

# 2

## Regional Setting

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The comprehensive plan is intended to examine and strengthen the relationship between various functional elements, such as land use, transportation, community services and public utilities, at a specified county, municipal or multi-municipal level. The profiles of this comprehensive plan analyze these elements for current conditions and recent trends primarily within the county. The policy plans direct future decision-making based on the collective impact of the various functional elements. However the county's resources, economy, infrastructure, development patterns and even government structure do not exist independently; they are related to larger natural, man-made and political systems that exert major and minor influences on county activities, decision-making and overall community conditions.

This regional setting describes Lebanon County in terms of its political organization, physical geography, history, and economic context. These descriptions are intended to help frame a clear understanding of the internal and external conditions that influence the quality of life in Lebanon County.

## *Political Organization*

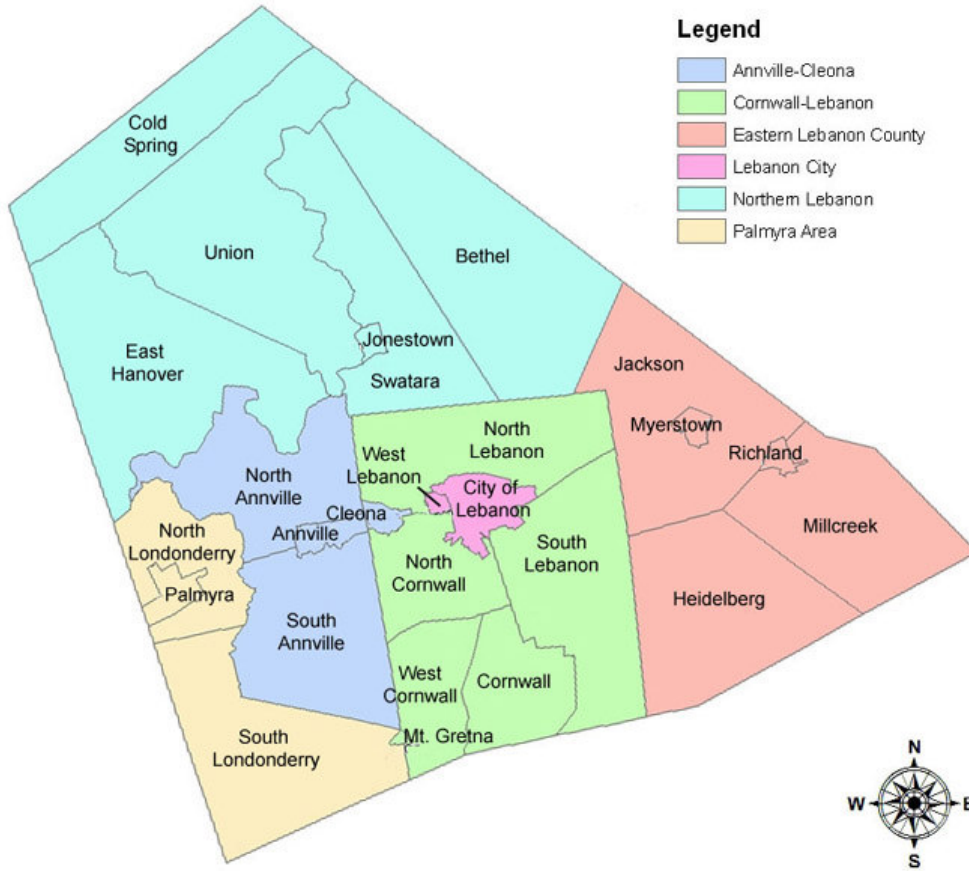
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Lebanon County is a 5<sup>th</sup> class county in south central Pennsylvania. The county encompasses 362.9 miles or 232,256 acres. Its population in 2000 was 120,327 persons. Lebanon County ranks 28<sup>th</sup> among the state's 67 counties in population and 60<sup>th</sup> in land area.

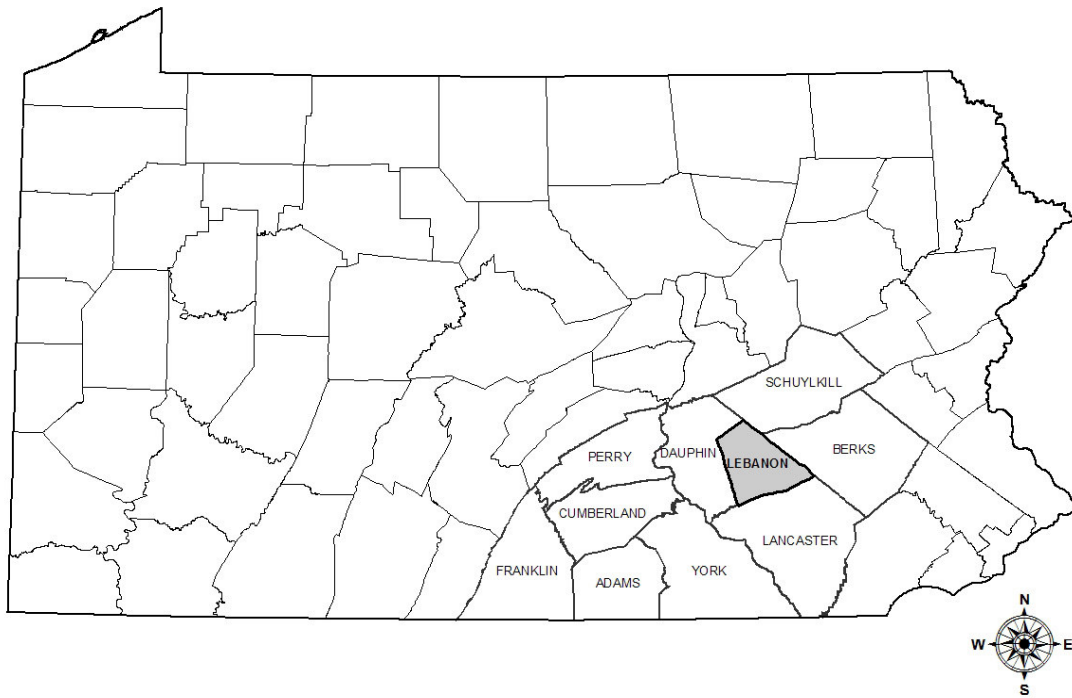
The county is comprised of 26 municipalities: sixteen townships of the second class, two townships of the first class, seven boroughs, and one third class city, the City of Lebanon. The City of Lebanon is the county seat and has historically been the center of major business and banking activity. The boroughs developed as community centers along major trade and transportation routes, connecting farmers and tradesmen with regional markets, primarily to the east and west.



