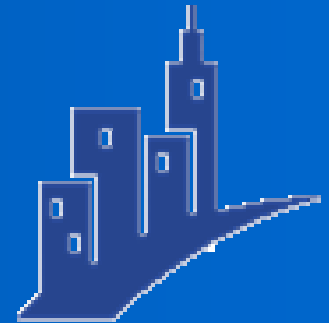


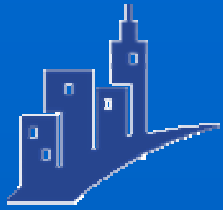
The Brookings Institution

Metropolitan Policy Program
Mark Muro, Senior Policy Analyst



Back to Prosperity: A Competitive Agenda for Renewing Pennsylvania

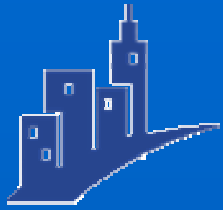
PPA Annual Conference
November 8, 2004



Overview

We concluded:

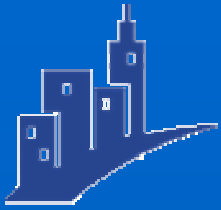
- Pennsylvania ranks low on demographic and economic performance and high on sprawl and abandonment
- These trends undermine the state's competitiveness and are fiscally wasteful



Overview

We also concluded: Pennsylvania *can* build a competitive future

- We said Pennsylvania's negative trends are not inevitable, given its rich natural resources, strategic location, outstanding town centers, strong industry clusters, large flows of imported students, and affordable living
- **But:** We also argued that state policies—in particular those around planning!--must change to spark a renewal that must center on the revival of the state's cities, boroughs, and older townships



Main Findings

I

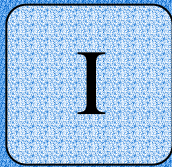
The state ranks low on demographic and economic trends and high on sprawl and abandonment

II

These trends undermine competitiveness and are fiscally wasteful

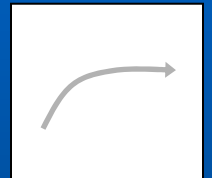
III

Pennsylvania *can* build a competitive future

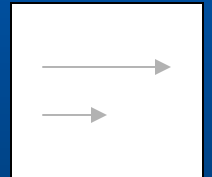


Critical for this group is our finding that the state ranks high on sprawl and abandonment

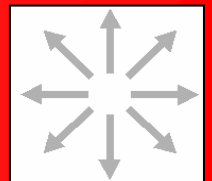
Pennsylvania is barely growing
and its aging fast

