

**Exploiting Opportunities to Strengthen
Elizabethtown's Central Business District**

**A Final Report
Submitted By**

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To

**The Elizabethtown Economic Development
Corporation**

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Executive Summary

This report examines the options for development in the Central Business District of Elizabethtown, Pennsylvania. The report was commissioned by the Elizabethtown Economic Development Corporation (EEDC), a non-profit organization overseen by leaders from business, government, and educational institutions in the E-town area.

Elizabethtown's Central Business District (E-town's CBD) today is remarkably healthy. Vacancies are low, physical conditions are relatively good, vehicle and pedestrian traffic is vibrant, and property values are steady. Despite the rapid growth of housing and commercial activity OUTSIDE of E-town's CBD over the last two decades, the CBD remains a viable, small-town, urban core for its surrounding region.

Upon analysis, though, the current health of E-town's CBD rests primarily on external factors. Indeed, the CBD suffers from several key weaknesses as a traditional small town, urban core. Yet it prospers today because different parts of the CBD have been successfully integrated into a series of larger, regional markets for housing, specialty retail, offices, and industry.

The external nature of these connections makes the CBD vulnerable to changing external trends. This is especially true since E-town's CBD has not actively managed its presence in the markets for housing, specialty retail, offices and/or industry. But these connections also allow the EEDC to strengthen the CBD in the future by exploiting a wider range of opportunities.

This report reviews the current state of E-town's CBD, identifies the sources of its market-based strengths and weaknesses, examines the various external trends that provide opportunities and threats, and recommends a series of initiatives that the EEDC can undertake in each of the markets in which the CBD competes. Together, these initiatives can strengthen E-town's CBD considerably over the next decade so that it can continue to serve as a counterweight to excessive sprawl and decentralization in the Western portion of Lancaster County. Indeed, E-town can become a model for how other towns can reinforce their traditional urban cores.

The Strengths and Weaknesses of E-town's CBD Today

In general, the Elizabethtown CBD is remarkably healthy and vibrant. It is an example of the benefits of small town living that few competing towns can match. In some ways, the current strength of the CBD is surprising since E-town's CBD has some inherent weaknesses. Among these weaknesses are the following.

- First, E-town's physical layout pulls strength away from the CBD. Although there is a small "town square," it is not a strong physical presence. Strong town squares are often anchored by several public spaces. Examples include county courthouses, town halls, police and fire stations, and large churches. These buildings often have dramatic architecture and serve as clear landmarks that designate the center of town. They are often visible from a distance, thus creating a visual statement of where the center of activity is located in the town. In addition, strong town squares often include public space, such as a park, that can be used for formal community events as well as informal purposes. The central public space adds to the community's attachment to the CBD as a centralized focal point. Lastly, strong town squares offer visible opportunities for short-term parking. Wide streets capable of supporting diagonal parking with two-hour meters is one common example of the kind of layout that gives drivers the impression of easy accessibility.

E-town's central square is not capable of emulating many of these features. Despite well designed recent improvements, the physical layout does not include any large architecturally significant buildings, all of the buildings are owned privately, the streets are only wide enough for parallel parking, and there is no room for public space. Drivers who are not familiar with E-town can easily drive along Market Street and not notice the central square. As a result, the CBD is a corridor, not an area anchored by a central place.

- Second, even the corridor of Market Street is not as strong as one would expect it to be given its good current condition. Corridors are strong typically because they include most of a town's major employers and government buildings. These public and private employers build landmark buildings that anchor the corridor at either end and at important intervals in between. They bring employees and visitors, which in turn create markets for various restaurants, specialty retail stores, smaller office buildings, and oftentimes a hotel. They provide the critical mass. Strong corridors, like strong town squares, also include public space that can serve as a central point for a town's identity.

Yet none of E-town's major employers is located along Market Street. The three largest private employers (Masonic Homes, MasterFoods USA, and Elizabethtown College) are located away from the corridor. In addition, neither the town government nor the local school district has any facilities on the corridor. The new library is the only public building on the central corridor. Although it is a beautiful facility, its visible impact on the corridor is limited by its mid-block location and its

conforming building height. In other words, it does not “stand out” from the rest of its block. In addition, Market Street does not include any public spaces along its corridor. The only public spaces are a series of well-placed public parking lots. Although these are very valuable public assets, they do not serve as public amenities.

- Third, the legacy of E-town’s history works against a strong CBD corridor. The most significant landmark buildings of the late nineteenth and early twentieth centuries were not built along Market Street. Although the College started along Market Street, it moved to its present location before much building had occurred. Masonic Homes built important landmark buildings, but again they were located away from the corridor. The town’s other significant historical structures were factories. These structures were built along the railroad right-of-way, not Market Street. And even though each one that remains has been renovated into apartments (some for the elderly and some for the general marketplace) none are visible from Market Street and therefore are not physical components of the corridor. E-town’s historical housing stock is also limited. There are few large older homes along the corridor. Most of the historically significant housing stock is comprised of modest duplex structures that were built as housing for the workers in the town’s shoe mills and other industrial facilities in the early decades of the twentieth century. Most continue to function as modest homes, although their residents no longer work in local mills. Some are owner-occupied and some are occupied by tenants. Some are located along the Market Street corridor. Others are on nearby side streets. Their conditions range from well-kept to run-down.
- Fourth, E-town’s CBD has a fragmented pattern of ownership. Typically, when an analyst observes a small town’s CBD that is as healthy as E-town’s, especially one with the weaknesses already cited, one discovers that the underlying cause for success is a pattern of highly concentrated ownership. In other words, the corridor succeeds because a well-organized group of property owners, business owners, and civic institutions, such as government, churches, and service organizations, own most of the CBD. This type of concentrated pattern of ownership encourages owners to collaborate with each other over the years in order to maintain property values, exploit opportunities for new growth, and coordinate marketing activities on behalf of the town.

Yet in the case of E-town, even the largest property owners in the CBD own only a handful of properties. Ownership of every block is divided and (based on estimates) no four owners control more than 10% of the CBD’s properties. No one owner controls a single contiguous block of parcels along Market Street. This kind of fragmentation inhibits collaboration and often results in poor conditions.

