

VISTA 2025

October 2014

Chester County's Economic Development Strategy



VISTA2025SM

Progress & Preservation

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October 2014

Chester County Residents and Businesses:

We are fortunate to live in a great time for Chester County. We have wonderful communities and a great heritage of arts, culture, history and natural environment. We also have a strong economy that provides jobs for our residents, workers for our businesses and fiscal support for many of the things that make Chester County great.

As they say, past performance is no guarantee of future success. To keep our economy at its current high level will require hard work, dedication and a sound strategy. To that end, a public private partnership has been established and has developed VISTA 2025, an economic development strategy for Chester County. VISTA 2025 is intended to be the guide for our economic development efforts over the next ten years.

The process began with the selection of TIP Strategies, a national consultant who has helped us identify and understand the critical issues and opportunities facing the county's economy. The strategy process continued with input from ten focus groups, a community questionnaire and hundreds of hours of thinking, discussing and working on what specific actions we should be focused on to keep our economy at peak performance.

We are therefore proud to present to you the culmination of months of hard work in the form of the VISTA 2025 economic development strategy. We believe this strategy will serve us well as we work to maintain the high level of success that has been the hallmark of Chester County.

We want to thank the Visionary Partners whose support has made VISTA 2025 possible. We also want to thank our fellow Executive Alliance members who shared their time and knowledge to make this strategy the best that it could be.

We hope you share our excitement with the opportunities facing our county and that you will join with us to help make sure that we continue to be one of the best counties in the country to live, work and raise a family.

Sincerely,

Ryan Costello, Chairman
Chester County Commissioners

VISTA 2025 Co-Chairman

Tom Fillippo, President
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VISTA 2025 Co-Chairman



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Without the generous support of the Visionary Partners listed below, VISTA 2025 would not have been possible. We thank them for their investment in the future of Chester County and look forward to working with them as we implement the county's new economic development strategy.



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EXECUTIVE SUMMARY

BACKGROUND

Chester County is among the most prosperous regions in the country and has emerged as a highly desirable location for individuals and for businesses. A successful economic development strategy must begin with an understanding of those assets and the county's astonishing economic diversity. From a dynamic agriculture sector that dominates the entire Philadelphia region to one of the world's leading financial companies to a potentially game-changing internet startup, the county emerged from the "Great Recession" with unparalleled growth opportunities.

The challenge was to craft a plan that could realize new business opportunities while acknowledging the county's preservation and open space heritage – to balance progress and preservation. Critical to this enterprise were shared principles that would guide the goals and strategies of the plan itself. These principles were encompassed by sustainability, inclusiveness, and diversification. Together, they speak as much to economic health as they do to traditional economic development.

The planning process unfolded over nine months, with broad input from throughout the county. Hundreds of individuals and companies participated, either directly in interviews and round tables or through an online questionnaire. The Chester County Economic Development Council (CCEDC) managed the overall planning process. Guiding the development of the plan was the VISTA 2025 Executive Alliance, a public-private partnership comprised of key county business leaders, educators, and non-profit executives.

DIRECTION

One of the key recommendations in Landscapes 2, Chester County's award winning comprehensive plan, was to prepare a county economic development strategy. To implement this recommendation, a public-private partnership was established and designated as VISTA 2025. The intent of this initiative was to identify the goals and specific strategies that would enable Chester County to continue to thrive economically while maintaining its preservation heritage.

THE STRATEGY

The five goals that comprise the core of the overall strategy were driven by individual ideas and by actions, as well as by a broader vision of Chester County's opportunities. At each step of the way, however, the strategies were informed by a detailed economic analysis and by the views of businesses, concerned citizens, educators, and elected officials. In short, a three-part process was followed to arrive at the strategies:

1. What the data told us
2. What Chester County told us
3. What could be learned from other successful areas

GUIDING PRINCIPLES

Guiding principles reflect the values of the county. In the context of an economic development strategy, they are a set of statements expressing how a community defines economic development. The overarching principle is to ensure economic health. This approach was arrived at with the support of the VISTA 2025 Executive Alliance and embodies values broadly shared throughout the county and its communities. For Chester County, the definition of economic health is encompassed by the following concepts: sustainability, inclusiveness, and diversification.

- **SUSTAINABILITY** speaks to a balance between progress and preservation.
- **INCLUSIVENESS** means that every person is an asset, someone who can contribute both to economic growth and to the community as a whole.
- **DIVERSIFICATION** addresses the county's desire to keep its employment base spread across multiple sectors, to not be dependent on a single industry or a single cluster.

GOALS

The goals of the plan are supported by an extensive list of strategies and actions. They reflect both short-term opportunities and a long-range vision for positioning the county. It is expected that “big ideas” will continue to emerge and that the County's flexibility in pursuing them will be enhanced by the reference to the comprehensive nature of the goals.