The definition of “south central Pennsylvania” varies across state and local perspectives. For the purposes of this plan, the region includes Adams, Cumberland, Franklin, Perry and York Counties in addition to Dauphin, Lancaster and Lebanon Counties. These counties are used throughout the comprehensive plan as reference counties for statistical comparisons.

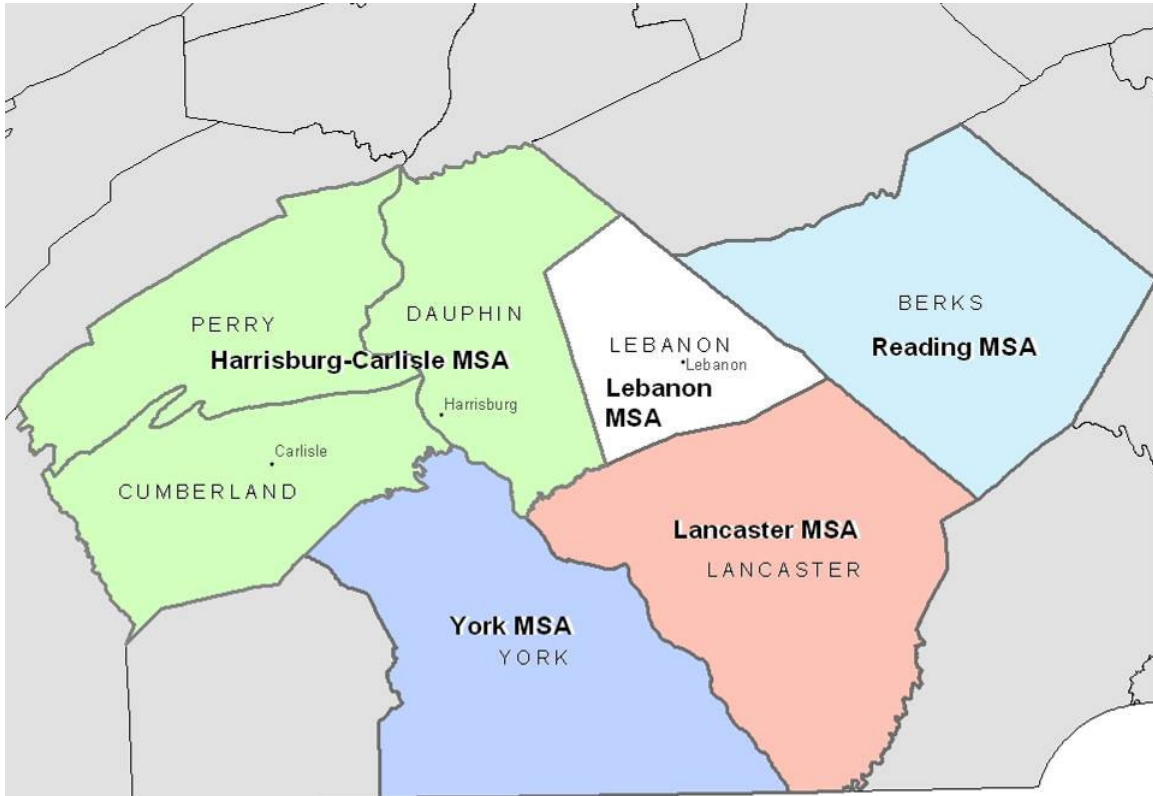


**Figure 2-1 Municipalities and School Districts of Lebanon County**



**Figure 2-2 Regional Setting**

Since 1979, Lebanon County has been included in the Harrisburg-Lebanon-Carlisle metropolitan statistical area (MSA).<sup>1</sup> As of June 6, 2003, new metropolitan areas were defined (and existing areas were redefined) based on the results of Census 2000, and Lebanon County was designated as an independent MSA. The U.S. Census Bureau is working to tabulate statistical data for new MSAs, such as the Lebanon MSA; a complete profile should be available after the next decennial census in 2010.

