

Chapter XVI - Economic Development Plan

Introduction

This *Economic Development Plan* is intended to provide a broad strategy for the continued economic development of Wayne County. Trends with potential to affect needs may be discerned from the *Economic Analysis* (Chapter X of this *Comprehensive Plan*) as well as other background studies. These include the following:

- Manufacturing employs fewer and fewer Wayne County residents while growth between 1990 and 2000 has been greatest in the communications, information and utilities category. Other services (which includes traditional tourism businesses), professional services, transportation and educational and health care services have also gained significantly.
- Employment in agriculture and forestry has declined but many farms fall into the category of non-employer businesses, providing important income to their owners, although not identified as employers.



Early 20th Century logging in Northern Wayne County.
Note the large diameter and length of log.

- There has been a shift toward higher-paying management and professional occupations, service jobs, precision production, craft and repair services, and away from farming, forestry and laborer positions.
- Private sector for profit wage and salaried positions have expanded more than any other

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category, although private non-profit employment (e.g., hospitals) enjoyed the greatest proportional increase. There has also been considerable relative growth in local and State government employment.

- Wayne County had, in 1999, a median household income that was 85.0% of the Commonwealth's. It gained considerable ground economically during the 1990's. Median household and median family incomes went up slightly in inflation-adjusted dollars and, more importantly, per capita income went up by 14.2%, exceeding both statewide and national trends. This is an important indicator Wayne County is doing relatively well economically and catching up with the nation as a whole, even though Pennsylvania is slipping.
- Retail trade is extremely important to Wayne County as an employer of both residents and non-residents and reflects the tourism economy. It accounts for fully 20.3% of all jobs located within Wayne County and 16.2% of all payroll generated by these employers. Accommodation and food service enterprises (the heart of the tourism industry) account for another 12.6% of payroll. These numbers illustrate how important visitors are to the Wayne County economy.
- Wayne County non-employer businesses generated sales of \$203.1 million in 2005. Wayne County businesses as a whole generated approximately \$1 billion of sales receipts according to the 2002 Economic Census, suggesting non-employers represent approximately 20% of the total County economy today. Contractors, truckers, small retailers and various services are among the principal non-employers.
- The trade data illustrates much of the County's retail business is oriented toward travel-related activities from vehicle sales, gasoline service stations, convenience stores and the like. These uses account for more than half of all retail sales, indicating much of the shopping for other goods and services takes place outside the County.
- Manufacturing sales decreased from \$182 million in 1997 to \$131 million in 2002, while wholesaling rose from \$67 million in 1997 to \$132 million.
- Wayne County has a rapidly growing labor force of potential workers that is highly



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unusual for a rural area, underemployed members of which can be tapped by relocating metro area industries. It also offers an average comparative wage advantage of nearly 19.7%, compared to counties with whom it competes for business. Because new businesses must pay a premium over existing wages to secure these workers this will strengthen the County economy going forward and gradually bring Wayne County incomes more in line with national and state figures.

- Farming is a large industry within Wayne County, generating some \$29,428,000 in sales in 2007, according to the U.S. Census of Agriculture for that year. This was up 37% over 2002. The industry is heavily oriented toward livestock production, including not only dairy, but also beef, sheep, horses and even aquaculture.
- The Pennsylvania Department of Community and Economic Development indicates the economic impact of tourism within Wayne County was over \$179 million in 2003 and it was responsible for 3,994 jobs.



Excerpt from [Wayne County Official Tourism Website](#)

- Personal income associated with mining in Wayne County grew from \$3,952,000 in 2001 to \$7,299,000 in 2006. Employment expanded over the same period from 95 to 168 jobs, a relatively large increase. Natural gas production can be expected to result in major economic impacts on the County. The total economic contributions of the industry from royalties alone could easily be \$60 million per year. This industry is just beginning to unfold in Wayne County.

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Public Input

During the process of developing *Goals and Objectives* (See Chapter XI) for this *Comprehensive Plan*, two community surveys were conducted; one of residents and the other of vacation homeowners to ascertain views on the needs of Wayne County. The survey of residents asked respondents to identify the five most important needs with respect to making Wayne County “a better place to live.” Full-time employment ranked first on a list of 44 identified needs, being cited by 33% of respondents as being among the top five needs. Creation of economic opportunities was ranked fourth and was listed by 19% of those residents surveyed. Shopping opportunities came in 13th on the list and downtown revitalization was 15th.

The survey data also revealed a strong and growing association with the Scranton area as a place to shop. Some 72% of respondents indicated they shopped in Scranton, more than any other location. Honesdale followed at 53%. Indian Orchard was cited by 50%. Hamlin was at 25%. Interestingly, 33% said they did shopping on-line or through catalogues.

The majority of residents felt the future job prospects for them and their children were poor in Wayne County. They indicated a strong desire for more technician, professional specialty and precision production jobs. Overall, the data suggests many residents had or retain manufacturing or high-end service sector jobs in metro areas that they would like to replicate locally.

Residents said they wanted more department stores (cited by 39%), sit-down dining (34%), theaters and performing arts (32%) and discount retailers (30%). There was also need expressed for more clothing stores, doctors, dentists, hotels and motels as well as shopping centers. Industrially, residents preferred to see more health care facilities (32%), basic industrial manufacturing (31%), wholesale businesses (27%), research and development (26%), electronic manufacturing/distribution (26%), warehousing/distribution (26%) and electronic back-office operations (22%).