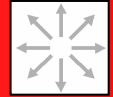


Pennsylvania's transitioning
economy is lagging



Pennsylvania is spreading out
and hollowing out



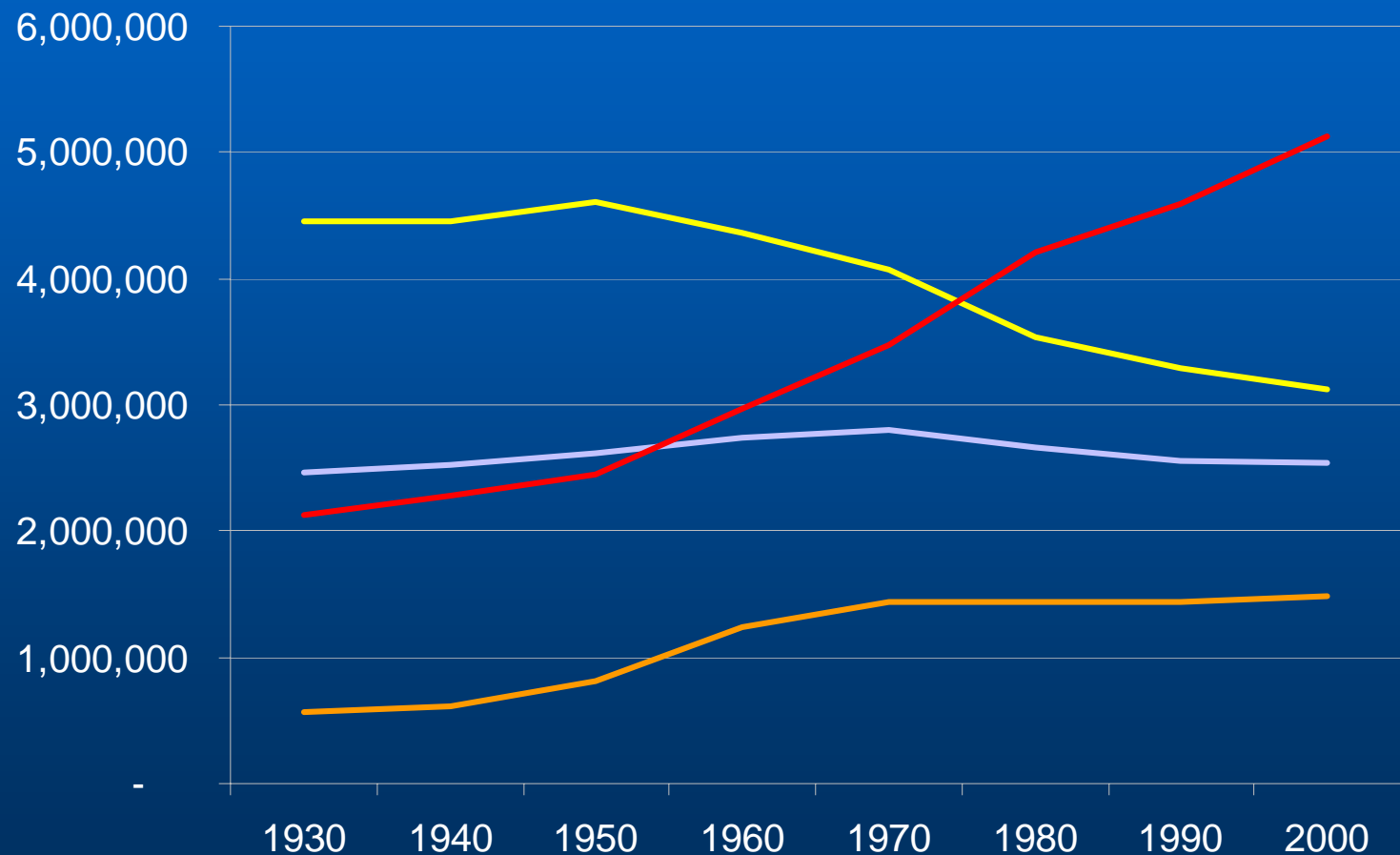


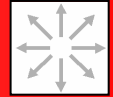
Thanks to this dynamic, we noted, the state's outer townships have dominated its population growth for decades

