

Pennsylvania State Planning Board

2006 Report

Executive Summary

submitted to:

Edward G. Rendell
Governor

Robert C. Jubelirer
Senate Pro Tempore

John M. Perzel
Speaker of the House

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Statute of Authority for State Planning Board

Governor Edward G. Rendell reactivated the Pennsylvania State Planning Board (hereafter the Board) in 2004. The Board, first established in 1929, was reauthorized by Act 42 of 1989, amending Administrative Code 2 P.S.A. Section 451, to establish it as an advisory board within the Governor's office with the following powers and duties:

- Conduct research and collect, compile and analyze data bearing upon social, economic, physical, demographic, and other factors which may influence the present and future welfare of the Commonwealth.
- Monitor national and State trends, identify issues of potential interest and concern to the Commonwealth and prepare for the Governor and the General Assembly on an annual basis, or more often if necessary, reports detailing the findings of the Board.
- Develop strategic plans and programs to promote and enhance the welfare of the Commonwealth and make such recommendations thereon to the Governor as it may deem proper and advisable.
- Solicit information and input from State and local government officials and private citizens in Pennsylvania as part of the process of developing strategic plans and programs.
- Submit annually to the Governor, the President pro tempore of the Senate and the Speaker of the House of Representatives a report on its program and activities.

Charge to the Board

Prior to the start of the Board's activities in September, 2004, Governor Rendell directed the Board to use the above, broadly described powers to develop recommendations for state policies and actions, including possible legislation, addressing development, conservation, and land use issues vital to the "present and future welfare of the Commonwealth." Governor Rendell's initial charge to the Board was to develop consensus recommendations in three areas:

- Conflicts among development, municipal, and conservation interests and needs on open space and infrastructure issues;
- Specific policies, such as criteria for state investments, incentives for more multi-municipal planning and implementation, attracting private investment, and tax and revenue sharing that will achieve smart growth goals for revitalization of cities and towns and sound economic development in rural communities; and

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- Proposed options for improved governance measures that will enable Pennsylvania to compete more effectively for economic growth while improving the quality of life in Pennsylvania's diverse communities.

The Center for Local Government Services PA DCED, provides professional and administrative support to the Board and its committees.

Members of the Board

The membership of the Board includes 15 gubernatorial appointees that are confirmed by the Senate. These members serve four year terms. The Board also includes secretaries or their designees from six Commonwealth Agencies and four representatives from the General Assembly. A list of the Board members follows:

2003 Appointees:

- Robert J. Dillman, President, East Stroudsburg University
- Rubye Jenkins-Husband, Member, Erie City Council
- Wendell E. Pritchett, Assistant Professor, University of Pennsylvania Law School
- Stephen G. Pollack, Esq., Ballard Spahr Andrews & Ingersoll, LLP
- Richard D. Urbano, Planning Director, Robinson Township

2004 Appointees:

- Ronald Bailey, Land Use Planner
- Donald Zucco, Mayor of Johnstown, Vice-President Crown American Corp
- Judith Schwank, Chair, County Commissioners of Berks County
- Alexander J. Graziani, Executive Director, Smart Growth Partnership of Westmoreland County
- John Westrum, President, Westrum Development Company
- Alan Jennings, Executive Director, Community Action Committee of the Lehigh Valley
- Ellen Ferretti, Environmental Services Manager, Borton-Lawson Engineering
- Jane Billings, Borough Manager, Swarthmore Borough
- William B. Hawk, Chairman, Board of Supervisors, Lower Paxton Township
- Harry Stokes, Associate Director, Adams County Conservation District

Legislative Appointees:

- Rep. David Steil (R Bucks County)
- Rep. Josh Shapiro (D Montgomery County)
- Sen. Anthony Williams (D Philadelphia County)
- Sen. Dominic F. Pileggi (R Delaware County)

Ex Officio Members:

- Agriculture Secretary Dennis Wolff
- Community and Economic Development Secretary Dennis Yablonsky
- Environmental Protection Secretary Kathleen McGinty
- Conservation and Natural Resources Secretary Michael DiBerardinis
- Transportation Secretary Allen Biehler
- Public Welfare Secretary Estelle Richman

The Governor appointed Judith Schwank as the Board's Chair and Alexander Graziani as the Board's Vice-Chair.