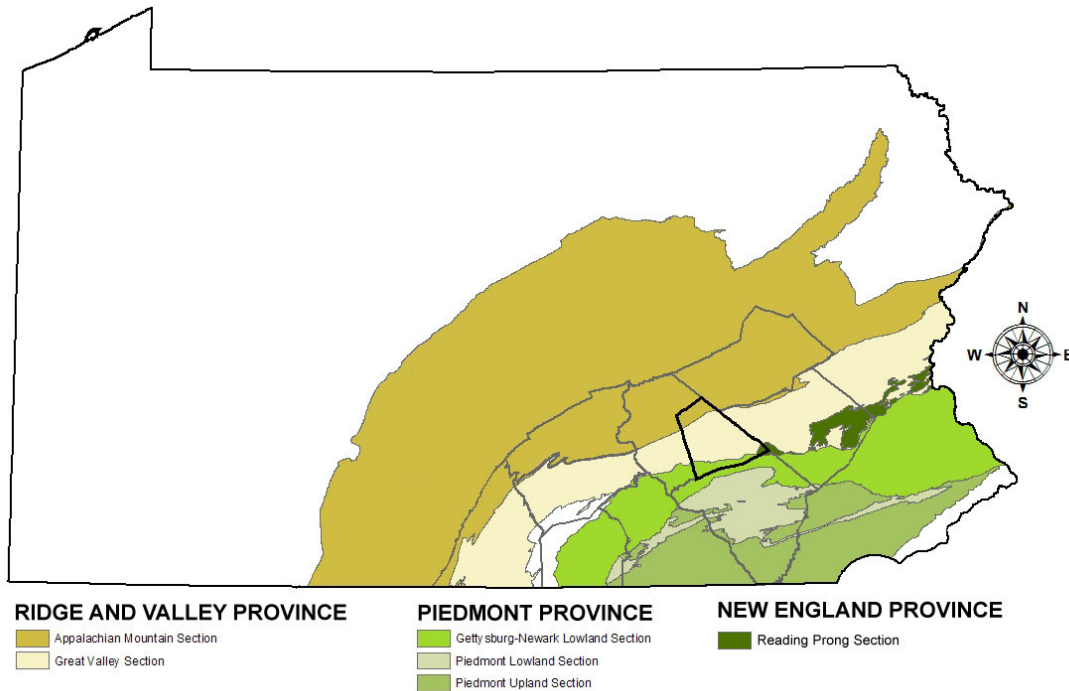


**Figure 2-3 South Central Pennsylvania Metropolitan Statistical Areas, 2003**

<sup>1</sup> An MSA is “a geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core. Qualification of an MSA requires the presence of a city with 50,000 or more inhabitants, or the presence of an Urbanized Area (UA) and a total population of at least 100,000 (75,000 in New England). The county or counties containing the largest city and surrounding densely settled territory are central counties of the MSA. Additional outlying counties qualify to be included in the MSA by meeting certain other criteria of metropolitan character, such as a specified minimum population density or percentage of the population that is urban. MSAs in New England are defined in terms of minor civil divisions, following rules concerning commuting and population density.

## Physical Geography

Lebanon County is located predominantly in the Great Valley section at the southern edge of the Ridge and Valley province. The northern ridge, Blue Mountain, ranges from 350 to 1,600 feet above sea level while the southern ridge, South Mountain, ranges from 700 to 1,300 feet above sea level. The valley consists of gently rolling and irregular hills of 15 to 25 percent slope in the central and southern portions with slopes to steep mountain sides on the northern faces of Blue and South Mountains of 15 to 25 percent slope and greater. The fertile soils of the Great Valley are among the most productive soils in the country and have sustained agricultural communities, including Lebanon County, from Virginia to Pennsylvania since colonial settlement.

