalities with the highest number of persons living below the poverty level are:

Chart 6. Highest Number of Persons Below Poverty Level by Municipality

Municipality	% Below Poverty Level	Number of Persons Below the Poverty Level
Lancaster Township	9.9%	1,335
Manheim Township	3.98%	1,286
Columbia Borough	11.35%	1,133
Earl Township	14.97%	923
Salisbury Township	9.31%	922

Map 4. Percent of Families below Poverty Level

The map indicates that the agricultural/rural areas of the central and southeast show the greatest numbers of people below poverty.



The U.S. Department of Housing and Urban Development (HUD) estimates the Median Family Income (MFI) in Lancaster, PA to be \$61,600 in 2005.

Chart 7. Lancaster County Median Family Income, 2005

<u>Number of Persons in Family</u>	<u>Very Low Income 30% of MFI)</u>	<u>Low Income (50% of MFI)</u>	<u>Moderate Income (80% MFI)</u>
1	12,950	21,550	34,500
2	14,800	24,650	39,400
3	16,650	27,700	44,350
4	18,500	30,800	49,300
5	19,950	33,250	53,200
6	21,450	35,750	57,150
7	22,900	38,200	61,100
8	24,400	40,650	65,050

**To calculate the income limits for families with more than 8 members, 8% of the four-person base should be added to the eight-person income limit. For example, the nine-person limit equals 140 percent (132 + 8) of the relevant four-person income limit. All income limits are rounded to the nearest \$50.*

Of the 151,627 households in Lancaster County:

- 64% have incomes greater than 80% MFI
- 19% of households have incomes greater than 50% MFI and less than 80% MFI
- 10% of households have incomes greater than 30% MFI and less than 50% MFI
- 7% have incomes less than 30% of MFI

Of the 50,927 households that earn less than 80% of Median Family Income:

- 55% of households have incomes greater than 50% MFI and less than 80% MFI
- 28% of households have incomes greater than 30% MFI and less than 50% MFI
- 19% have incomes less than 30% of MFI

According to the Census 2000, the income distribution of Lancaster County follows the pattern of the population. The highest median incomes are in the suburban municipalities, while the lowest median incomes are in the urban municipalities.

Because the County has so few areas where 51% or more of the population is low and moderate income, it determines the fundability of its activities using the "exception criteria" established by HUD. Under this rule, activities located in areas of the County with low and moderate income populations which exceed 43.5% of the total population of the area would generally meet the minimum requirement of principally benefiting low and moderate income persons. The County will continue to focus its CDBG funded activity in these areas during the next five years.

Lancaster County does not have many concentrated areas of low and moderate income residents. Frequently low and moderate income persons and families are distributed throughout the County in small “pockets” or small neighborhoods. In order to assist those low and moderate income households, the County may undertake an activity in a pocket of low and moderate income persons located outside of the designated census areas. Income surveys are used to measure low and moderate income population of 51% or greater, to identify eligible pockets and neighborhoods for CDBG activities.

Thirty-three municipalities have census block groups that meet the low- and moderate-income exemption criteria for the Community Development Block Grant program. The total Lancaster County population in the eligible block groups equal 51,907 people, or 11% of the total population. Over half of the Redevelopment Authority’s public infrastructure improvement projects are qualified by income survey. The five municipalities with the highest number of low and moderate income individuals are:

Chart 8. Highest Number of Low and Moderate Income People by Municipality

Municipality	Number of Low & Moderate Income People
Manheim Township	7,886
East Cocalico Township	6,183
East Hempfield Township	5,787
Columbia Borough	5,476
Ephrata Borough	5,411

1,695 in June 2003 to 2,300 in July 2004, and families receiving food stamps but no Public Assistance dollars rose from 5,829 unduplicated families in June 2003 to 7,761 in July 2004. By comparing these increases, it can be seen in the chart below that the number of families (both Public Assistance and non-Public Assistance) that received food stamps rose by a lower rate during those two and-a-half years (January 2001 to June 2003) than in the more recent 13-month period, as cited by the survey.

Chart 9. Number of Unduplicated Families Receiving Food Stamps

County	Public Assistance	Non Public Assistance
<u>January 2001</u>		
State Total	96,982	248,448
Lancaster	1,121	3,968
<u>July 2001</u>		
State Total	94,149	246,998
Lancaster	1,172	4,199
<u>June 2002</u>		
State total	95,312	256,553
Lancaster	1,464	4,982
<u>June 2003</u>		
State Total	97,625	280,722
Lancaster	1,695	5,829
<u>July 2004</u>		
State Total	106,045	330,864
Lancaster	2,300	7,761

Source: Office of Income Maintenance, Commonwealth of Pennsylvania

Basis for Allocating Investments Geographically

Areas with a concentration of low income households are defined as those areas where more than 51% of the households have incomes of less than 80% of the Median Family Income. According to this definition, there are only two municipalities that meet these criteria: Columbia Borough and Leacock Township. However, there are 42 block groups that meet this definition, which means that while Lancaster County does not have large concentrations of poverty it does have “pockets of poverty”. There are 80 block groups with 43.5% of low and moderate income residents. (See Map 5).

Annual Action Plans for each of the next five years will propose activities in those communities which have the highest percentage of low and moderate income persons.

Local policies have been established which govern the types of activities that Lancaster County will fund with Community Development Block Grant funds (see Appendix A). These policies ensure activities are part of a broader community development strategy for each community. They also ensure that activities are coordinated with current

Lancaster County policies. Finally, these policies ensure that affected residents are notified of proposed activity early enough in the project development stage to enable them to have an impact on the development and implementation of the activity.