History of the Board

Since its reactivation by Governor Rendell, the Board has held six meetings. During this time they worked diligently to identify priority areas and issues, and formed committees to study them. The three priority areas are Governance, Transportation and Infrastructure, and Economic Development. The Board formed individual committees to address these priority areas. The committees met over the past year and a half to further study these areas, identify the specific issues and develop recommendations to address them.

The priority areas, issues and recommendations identified in this initial Report are just the beginning for the Board. The Board acknowledges that issues identified here are very complex, and there are many stakeholders across the Commonwealth that are interested in working with the Board to further develop recommendations. Therefore, the Board is proposing an outreach effort to work with stakeholders to further identify issues within these priority areas and begin to build consensus among these stakeholders on proposed recommendations.

This is the State Planning Board's first report to the Governor and Legislative Leaders. It contains an Executive Summary of each of the three Committees' full reports.

Next Steps: Outreach; Further Refinement of Recommendations

For more than a year the Board has grappled with some of the difficult challenges Pennsylvania faces and has looked for solutions that will improve Pennsylvania's economic and environmental health as well as the quality of life in our diverse urban, suburban, and rural communities.

In several brainstorming and planning sessions the Board decided that it would focus initially on three identified priority areas: governance; transportation and infrastructure; and economic development. The Board began by gathering information on state agency programs, initiatives, and challenges from agency secretaries and deputy secretaries, the Economic Development

Cabinet and the Interagency Land Use Team. It also worked with staff from the Governor's Center for Local Government Services to review other relevant studies and reports.

From the outset, the Board considered its mission to make recommendations for administrative or legislative actions that could be taken at the state level in **partnership** with counties and local governments or other governmental or private entities:

- to help achieve more cost-effective, service oriented government at the state, county, and local levels;
- to plan and implement regionally and locally for efficient, well-designed transportation, water and sewer, and other infrastructure that serves state, regional, and local needs;
- to achieve sustainable economic development in every region of the state based on regional and local assets.

The Board has focused on **voluntary options and incentives** to achieve these goals, not on mandates. The Board's intent from the start has been to develop its initial recommendations, which are contained in this report, and then to facilitate broad public discussion and solicit input from specific as well as general audiences.

In the case of the Governance Committee, the Committee and the Board decided that because of the high level of municipal interest and concern on the subject of governance, as evidenced by the request of the League of Cities and Municipalities to the Governor to establish a separate commission on governance, and the complexity of these issues, representatives of the municipal associations should be included in the Governance Committee's deliberations on its recommendations. Consequently, the associations were invited to send representatives to the Committee's fall meetings, and to review the recommendations and submit comments. The December redraft of the Committee's recommendations made changes based on those comments. As a result of additional reviews solicited by the Committee from the associations, the report has been further edited to break out the concerns and issues raised in discussion items listed after each of the four priority areas of focus of the Governance Committee report.

It is the Board's hope that in the next year the Board will be able to take its recommendations on the road, hear from people in every region of the state, and that the next report to Governor Rendell and legislative leaders will contain a refined set of recommendations based upon what is heard. The Economic Development Report contains an outreach plan that could serve as the approach for the entire Board to accomplish this aim.

Executive Summary

Governance Report Summary

Effective planning, coordinated investment and implementation by the state, county and local governments, municipal authorities and school districts are essential to achieve a vibrant economy, well-planned infrastructure, a well-educated and competent workforce, a healthy and attractive environment, and a superior quality of life in every region of the Commonwealth. The Governance Committee's recommendations are intended to enable municipalities to work together more effectively to improve the Commonwealth's economic vitality and the quality of life to be enjoyed by its residents and to attract new residents, businesses and visitors to Pennsylvania. Because these recommendations have significant impact on local governments, the Committee invited each of the municipal associations to appoint a representative to the Committee to participate in the discussions and aid in the development of recommendations.