Population,
1930 - 2000

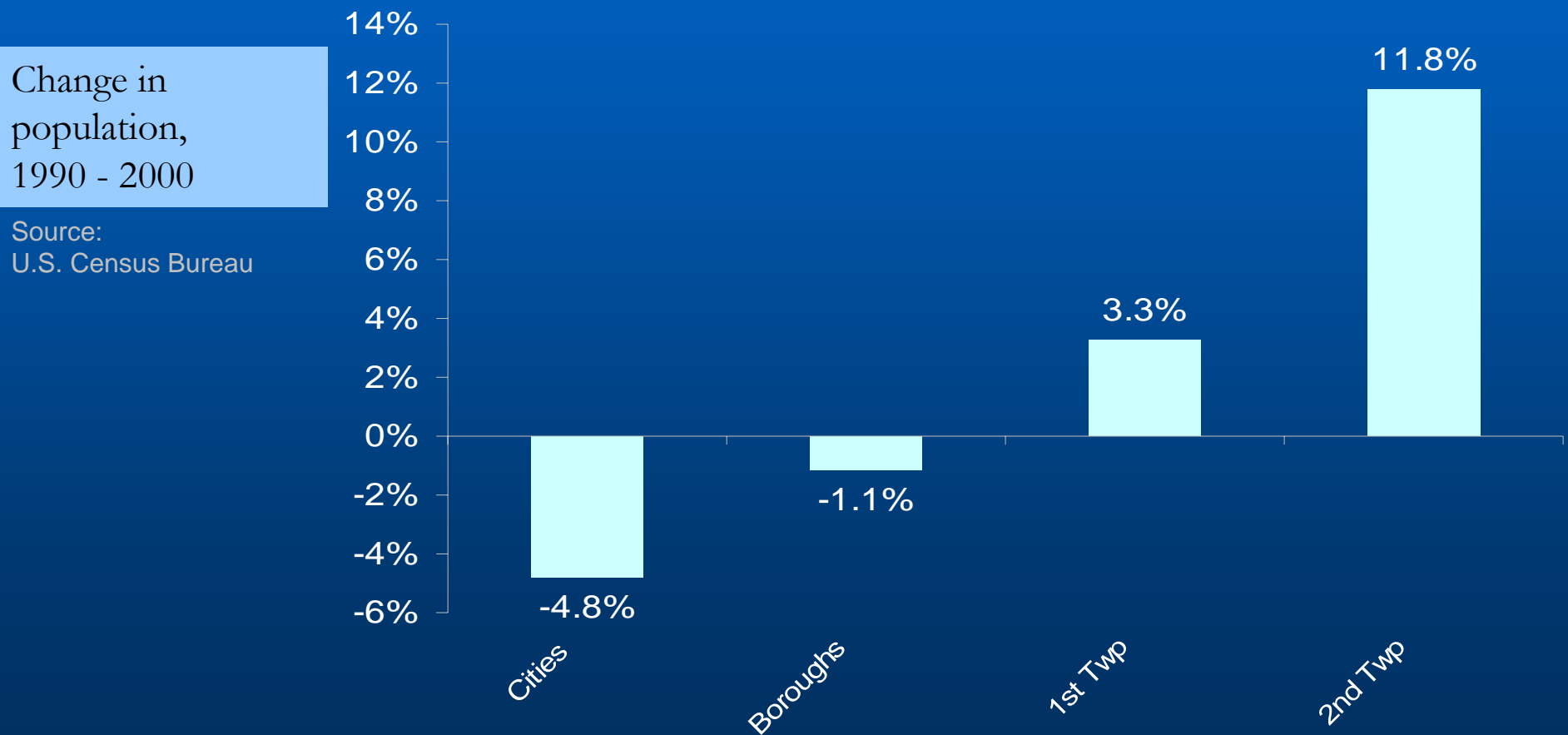
Source:
Center for rural
Pennsylvania

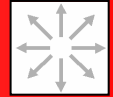
- Cities
- Boroughs
- 1st Twp
- 2nd Twp





And the trend continued during the 1990s, as the population of the outer townships surged nearly 12 percent. This growth came at the expense of older places