GOAL 1: MAINTAIN AND ENHANCE QUALITY OF PLACE AS A KEY COMPONENT OF ECONOMIC HEALTH

GOAL 2: POSITION CHESTER COUNTY AS A MAGNET FOR ATTRACTING TALENT AND AS A MODEL FOR BUILDING AN EMPLOYER READY WORKFORCE

GOAL 3: EXPAND BUSINESS ATTRACTION AND RETENTION EFFORTS WITH A FOCUS ON TARGETED INDUSTRY CLUSTERS

GOAL 4: ESTABLISH AN INNOVATION CULTURE THAT SUPPORTS ENTREPRENEURSHIP AND BUSINESS GROWTH

GOAL 5: SUPPORT CRITICAL INFRASTRUCTURE IN TARGETED CORRIDORS OF OPPORTUNITY

PRIORITY STRATEGIES

High priority strategies represent the best opportunity to engage the entire county in its pursuit of long-term economic health:

- Enhance the county's entrepreneurship and innovation ecosystem, infrastructure, and services
- Strengthen and build on Chester County's key industry clusters
- Work with municipalities to develop approaches that allow Chester County's suburban office parks to adapt to changing market realities and the growing demand for mixed-use development and lifestyle centers.
- Establish an “urban area economic strategy” and “implement a city strategy” to preserve and enhance the walkable, downtown feel of Chester County's fifteen (15) boroughs and one city as part of a broader range of living options.
- Organize a Chester County workforce and education summit and implement identified activities.
- Develop a joint marketing theme that highlights Chester County's “quality of place” and distinguishes it as a location for businesses and employees
- Preserve and protect the natural lands and historic character of the county.
- Preserve and expand agriculture as a critical component of Chester County's economy.
- Support and capitalize on PennDOT planned investment in Keystone Corridor track and station improvements

INTRODUCTION

An economic strategic plan can function as a blueprint for operations or it can be a great deal more. From the outset of this project, it was clear that Chester County had an ambitious agenda: to be globally competitive, to draw talent, and to be identified with catalyst projects.

Nevertheless, there are elements that define Chester County that must be reconciled with a more aggressive approach to economic development. The first is its reputation for a healthy balance of development and preservation. Residents are justifiably proud of the preserved natural and historical environment of much of the county. At the same time, they value the strong connection to the regional economy and the job opportunities that come with that connection. Additionally, as the analysis clearly revealed, agricultural employment and production are also crucial to the county and the entire region.

Finally, there is the existing financial, bio-pharma, and technology base as well as a growing number of dot-com companies.

While these elements are not at odds, they do represent different visions of the county. They provide a challenge that extends to the question of growth and development and to what counts as a successful economy. If Chester County is to be attractive to globally competitive companies—and the workforce employed by those companies—it may need to rethink the existing model of the suburban office park, a mainstay of the county's economic growth over the last twenty years. It will also need to capture more value from its city and boroughs to provide more urban-style amenities (e.g., walkable downtowns) that are attractive to the next generation of workers. To this end, the “urban centers” of the county must embrace a more dynamic approach to development and redevelopment. These actions will balance the existing suburban-style neighborhoods and provide for a wider range of options for companies and workers in the coming decade. Together with many of the other recommendations in this strategy, these ideas can help move Chester County towards a new model of a metropolitan county that truly balances progress and preservation.

To build understanding and support for the need to adapt to the changing business and employee location dynamics, a countywide marketing and education program on behalf of economic development is a necessity. Of course, this effort must respect preservation and sustainability. This is best accomplished by taking a fresh perspective. That perspective is achieved by the idea of **Economic Health**. It is what can guide Chester County over the next decade.

Economic development, narrowly defined as business recruitment, was never a leading goal of the community. The definition of economic health is encompassed by the following traits: sustainable, inclusive, and diversified.

- *Sustainability* speaks to a balance between progress and preservation.
- *Inclusiveness* means that every person is an asset; someone who can contribute both to economic growth and to the community as a whole.
- *Diversification* addresses the county's desire to keep its employment base spread across multiple sectors, to not be dependent on a single industry or a single cluster.

This plan seeks to build on the county's inherent strengths and assets in a way that elevates it to national visibility and prominence. Many of the foundations are strong, while others will need to be strengthened or deepened. Chester County is already served by a highly qualified and knowledgeable economic development organization. In fact, the CCEDC is among the most prominent and dynamic in the region. Because of this resource, the many other strong agencies and organizations in the county, and the county's remarkable assets, Chester County has the potential to be known nationally as a destination for first-class talent, investment, and jobs.

WHY VISTA 2025?

The selection of VISTA 2025 as the name for the process of crafting an economic development strategy for Chester County was a conscious decision to capture full value from the name. The word vista relates to looking into the distance, in our case, out to 2025. In addition, VISTA is an acronym for Vision-Ideas-Solutions-Teams-Actions. This is the sequence of events that will form the basis of development and implementation of the strategy.

STRENGTHS, WEAKNESS, OPPORTUNITIES, THREATS

TIP conducted an economic development Strength, Opportunities, Weakness, and Threats (SWOT) analysis of the economic health assets and opportunities in the county. This analysis relied heavily on qualitative input and quantitative data analysis. The summary of this analysis is presented below.