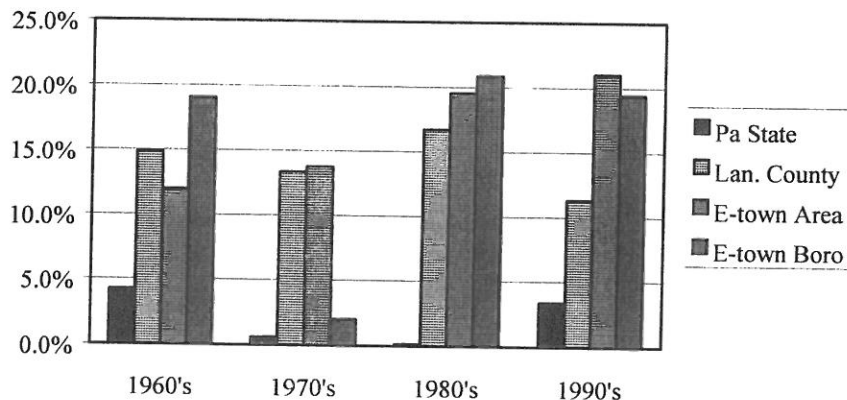
- Fifth, E-town’s CBD does not benefit directly from the broadly attractive marketing image of Lancaster County. Many small towns in Lancaster County enjoy the inflow of tourists and small business entrepreneurs who are attracted to the County’s image of Amish-influenced small town and rural ambiance. The County’s beautiful natural setting and strategic location between Harrisburg and Philadelphia blend together into

a national reputation for attractive living. But E-town traditionally has not associated itself with the Amish theme. Nor has it identified itself as “suburban Lancaster.” And although it is closer to Harrisburg than to Lancaster, E-town has never identified itself with the Harrisburg area either. Rather, E-town has never cultivated a clear image of itself for the purpose of marketing.

Yet despite this litany of weaknesses, E-town’s CBD is indeed healthy and vibrant. Consequently, the CBD must benefit from a variety of strengths. And when these strengths are combined, they must overwhelm the town’s weaknesses. In many ways, Elizabethtown is in good shape today because of a set of external factors.

- First, the town is located in one of the only regions in Pennsylvania that enjoys overall population growth. Chart One compares the population growth rates of Pennsylvania, Lancaster County, the E-town Area (comprised of Elizabethtown Borough, Mount Joy Township and West Donegal Township), and Elizabethtown Borough itself. As Chart One illustrates, all of Lancaster County has been growing much faster than the rest of Pennsylvania for the last forty years. And for the last thirty years the E-town area has outgrown the rest of Lancaster County. Since 1980, the population of the E-town area has increased, on average, by more than 400 people each year. This level of steady, consistent population growth creates a very positive environment for attracting investment in housing and retail activities as well as creating a solid tax base from which public services can be financed.

Chart One
Percent Growth in Population, 1960-2000



- Second, the E-town area enjoys a healthy, stable employment base. The E-town economy is more diversified than one commonly finds in a small-town environment. Although E-town was once a “factory town,” dominated by a narrow job base its economy today is very diverse. Its three largest private employers reveal the diversification: Masonic Homes, Masterfoods USA’s M&M/Mars factory, and Elizabethtown College. Although these employers are not located on the Market

Street corridor, each enjoys strong independent positions in regional and national markets for their own goods and services. Therefore, their presence in the E-town area creates many benefits.

The Masonic Homes at Elizabethtown is a non-profit continuing care retirement community that is located on 1,400 acres of land in E-town Borough and West Donegal Township. The facility has operated since 1910 and includes retirement living, residential living, continuing care medical facilities, a children's home, a complete conference center, and a wide range of support services and community amenities. In addition the Masonic Homes offers community based services including an Adult Day Care Center and Outreach Program that serve residents of the local Elizabethtown community by meeting unmet needs. The Masonic Homes has more than 1,450 residents and employs more than 1,430 staff members on the campus in Elizabethtown. The Masonic Homes recently completed a national accreditation through the Continuing Care Accreditation Commission, a national accreditation sponsored by the American Association of Homes and Services for the Aging. The Masonic Homes is one of only 325 communities in the nation to attain this accreditation. The organization each year provides over \$10 million in free care and services to its residents and in community services.

Masterfoods USA's factory in Elizabethtown Borough is a 350,000 square foot facility that produces chocolate and chocolate liquor for the company's M&M/Mars product lines. This includes the company's premier "Dove Dark Chocolate." The E-town plant employs several hundred associates and competes well within its corporation for growth opportunities. It is a high quality manufacturer and its commitment to retaining its global competitiveness can be seen in the ability of its managers and associates to achieve ISO 9002 accreditation. Even more impressive is that ISO 9002 exceeds the quality requirements of its principal customers today. Consequently, the plant is well positioned to continue serving its customers into the future. The facility also includes its own research and development capability, which reinforces its competitiveness.

Elizabethtown College is another source of steady, moderate growth in the E-town area. The College, which was founded in 1899, sits on a 145 acre campus within the Borough. The College enrolls more than 1,700 full-time students and additional part-time students. The College competes well for new students, receiving more than five applications for every student who enrolls each Fall. Ninety-two percent of students receive some form of financial aid. As part of the College's 100-year anniversary, it is currently undergoing major new renovations and expansions on its campus. It enjoys widespread support from its trustees, students, and alumni.

In addition to these three large private employers, the Elizabethtown School District, which includes the E-town Borough, Mount Joy Township, Conoy Township, and West Donegal Township, is the largest local public employer. The diversity of the local economic base can also be seen in the blend of medium-sized and small private companies. Chart Two lists some of the medium-sized local employers.

Chart Two
List of Elizabethtown Area Mid-Sized Private Employers
(in no order of importance)

TRG, Inc. (frozen food warehouse)	Rheems Nursing Center
Fleetwood Homes (mfg. mobile homes)	Giant Foods (store)
Copes Construction (food processing)	Manor Care (nursing home)
Highline International (hatchery)	Holiday Inn Express
Maurice Sporting Goods (mfg.)	McDonalds
Eastern Agricultural (feed mill)	K-Mart (store)
Longenecker Hatchery (hatchery)	Continental Press
Agway, Inc. (ag. distribution center)	Groff Meats (mfg. and store)

Among the many small companies in the region are several well-established law firms, accounting firms, insurance agencies, and other high-end business service firms. In addition, E-town's Market Street corridor has attracted the offices of at least one rapidly growing business software developer as well as a wide range of small, niche-oriented retail specialty stores.

- Third, the combined effects of overall population growth and strong economic anchors create "positive spillover effects" that encourage a stable political environment. This stability minimizes acrimony in local politics and thereby creates a working environment that attracts highly qualified public sector professionals to local government agencies. Benefits also create a solid local tax base from which sufficient revenues can be collected to support good public schools, and public services such as water, sewerage, trash disposal, street maintenance, recreational facilities, and public safety. The stable political situation has also led E-town's council to support ongoing public works projects over the last twenty years to maintain the CBD's sidewalks, parking lots, and otherwise provide consistent public services to the CBD.

Despite the "built-in" weaknesses of E-town's CBD, the overall health of the region has pulled components of the CBD into the structure and dynamics of several growth-oriented regional markets in which the Elizabethtown area competes broadly. These growth-oriented regional markets include the following:

- various segments of the regional housing markets;
- the regional market for specialty retail, entertainment, and culture;
- the regional market for office space; and
- the regional market for industrial space.