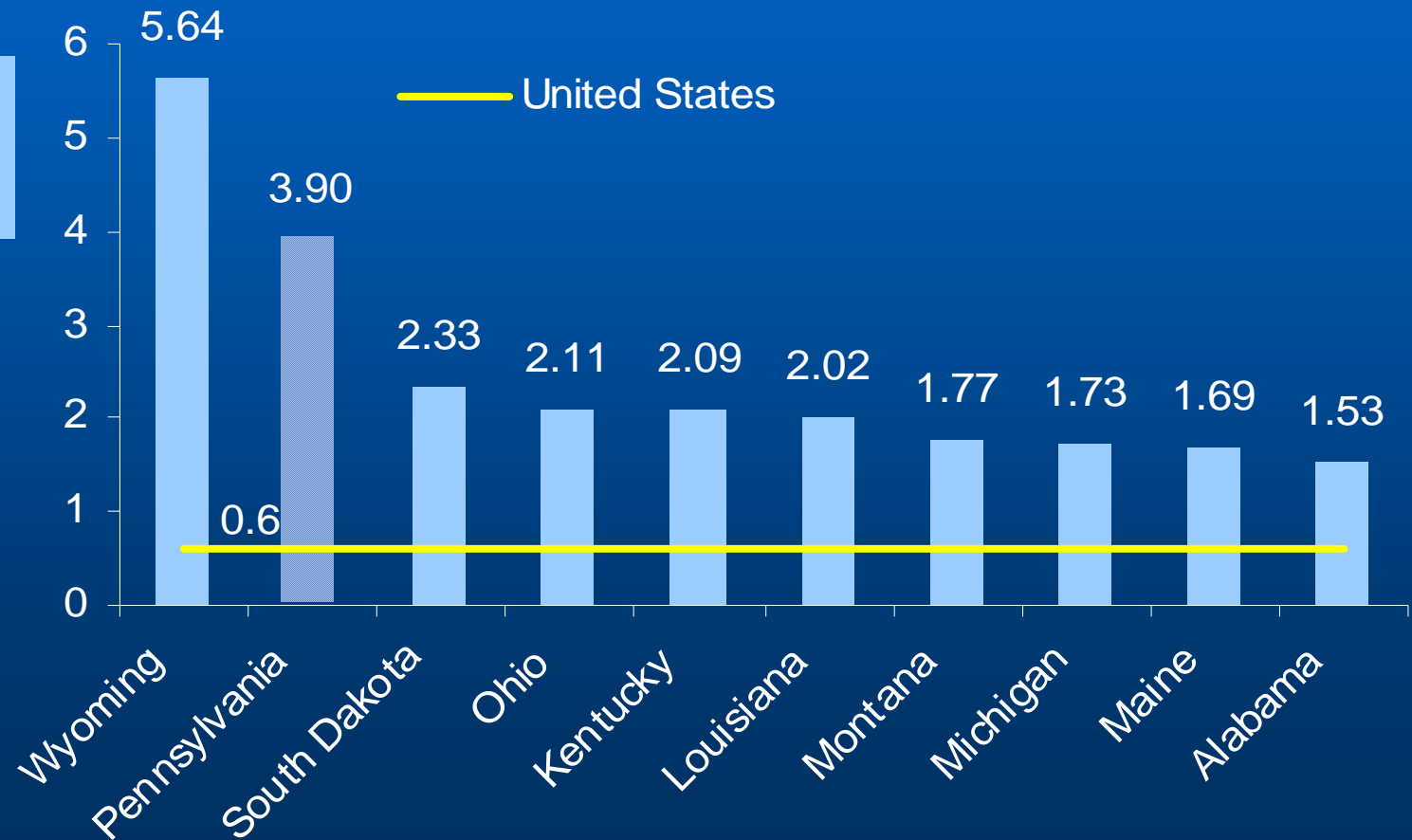


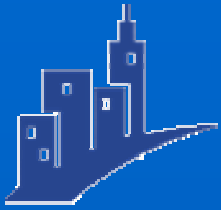


As a consequence, Pennsylvania has the second-highest ratio of land consumption to population growth among the 50 states

Urbanized acres
per new resident,
1982-1997

Source:
USDA Natural Resources
Inventory,
U.S. Census Bureau





Main Findings

I

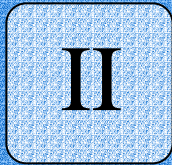
The state ranks low on demographic and economic trends and high on sprawl and abandonment

II

These trends undermine competitiveness and are fiscally wasteful

III

Pennsylvania can build a competitive future

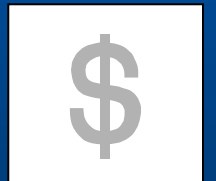


These trends undermine competitiveness and are fiscally wasteful

Sprawl and urban decline hinder the state's ability to compete for educated workers



Sprawl and urban decline are burdening taxpayers





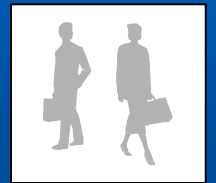
Thanks to its world-class sprawl and urban core decline, Pennsylvania increasingly lacks the quality of life factors that attract educated workers:

- Vibrant downtowns
- Distinctive and healthy close-in neighborhoods
- “Thick” labor markets
- Growth management



These trends undermine competitiveness and are fiscally wasteful

Sprawl and urban decline hinder the state's ability to compete for educated workers



Sprawl and urban decline are burdening taxpayers





The costs of sprawl are well-recognized:

Low-density development increases the costs of providing key infrastructure:

- New schools
- New roads
- Sewer and water extensions

Low-density development increases the costs of providing key services:

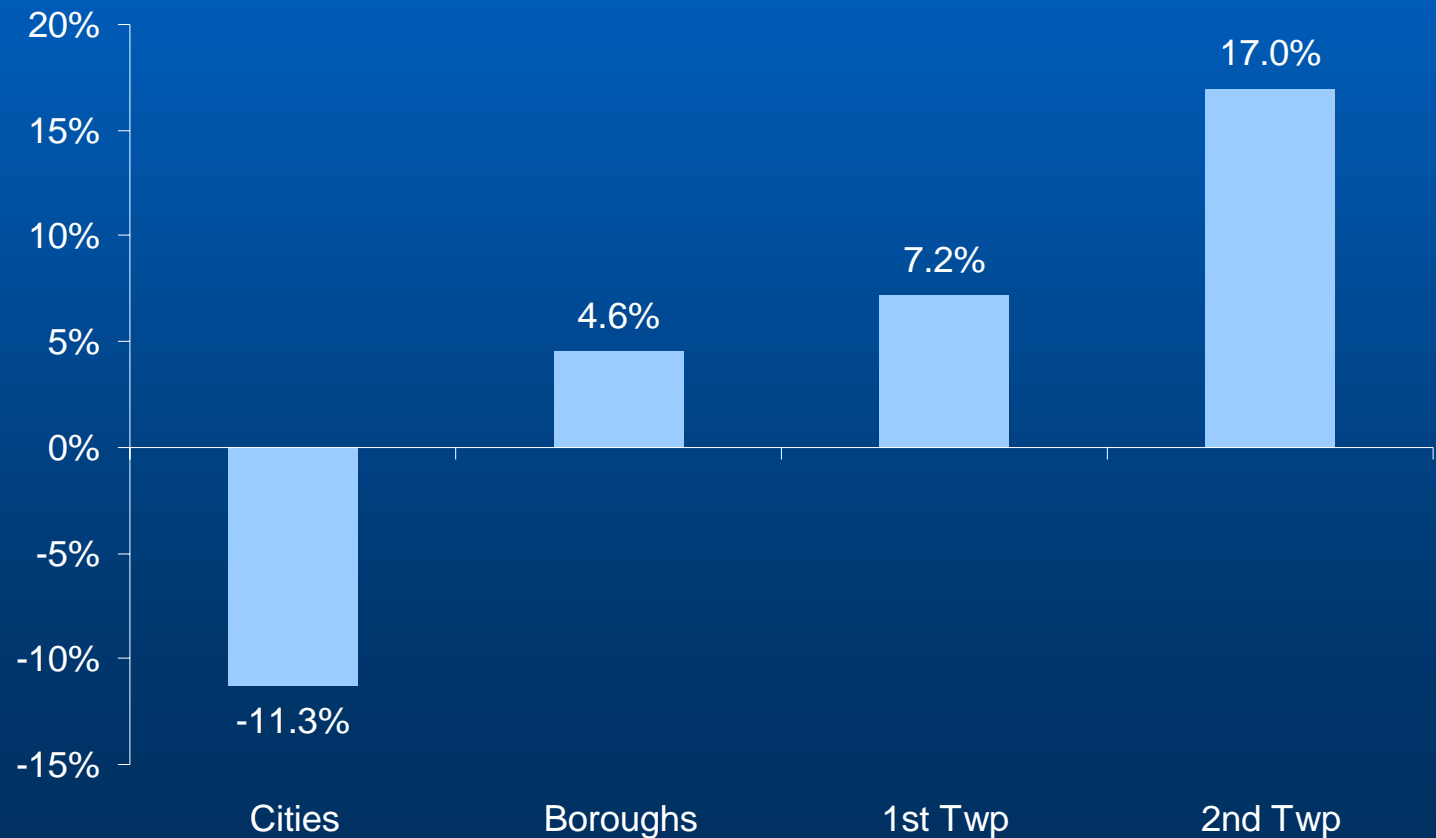
- Police
- Fire
- Emergency medical




What is less recognized is the massive destruction of value caused by sprawl's underside: the stagnation or even erosion of property values in older areas

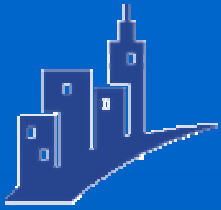
Percent change in market value property, 1993-2000

Source: Ameregis Inc. tabulation of data from the Governor's Center for Local Government Services





Over time these factors have led to fiscal and social distress in older places, out-migration, and lost competitiveness



Main Findings

I

The state ranks low on demographic and economic trends and high on sprawl and abandonment

II

These trends undermine competitiveness and are fiscally wasteful

III

And yet: Pennsylvania *can* build a competitive future



Why do we think this? We do because:

- Pennsylvania possesses fundamental **assets**, such as its stunning natural resources, those top-tier colleges and universities, and those distinctive town and city centers
- Many of its problems are susceptible to **policy change**



In that sense, Pennsylvania's trends are not inevitable. Past policy choices have deepened malaise; new policy choices can improve things

A case in point is the state's traditionally weak planning system



Haphazard Investments





For decades the Commonwealth has lacked effective state-level strategizing, planning, and coordination capacity

- Disparate state agencies have not usually planned in accordance with a coherent, unified vision
- Disparate state agencies have tended to plan separately and act at cross-purposes
- As a consequence, initiatives and spending have frequently been scattershot and uncoordinated



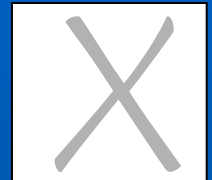
Municipal and regional land-use planning also remains relatively weak thanks to a lack of clear consistency requirements

- Municipalities Planning Code (MPC) does not yet require zoning ordinances to conform to local or regional plans
- Land use planning remains divorced from water and sewer planning
- Required county plans remain advisory



These trends are not inevitable

Weak Planning



Another example is the state's history of haphazard investments





Insufficiently disciplined by vigorous planning, state spending programs have historically proceeded chaotically