Strengths



- Highly educated population
- High-quality K-12 education; several high ranking school districts
- Presence of higher education institutions throughout county
- Strong current leadership at the county
- Higher than average labor force participation rate & lower than average unemployment rate
- Above-average share of employment in high-wage occupations
- Preferred location for healthcare providers; easy to recruit healthcare talent
- Strong agricultural sector (accounts for about half of agricultural employment in the MSA)

Weaknesses



- Limited urban, mixed-use amenities
- Lack of broader awareness of entrepreneurial activity and of key players
- Few peer-to-peer, mentoring, and technical assistance resources for start-ups and early state ventures
- Limited access to capital, especially mezzanine
- Lengthy permitting approval process; lack of regional planning/zoning
- Inadequate number of improved sites for industrial development
- Contraction of (big) pharmaceutical industry
- Leakage of dining, entertainment, and hospitality dollars
- H1-B applications data indicate county employers may be having difficulty in filling computer & mathematical science jobs
- Economic health of Coatesville

Opportunities



- Leveraging quality of place for talent attraction
- Strengthening business retention, expansion, and attraction program
- Strengthening entrepreneurship and innovation ecosystem
- Promoting mixed-used developments that incorporate multimodal transit, pedestrian, housing, and lifestyle amenities
- Redeveloping existing bio/pharma lab space; new R&D and wet lab space
- Identify opportunities for engaging millennials in civic affairs
- Preserving and expanding agricultural sector
- Better collective marketing and tourism)

Threats



- Unaffordable housing pricing younger people out of Chester County
- Inability to retain higher education grads
- Student loan debt burden for new graduates (national issue)
- Loss of agricultural land (land preservation is not the same as farm preservation)
- Lack of industrial land could force employers needing more space to expand/relocate outside of the county

GOAL 1. MAINTAIN AND ENHANCE “QUALITY OF PLACE” THROUGHOUT THE COUNTY

Access to talented and reliable workers remains the most important site location criterion for employers. Businesses, especially those involved in high technology sectors, rely on the skills and talent of their workforce to retain or gain a competitive advantage. Employers know that the best way to tap into talented workers is by locating operations in communities with a strong quality of place. This is because communities offering a multitude of amenities are the ones attracting many of today’s skilled and talented workers. Likewise, a community that is attractive to talent will in turn be more likely to attract companies. Cities and regions now must compete not only to attract businesses, but also the talent that will support those businesses. Communities must focus on the quality-of-place amenities, including arts, culture and entertainment, that matter to workers. A company will be less likely to locate where workers are unwilling to live.

During the Discovery Phase of the project, it quickly became clear that the citizens of Chester County were of one voice in regards to the special status of the county. The Community Input Questionnaire received over 300 responses. While there were mixed opinions over some issues, there was unanimity concerning the desire to protect and enhance the character of the county. This included transportation infrastructure, natural lands, recreational amenities, historical assets, and the integrity of the communities.

From an economic development perspective, Chester County’s “quality of place” is a source of community differentiation. It is a way for Chester County to distinguish itself from other locations in a positive way, to establish a competitive advantage as a prime location for high quality companies and the workers they attract.

Designating “quality of place” as a strategic goal is entirely consistent with the VISTA 2025 focus on progress and preservation as well as with the views expressed by county residents. Continuing to document and articulate why quality of place matters to economic health is vital to pursuing this goal. Other key strategies for enhancing the county’s quality of place include enacting: new land development and zoning options that allow for mixed-use development, preserving and protecting natural lands, enhancing recreational amenities, working with tourism partners to strengthen the county’s attractiveness to businesses and employees, and raising local awareness of social activities and events within the county. At the local level, the plan calls for establishing an “urban area economic strategy” for the county’s 15 boroughs and one city, creating incentive grants for developing local economic development strategies, and providing assistance to local planning and implementation efforts.

REDEFINING PLACE

Much has been written about the importance of quality of life to the site selection process. Communities throughout the nation have positioned themselves by touting their advantages in this regard—good schools, safe streets, pleasant weather. We agree these factors are important. We take issue only with the narrowness of the focus. Quality of life assumes that everyone thrives in the same environment and is attracted to the same amenities. It assumes that current residents’ view of what makes a community would be shared by all.

By contrast, quality of place considers what is attractive to a range of residents, both old and new. The idea of quality of place accommodates growth and recognizes the benefits of change. It recognizes that one person’s “good place to raise a family” might translate into another’s “there’s nothing to do in this town.” Quality of place is about providing options, not just for current residents, but for those who will be residents in the future.

STRATEGIES

- 1.1. Build understanding of the connection between “quality of place” and economic health.
 - 1.1.1. Continue to document the value of “quality of place” in supporting the ongoing economic health of Chester County.
- 1.2. Continue enhancing public recreational amenities and infrastructure that promote active living. Such amenities make the county more attractive to an educated talent pool. This includes continuing to invest in and preserve parks, recreational facilities, and trails, as well as a transportation infrastructure that supports walking and biking.
 - 1.2.1. Maintain and enhance parks and recreational facilities.
 - 1.2.2. Foster walkable downtowns as alternative residential locations for workers.
 - 1.2.3. Enhance trails and bikeways as amenities for workers and residents.
- 1.3. Preserve and protect the natural lands and historical character of the county, especially in those areas not in targeted opportunity corridors.
 - 1.3.1. Raise awareness about the economic benefits of natural lands including agricultural production, hunting, fishing and wildlife observation, recreational tourism, flood control, clean water, etc.
 - 1.3.2. Partner with land conservancies to augment the supply of natural lands for passive recreation and outdoor healthy living activities.
 - 1.3.3. Continue funding support for the Chester County’s award-winning natural areas preservation program.
 - 1.3.4. Preserve the county’s historical assets in ways that promote economic development while retaining the aesthetic character of the county.
 - 1.3.5. Foster the growth of arts and culture opportunities within the county, particularly in urban centers, to enhance the cultural tapestry of the county.
- 1.4. Work with municipalities to develop approaches that allow Chester County’s suburban office parks to adapt to changing market realities and the growing demand for mixed-use development and lifestyle centers. The need to promote such developments was identified during the roundtable discussions with the consulting team. Younger workers, especially Millennials, increasingly migrate to cities and communities where they can live, work, and recreate in close proximity. Retirees are also now seeking such places. Recognizing this trend, employers are following. As an example, there is a growing trend among pharmaceutical companies to relocate their headquarters away from suburban office parks to denser urban areas to be closer to their workers. This is happening in New Jersey and in Pennsylvania.
 - 1.4.1. Establish a multidisciplinary task force to work with county municipalities regarding the importance of addressing the need for new land development and zoning options.
 - 1.4.2. Develop and distribute appropriate “tools” to help municipalities forge new approaches that will lead to successful adaptations of the traditional suburban office park.
- 1.5. Improve the communication and public awareness of social activities and events within the county to respond to the emerging needs of the millennial workforce as well as the entire citizenry. The lack of a single coordinated source of