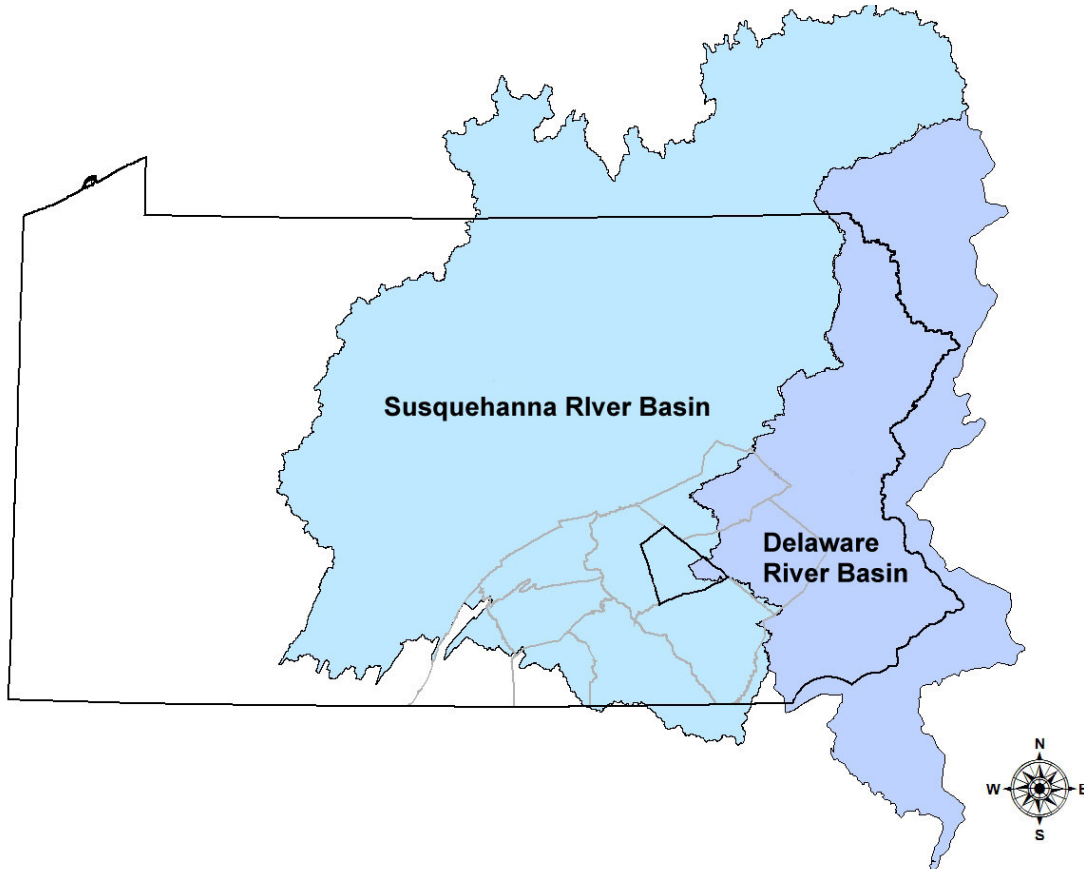


**Figure 2-4 Physiographic Provinces across South Central Pennsylvania**

The Blue Mountain or Kittatinny Ridge forms the northern rim of the Great Valley and hosts the largest uninterrupted forest area in central and eastern Pennsylvania. The forests of the Ridge are tremendous assets to communities along the Ridge, such as Lebanon County, for timber production, water supply, wildlife habitat and outdoor recreation, including 4 state parks, 4 state forests, 11 state game lands, and a national park trail in Pennsylvania alone. The historic Appalachian Trail follows Blue Mountain for 85 miles from the Pennsylvania-Maryland state line to the Delaware Water Gap, traveling roughly 15.5 miles through Lebanon County.

South Mountain is the Great Valley's natural southern boundary. While smaller in scale than Blue Mountain, South Mountain has played a larger role in the development of Lebanon County. The mountain's iron and red sandstone formations were heavily mined in the 1800s and 1900s. The 1970 comprehensive plan noted the significance of

these formations: “Diabase intrusions of the Triassic geologic formations near Cornwall have been known to yield 35 percent magnetite iron ore. Jackson and Annville formations of the Ordovician geological period have been the source of great quantities of limestone and dolomite used in building, blast furnace flux, cement manufacture and agriculture.”<sup>2</sup>



**Figure 2-5 River Basins across South Central Pennsylvania**

The Susquehanna and Delaware River Basins meet in Lebanon County. The Susquehanna River Basin drains the northern and western portions of the county by the Swatara and Quittapahilla Creeks. These waters pass into Dauphin County and converge with the Susquehanna River at Middletown. A few streams in the northern and southern extremes of Lebanon County feed directly into the Susquehanna River. Ultimately, these waters reach the Chesapeake Bay. The Delaware River Basin drains the eastern portion of Lebanon County by the Tulpehocken Creek. This creek joins the Schuylkill River near Reading before entering the Delaware River and Bay at Philadelphia.

<sup>2</sup> *A Report of the Geological Setting and History of Lebanon County. Part I of a Comprehensive Plan for Lebanon County.* 1958.

## *Historical Settlement*<sup>3</sup>

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The Lebanon Valley was first occupied by Native Americans, namely the Leni Lenapi or Delaware Indians of the Algonquin family. Though they defended their territory rigorously, they were ultimately killed or displaced from the region by the persistence of colonial frontiersmen. Fortunately, they are not forgotten, for the names they gave to local landscape features are still in use today:

- Swatara – meaning “where we feed on eels,”
- Quittapahilla – meaning “spring from the ground among pines,”
- Conewago - meaning “place of the rapids,”
- Tulpehocken – meaning “land of the turtles,” and
- Kittatinny – meaning “endless hills.”

Early settlements were defended by frontier forts. Fort Manada and Fort Swatara were established along the Kittatinny Ridge. Light’s Fort along present-day PA 72, Reed’s Fort along present-day US 22 and Fort Zeller near present-day Newmanstown were valley-based shelters during Indian raids. These locations are commemorated with historical markers.

The Lebanon Valley was settled from west to east in the early 1700s by Scotch-Irish and German families. The Scotch-Irish families, who fled Quaker oppression in Philadelphia, followed the Susquehanna River banks and settled in then eastern Dauphin County where land was available, by payment or squatting. Their heritage prepared them for frontier life with a strong sense of self-reliance and a love of hunting, fishing, and adventure. The Scotch-Irish people were civic-minded and established early social organizations. The German families were devoted farmers.



These two cultures established the original “developed” landscape of Lebanon County, though many of the Scotch-Irish later departed due to language and civic differences with the Germans. The Germans, or Pennsylvania Dutch, were and are a strong-willed people. Their history in the mid-Atlantic region has ranged from poor servants indentured by the Quakers to good farmers and industrious workers. They are also known for their stalwart religious beliefs, anti-regulatory/anti-government stance, and resistance to change. The Amish and Mennonite communities throughout south central Pennsylvania are present-day examples of such stringent beliefs.

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<sup>3</sup> Ibid.

## *Economic Evolution*

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Like many communities along the Great Valley, Lebanon County has a strong economic heritage based in agriculture. The European settlers sought out familiar landscapes to carry on the ways of life they knew. Initially they used the tools brought from home to clear the land and build their homes. But eventually, they needed replacements. Since imports were expensive, the pursuit for local metal ores began.

Beginning in the 1840s, the county's economy began to focus on the rapidly developing iron industry. Early furnaces and forges were operated by individual owners who exported pig iron to Berks and Lancaster markets. As the industry grew, these small operations were incorporated and expanded to serve larger urban markets as far away as Philadelphia. The need for more workers led companies to build housing, such as Miners Village and Burd Coleman, and establish general stores for workers' families. Blacksmiths, carpenters,



tanners and other merchants were soon attracted to the budding communities of Cornwall and Union Forge where their services were in high demand. Outside of these communities, land prices rose rapidly as speculators bought and sold land in hopes of finding expansive ore deposits.