Governance Committee Members:

- State Planning Board Members – John Westrum, Chair; Ron Bailey; Jane Billings; D. Rob Davidson, Department of Agriculture; William Hawk, Chairman, Board of Supervisors, Lower Paxton Township; Rubye Jenkins Husband; Alan Jennings; Wendell Pritchett; Joanne Denworth, Governor's Office of Policy, Elizabeth Hansburg, Governor's Center for Local Government Services, PA DCED, support staff
- Municipal Association Representatives to the Committee– Honorable John Brenner, Mayor of York, Pennsylvania League of Cities & Municipalities; John Haiko, Chairman of the Board, Pennsylvania State Association of Township Supervisors; Peter Ferraro, Ross Township Commissioner, Pennsylvania State Association of Township Commissioners; Ross Watts, Mayor of Palmyra Borough, Pennsylvania State Association of Boroughs; Percy Dougherty, Ph.D., Professor, Department of Geography, Kutztown University of Pennsylvania, County Commissioners Association of Pennsylvania.

Issue 1 – Right- Sizing the Provision of Services

Different approaches are needed to provide municipal governments with options to meet needs for service provision in their communities.

- **Recommendation** – Change the scope and improve the clarity of the Pennsylvania Intergovernmental Cooperation Law to enable additional cooperative ventures.
 - *Enable municipal authorities to be brought into cooperative agreements with local governments.*
 - *Reconcile conflicts among the governing codes of cooperating municipalities so as to clarify what provisions apply to new intergovernmental ventures.*

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- **Recommendation** – Establish a Regional Police Services Act to:
 - *Provide a clearer path under Pennsylvania law for creating regional police agencies.*
 - *Fund initial start-up costs for regional police agencies.*
 - **Recommendation** – Amend the Pennsylvania County Code to:
 - *Provide clear legal authority for all counties to take on traditional local services in partnership with boroughs, cities and townships.*
 - *Permit counties and boroughs, cities and townships to purchase particular municipal services from counties.*
 - *Authorize boroughs, cities and townships to permit counties to establish special service districts and taxing authority, with citizen representation, in their area to provide municipal services in designated areas agreed to by the local municipalities.*

Issue 2 – Consistency of Planning and Implementation

Section 303 (c) of the MPC dramatically reduces the importance of comprehensive planning in Pennsylvania because it renders comprehensive plans legally powerless and prevents their appropriate use as the rationale for zoning, subdivision, and other land use ordinances and decisions.

- **Recommendation** – Amend Section 303(c) to provide protection from challenges brought against developments that have been approved under existing, duly adopted ordinances, while still giving meaning to comprehensive plans.

Issue 3 – Tax Base & Revenue Sharing

The cost of development often impacts facilities and services in multiple municipalities and school districts, but there is no clear means to use the new tax revenue to offset the increased costs of providing services to new development or to increase the tax base of all affected taxing jurisdictions.

- **Recommendation** – The State Planning Board should convene a series of meetings throughout the various regions of the State to consider, along with recommendations for economic development, the concept of tax revenue sharing and additional authority for tax base sharing.

Issue 4 – Barriers to Boundary Change

The Pennsylvania Constitutional amendments adopted in 1968 require that the Legislature enact laws that allow municipalities to be established, dissolved, merged, or consolidated. However, the laws governing mergers and consolidations are unclear and cumbersome, and they do not provide sufficient guidance to integrate or create new municipalities from the existing ones.

- **Recommendation** – County and municipal codes should be amended to establish clear procedures to permit municipal disincorporation as an intermediate step to merger or consolidation.
- **Recommendation** – The Municipal Consolidation or Merger Act should be amended to remove barriers to merger or consolidation where municipalities have voluntarily agreed to pursue such an initiative.

Transportation & Infrastructure Report Summary

The importance of transportation and infrastructure to the vitality of the Commonwealth and its communities cannot be overstated. The Commonwealth should play a major role to facilitate planning for transportation and infrastructure to best support community economic vitality, quality of life, and sound land use policies, and to be consistent at local, county, and state levels.

Transportation & Infrastructure Committee Members:

- Representative Dave Steil, Chair; Senator Dominic Pileggi; Ellen Ferretti; Barb Sexton, Department of Environmental Protection; Larry Williamson, Department of Conservation and Natural Resources; Meredith Hill, Department of Conservation and Natural Resources; Danielle Spila, Department of Transportation; Secretary Allen Biehler; Denny Puko, Governor's Center for Local Government Services, PA DCED, support staff on behalf of the above.