The role played by E-town's CBD in each of these regional markets, however, has not evolved as the result of any directive planning. E-town's current position in each market is not the result of any specific community strategy. Specific buildings and specific businesses in E-town's CBD have been pulled into each of these markets by external

actors, not by locally-developed strategic intent. In simple terms, the fragmented owners of E-town's CBD have been lucky.

But one can't count on luck. Consequently, Elizabethtown needs to understand how its past luck has given it competitive advantages (and some competitive disadvantages) in several key regional markets. Trends that are likely to continue in the region's social and economic make-up will create a variety of opportunities and pose some serious threats for the future of E-town's CBD. The remainder of this document reviews E-town's current position in key regional markets, identifies likely trends, and discusses ways that the EEDC can leverage the CBD's current strengths into new opportunities for continued health and future growth.

The CBD's Role in Regional Markets for Housing

The regional housing market is re-making much of Lancaster County, including E-town and its nearby area. There are at least four distinct segments of the regional housing market that are affecting E-town specifically.

The first and most dynamic segment is the market for newly constructed middle-class detached single-family housing in suburban-style developments that are located just outside E-town borough. It would be a mistake, however, to think of these new developments as "suburban E-town." Although solid data are not available, all of the anecdotal evidence suggests that the new residents of these homes have very little interaction – economic or social – with E-town's CBD. Many of these households are two-income professional couples, with children, who choose to live near E-town because of its central location to three employment centers: Harrisburg, Lancaster, and York. In many ways, these developments are simply offshoots of Route 283. These new residents, on average, purchase homes that are more expensive than the average E-town area home, and consequently have higher than average incomes. The inflow of purchasing power and taxes that they provide is key to the overall economic health of the E-town area. The growth of these new subdivisions has also injected new demand into the market for older homes in the E-town area, including the subdivisions that were built in the 1960s and 1970s, most of which are inside E-town Borough.

These new residents can be referred to as Two-Income-No-Connections households (i.e. TINC's). Available evidence (mostly from interviews) indicates that these new residents (TINC's) have not been systematically integrated into the town's social (or economic) institutions. They are most likely to be involved in the schools, churches, and voluntary associations that relate to the activities of their children, such as sports leagues and scouting organizations. The martial arts business in the CBD's central square may be the most common reason why these new residents have visited the CBD. Shopping centers along Rt. 230 outside of E-town's CBD provide most of the local-market retail services they need. The new library could become another major anchor for attracting them, although data on its patronage are not available yet.

But the TINC's are tied to E-town nonetheless because they are attracted to the public infrastructure that E-town and its two adjoining townships are able to offer. Developers choose sites for new subdivisions based on the availability of E-town area water and sewerage systems, and based on the good quality of E-town's public schools. All of these features are tied to the overall health of the CBD. As this segment of the housing market continues to grow it will create a variety of potentials for future development in the CBD.

The second segment of the regional housing market has always been important to the E-town area: retirement living. Masonic Homes has been an important center for retirement living since 1910. Most of its residents come to the E-town area from elsewhere when they retire, making the Masonic Homes an important source of "traded services" that

bring taxable wealth and purchasing power into the area. But E-town plays a broader role in the market for retirement living than just the Masonic Homes. Through much of the 1970s and 1980s much of E-town's older stock of duplex houses were inhabited by older, retired individuals. These duplexes had been built largely for mill workers. But when the mills closed, they evolved into low and moderate income housing for older residents. In recent years, however, two former mills have been renovated into senior citizen housing in order to improve senior living conditions. The first was Park Place Apartments and the second was Whistle Stop View Apartments. Each is professionally managed and well maintained. These two successful projects ensure a continued role for the CBD in retirement living. In addition, the presence of E-town College has not yet been exploited in regard to retirement living. Private housing developers who build retirement communities often cite the value of having a college or university nearby in terms of attracting residents over the age of fifty-five. These residents often rely on nearby colleges and universities for continuing education and/or cultural and entertainment amenities.

The third segment is the regional market for low and moderate income rental housing. Although the Housing Development Corporation of Lancaster County (HDC) does not own any housing communities in E-town's CBD, the transfer of many long-time, older residents into the renovated senior citizens apartment buildings created vacancies in older CBD housing units that resulted in falling rents. Lowered rents made E-town's CBD more affordable for low and moderate income families, many of whom receive assistance from the Federal "Section 8" program, administered by the Lancaster County Housing Authority. E-town's good schools and relative safety have particularly attracted families with children who value these amenities. As with other buildings in the CBD, the ownership pattern among these rental units is fragmented. Many rental buildings are owned by individuals who are not professional landlords. The dynamics of the low and moderate income rental market creates new challenges for the CBD that need to be addressed. These new residents have become part of the dynamics of the CBD, but have not yet been integrated into its future possibilities.

The fourth segment is the regional market for rental housing targeted to young professionals. Although E-town's single family housing market contains some young professionals, many of these individuals prefer to rent rather than own property. E-town's strategic location along Route 283, and its location on the line for commuter trains to both Harrisburg (15 minutes) and Philadelphia (40 minutes) has already been exploited by at least one housing developer. Historic Landmarks for Living, a Philadelphia-based developer of luxury apartments that has renovated seventy historic properties in Pennsylvania, New York, Maryland, Illinois and Minnesota since 1985, owns and operates a 72-unit building which once housed a shoe factory in the CBD (Peach Alley Court). Even though the apartments are relatively small studio and one-bedroom units, with above-average rents (ranging from \$580 to \$680), the building has few vacancies. Although there are no comprehensive data on residents, interviews indicate that many are indeed young professionals who commute to work between Philadelphia and Harrisburg. Other local apartment complexes (such as Village Green Apartments) have also benefited from this market segment.

The CBD's Role in the Regional Market for Specialty Retail

Merchandise stores, restaurants, coffee shops, and other general retail activities are the dominant use of space within E-town's CBD. Approximately 300,000 square feet of space is available for general retail use. Taken together, this is about one third of the space typically available in an enclosed suburban shopping mall. Unlike a suburban mall, however, the ownership pattern of retail space in town is highly fragmented. In addition, the average retail building has about 5,300 square feet of space, which can accommodate mostly small to medium sized retail and food establishments. Most retail buildings are old structures that have been rehabilitated according to the needs of tenants. The stores in the CBD do not include any large anchor retail establishments. Retail stores and food establishments are mostly niche competitors.

Despite their small size, most retail stores in E-town's CBD compete in broad regional markets. Very few depend entirely on E-town-based customers. Rather, most have a set of loyal local customers, but also draw extensively from a customer base that stretches from Lancaster to Harrisburg. Some draw customers even further than that. Most local shopping activities among E-town residents have shifted away from the CBD to the automobile-oriented strip malls outside of the CBD. Even town residents who can walk to the CBD tend to do most of their routine retail shopping at the strip malls.