NATURAL LANDS

In the VISTA 2025 Community Questionnaire, when asked what qualities of Chester County do you value most, terms such as “beauty/scenery,” “open space,” “parks,” “farms,” and “natural assets” were among the most frequently cited. Residents value these amenities, not only because they enhance the county’s quality of place, but because they recognize their economic benefits.

information on Chester County arts and cultural opportunities, events, activities, venues, and festivals was a concern among young professionals and tourism representatives.

1.5.1. Establish a coordinated countywide calendar of events that utilizes social media.

1.5.2. Develop/implement a Chester County mobile app for events and activities.

1.6. Collaborate with the CCCVB and other tourism partners to enhance the county's "quality of place" and strengthen its attractiveness to businesses and employees. Possible focal points include:

- Destination Uses (e.g., Longwood Gardens)
- Artisanal tourism (e.g., dairy products, wineries)
- Natural environment/eco-tourism
- Place-based/event tourism
- Sporting events/tournaments
- Historical assets and museums

1.6.1. Evaluate possible locations and a funding structure for an event venue for Chester County sufficient to handle major events (e.g., business conferences, technology events, etc.)

1.6.2. Construct a Chester County event venue (subject to workable funding structure).

1.6.3. Utilize potential of current "quality of place" assets (e.g., destination uses, artisanal tourism, farm/eco-tourism, historic assets/museums, place-based events, etc.) to enhance recognition of Chester County as a desirable location.



CHESTER COUNTY MANAGING FOR RESULTS (MFR) GOAL

By 2019, annual visitors to Chester County tourism venues and events will increase total hotel room occupancy by 5%.

(This goal is part of the county's managing for results process and is included here to put it in the context of the most closely related VISTA 2025 strategies.)

1.7. Establish new incentive grants for preparation of local economic development strategies and strategy implementation congruent with VISTA 2025.

1.7.1. Provide a new source of funding to assist Chester County communities with the ability to prepare local economic development strategies.

1.7.2. Provide enhanced technical assistance to local municipalities in preparing economic development strategies and strategy implementation.

1.7.3. Develop and distribute marketing materials describing grants and technical assistance services.

1.8. Establish an "urban area economic strategy" to preserve and enhance the walkable, downtown feel of Chester County's 15 boroughs as part of a broader range of living options.

1.8.1. Convene an event/create a forum for all County boroughs to discuss borough economic development issues.

1.8.2. Provide preference or bonus allotments to Community Revitalization Program grants that achieve needed public infrastructure improvements and enhance the prospects for economic growth.

1.8.3. Help the boroughs assess their regional/sub-regional or local economic market area potential to target programs and resources.

- 1.8.4. Assist the boroughs with the development of appropriate economic development strategies and implementation assistance.
- 1.9. Implement a “city economic strategy” to promote and support the revitalization of the City of Coatesville.
 - 1.9.1. Develop programs/incentives to attract new, high density downtown investment (e.g. “Flats”, DEPG)
 - 1.9.2. Identify new options for increasing the City’s capacity to support new economic development.
 - 1.9.3. Implement a “Main Street” program.
 - 1.9.4. Implement a “transit office campus” development at Coatesville train station.

GOAL 2. POSITION CHESTER COUNTY AS A MAGNET FOR A DIVERSIFIED TALENT POOL AND A MODEL FOR BUILDING AN EMPLOYER READY WORKFORCE.

Access to talent continues to be among the chief site selection factors for companies planning new facilities, expansion, and/or relocation. According to *Area Development Magazine's 2013 Survey of Corporate Executives*, availability of skilled labor was ranked as the most important factor for location decisions, surpassing highway accessibility and labor costs. Access to talent was also cited as an important issue among employers participating in VISTA 2025 interviews and round table discussions. Successfully expanding and enhancing the talent pool will be critical to supporting the economic health of the county.

Within the Greater Philadelphia metro area, no county is better suited to attract and support skilled talent than Chester County. The combination of an existing professional class along with a unique mixture of vibrant

communities and natural lands is a winning formula for attraction. While the draw of a large urban area is increasingly important to younger people seeking economic opportunity, there are telling examples of how satellite regions have become their own talent magnets. The East Side of the Seattle, WA area (Redmond and Bellevue); Williamson County, TX (north of Austin and home to Dell Computer); and Fairfax County, VA (as a center for IT throughout the Washington D.C. region) are prime examples of how outlying areas have leveraged talent management to support economic health.