Technological innovations led to the birth of tool and dye manufacturing in the later 1800s and further diversified the county's economy. Charcoal-based, cold blast furnaces were replaced by anthracite coal fired, hot blast furnaces. Steam replaced water as the primary source of power. Together with a strong local iron industry, a thriving steel industry developed in the 1900s. Stoves, tools, valves and fittings, cannons and ammunition were soon produced by several small, independent businesses.

Seeking greater efficiency in production, small operators in Lebanon and Berks Counties merged into a single larger company, the American Iron and Steel Manufacturing Company, based in Lebanon, at the turn of the 20<sup>th</sup> century. Shortly thereafter, demand for higher wages resulted in a labor shortage and was followed by a wave of immigrants hired from the south. The transition to the new workforce was not an easy one but operations continued until 1927 when the company was purchased by the Bethlehem Steel Company.

The decline of the American steel industry began in the 1970s. The consolidation and closure of steel plants across the region impacted Lebanon County, led to economic recession and significant changes in employment. The 1980s and 1990s were periods of transition as the economy recovered, diversified, and grew into global markets.

Transportation and trade industries have taken advantage of the region's location along the national highway and interstate system, developing and expanding warehousing and trucking facilities along the I-81, I-78, I-76, and US 22 and US 422 corridors. The shift from a manufacturing-based economy to an information-based economy has resulted in growth in the services industry.



Today, five of the county’s top ten major employers (Fort Indiantown Gap, the VA Medical Center, Farmers Pride, Inc., Swift, and the US Army) serve markets beyond Lebanon County. The remaining top ten employers serve primarily county residents though they may also serve residents from adjacent communities.

**Table 2-1 Major Employers Located in Lebanon County**

<b>Major Employers</b> (based on 2nd Quarter 2004 - Initial Data)	<b>Industry</b>
Pennsylvania Army and Air National Guard (based at Fort Indiantown Gap Military Reservation)	Public Administration
Veterans Administration Medical Center	Health Care and Social Assistance
Lebanon County	Public Administration
The Good Samaritan Hospital	Health Care and Social Assistance
Farmers Pride Inc	Manufacturing
Philhaven Hospital	Health Care and Social Assistance
Swift Transportation Co Inc	Transportation and Warehousing
Wal-Mart Associates Inc	Retail Trade
US Army National Guard (also based at Fort Indiantown Gap Military Reservation)	Public Administration
Cornwall-Lebanon School District	Educational Services

Source: PA Department of Labor And Industry, Center for Workforce Information and Analysis

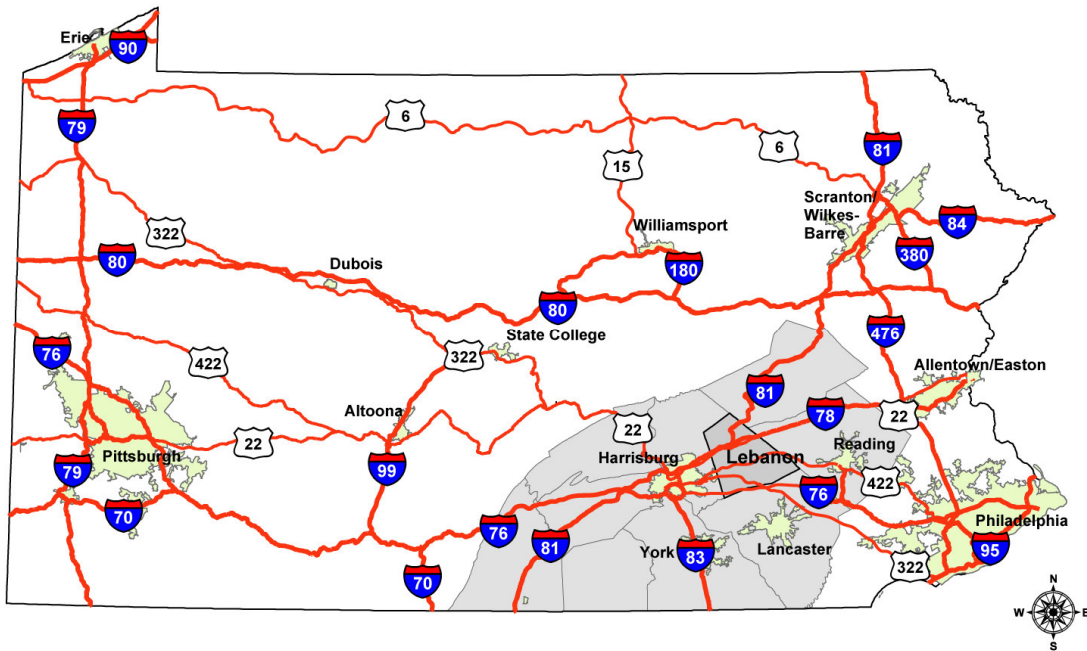
## *Transportation Connections*

Farmers were responsible for the first major transportation improvements in the county, as they sought ever faster routes to carry their goods to regional markets. The Berks and Dauphin Turnpike was constructed through the heart of the county with stops in Myerstown, Lebanon, Annville, and Palmyra, among others. The Union Canal, another trade route, connected the Susquehanna River at Middletown to the Schuylkill River at Reading passing through the county just north of the city and through Myerstown. These trade routes carried farm products, raw and processed timber, iron and iron ore, supplies and even travelers to and from the county.

Today, the National Highway System serves Lebanon County through multiple highways and interstates that connect county residents and businesses with mid-Atlantic, Great Lakes and near mid-West metropolitan centers.<sup>4</sup> The combination of location and infrastructure network give Lebanon County a strategic advantage in the “Keystone State.”

- US Highway 22 begins in Newark, NJ and ends in Cincinnati, OH primarily following the William Penn Highway. US 22 facilitates east-west travel between the Allentown-Easton, Harrisburg, Altoona, and Pittsburgh regions.