The most aggressive retail stores in the CBD have developed their own mailing lists and attempt to finance their own marketing efforts with direct mail and print advertising. Ironically, very few E-town stores pursue a tourist-attraction strategy. Although Lancaster County is famous for tourist-related retail trade, Elizabethtown in general has not cultivated a cooperatively-themed retail attraction strategy among its retail stores. Given E-town's history, an Amish-themed strategy does not seem warranted. But other potential themes have not been pursued.

The CBD's Role in the Regional Market for Office Space

The Elizabethtown CBD competes in a regional marketplace for offices. The geographic boundaries of this market extend to the region between Harrisburg to the west and Lancaster to the east. Customers in this market are primarily small and medium sized service businesses (including nonprofits and government agencies). Most larger service organizations in the region -- and virtually all of the manufacturing firms -- integrate their offices with their production spaces. Most own their own structures. Therefore, the commercial office market is dominated by small and medium sized service businesses that need space between Harrisburg and Lancaster. They include insurance agencies, medical offices, law firms, accounting firms, non-profits, government agencies, computer-related services, and other business services.

The Elizabethtown CBD is the largest cluster of commercial office space in the regional market between Lancaster and Harrisburg. The CBD has about 80,000 square feet of office space occupied by small and medium sized companies. Taken together, this is about the equivalent of two typical buildings in a suburban office park (i.e. two 40,000 square foot buildings).

Unlike an office park, however, the typical "office product" offered by the CBD is small. The average office building (about 21 in total) has less than 4,000 square feet of space available for use. Ownership is quite fragmented today, although this was not always the case. In the past twenty years most larger-scale owners have divested themselves of their CBD properties. The small size of most offices matches the needs of most customers in this marketplace. But it poses severe problems for growth-oriented companies. These companies need larger "footprints" as well as flexibility in expanding and contracting their space needs to match changes in their businesses. In addition, the town is unable to market itself to growth-oriented companies that are not now located in the town, but which could be attracted to E-town because of its many small-town strengths.

The potential market for growth-oriented companies has already led two professional developers to consider locating suburban-style office parks at each of the E-town exits on Route 283. These projects would compete in the regional marketplace, and indeed could attract companies from inside the Harrisburg and Lancaster markets to locate near E-town. At least one developer believes that office space along 283 could attract tenants from as far away as suburban Philadelphia and suburban Baltimore.

As of today (according to my current info) both of these projects are "on hold" due to the recession and unresolved questions about infrastructure and financing. But the market for this type of space along the 283 corridor will continue to build momentum as soon as the recession ends. The potential demand for more flexible, modern office space can be both an opportunity and a serious threat in regards to the future of the E-town CBD.

The CBD's Role in the Regional Market for Industrial Space

Elizabethtown was for many years a successful mill town. Much of the town's built environment and infrastructure was put in place in the early 20th century to meet the needs of its factories. The town's street plan, its relationship to the railroad lines, and most of its older housing stock all reflect the priorities of a previous era. Yet manufacturing is still very important to the economic and social vitality of E-town. The M&M/Mars factory is a key economic anchor. Any development plans for the town must accommodate the needs of this facility. Another important local business that is classified as a manufacturing establishment is Groff Meats. Again, the town needs to find ways to accommodate its needs. These two businesses are enduring legacies of the town's manufacturing heritage and important parts of its current economic life.

It is unlikely that any major new manufacturing establishments will find E-town's old manufacturing properties along the railroad right-of-way attractive. Lot sizes are small and truck access is difficult. Lancaster County has already invested public funds in organized industrial parks that are designed specifically for the needs of modern manufacturing companies. Consequently, E-town's role in the industrial marketplace should focus on retaining its current companies rather than attracting new ones.

Likely Trends in the CBD's External Environment, 2002-2012

The current strength of E-town's CBD is driven by its simultaneous position in each of the regional markets described above. The trends that have created these market positions are dominated by external factors rather than factors that are internal to the CBD. By analyzing these trends, it is possible to identify several that are likely to continue to affect E-town's CBD over the next decade. These continuing trends set the stage for the opportunities and the threats that will confront the EEDC as it tries to strengthen E-town's CBD.

The trends that will continue affecting E-town's CBD are the following:

- The Elizabethtown area will continue to experience moderate population growth over the next ten years. This growth will continue to exceed both the state average, and more significantly, the Lancaster County average (which is among PA's highest). When compared to the growth rates that will be experienced by many urban areas in the U.S. over the next decade, E-town's growth will appear to be modest. But in relation to its region, it will appear to be rapid growth. If the growth rate of the last twenty years continues (lowest projection) the number of residents in the E-town area will increase by at least 4,000 people (i.e. about 400 new residents per year).
- Most of the growth in E-town's population will come as a result of its expanded role as a "bedroom" community serving people who work in nearby job centers from Lancaster, Harrisburg, Hershey, and York. Most commuters will be middle-class office workers. But some growth will also come from low and moderate income workers who choose to live in E-town because of its relatively good schools and public services. Some growth will also occur among higher income individuals who commute as far away as Philadelphia and Baltimore, especially since national data indicate that many long-distance commuters are able to live further away from job centers by limiting their "office time" to 3-4 days per week.
- Another important component of E-town's growing residential base will come from an expansion of its role as a retirement community. The presence of Masonic Homes and the services it provides to elderly residents of the E-town area already helps to anchor the CBD's two senior-citizen apartment complexes. At least one local development group is already expanding this market by seeking permission to construct new, owner-occupied townhouses that are targeted to elderly owners by including first-floor master suites and related conveniences. The presence of Elizabethtown College also creates opportunities for housing developers to exploit the market for retirement living in the E-town area since higher-income elderly residents often seek communities that have opportunities for non-degree educational programming. Higher income elderly residents bring many benefits to a community in the form of disposable income and an appreciation for high-quality public services.

- The E-town area is also likely to expand its role as a regional job center over the next decade. Although many new residents will use E-town as a “bedroom community” for jobs elsewhere, the strategic location of E-town along Route 283 has already attracted considerable attention from developers of office parks and warehouses. They believe that the E-town area could compete for office-oriented businesses and warehouses from a regional area bounded by Philadelphia, Harrisburg and Baltimore. This attention will not go away, even though the most current development proposals for E-town’s two exits along Route 283 are both “on hold” for now.

Growth will come from existing businesses (and spin-offs of existing businesses) as well as from new businesses that can be attracted to the region. Manufacturing businesses, including both the M&M/Mars factory and Groff’s already have the potential to grow within the CBD itself. Non-manufacturing businesses in the CBD are already creating growth opportunities. The most prominent one is Cutting Edge Media, which has outgrown its original offices in a renovated building along Market Street. In order to accommodate its growth, the owners have already purchased a former manufacturing building outside of the CBD because no flexible, modern office space was available inside the CBD. Other growth-oriented office businesses that emerge along Market Street will experience the same problem. These local growth opportunities will add pressure for offices to be built along Route 283. If a developer were more connected to E-town already, one could imagine Cutting Edge Media being the anchor tenant for a new, modern office building. An office park along Route 283 could seriously erode E-town’s current standing in the regional office market since the 80,000 square feet of office space in E-town’s CBD now dominates the small office market between Lancaster and Harrisburg.