Talent attraction and development is not limited to high tech sectors such as financial services, life sciences, and IT. Indeed, there is a growing national need for workers to fill so-called middle-skills jobs in manufacturing, construction, and maintenance. The Chester County Workforce Investment Board 5-Year Plan indicates there is an existing disconnect between the skills required of manufacturing employers and the supply of workers with those skills. An analysis of 2009-2011 Chester County commuting data for this strategy showed that the industry sector responsible for the highest net inflow of daily commuters is manufacturing (+2,521).

Consistent with the theme that every person is an asset, VISTA 2025 looks to maximize the potential of the current workforce and make Chester County an attractive location for its future workforce. Priority strategies toward this goal include: organizing a workforce and education summit to address critical workforce issues, strengthening the county's brand and attractiveness to businesses and employees, expanding awareness of existing workforce programs, engaging young leaders in civic and economic affairs, and designing a campaign to expand the awareness and perception among local youth regarding the breadth and depth of career opportunities.

AREA DEVELOPMENT CORPORATE SURVEY 2013* COMBINED RATINGS

SITE SELECTION FACTORS	2013	2012
RANKING		
1. Availability of skilled labor	95.1	89.4 (3)**
2. Highway accessibility	93.5	90.1 (2)
3. Labor costs	90.8	90.8 (1)
4. Occupancy or construction costs	87.4	82.8 (5)
5. Availability of advanced ICT services	84.6	85.1 (4)
6. Available buildings	83.3	78.4 (8)
7. Corporate tax rate	82.4	79.3 (7)
8. State and local incentives	81.9	71.1 (13)
9. Low union profile	81.4	73.5 (10)
10. Energy availability and costs	80.8	81.3 (6)

*All figures are percentages and are the total of "very important" and "important" ratings of the Area Development Corporate Survey and are rounded to the nearest tenth of a percent.

** (2012 Ranking)

Source: AreaDevelopment, 28th Annual Survey of Corporate Executives, Q1 2014

STRATEGIES

- 2.1. Organize a Chester County Workforce and Education Summit and implement related activities.
 - 2.1.1. Convene a summit to focus on critical Chester County workforce issues.
 - 2.1.2. Conduct an annual assessment to monitor progress on matching employer expectations with education and training.
 - 2.1.3. Establish a joint private sector & educational institution task force to better align student preparation with industry requirements.
 - 2.1.4. Establish a Next Generation Task Force to address intergenerational workforce issues.
- 2.2. Address industry concerns with maintaining and advancing the skill level of incumbent workers.
 - 2.2.1. Determine possible sources of support for additional incumbent worker training.
- 2.3. Collaborate with the Chester County Conference & Visitors Bureau (CCCVB) and other tourism partners to enhance recognition of the County's "quality of place" and strengthen the County's attractiveness to businesses and employees.
 - 2.3.1. Work with the CCCVB to broaden talent and business outreach efforts.
 - 2.3.2. Develop a joint marketing theme that highlights Chester County's "quality of place" and distinguishes it as a prime location for employee and business location.
 - 2.3.3. Include a prominent link on the CCCVB website to the CCEDC website with information on Chester County as a location for employees and businesses.
 - 2.3.4. Utilize key tourist attractions to build on the county "quality of place" in order to market to and attract key companies and talent.
 - 2.3.5. Establish/maintain database of Chester County quality of place statistics/reports and utilize database information in marketing activities.
 - 2.3.6. Compile/update inventory of "quality of place" contributors including destination uses, artisanal tourism, eco-tourism, place-based/event tourism, sporting events, historic/museum assets, etc. and utilize in marketing activities.
- 2.4. Develop a campaign to expand the awareness and perception among local youth regarding the breadth and depth of career opportunities in Chester County.
 - 2.4.1. Design a branded initiative that offers physical and digital marketing materials describing middle skill job opportunities to targeted audiences, including middle school and high school students, community college students, adults in the workforce system or enrolled in other training programs, high school and college dropouts, and veterans separating from service.
 - 2.4.2. Hold annual career days for local high schools focused on advance technology and middle skill jobs.
 - 2.4.3. Organize industry tours that showcase advanced technology/middle skill jobs.

MIDDLE SKILL JOBS

Middle skills jobs are those that require at least a high school diploma but less than a four-year degree. A key finding from the Workforce Development & Education roundtable discussion is that not enough is being done to raise awareness of career opportunities for local youth who may not be able to or want to pursue four-year college degrees. This is a partnership effort that would involve the Chester County Workforce Investment Board (WIB), Chester County Industry Partnerships, career and technical education advisory committees, and K-12.