<sup>4</sup> <http://www.us-highways.com> (March 24, 2005)



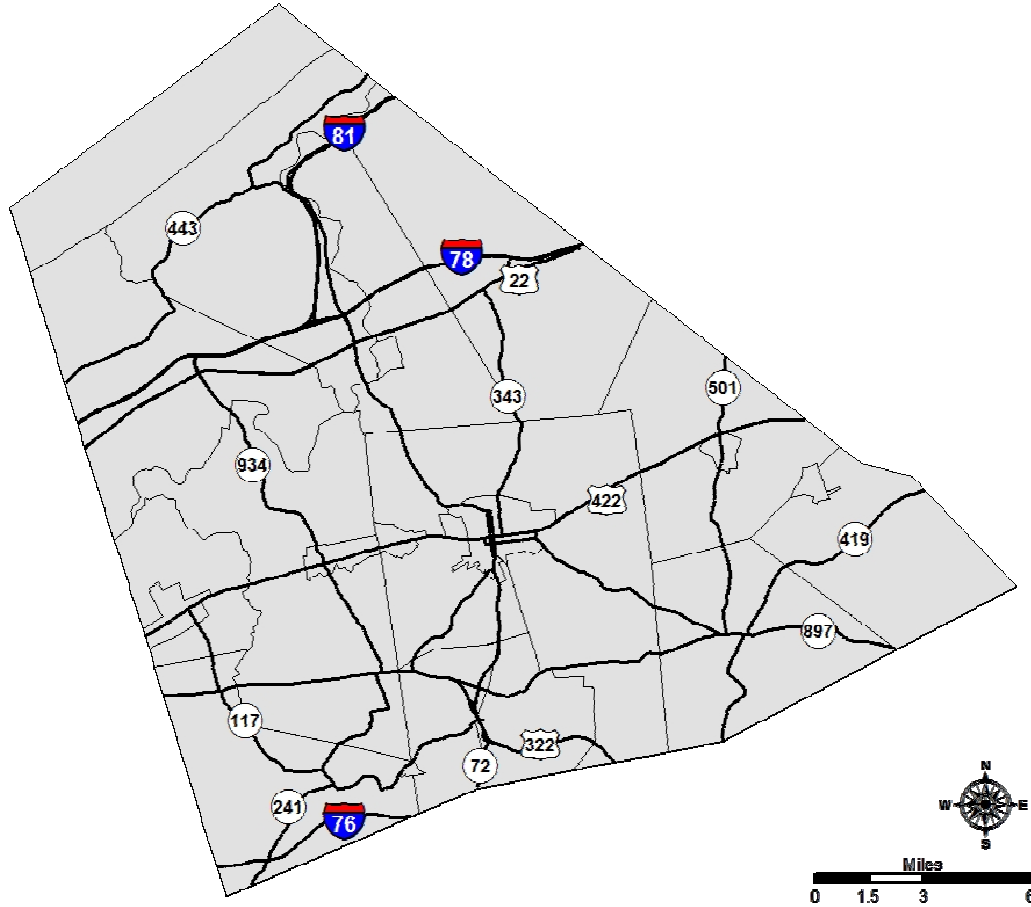
**Figure 2-6 Interstate Highway System across Pennsylvania**

- US Highway 322 begins in Atlantic City, NJ and ends in Cleveland, OH, providing east-west mobility between the Philadelphia, Lancaster/Berks, Harrisburg, State College, Dubois, and Meadville regions.
- US 422 is the main east-west arterial in Lebanon County. Historically, the US 422 corridor has been a population center and a focal point for business activity in the county. One of the qualities that makes US 422 unique is that it was built in two separate segments and never connected. The western segment begins in Cleveland, Ohio and extends east to Ebensburg, Pennsylvania. The eastern segment extends from Hershey to King of Prussia, Pennsylvania.
- US Interstate 76 (the Pennsylvania Turnpike) passes through the southwest corner of Lebanon County. It begins at the Pennsylvania-New Jersey state line at Trenton, NJ, and travels westward to the Pennsylvania-Ohio state line just south of Youngstown, OH. The Lebanon-Lancaster interchange is located along PA 72.
- US Interstate 78 superseded US 22 as the main highway link between New York City and central Pennsylvania via I-81 near Lickdale.
- US Interstate 81 begins in the Knoxville area of Tennessee and ends in northern New York State. “I-81 does not enter major metropolitan areas; it instead serves smaller cities such as Roanoke and Winchester, Virginia; Hagerstown, Maryland; Harrisburg and Scranton, Pennsylvania; and Binghamton and Syracuse, New York. After passing through Watertown,

Interstate 81 crosses the St. Lawrence Seaway to meet Ontario 401 in Canada.”<sup>5</sup>

- Interstates 78 and 81 are major trucking routes carrying a significant amount of traffic destined for rail yards in the Harrisburg area.

Additional Pennsylvania highways contribute to the ease of regional travel from Lebanon County by providing north-south connections between regional communities and the US and interstate highways.



**Figure 2-7 Highway System across Lebanon County**

- PA 72 begins north of I-81, travels through Lickdale and Lebanon, and continues southward to Lancaster.
- PA 117 begins in Palmyra along US 422, travels through Campbelltown and Mount Gretna, crossing US 322 and ends at PA 72 south of the Lebanon.
- PA 241 travels south from Lebanon through Elizabethtown to PA 441 along the Susquehanna River.