- E-town is also likely to expand its role as a regional center for entertainment, culture, and specialty retailing. These components reinforce each other and the trend is already evident. Elizabethtown College is an essential anchor for such activities and its new facilities are designed to enhance its ability to serve as a cultural center. The new movie theater business (financed in part by the EEDC) is another anchor. In addition, no older town center in the Lancaster area has emerged as a regional center for specialty retailing related to the arts.

Opportunities to Strengthen the CBD

These trends from outside of the CBD provide a framework for the opportunities and threats that will face the EEDC as it tries to strengthen the CBD over the next decade. Even though many of the external factors are favorable – i.e. they create more opportunities for the CBD than threats – there is nothing pre-determined about the success of these efforts. None of these trends depends on the CBD.

Many of the growth opportunities that will occur within the general E-town area can occur without much connection to the built environment of E-town's CBD. For example, new housing for all income ranges and all ages can be accommodated by new development outside of today's urban growth boundary. Most development in Lancaster County is already occurring outside of these boundaries. Water and sewer systems can accommodate more sprawled growth. Residential sprawl can accelerate. New specialty retail stores can be created in strip centers stretching along Route 230 between E-town and Mt. Joy. New office buildings and/or hotels can be placed at the exits of Route 283 to accommodate growing demand.

All of these actions, however, would consume more of the region's farmland and decrease the small-town and rural character of the E-town region. And they would likely spark decline in the conditions of the CBD as demand for CBD properties would slacken, market values would decline, and public infrastructure would erode.

The weaknesses that are "built-in" to E-town's CBD would indeed help to contain the negative consequences of allowing new development to bypass the CBD in the next decade. The CBD's lack of a strong central layout, and the separation that exists between Market Street and the region's three principal employers (M&M/Mars, Masonic Homes, and the College) would help to insulate these institutions from the negative consequences of CBD decline. Most the Borough's residential neighborhoods could also insulate themselves from these effects. The school district already relies on the total tax base of E-town and its surrounding townships, so the schools would still benefit from growth that occurred outside of the Borough. The reality of E-town's economic and social dynamics is that the consequences of decline in the CBD would not be fatal to the borough or to its surrounding region. The Commonwealth of Pennsylvania, and indeed much of the nation, is filled with examples of abandoned, small-town CBD's that are surrounded by communities that have learned to live with the consequences.

So why should the EEDC care about the future of the CBD? The answer to this question depends on several different points of view. To those who would like to encourage the region's growth, a strong CBD is needed to physically integrate the various types of growth opportunities that are available. CBD's provide dense public infrastructure at affordable prices since relatively little new public infrastructure (water, streets, sewers, etc.) is needed to service new structures. And when new infrastructure is needed, the compact design of a CBD can help spread the cost over a larger range of properties, even

when the cost of adding infrastructure to an existing CBD is greater than installing new infrastructure in an undeveloped rural location.

In addition, the dense structure of a CBD allows developers to exploit mutual advantages among different types of development. New housing, for example, can help create demand for nearby specialty retail stores and restaurants. And the presence of specialty retail stores and restaurants can help build demand for new housing. Housing and retail activities are increased by the presence of office space and the availability of nearby office space helps to create demand for housing and retail. And all of these activities create demand for entertainment and hotel services. Central business districts are uniquely capable of physically integrating such diverse activities into a coherent urban space. And the combination of the various spillover effects among different types of development can lead to more development than would occur if each type of development was segregated into its own specialized district.

For those who emphasize “quality of life” choices in regional planning, the dominant reason for strengthening E-town’s CBD would be to maintain the region’s unique character that blends small-town ambiance with rural Lancaster County agriculture. Every bit of new growth that can be accommodated within E-town’s CBD represents a victory against additional sprawl that consumes rural farmland and/or wooded areas. Despite the establishment of urban growth boundaries in many Lancaster County communities, the overall effect of continued population growth in the County is consuming farmland at rates that alarm many residents. E-town is among the County’s most rapidly growing sections, and thus E-town’s CBD can play a crucial role in containing the process of sprawl throughout western Lancaster County.

Redesigning the CBD to Accommodate Growth

Regardless of motivations, if the EEDC is to be successful at integrating the various opportunities for new growth into the CBD, it must make some accommodations to the needs of new growth. This can only occur if the EEDC decides to actively intervene in the development process. Development is a “contact sport” and cannot be affected from the sidelines.

One important issue that needs to be addressed in order to accommodate new development is the CBD’s physical structure as a “weak corridor” along Market Street. Development along Market Street is characterized by small buildings with few strong anchor properties. Lot sizes are small and ownership is fragmented. This makes it difficult to accommodate businesses that need large amounts of contiguous space. In addition, the streetscape of Market Street is oriented primarily for pedestrians. Buildings are built to the sidewalks and there are few curb cuts for vehicular access. These characteristics are valuable amenities since they give the CBD a pedestrian-friendly environment.

But in order to exploit new market opportunities, some new developments will require larger lot sizes, deeper set-backs, larger parking lots, and more curb cuts. E-town will never have the scale of urban density that forces people out of their cars and into public transportation. So new development will need to accommodate automobiles without destroying the existing pedestrian-friendly character of Market Street.

Fortunately, E-town’s physical layout allows for a solution. High Street, especially the section of West High Street between the central square and the Amtrak overpass, runs perpendicular to Market Street. Lots along West High Street are larger and could be more easily assembled into attractive development parcels. Open space behind these lots could also be utilized to create larger lots if needed. Much of the land along High Street is already zoned for commercial or industrial uses, and some parcels are already empty.

The area roughly in the shape of a triangle that is bounded on one side by South Market Street, from College Avenue to central square, bounded on a second side by West High Street, from central square to the Amtrak overpass, and connected by a line that would run between the Amtrak overpass on West High Street back to the intersection of South Market Street and College Avenue (passing through the M&M/Mars factory) comprises a compact district in which a number of opportunities exist to assemble development sites for larger scale projects. These projects could serve demand for offices, multi-unit housing (for sale or rent) and even some specialty retail that requires larger footprints than can be accommodated along South Market Street. Development that is located within this triangle can make use of vehicular access from West High Street to the west and Bainbridge (or a rebuilt College Avenue south of Market) to the east while still enjoying pedestrian access to Market Street’s buildings and to the Amtrak train station. The small stream that passes through the triangular district could also become an opportunity to create a public space with a walking path and/or a bike path.

The new Library already exploits this strategy by having access from the sidewalk on Market Street as well as from its parking lot in the rear. Peach Alley Court is another development that provides an example of how this strategy can be effective. And, of course, the Amtrak train station is already located in this district. By building on this emerging triangular district, the E-town CBD can begin to expand toward the railroad tracks in order to integrate the current strengths of Market Street's character with new sites that are more accessible by cars and more conducive to larger building footprints.