- 2.4.4. Create additional apprenticeship and/or internship programs for young adults focused on advanced technology and middle skill jobs.
- 2.5. Explore the creation of a public and/or private incentive program designed to attract and retain college graduates to Chester County through repayment of student loans.
 - 2.5.1. Examine LiveNF (www.live-nf.com) as a potential model. Administered by the City of Niagara Falls, NY, LiveNF is program that pays up to \$7,000 in student loans for recent college graduates who move into a targeted area in downtown Niagara Falls.
 - 2.5.2. Develop pilot incentive program.
- 2.6. Expand awareness of WIB and CareerLink programs to ensure all workforce segments are adequately served.
 - 2.6.1. Expand/improve outreach efforts and build strong connections with employers through new workforce initiatives.
 - 2.6.2. Build on the success and brand development of Hire One and CareerLink to increase assistance to long-term unemployed.
- 2.7. Engage with key economic development resources, industry groups, and professional networks in the greater Philadelphia region.
 - 2.7.1. Join key regional industry associations and professional networks to remain current on critical issues, build stronger networks, and leverage resources.
 - 2.7.2. Attend conferences and trade shows held in Philadelphia by national industry organizations. Recent examples of national organizations holding events in Philadelphia in 2014 include the World Congress on Industrial Biotechnology and Philadelphia Secureworld (cybersecurity).
 - 2.7.3. Identify and assist existing companies with talent recruitment challenges and opportunities.
- 2.8. Identify and promote opportunities for emerging leaders and young professionals to engage in civic and economic development affairs.
 - 2.8.1. Continue supporting and expanding Emerging Leaders of Chester County, Leadership Chester County, the Chester County Youth Leadership Program, and similar programs. Consider consolidating and unifying these initiatives.

CHESTER COUNTY MANAGING FOR RESULTS (MFR) GOAL

By 2015, customized workforce advisory services, targeted at the full range of current and future job seekers, will see an increase of 25% in the number of companies engaged with county workforce programs designed to connect those looking for jobs with employment opportunities.

(This goal is part of the county's managing for results process and is included here to put it in the context of the most closely related VISTA 2025 strategies.)

ENGAGING YOUNG LEADERS

An important factor in sustaining Chester County's economic health is the ability to convince Millennials to reside in the county and to fill the base of professional service jobs. In many respects, Chester County's economy depends on its capacity to attract, retain, and engage this critical talent base. In discussions with the consulting team, some young professionals expressed a lack of engagement in local civic affairs and not being "recognized" within the county. While this represents only a small sample of views, it is a common sentiment among Millennials in non-urban areas across the nation. The challenge for Chester County is finding new and innovative ways to engage younger people in civic and economic development affairs. The solutions, however, are better identified and designed not by the region's existing cadre of leaders, but by the younger professionals they hope to engage.

- 2.8.2. Encourage emerging leaders to apply for seats on county, local, and non-profit boards and commissions by hosting workshops on the importance and relevance of various boards and commissions and providing information on available positions.
- 2.9. Recruit former students at local colleges, universities, and high schools to “come back to Chester County” by highlighting and promoting Chester County employment options/opportunities.
 - 2.9.1. Utilize alumni networks (e.g., West Chester University Alumni Association) and social media to highlight new business investments and employment opportunities.
 - 2.9.2. Develop marketing materials and a quarterly newsletter to inform former residents of opportunities and current events in Chester County (e.g., job postings, business expansions, investment opportunities, planning initiatives).

REACHING OUT TO FORMER RESIDENTS

A successful talent attraction strategy reaches out to individuals and former residents with existing ties to Chester County. First, the target audience already has a familiarity with Chester County, requiring less education about the community. Second, individuals with strong ties to Chester County, especially young professionals with families, may already wish to relocate if given a clear opportunity. Third, these individuals can be easier to reach through existing social networks and, therefore, less expensive to target.

GOAL 3. EXPAND BUSINESS ATTRACTION AND RETENTION EFFORTS WITH A FOCUS ON TARGETED INDUSTRY CLUSTERS

At the heart of every economic development strategy is the relationship to existing businesses, as well as to those who might consider Chester County as a location of operations. While it is tempting to place all emphasis on business expansion and retention, this is neither feasible nor does it make sense for the long-term sustainability of existing businesses. It is not practicable to avoid business attraction because properties throughout the county are already being marketed by brokers and others. By taking an active role in that process, CCEDC can strengthen existing industry clusters and help shape new clusters.

Focusing business retention and attraction efforts on targeted industry clusters allows the County to be more efficient and specialized in its approach. The five clusters CCEDC has already identified for targeted support through industry partnerships are manufacturing, agriculture, energy, life sciences, and technology. The industry cluster partnership programs and services should be expanded beyond workforce issues to address additional industry needs and concerns. Additionally, within these broad cluster definitions, CCEDC can focus more tailored activities around emerging industry niches or specific companies (e.g., lasers/optics, Internet search engine design and programming, and business services software).

One industry cluster that Chester County has a unique economic and cultural connection to is agriculture. In fact, in the Community Questionnaire respondents cited agriculture most often when asked for the county's greatest economic opportunities. Chester County accounts for about half of all agricultural employment in the entire Philadelphia MSA. Preserving and expanding economic development programs directed at the agricultural sector is central to CCEDC's business retention and expansion efforts. This includes exploring the potential for the development of specialized facilities and programs such as an Agricultural Center and farm business incubators. Continuing to raise public awareness about the importance of the agricultural sector and preserving agricultural lands to county economic health is also critical.

For Chester County to become more competitive for new business investment it must raise its profile to employers and potential investors/employers outside of the county. From a marketing perspective, there are only a handful of counties around the nation that have brand recognition. Fairfax County, VA; Saratoga County, NY; and Marin County, CA, are examples. Chester County has this potential, as well. There are clear advantages for economic development once this awareness enters the mind of site selectors and business executives. To build a brand in this fashion is not easy, but it faces far fewer obstacles than creating a new brand out of whole cloth.

Through a strengthened business retention and expansion program and well-targeted industry recruitment and entrepreneurship programs, Chester County can grow its economy by adding jobs that are likely to employ its residents.