Issue 1 – There is need for a common infrastructure definition understood and used by state agencies and local governments alike that gives priority not only to water, sewer, and roads, but also to telecommunications and “natural” infrastructure.

- **Recommendation** – The State Planning Board developed a definition inclusive of all elements of infrastructure. The definition should be considered for uniform use by state agencies, and amended into the PA Municipalities Planning Code.

Issue 2 – Local comprehensive plans need to be more effective at infrastructure planning.

They need to do better at strategically determining infrastructure capital investments, ensuring maximum economic and community impact from those investments, and coordinating planning for different elements of infrastructure.

- **Recommendation** – The PA MPC should be amended to better suggest what subject matter should be addressed in a well-prepared comprehensive plan. The State Planning Board developed specific suggested amendments. Additionally, the MPC should better prescribe coordination of planning for the various infrastructure elements.
- **Recommendation** – The DCED Governor's Center for Local Government Services should publish Good Planning Guidelines that go beyond minimum MPC requirements to describe how best to prepare transportation and infrastructure plans.

Issue 3 – There is need for additional incentives to encourage multi-municipal, county, and regional planning of infrastructure & transportation. While many municipalities have initiated or completed multi-municipal comprehensive plans, they have not routinely created lasting partnerships, proceeded to implementation, and produced positive results.

- **Recommendation** – The state should create an incentive-based program using existing resources to spark effective, results-oriented, coordinated and cooperative planning at a multi-municipal and/or regional scale. The State Planning Board has outlined such a program for consideration.

Economic Development Report Summary

Economic development – supported by sound land use and progressive transportation planning – has been a cornerstone of the Rendell administration’s efforts to strengthen Pennsylvania’s long-term economic prospects. The State Planning Board supports these initiatives and recommends three areas of additional study it believes will further strengthen the Commonwealth’s approach to sustainable economic development.

Economic Development Committee Members:

- Stephen Pollock, Esq., Chair; Dr. Robert Dillman; Alex Graziani, AICP; Hon. Rubye Jenkins-Husband; Kenneth Klothen, Department of Community and Economic Development; Hon. Judith Schwank; Harry Stokes; Ed LeClear, Governor’s Center for Local Government Services, PA DCED, support staff

Issue 1 – There is need for greater coordination among state agencies regarding investment in economic development and land use initiatives, and a greater level of synthesis needed among agency outreach efforts. For years, economic development has been the focus of a variety of state agency outreach and programmatic efforts. Through these efforts the Commonwealth has identified several potential programmatic and policy changes that would encourage better development.

- **Recommendation** – The State Planning Board recommends an intensive review and synthesis of recent administration initiatives to support economic development and the creation of a comprehensive action strategy for specific implementation of the common action items evident throughout the reports.

Issue 2 – Barriers to sound economic development exist at all levels of government and must be understood and addressed if Pennsylvania is to succeed at long-term economic growth.

- **Recommendation** – The Commonwealth should begin a comprehensive outreach effort to meet with private sector development professionals, local government officials and planning and economic development professionals to identify key barriers to economic development and recommend solutions. Such an outreach effort would identify ways in which the Commonwealth should facilitate economic development so that it is effective at both business development (existing business and new business investment) and removing barriers at state and local levels to sound economic development. Additionally, this outreach effort will identify best practices in Pennsylvania that illustrate planning efforts and regulatory frameworks that support high-quality and sustainable economic development projects.

Issue 3 – Local comprehensive plans need to be developed and used effectively to prepare for and prioritize economic development projects. Local comprehensive plans are required by the MPC to contain statements regarding the “interrelationships among the various plan components” and the economic impact of plans and future development. However, planning efforts vary widely in terms of the effective preparation and prioritization of development projects, and are often viewed as “too general” to be useful to both public and private sector development interests.

- **Recommendation** – The PA MPC should be amended to include specific language to suggest what economic development related subject matter should be addressed in a well-prepared comprehensive plan.
- **Recommendation** – The DCED Governor’s Center for Local Government Services should publish Good Planning Guidelines that go beyond minimum MPC requirements to describe how best to prepare a local comprehensive plan so it is most effective in preparing for economic development projects of significant community-wide impact.