A Citizen Advisory Council will review project proposals and makes final recommendations for funding projects to the Redevelopment Authority Board and County Commissioners. Through two public hearings, when the applications are submitted and after they are approved, the general public has an opportunity to comment on the proposed activities. In addition, each project application is also required to have a local public hearing before submission to the Redevelopment Authority.

How Priorities Are Assigned

The Redevelopment Authority of the County of Lancaster works closely with the Lancaster County Planning Commission to establish community development and housing goals for the Lancaster County. The Planning Commission recently completed a draft of the Growth Management Update, a core element to the Lancaster County's Comprehensive Plan. The aim of the Growth Management Update is to provide guidance and direction to local municipal officials in the management of growth. The key plan recommendations include both an Urban and Rural Growth strategy as well as an implementation strategy.

The goal of the Urban Growth Area Strategy is to direct more development into designated Urban Growth Areas through new development and reinvestment in previously developed and/or vacant land. The 2005 update reaffirms the 1997 initiative to increase the proportion, density, and intensity of development in designated growth areas. Urban Growth Areas are given official standing when they are incorporated on Future Land Use maps and adopted into the Lancaster County and local comprehensive plans.

One of the four major goals of the strategy is to increase housing affordability and employment opportunities for citizens and guide the projected population growth of the Lancaster County. The Urban Growth strategy promotes reinvestment in urban areas and encourages "mixed-use" in both new and existing development.

The Redevelopment Authority ensures that Community Development Block Grant infrastructure projects, such as sewer and water extensions, are approved by the Planning Commission as consistent with Urban and Village Growth Areas. Priorities for the Consolidated Plan's program activities are consistent with the objectives and strategies reported in Lancaster County's Draft Growth Management Plan which can be found in Section 4 of this document.

Obstacles to Meeting Underserved Needs

Pennsylvania's system of decentralized, fragmented, and uncoordinated land use controls under the Pennsylvania Municipalities Planning Code (MPC) significantly limits the ability of Pennsylvania County governments to positively influence these decisions. As primary powers to plan for and regulate use of land are granted to local governments, the Lancaster County cannot mandate change in land use regulatory practices. The primary barrier to affordable housing is the increasing cost of land and the rising cost to install the necessary infrastructure to develop the land (streets, sewers, etc.) Added to this is a strong anti-growth sentiment in the Lancaster County and an increase in the examples of the NIMBY (Not in My Backyard) -ism attitude, despite the fact that studies show that the development of affordable housing has no affect on nearby home values.

The Lancaster County Planning Commission is making strides to educate the public and local planning officials on the benefits of affordable housing. They propose to employ a "Growth Management Circuit Rider" to work as a liaison to municipalities to ensure local planning is consistent with the Lancaster County's Comprehensive Plan and create a web-based "toolbox" of resources for municipalities to reach their community development and affordable housing goals.

State Budget Trends

A 2004 Issues PA poll (published by the Pennsylvania Economy League) that examined local government performance, found that citizens in the South Central region of Pennsylvania were most concerned overall about managing growth, including concerns about traffic congestion, the level of taxes, and preserving open space and farmland.

Pennsylvania's state budget for 2004 to 2005 includes more funding for economic development via programs that are part of the state's Economic Stimulus Package. The principal channels for increased funding are the Housing and Redevelopment Assistance and New Communities programs which together are receiving \$9 million dollars in new funding.

The State budget also contains an increase for helping financially strapped local governments through the Shared Municipalities Services Program, Early Intervention Program and the Financial Recovery Revolving Fund. These new funding streams are good news for lower income Pennsylvania communities and reflect the State's interest in bolstering community and economic development.

Chart 10. 2005 Pennsylvania State Budget Excerpt

<u>Program</u>	<u>Funding Level</u>
Community Revitalization:	
Main Street	\$2,500,000
Elm Street	\$5,000,000
Housing Redevelopment Assistance	\$25,000,000
Homeownership Choice	\$15,000,000
Redevelopment Assistance	\$640,000,000
Business Investment:	
First Industries Fund	\$150,000,000
Core Industries	\$75,000,000
Second Stage Loan Fund	\$50,000,000
New PA Venture Guarantee	\$250,000,000
New PA Venture Capital	\$60,000,000
Keystone Innovation Zones	\$35,000,000
Base Retention and Conversion	\$1,250,000
Expanded R & D Credit	\$15,000,000
Site Preparation and Infrastructure:	
Business in Our Sites	\$300,000,000
Building PA	\$150,000,000
TIF Guarantee Program	\$100,000,000
Water/Sewer Facilities	\$250,000,000

Despite increases in the State budget for community revitalization, dollars dedicated for the development of affordable housing are on the decline. The Pennsylvania Housing Finance Agency's Low Income Housing Tax Credit Program has seen dramatic cuts. In 2004, the available tax credit dollars were \$32,070,294; in 2005, only \$23,244,765 were available, a 38% cut in available dollars. Housing construction costs have also outpaced the ability of developers to realize profits from these types of projects. Additional resources and incentives are still needed to increase the housing stock of affordable homes.

According to the State of the Nation's Housing 2005 report, released by the Joint Center for Housing Studies, nearly one in three American households spends more than 30 percent of their income on housing. The lack of affordable housing in Lancaster County also mirrors this national trend.