BUSINESS RETENTION & EXPANSION

A vibrant BRE program should be the cornerstone of any economic development program. When existing businesses thrive, so does the community. The U.S. Chamber of Commerce estimates that 40 to 80 percent of all new jobs are created by existing firms. Prosperous, competitive businesses are more likely to remain and grow in the community, providing the best opportunity to expand a community's tax base.

STRATEGIES

3.1. Strengthen the county's Business Retention and Expansion (BRE) program.

- 3.1.1. Maintain and expand a countywide database of existing primary employers (i.e., businesses that produce more goods and services than can be consumed by the local economy, and therefore export a significant portion of them). The database should continually be expanded to include companies in the county that serve external markets or are suppliers to existing primary employers.

The CCEDC can explore partnering with a university to set up this database, manage, and analyze it over time.

- 3.1.2. Prepare and administer an annual online "Take the Pulse" business survey as a means for keeping in touch with local businesses and documenting specific needs or expansion plans. Include questions on the survey for employers regarding their attitude toward the business climate, talent availability, and workforce quality in Chester County.
- 3.1.3. Improve and enhance the utilization of Customer Relations Management software to better monitor business issues and concerns.
- 3.1.4. Formalize CCEDC's on-site employer visitation program to ensure consistency and build relationships with key employers.

CCEDC should set a goal of meeting with at least 50 employers each year. Business visitations should be prioritized using criteria such as employer size, employer growth rates (if known), and target industries. The visits should be structured to gauge the abilities and needs of local businesses to operate successfully and expand in Chester County.

- 3.1.5. For those employers with headquarters located outside of Chester County, establish relationships by meeting face-to-face with executives from the headquarters, either in their home office or on a trip to Chester County.
- 3.1.6. Build on the VISTA 2025 focus group experience to establish more formal and regular business roundtable discussions and industry cluster partnership meetings.
- 3.1.7. Develop a county-based, broader, more comprehensive "early warning" and "rapid response" strategy for identifying and responding to potential layoffs or plant closures. Identify "at-risk" companies early on, and develop an aggressive intervention strategy. Create a team composed of stakeholders that have the ability and authority to address employer needs.
- 3.1.8. Develop a county "in-sourcing" program to connect county based company supply chain requirements with county based company suppliers.

3.2. Increase the visibility of Chester County to employers and potential investors/employers outside of the county.

- 3.2.1. Establish a Chester County joint messaging strategy and marketing theme that can be used as part of the marketing efforts by all county agencies.
- 3.2.2. Design a set of marketing materials that incorporates the joint marketing theme, including the "quality of place" message, targeted at general new business investment prospects.
- 3.2.3. Develop marketing materials that speak directly to the needs of Chester County's targeted industry clusters.
- 3.2.4. Develop data and information essential to site location consultants on the CCEDC website.
- 3.2.5. Develop social media tools and strategies to augment the distribution of Chester County marketing information.

- 3.2.6. Utilize and expand the newly developed Chester County interactive office/industrial parks map as part of the marketing process.
- 3.2.7. Actively manage the county's Wikipedia description to ensure that it accurately reflects the County's economic strengths and opportunities.
- 3.2.8. Organize an annual familiarization tour for brokers, developers, and site selectors in the Philadelphia region to showcase Chester County's prime sites and buildings and to educate them on the advantages of investing in Chester County.
- 3.2.9. Link industry attraction efforts to areas of talent strength in the county.
- 3.2.10. Actively recruit early stage companies involved in internet security and identity, as well as bioscience and health informatics.
- 3.3. Enhance the county's ability to respond to prospects and attract new business growth.
 - 3.3.1. Formalize a tracking system for companies interested in Chester County.
 - 3.3.2. Coordinate prospect identification and handling efforts with the State of Pennsylvania, the Greater Philadelphia region (Select Greater Philadelphia), and PECO.
 - 3.3.3. Create a Chester County Economic Development Action Team (CCEDAT) for major prospects/expansion opportunities.
- 3.4. Strengthen and build on Chester County's key industry clusters.
 - 3.4.1. Expand current industry cluster partnership programs and services beyond workforce issues to address additional industry needs and concerns.
 - 3.4.2. Build/expand formal industry cluster partnerships around targeted industries: BioPharma/Life Sciences (including Healthcare); Advanced Manufacturing (including Optics/Lasers); IT/Information Systems (including Medical Information, Individual Data Record Management, Business Services Software/Technology, Web Design, App Development, and Search Engine Development).
 - 3.4.3. Evaluate the need/opportunity for additional industry cluster partnerships.
 - 3.4.4. Establish necessary/desirable industry partnerships based on available resources.
- 3.5. Preserve and expand agriculture as a critical component of Chester County's economy.
 - 3.5.1. Preserve and expand business and economic development services to farmers in Chester County.
 - Explore sector opportunities in the mushroom and dairy industries, including agricultural mechanics and technology initiatives.
 - Form a task force to review ordinances and regulations affecting agriculture in the county.

WIKIPEDIA

When searching for information on communities using Google or another search engine, Wikipedia entries often rank near the top of the search results. Consequently, Wikipedia is frequently the first (and sometimes only) source of information people will use to learn about a community. Currently, the Chester County description on Wikipedia is generic and offers very little in terms of interesting information on the community for either businesses or visitors. To edit the site, CCEDC will need to register with Wikipedia. There is an "Edit" tab in the upper right corner of the page. Clicking on this tab allows users to update and introduce new content and photos to the page.