- For decades the “art of the deal” reigned supreme in Harrisburg and in regions
- Frequently the deal-making skewed funding toward the greenfields
- Much funding failed to adhere to any discernable strategic vision



Given all this, Pennsylvania *can* build a competitive future—if it acts vigorously on several fronts



**Set a
Competitive
Vision and Plan**



The Challenge:

**For decades the state has
lacked coherent planning for
growth and development**



The Goal:

Pennsylvania should develop a clear, unified vision for economic success and quality development—and plan accordingly



The Policy:

- **Establish “Pennsylvania’s Vision for a Competitive Future”**
- **Make state agencies’ plans and actions conform to competitive vision**
- **Foster more and better regional and local planning**

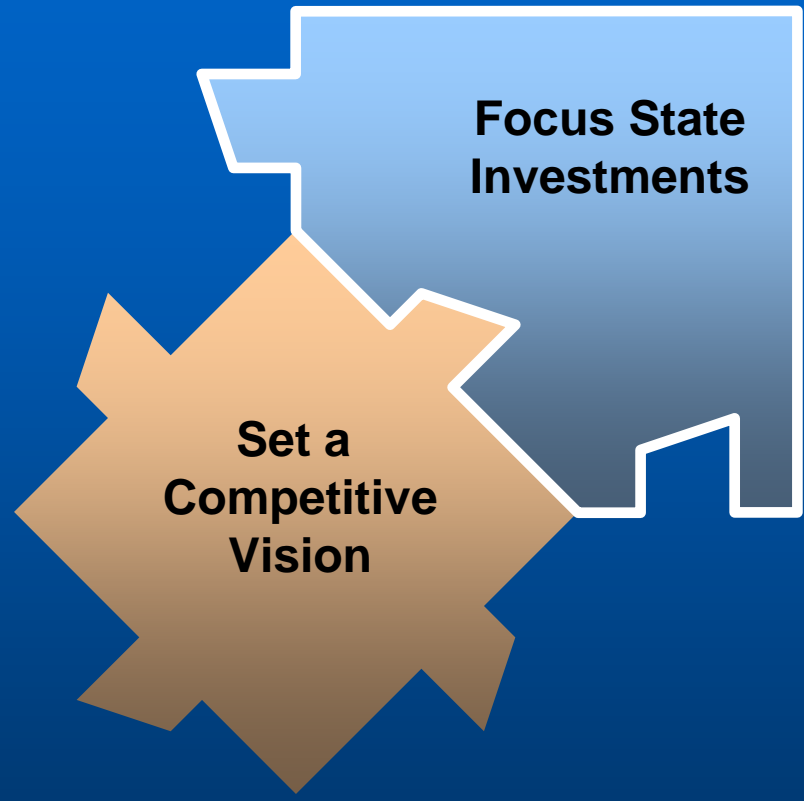


More specifically on land-use planning, the Commonwealth should:

- Revive and use the **State Planning Board**
- Get serious about **interagency coordination**
- Require that state and local **infrastructure spending** conform to land use plans
- **Tie grants** to the existence of plans
- Move toward requiring that local zoning ordinances **conform** to county and multi-municipal comp plans

IV

Pennsylvania can build a competitive future





The Challenge:

State spending programs have not been strategically focused in recent decades



The Goal:

Pennsylvania should make reinvestment in older, established communities a priority



The Policy:

- Have competitive **vision** drive investment decisions
- **Invest in assets** that drive innovation (e.g. downtowns, main streets, historic preservation)
- **Disclose** the location and impact of key investments

IV

So: Pennsylvania *can* build a competitive future





About moving this forward: Much of this agenda can be achieved administratively. And in fact, the Rendell administration is working at that

- A reconstituted State Planning Board recently had its first meeting
- Work on interagency coordination has begun
- Work on criteria and “scoring” systems to target spending is underway
- Steps are being taken to increase the incentives for localities to plan
- Meanwhile, DCED and PennDOT are working hard to correct decades of drift and focus their efforts



Other reforms, however, will require legislation

- Most notably, requiring that zoning conform to county or regional comp plans would entail amending the MPC—a project that scares the daylights out of even the most gung-ho planner



Either way, though, the point is the same:

- Planners and other leaders in Pennsylvania should **look “back”** to their state’s older centers—but not out of nostalgia
- Instead, they should turn their focus back to its towns, cities, and older townships as a core principle of mapping the Commonwealth’s future

www.brookings.edu/metro

www.brookings.edu/pennsylvania