<sup>5</sup> <http://www.interstate-guide.com/i-081.html> (March 24, 2005)

- PA 343 travels north from Lebanon (along N. 7<sup>th</sup> Street) to Fredericksburg.
- PA 419 begins in West Cornwall and travels east and north, crossing US 422 and PA 183 in Berks County.
- PA 443 begins in the village of Heckton along the Susquehanna River and follows the first valley to the north of Blue Mountain along Fishing Creek in Dauphin County, Upper Swatara Creek in Lebanon County, crossing the Schuylkill River east of Schuylkill Haven and following the Mahoning Creek to Leighton in Carbon County; it crosses no major interstates or highways within Lebanon County.
- PA 501 begins at Pine Grove just south of I-81 in Schuylkill County, crosses I-78, US 422 and US 322, and ends at Lancaster.
- PA 897 travels south from Lebanon through Schaefferstown, Kleinfeltersville and several older Lancaster County villages to US 30 in Gap in southeastern Lancaster County.
- PA 934 begins near Fort Indiantown Gap and travels south through Annville across US 422 to the US 322 corridor.

Lebanon County once had a handful of rail lines connecting it to regional markets. In fact, the success of the iron industry and railroads fueled non-agricultural industry development. Today, the county is connected to the nation-wide rail freight network by the Norfolk-Southern Railway Company who owns and operates a rail freight line parallel to US 422. The rail line connects to the larger regional rail network, including rail yards and intermodal hubs, such as Rutherford Yard and Enola Yard, in the Harrisburg area.

## *Regional and State Trends and Analysis*

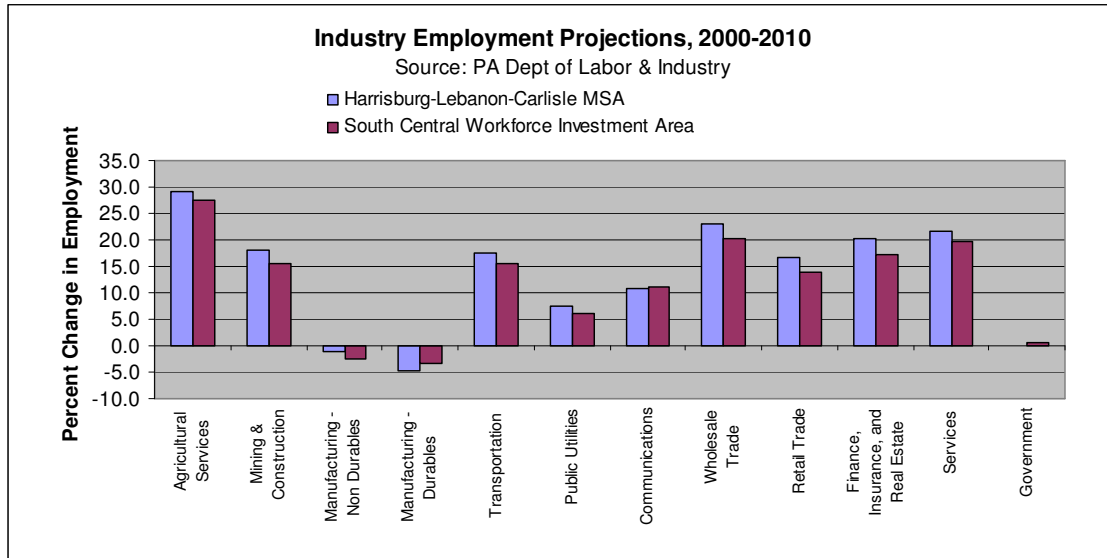
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Regional growth pressure impacts Lebanon County from nearly all sides—from Dauphin County to the west, from Lancaster County to the south and from Berks County to the east. “The county’s close proximity to the urbanized [and growing] areas of Harrisburg/Hershey and Lancaster makes it an attractive location for residential developers and potential buyers. The rural nature of much of the county, coupled with reasonable commuting distances, attracts workers from surrounding urban areas.”<sup>6</sup>

Regional employment projections for 2010 prepared by the Pennsylvania Labor and Industry indicate that employment in the transportation, wholesale and retail trade, finance, insurance, and real estate, and services industries in the Harrisburg-Lebanon-Carlisle MSA is expected to increase. Similar conclusions were drawn for the South Central Workforce Investment Area, covering Adams, Cumberland, Dauphin, Franklin, Lebanon, and Perry Counties.

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<sup>6</sup> Lebanon County Profile at [www.teampa.com/foundation/](http://www.teampa.com/foundation/)



**Figure 2-8 Industry Employment Projections, 2000-2010**

## The Brookings' Report: *Back to Prosperity: A Competitive Agenda for Renewing Pennsylvania*

The Brookings Institution's Center on Urban and Metropolitan Policy published a report in 2004, *Back to Prosperity: A Competitive Agenda for Renewing Pennsylvania*. The report identifies demographic and economic trends that have collectively affected Pennsylvania's ability to sustain livable communities and prosperous economies, including:

- **Cities, towns, and older suburbs are losing population.** The state ranks among the top five in the loss of young workers and out-migration.
- **While population is nearly stagnant (only 2.5 percent growth from 1982-1997), land consumption for urbanized uses is up 47 percent.** Pennsylvania ranked 6th in the acres of land urbanized between 1982 and 1997.
- **The economy is unfocused in its response to industrial change.** The state ranked among the lowest for percentage income growth (1990-2000), new business starts and growth (2001), and percentage employment growth (1992-2002).

The report concludes that Pennsylvania can once again be competitive “if it focuses its efforts; leverages the assets of cities, towns, and older townships; and overhauls its most outdated and counter-productive policies and practices.” This includes “getting serious about planning and coordination,” by prioritizing investment in infrastructure, education, and select industries, redeveloping unproductive lands, and promoting cooperation.

