

Introduction

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The following study is intended to assist Clearfield County elected officials, County staff and the local business community with the preparation of an Economic Recovery Strategy and Action Plan for Clearfield County. The challenges that confront officials of Clearfield County, as well as officials of most communities in North Central Pennsylvania, are high unemployment rates, low annual wages, a stagnant or declining population, and a loss of young, skilled or trainable workers.

In general, Clearfield County officials have worked extremely hard over the past years in an attempt to generate sustained economic growth and to provide for a stable local economy. These efforts have not been fully realized, as local officials often have had no control over the external forces that affect job losses and economic stability within the County.

This is the case for most communities with a large manufacturing work force. Often manufacturing plants are owned by out-of-state companies and decisions for job expansion or contraction are made by non-local officials. Just as likely, national economic trends may cause shifts in the County's job base. In both instances, the changes that occur are not controlled by local officials. Under these circumstances, long-term economic stability is difficult to achieve.

The following study will show that the economic trends in Clearfield County are cyclical, with periods of both

market growth and decline. The growth cycles extend for about three or so years and create an environment where new public investment typically comes at the end of a growth cycle or start of a downturn, as the time required to implement new projects, once a decision is made within an economic upturn, often places project opening at the end of the growth period. Economic cycles of this magnitude are difficult for long-term planning.

The study to follow will also show that the economy of Clearfield County is no "worse off" than the economies of most counties within the immediate region of North Central Pennsylvania (except for Centre County which includes the large Penn State University campus in State College Borough). It will show a decade of population growth after a decade of population decline. Market data show modest employment growth during periods of net population growth. Above all, the following analysis will show that the County has low job wages, resulting in a large percentage of low- and moderate-income families/households. This in turn results in limited demand for quality retail space, services, housing, etc., and a reduction in the overall quality of life within Clearfield County.

The trends over the late-1990's within Clearfield County do not show the need for "economic recovery", as this was a period of growth for the County. The issue for that time is more of the need for economic stability. However, the trends for the post-2000 period within Clearfield County belie past conditions due to the downturn in the national economy and present a strong case for the need for economic recovery. Within the plan for economic

recovery is the need for stability within the County's economy so that steady growth can occur.

Post-2000 data show that Clearfield County's economy does not fully participate in the economic expansion during the strong growth periods nationally, but experiences the full effect of a national economic downturn.

The report to follow analyzes the entire Clearfield County economy, with particular emphasis on the one sector of the economy that has attracted most of the interest from public officials and County staff--industrial park development. While the expansion of the local industrial base is very important, the analysis will show that one sector of the economy to be insufficient to stabilize and grow at-place jobs. The analysis identifies other sectors of the economy--demographic trends, employment by type, housing, retail, etc., and provides detailed economic data that will support the conclusions and recommendations of a strategic plan, which presents the need for a more diversified economic base.

There are three sections in the report. The first, the Overview of Clearfield County, is a detailed analysis of the County's setting in North Central Pennsylvania and the issues that affect economies in this part of the state--transportation, infrastructure, natural amenities, etc. The Overview analysis describes current market conditions, including demographic and employment trends and the current development activity in the County, including recent plant and store closings. Current public investments and plans are presented as a basis for projecting future growth.

Section II is the Industrial Base analysis which is a regional market study of industrial land and building trends. Four subsections are included: (1) a summary of interviews of owners of a selected group of local businesses to determine the economic stability of these companies and the assets and liabilities of Clearfield County and North Central Pennsylvania as a setting for their companies; (2) an analysis of industrial buildings and land development trends within Clearfield County, both within industrial parks and in free standing properties; (3) an evaluation of the magnitude and quality of the vacant properties that exist in the County; and (4) an analysis of the industrial land and space market in counties that adjoin Clearfield along I-80. The last subsection is presented as a regional market overview to document regional trends, but also to present the competitive market position in Clearfield County within the defined I-80 corridor market area of North Central Pennsylvania.

The final section is the Strategy and Action Plan for economic recovery and growth in Clearfield County. It is based on the analysis of the data provided in sections I and II and the opportunities for change within the economy based on identified opportunities and assets. The final plan will include a prioritized list of actions that are required for implementation.