Developing this triangle would also physically connect two of the town's three principal employers to the CBD (M&M/Mars and Masonic Homes) for the first time. These connections would strengthen the CBD considerably. In addition, the walking path that could be created within the triangle could extend across Market Street and create a new connection between the triangle and the campus of Elizabethtown College, thus helping to connect the CBD to the region's third major institution.

A second issue that can be addressed is the "weakness" of the Market Street corridor. Even as developments occur within the triangle, the Borough and the EEDC should examine ways to make the Market Street corridor stronger by itself. One component would be to strengthen the corridor's "front doors." Although a long stretch of Market Street is officially zoned as CBD, the built CBD actually begins in the block prior to the central square to the north and ends at College Avenue to the south. The blocks north of central square are not built with the same pedestrian character as this smaller section. So the block prior to the square should become a stronger "front door." The square itself has been renovated already. It is unclear how it can be strengthened without a very expensive (and destructive) re-engineering. But the "front door" can be strengthened by making the Moose Building stand out as a more visible landmark building. Particular ideas regarding uses for this buildings are discussed below. In addition, some form of matching signage could be constructed on each side of the street before the Moose Building. Matching, colorful, vertical banners could create an "entrance gate" effect for the CBD. Banners could be changed with the seasons so they could continually attract the attention of drivers. With permission from PennDot, the "entrance gate" could also be reinforced a few times each year with temporary horizontal banners stretching across the street to announce specific community events. Visible new signage for storefronts "on the square" could also be coordinated with these banners to reinforce the general location of "on the square in E-town."

At the other end of the corridor, there have already been some preliminary discussions about re-engineering the intersection of Market and College and turning it into a more visible "front door" for that end of the corridor. This could also involve re-routing traffic from Bainbridge Street, thus creating the potential for additional expansion space for the M&M/Mars factory (after accommodating the residents in the structures that would be affected). A reconstructed intersection at College and Market (i.e. a "College Square") could also include a pedestrian-friendly method of having the proposed walkway/bike trail within the Triangle cross over Market Street and connect to the College campus (perhaps by connecting to the greenway behind the structures on the northern side of

College Avenue). The combination of a stronger “Central Square” at one end, and a re-engineered “College Square” at the other end, would create a much stronger Market Street corridor, thereby reducing the town’s build-in disadvantage of not having one, major square at the center of town.

Two other projects within the corridor could also provide strength. The first would be to identify a parcel of land that could be used for public space. This could be accomplished by tearing down a blighted block, or perhaps by purchasing the “front yard” of the Roman Catholic church. Other alternatives could also be identified. The goal would be to create a small public space, not used for parking, that could be programmed with a variety of events designed to encourage local residents (especially the TINC’s) to come to the CBD.

Another potential project would be to determine whether Elizabethtown College could make adaptive re-use of the building at the corner of Bainbridge and Market. This building was the College’s original location, and its renovation would be very visible to the thousands of cars that pass through Market Street each day, thus raising the visibility of the College itself, and tying the College’s image to E-town’s strengthened CBD. If this building proved incompatible, the same connections could be achieved at another location along the Market Street corridor.

Creating Specific Projects to Strengthen the CBD

The key to expanding the CBD into the triangle relies on the ability to develop and implement a series of specific projects over the next decade. These projects will be diverse. Some will involve physical development and/or redevelopment. Others will involve planning, community organizing, collaborative marketing, and creative problem-solving. Some physical projects will include renovations to existing structures. Others will involve new construction. Some projects will involve public capital expenditures and expertise in assembling economic development financing packages. Others will occur entirely with private capital. Some will require very little capital, but a great deal of consultation among different groups of people.

The key to making all of this happen will be the commitment of the Board and staff of the EEDC to their vision of a strengthened E-town CBD. As discussed above, development is a “contact sport.” Cheering from the sidelines rarely affects the results on the field. But at the same time, the process of developing and redeveloping a CBD cannot be controlled by a non-profit community organization like the EEDC. Developers make development happen, not non-profits. Successful projects need to be profitable business investments. And all investments involve risk. Non-profits do not often deal well with risky long-term investments. They don’t have deep enough pockets, and they tend to take on too many risks in their enthusiasm to make projects happen quickly.

But non-profits can perform essential steps in the development (and redevelopment) process. This is especially true in a situation like E-town’s where many of the market opportunities for growth do not depend on finding appropriate locations inside the CBD. In this type of situation, a non-profit can help “capture” projects for a CBD by performing the following tasks.

- A non-profit can become the best source of market-based information regarding development in its region. The EEDC can build ties to developers who can become investors in its CBD by creating and maintaining its own up-to-date database of ownership and transactions in each of the key markets that relate to the CBD (housing, especially multi-family housing, specialty retail stores, and office space). The EEDC can develop this expertise “in-house,” or it could partner with the College to create a Center for such analysis. Many colleges and universities have research centers that provide services to local and regional civic organizations. A partnership with the College would allow the EEDC to obtain funds for such a Center from government grants, grants from private foundations, and/or gifts from individuals who may wish to see the College establish such a Center. The EEDC can develop a specific proposal for such a Center and market the proposal to a variety of local, regional, and national funding agencies.
- A non-profit can create networks among various groups of people who share common interests, but who do not normally interact with each other. E-town’s CBD integrates many different owners, businesses, and customers because it participates in

so many different markets. The CBD's "stakeholders" are a very diverse group. And even though E-town is not a big city, one cannot assume that these "stakeholders" all know each other. This will become more of an issue as population growth continues to occur. The EEDC should actively organize these stakeholders by creating a series of special-interest groups and hosting regularly scheduled networking events. These regular meetings create a series of platforms for the EEDC to conduct its business since they will build personal relationships among the various actors, and efficiently assemble them periodically. The value of networking the CBD's various stakeholders cannot be underestimated. (Three initial network groups are identified later in this report.) The EEDC can support the staff time needed to perform this networking by integrating the expenses into a "dissemination" component of its fundraising for the Center described above.