Post-report commentary by the authors further states that the report is not a wake up call for urban communities alone—in fact, they state that older doesn't necessarily mean urban. Many rural areas have experienced the same trends, simply at smaller scales. Accordingly, better decision-making should be a goal in both urban and rural communities to learn from the past and lay the foundation for a better future.

This report is relevant to Lebanon County, for the county parallels the state in many of these key trends:

1. Older communities struggle with population declines; residents have been moving out of the City of Lebanon and the county's core communities to new neighborhoods in adjacent or nearby townships.
2. Young people are leaving for "greener pastures;" young residents are following career opportunities and lifestyle amenities not available in Lebanon County.
3. The service sector dominates employment growth; lower wages in the service industries draw down personal income and increase the need for social services.
4. Development is consuming land more rapidly than ever before; able to afford more property at lower tax rates, residents are developing larger properties than those they owned in the city, boroughs and older suburbs.
5. Agriculture is evolving from a world of family farms to the world of big business; farms while fewer are producing larger quantities, resulting in more intensive operations than the farms of the 19<sup>th</sup> century.

The Brookings' Report is not a comprehensive plan for Pennsylvania or for Lebanon County; however, its recommendations will be reviewed and referenced where it is appropriate to note opportunities for benefits from statewide initiatives.

***The PA Prosperity Coalition Report: Forward to Prosperity:  
Removing Obstacles to Pennsylvania's Economic Performance  
by Michael Young Strategic Research, 2005***

*Forward to Prosperity* was sponsored by the Pennsylvania Prosperity Coalition, a group of community and business organizations, in response to *Back to Prosperity*. It critiques the Brookings' report and provides an alternate perspective of barriers to community and economic prosperity in Pennsylvania and methods to overcome them. While the two reports present differing views on the root causes of weak economic performance, together they have stimulated more discussion about land use policy than Pennsylvania has witnessed in the past 30 years. It is this discussion that is most relevant to county and local planning in Lebanon County.

This report argues that sprawl and unplanned growth are not the sole, nor even primary causes of urban decline, loss of educated youth, and weak economic growth in

Pennsylvania, rather it suggests that many factors have contributed to these conditions and therefore many conditions will need to change to reverse this trend. It argues that while some of Brookings' observations and conclusions are sound, portions of its analytical methodology are faulty; conclusions are misleading; and recommendations are presented without consideration for impacts or cost-benefit evaluation. It also cites recent research by scholars on the causes of lagging economic performance and declining urban centers—research that the Brookings' report does not acknowledge:

1. Federal government transportation and housing policies that have made locating or relocating in non-urban areas comparatively inexpensive.
2. Structural changes in the economy created by free trade and technological efficiencies.
3. Poverty exacerbated by the flight of middle class role models and ineffective welfare programs.
4. Decline in the quality of city schools influenced by the fiscal conditions of school budgets and their ability to attract and retain quality teachers.
5. Crime and the public perception of crime intensified by media hype, leading to exaggerated fear of crime.

As an alternative, *Forward to Prosperity* provides nine major recommendations for its noted causes of lagging economic performance and urban decline:

1. Fight sprawl with high-density mixed-use zoning
2. Reverse the trend of low quality city schools
3. Establish effective regional planning
4. Plan infrastructure to support future growth
5. Restore balance between open space and urban needs
6. Enact needed regulatory reforms
7. Reduce Pennsylvania's onerous business taxes
8. Improve coordination among state and local agencies
9. Encourage affordable workforce housing

*Forward to Prosperity* may have equally missed the mark in terms of correlating causes of poor economic prosperity and urban decline and corrective actions. Perhaps it assumes that changes at the federal level are not reasonable to expect; therefore, only recommendations at the state, county and local levels are proposed. In fact, some of

these recommendations lack the support of technical analysis beyond the public input to the report, one of its own critiques of the Brookings' report. Nonetheless, these ideas contribute to the discussion of how to improve Pennsylvania's economy and sustain its urban centers and offer analysis of community and economic planning as it currently occurs in communities across Pennsylvania.

## ***The PSATS Report: Growth, Economic Development, and Local Government Structure in Pennsylvania***

*A Research Report commissioned by the PA State Association of Township Supervisors, prepared by Wendell Cox Consultancy, June 2005*

A second rebuttal to the Brookings' Report was issued by the PA State Association of Township Supervisors (PSATS) in *Growth, Economic Development, and Local Government Structure in Pennsylvania*. This research report refutes several ideas put forth in *Forward to Prosperity*:

- Suburbanization patterns in Pennsylvania are typical
- Small governments cost less
- Suburbanization and greater democracy are unrelated to economic growth
- Economic growth in PA is typical for a Frost Belt state
- Greater democracy serves as a barrier to special-interest control
- Suburbanization gives residents more choice

Recommendations offered in the report's Executive Summary are:

- Encourage and strengthen policies that foster economic development and avoid strategies that increase land, housing, or product pricing.
- Reject any forced municipal consolidation, recognizing that the outcome would spread the higher costs and less efficient practices of one jurisdiction across an even larger area, to the detriment of taxpayers.
- Review the options for closing the financial performance gap between the cities of Philadelphia and Pittsburgh and other more cost-efficient cities, boroughs, and townships of the 1st and 2nd classes.

While there are many perspectives on the methods of change, these three reports clearly agree that reform to the conventional methods of community and economic development is needed in Pennsylvania. What types of reform and what entities are responsible for these changes will only be determined through continued dialogue among government officials and the private sector. Changes at federal, state and local levels may all be needed. A comprehensive solution may take many more years to settle and implement. In the meantime, there is room for improvement in local polices and practices within current legislated authority.