Settlers Inn, Hawley.
Example of fine-dining and lodging facility.

When asked to rate the severity of the problems facing the County, some 55% of respondents said full-time employment was a major problem, making it the top ranked issue. The second-ranked issue, cited by 52% of those residents surveyed, was economic opportunities. Both ranked well ahead of taxes and the cost of government (43%) as issues and far ahead of all other issues, indicating just how important economic development is to Wayne County residents. Vacation home owners ranked economic opportunities fourth on their list of major problems and full-time employment fifth.

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Recommendations

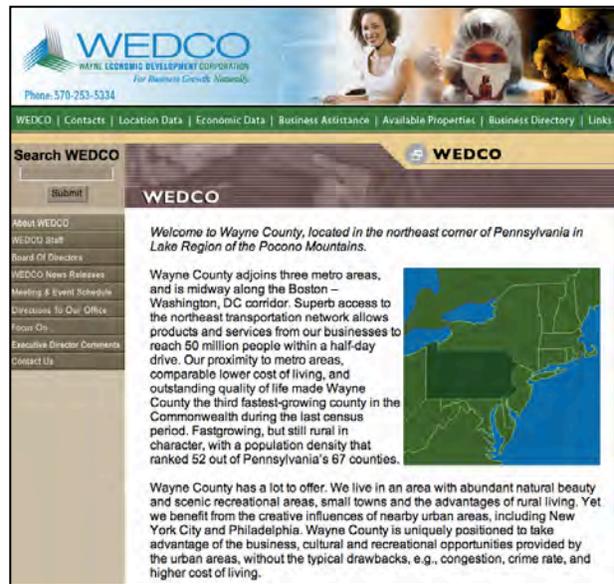
The following are specific recommendations for addressing the economic development needs of Wayne County:

1. The County should, through the efforts of WEDCO and associated economic and business entities, endeavor to increase average wages by aggressively pursuing new capital intensive employers who can afford to pay higher salaries.

2. The County and its constituent municipalities should encourage self-employment through friendly land use regulations and technical assistance.

3. WEDCO, local Chambers of Commerce and others should, through employment of business retention programs, support existing businesses that offer stability to the economy and off-set the seasonality of the tourism sector.

4. Workforce Wayne's efforts should be directed toward developing a labor force of skilled workers through job training and community college programs, with much of this training targeted toward existing job opportunities such as construction, health care, hospitality and the natural gas industry. Among the programs that are especially important are the Career & Technical Center proposed for Pike and Wayne Counties



Wayne Economic Development Corporation
(WEDCO) website excerpt

and the Pike/Wayne Business Education Partnership. Key bi-county initiatives include the Lake Region Enterprise Center and the Wayne/Pike Broadband Improvement Plan.

5. WEDCO and local Chambers of Commerce should, in their business recruitment programs, specifically target industries that make use of the County's natural resources and inherent advantages (e.g., wood products).

6. The County should continue seeking to locate new firms throughout Wayne County to decentralize the industrial base, using, for example, the Sterling Business Park for these purposes.

7. Business retention programs should, among other tasks, be directed to supporting existing industry with technical help in securing and training workers, obtaining financial

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assistance for expansions and improvements and interfacing with government.

8. WEDCO's industrial marketing program should target businesses inclined to locate in rural areas, emphasizing the County's single greatest comparative advantage, that being its growing full and part-time labor force. Recruitment should also stress the advantage offered to prospective employers by Wayne County's affordable wage rates.
9. WEDCO should identify and package industrial sites, within the Sterling Business Park and elsewhere in the County, with financing to make Wayne County more competitive.
10. There should be a concerted effort to develop ancillary services for industry (e.g., warehousing, lodging, welding) that will serve as additional incentives to draw new production firms to the County.
11. The County should, through Penn State Cooperative Extension, WEDCO, local Chambers of Commerce and other entities, continue to promote agricultural development, especially niche activities such as wineries and agricultural tourism that complement the tourism economy generally.
12. The County and its constituent municipalities should through zoning and other vehicles provide opportunities for well-planned commercial, industrial, residential and recreational growth that will offer local employment, shopping and recreation that will, in turn, balance and strengthen the tax base.

13. The County and its constituent municipalities should promote the redevelopment of existing commercial and industrial sites with economic and zoning incentives and avoid disincentives such as onerous parking requirements that such sites cannot meet.



14. WEDCO and other industrial recruitment entities should promote the availability of rail service to Wayne County and the use of industrial sites along it. Such efforts should include emphasis on the availability of access to multiple long-haul rail carriers (NS, CSX and CP) that most other regions, particularly rural areas, lack. This offers a major comparative advantage with respect to these other regions.

New railroad bridge in Hawley, funded by efforts of Wayne Industrial Development Authority, [PEMA](#) and [FEMA](#)

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15. The County should pursue a balanced approach to exploration and recovery of natural gas and/or oil from the Marcellus Shale and other geologic formations. This balanced approach should capitalize on the economic opportunities, while also dealing with growth impacts and protecting the County's natural environment. Existing economic development organizations, local chambers of commerce and individual municipalities as well as regulatory agencies and environmental organizations all have roles to play so as to maximize the benefits of opportunities and minimize the costs of developing this natural resource.