- A non-profit can market the development opportunities in its CBD to local, regional, and national developers. E-town has many of the small town amenities that are attracting more attention from regional and national developers in the U.S. today. In addition, its location in Lancaster County can attract attention from specialty developers, and their financial supporters, who seek to demonstrate how CBD-type projects can counter-balance the problems created by too much sprawl. The presence of Historical Landmarks for Living in the CBD can be leveraged in this regard. The EEDC can organize presentations to regional and national meetings of developers, such as the National Association of Industrial and Office Parks (NAIOP), the Urban Land Institute, the Lincoln Land Institute, the Brookings Institution, and other professional associations and think tanks that have active conferences and projects on the problems associated with sprawl. Developers from around the U.S. use these conferences to obtain initial information about new, emerging markets. Private foundations from around the U.S. that provide funding to innovative community-based development initiatives attend these conferences to identify groups that could make creative use of their grants. These presentations can highlight the Triangle as an example of a coordinated strategy to counter-balance sprawl. The marketing exposure that E-town could obtain from this strategy could create a wide range of development "leads" which could be followed-up by EEDC staff and board members. A Center at the College could help the EEDC create these presentations and deliver them to the appropriate conferences and meetings.
- Prior to establishing a regional and national marketing campaign for E-town's CBD, the EEDC needs to develop its own in-house capacity to gain control over strategic properties in the CBD. Land control is often the most difficult barrier to overcome for projects. This is especially true in the case of a CBD like E-town's because most of the projects that the EEDC will try to "capture" for the CBD could occur elsewhere in the nearby region. The EEDC's ability to control land will be vital for its ability to attract new investors to come into the CBD. In general, the EEDC should limit its financial involvement with specific projects to the stage of assembling land through purchase and/or options. When possible, it should avoid direct involvement in projects entirely. But, unless the EEDC demonstrates its willingness and its capacity to "get into the action," it will not be perceived by the development and investment

community as a serious partner in strengthening the CBD. Without capital of its own, the EEDC will be confined to the role of cheerleader.

Preliminary discussions to identify strategic properties in the existing CBD, and those that would lie within the larger Triangle, have occurred within EEDC meetings. In addition, there have been very preliminary discussions of how the EEDC could structure a capital fund that could attract investment from local organizations. The specifics of those discussions are not included in this report due to issues of confidentiality. But in general, the EEDC should set the goal of raising about \$1 million in capital commitments from local investors, companies, government agencies, and foundations (both regional and national). This fund could allow the EEDC to leverage another \$3 million in bank debt to create a pool of approximately \$4 million in capital that it could use to intervene in the process of development to acquire and/or control strategic properties, and to fill gaps in the financing for strategic projects. This fund would also become a very valuable marketing tool for attracting developers to E-town's CBD.

Proposed EEDC Initiatives

Market based opportunities for EEDC projects related to E-town's CBD come from four principal regional markets: the regional markets for housing, the regional markets for specialty retail, the regional market for office space, and the regional market for industrial space.

Support Specialty Retail Growth Along Market Street

The first EEDC success can come from helping the owners of specialty retail stores along Market Street improve their performance. This can be accomplished in several ways.

- First, the EEDC can establish a bi-monthly meeting to which all owners of retail stores along Market Street are invited. Attendance will vary from meeting to meeting. But the regularity of bi-monthly meetings will eventually develop connections to most owners. The initial agenda for these meetings should be focused on getting input from the owners about their strengths and weaknesses, changes in their customer base, problems they are encountering, and any other issues they wish to identify. Meetings should be facilitated by an EEDC staff member to ensure continuity and to report on follow-through activities (most of which should be assigned to participants, not the EEDC staff member). After the initial agenda is completed, future meeting agendas should be set by the participants rather than the EEDC. The establishment of this group will create a platform from which the EEDC can help to organize the specialty retail owners along Market Street.
- Second, the EEDC can organize a team of store owners whose businesses sell goods and services to younger professionals in the age range of 25-45. These customers include some apartment renters and many of the newer TINC's. These stores can emerge as a unifying identity for E-town's CBD retail corridor. Rather than choosing a substantive theme (i.e Amish-based tourism, antiques, art galleries, etc.) E-town should target this demographic group. Stores that cater to this market include a wide range of specialties. If E-town can cluster them together, it can prosper as a destination of choice for local TINC's as well as other younger professionals in the region between Harrisburg and Lancaster. In the hierarchy of consumer spending, E-town can capture the market for products that are "above" what is available at the K-Mart and other traditional strip-mall stores in the region. It can capture the purchases by local and regional TINC's that they otherwise would spend in Harrisburg, Lancaster, or Philadelphia.

Among the mixture of stores that fit into this demographic strategy are the following:

- art galleries, fine pottery & ceramics;
- casual coffee shops and/or a quirky diner;
- home decorating stores & regional antiques;
- destination restaurants, both formal and casual;

- distinctive specialty food stores, such as ice cream, a bakery, specialty meats, or specific ethnic foods;
- bed & breakfasts;
- specialty apparel stores, especially children's clothing;
- jewelry & engraving stores;
- specialty hardware & home improvement stores;
- sports equipment (new and used);
- real estate offices with posted local listings for out-of-towners to view;
- health, nutrition, and fitness stores;
- bookstores (new and used);
- fabric stores, model train store, and other specialty lifestyle and hobby stores.

Owners of stores that already fit into this demographic already know their own customers quite well. Most have their own mailing lists and have developed novel ways of target-marketing their goods and services to their market niches. Yet the EEDC can help these stores improve their performance by helping them collaborate more closely. Examples include coordinating store hours and sales events, joint marketing in mass media, jointly developed web pages and coupons. The goal would be to "brand" E-town as a well-known collection of specialty stores that target the 24-45 year old consumer. Weekend shopping trips are particularly important for customers in this demographic so Market Street needs to have attractions for both men and women.

- Third, the EEDC can help Market Street retailers connect themselves to E-town's new residents – especially the TINC's – by sponsoring regular events for newcomers. Developers and real estate agents who are active in the new suburban subdivisions can be assembled and enlisted to market E-town's CBD to newcomers. An old-fashioned "welcome wagon" type of program could be put together or a "newcomers club" could be organized to help new residents meet each other and become familiar with local stores and other attractions. Discussions with real estate agents suggest that most of the newcomers fit within the 25-45 age range. This would allow the EEDC to build ties between newcomers and the specialty retail businesses that cater to that age range in the CBD. The personal touch of this kind of activity both reinforces the "small town" feel of E-town to its new residents and provides very inexpensive targeted marketing opportunities for local merchants.
- Fourth, the EEDC can enlist the help of existing retail store owners to identify potential new specialty retail stores that could be attracted to the E-town CBD. As discussed several times with EEDC board members, most current store owners have their own personal networks that include many store owners and potential store owners in the region. The best "salespeople" for bringing new stores to town are the owners of existing stores in the town. But many store owners are reluctant to directly "sell" E-town to their peers. Consequently, the EEDC can invite store owners to bring their peers to EEDC-sponsored meetings as an indirect method of marketing the

town. The EEDC can then shoulder the burden of following up on leads among new merchants.

- Fifth, the EEDC can create its own marketing effort to attract new businesses to the CBD. One successful strategy for this is to target successful store owners in other towns in Lancaster County that fit into E-town's demographic target. Many successful store owners decide to open new branches of their stores in order to enter new local markets. Successful stores in Lancaster or Lidity, for example, could be invited to open a smaller store in E-town to tap into its growing population base. The EEDC could purchase inexpensive mailing lists and conduct a regular program of direct mail advertising – perhaps just inviting store owners elsewhere to attend E-town's monthly meeting of retailers. The EEDC's staff would then follow-up leads. This type of inexpensive but systematic business-to-business direct marketing can produce a steady stream of successful newcomers since most newcomers will be businesses that are already established elsewhere. Consequently, E-town does not need to rely exclusively on new start-up stores, which have a much higher failure rate.

Housing-Related Projects in the CBD

The CBD can be strengthened by pursuing several projects related to housing. This section provides a brief summary of these projects.

- First, the rise of low and moderate income rental housing in the residential sections contiguous to the current CBD causes problems that need to be managed in order to allow the specialty retail stores along Market Street to attract new stores and new customers. The key to successfully integrating low and moderate income families into E-town's CBD is to encourage two trends. First, the EEDC should encourage more concentration of ownership among these rental properties. The most problematic rental properties are typically those that are owned by an individual whose own income is limited and who has no professional experience as a landlord. This often happens when property passes from one generation to another. Owners tend to cut rents for fear of having a unit sit vacant, especially during the winter months when the owner would need to continue utility service at his/her own expense. Lower rents bring tenants whose own financial capacity to maintain the property is also severely limited. They also bring lower financial returns to the property owner, thus further limiting their ability to maintain the property. It is a downward spiral.

One solution is to identify individuals who wish to assemble larger portfolios of property – and who have the financial resources needed to maintain the properties. The EEDC could use its own development fund to help encourage this kind of concentration. A second solution is to encourage property owners to hire professional property managers to act as landlords. Many property managers can earn higher fees by improving conditions, and thus increasing their commissions.

A second – and preferable – solution for improving residential conditions is to encourage home ownership among the families and individuals who currently rent poorly maintained structures near the CBD. Residents are often the best allies of business owners who wish to improve conditions in low income neighborhoods. This is especially true among residents who become home owners themselves. The EEDC should contact the Housing Development Corporation of Lancaster County to explore its initiatives to support home ownership among low and moderate income families in E-town. The EEDC can become the advocate on behalf of E-town's low and moderate income families to ensure that public funds for home ownership are funneled into E-town. The EEDC may also be able to devote a portion of its own development fund to match government money that is allocated for this goal. If the EEDC can contribute some of its own capital, it may be able to leverage many more dollars to achieve this goal.

- Second, the success of Peach Alley Court strongly suggests that a market exists for additional “upscale” rental apartments within the Triangle. Although Historic Landmarks for Living no longer develops new projects, its presence in the E-town

market makes it much easier for the EEDC to market the Triangle to multi-unit housing developers around the U.S. This is a very niche-oriented business that has its own association and professional groups. It is heavily influenced by constant changes in Federal tax laws, so it is supported by highly specialized lawyers, lenders, and financial packagers. The EEDC should target market the Triangle to these professionals by networking among local and regional housing developers.

- Third, the EEDC should support the construction of more privately-owned senior citizen townhouses and apartments in the E-town area. Even though there is very little undeveloped residential land in the Borough, and the Triangle may not be an attractive site for upscale senior retirement living, the potential value of this market segment to the CBD's retail, restaurants, lodging, and other businesses is high.

Office, Industrial, and Mixed-use Projects in the Triangle

Expanding the CBD into the Triangle area will allow E-town to pre-empt a variety of development projects that could occur in the general E-town area, but which cannot be accommodated along the current CBD corridor along Market Street. The Triangle's capacity to assemble a few larger lots, and its ability to accommodate easier vehicular access and more parking make it an excellent addition to the CBD. This is especially true since it can also accommodate pedestrian access to the existing corridor along Market Street. Therefore, the Triangle can be developed in a way that enhances and strengthens the Market Street corridor. In the course of this analysis, several initial projects have already been identified for possible location in the Triangle.

- The first, and most immediate, is the need of Cutting Edge Media to find more office space. This rapidly growing local company has already made a major investment in the CBD by renovating its current building on Market Street. Its employees have become regular customers of Market Street retail stores and restaurants and its business operations have enlivened the street's pedestrian traffic. But the company has already purchased the former AMP building (outside of the CBD) to accommodate its need for more space – and more contiguous space. According to information obtained by EEDC board members, however, the company is still interested in exploring opportunities to keep most of its operations in the CBD. One estimate of its space needs is as high as 20,000 square feet. This project is too appealing to miss. Cutting Edge Media could be an excellent anchor tenant for a modern office structure in the Triangle. The company could be a tenant in the building, or it could even be a part-owner. The EEDC should present its vision of the Triangle's future potential to the owners of Cutting Edge Media and obtain their commitment to remain part of E-town's CBD. Based on the company's preferences, the EEDC should then identify potential developers who could begin working with the company.
- The process of helping Cutting Edge Media build new space in the Triangle can be leveraged by the EEDC to achieve another goal. The EEDC should create a bi-monthly group of potential investors in the Triangle area. This group should include local and regional developers with expertise in offices, multi-unit housing, and mixed use facilities, key individuals from the town's largest employers (M&M/Mars, Masonic Homes, E-town College), key Triangle land owners, local government officials, Lancaster County economic development officials, existing CBD building owners, lending officers from local banks, and other potential investors. In the first several meetings, the agenda for this group would focus on brainstorming what kinds of projects could occur within the Triangle. After that, the group should set its own agenda but continue to be facilitated by the EEDC so that the EEDC can coordinate follow-up on the ideas that are generated at meetings. Particular attention should be played to involving the two developers who have recently examined the options for development at E-town's two exits on Route 283 (Pittsburgh-based Crossgates and York-based Kinsley Companies). These developers are already very familiar with the

general trends affecting the E-town area. If the EEDC develops its own database of real estate activity and other investment in the region (whether on its own or in a partnership with the College) these meetings would be excellent opportunities for presenting the latest summaries and analyses of these data.

- The renovation of Amtrak's train station in the Triangle is an essential part of making the area more attractive for other investment. All of the necessary components of this complex project are already in place except for the final commitment from Amtrak. This commitment is "on hold" pending resolution of Amtrak's funding status with the Federal government and plans for its reform. The EEDC should continue to help the Borough in any way possible to complete this project.
- Once the EEDC has built relationships with potential investors in the Triangle through its bi-monthly meetings, it can begin a series of more detailed private discussions with interested investors and developers about specific properties that are identified as strategic. The Moose Building on Market Street is one example. Other examples have been identified within EEDC board meetings.
- The EEDC should work very closely with M&M/Mars and Masonic Homes to explore potential developments each may wish to pursue that could involve properties in or near the Triangle.

Summary

This report has examined the options for development in the Central Business District of Elizabethtown, Pennsylvania. The report reviewed the current state of E-town's CBD, identified the sources of its strengths and weaknesses, examined the various external trends that provide opportunities and threats, and recommended a series of initiatives that the EEDC can undertake to strengthen and reposition E-town's CBD over the next decade.