- Evaluate supply chain issues and options related to storage, refrigeration, and distribution.
 - Continue to promote financing options for farmers, including the Next Generation Farm Loan program and other state and federal financing programs.
- 3.5.2. Consider the development of a dedicated Agricultural Center in Chester County.
- 3.5.3. Explore opportunities and foster growth of farm business incubators within the county.
- 3.5.4. Utilize Chester County's Agricultural Development Council to increase public awareness of agricultural issues and activities in Chester County.
- Support the Ag Development Council's efforts to promote locally grown and produced products.
- 3.5.5. Maximize the business potential of farmland using information resources to match farmers with land opportunities. (e.g., PA FarmLink).
- 3.5.6. Explore the benefits of a center of excellence for the equine industry and/or veterinary medicine through the New Bolton Center.
- 3.5.7. Support ancillary agricultural programs consistent with Chester County's agricultural base (e.g., farm to table, Agritainment, etc.)
- 3.5.8. Explore the "slow money" concept as it relates to agriculture in Chester County. If there is local interest, work with local agricultural stakeholders to establish a local chapter. (www.slowmoney.org)
- 3.6. Increase capacity to provide technical assistance and business support services.
- 3.6.1. Promote an "easy access gateway" approach for countywide business assistance, including the SBDC, SCORE, County chambers, and other organizations.
- 3.6.2. Expand the range of business services available to Chester County businesses.
- 3.6.3. Improve and expand the marketing and promotion of export assistance programs at the state and regional level to provide expanded support to Chester County companies.
- 3.6.4. Foster economic cultural inclusion through expanded outreach and services to minority entrepreneurs and businesses.

CHESTER COUNTY MANAGING FOR RESULTS (MFR) GOAL

By 2019, agriculture will continue to provide Chester County the unique opportunity to enhance quality of life while contributing significantly to business growth by achieving a 10% growth in the market value of agricultural production in Chester County.

(This goal is part of the county's managing for results process and is included here to put it in the context of the most closely related VISTA 2025 strategies.)

- 3.7. Expand CCEDC's role as the portal to financing programs for businesses looking to start, continue, expand, or locate in Chester County.
 - 3.7.1. Enhance/expand capacity for accessing state and federal business loan and grant programs.
 - 3.7.2. Enhance/expand communication with the banking industry regarding Chester County business financing needs and opportunities.
 - 3.7.3. Establish stronger connections with Philadelphia region and national venture capital networks to enhance access to early stage financing for Chester County start-ups and entrepreneurs.
 - 3.7.4. Establish stronger connections with Philadelphia region Angel investor networks to enhance access to early stage financing for Chester County start-ups and entrepreneurs.
 - 3.7.5. Establish and build on a Chester County event/program to showcase early stage companies.
 - 3.7.6. Utilize financing mechanisms such as New Market Tax Credits (NMTC) for economic development projects that meet NMTC program requirements.
 - 3.7.7. Develop the capacity to utilize EB-5 financing to support projects suitable for that funding approach.
 - 3.7.8. Evaluate emerging crowd funding options to meet the needs of Chester County companies and real estate developers.
 - 3.7.9. Leverage existing lending expertise to broaden the county's range of business and development financing.
- 3.8. Improve access to capital for start-ups and early stage business ventures.
 - 3.8.1. Fully utilize state and federal tax credit programs to support capitalization of early stage companies (e.g., KIZ, R&D).
 - 3.8.2. Establish a pre-seed fund through monetary and in-kind donations.
 - 3.8.3. Encourage the formation of an Angel investor network in Chester County, and form a syndication network with other Southeastern Pennsylvania Angel networks to bolster deal flow.
 - 3.8.4. Actively market qualified Chester County-based startups to the Angel Investor Network.
 - 3.8.5. Encourage and support local entrepreneurs to pursue federal Small Business Innovation Research (SBIR) grants, Small Business Technology Transfer program (STTR), and other federal programs available to entrepreneurs.

CHESTER COUNTY MANAGING FOR RESULTS (MFR) GOAL

By 2016, establish a \$1 million revolving loan fund/loan guarantee program to invest in 10-20 startup/early stage Chester County companies.

By 2016, establish a county wide network of venture capital/angel investors to create a pool of \$1 million to invest in 10-20 startup/early stage Chester County companies

(Both of these goals are part of the county's managing for results process and are included here to put it in the context of the most closely related VISTA 2025 strategies.)

GOAL 4. ESTABLISH AN INNOVATION CULTURE THAT SUPPORTS ENTREPRENEURSHIP AND BUSINESS GROWTH.

Economic health is not a static goal, and preservation alone cannot ensure a vibrant economy. Successful economies are increasingly tied to the presence of knowledge workers. These individuals, in turn, expect the resources that support innovation: they require the presence of higher education and R&D facilities. This case has been made successfully by Richard Florida, by the University Economic Development Association (UEDA), and by numerous other researchers. While Chester County has a high concentration of knowledge workers, it does not have the ecosystem to support them.

While major urban areas are obvious centers for higher education and R&D, building innovation capacity outside a major city is challenging. The circumstances that allowed Vanguard and other companies to flourish in Chester County were not the product of an economic strategy. To build on that success will require a higher education infrastructure far beyond its current status. In fact, this strategy advocates for treating higher education as a target industry sector similar to advanced manufacturing or life sciences. This includes both attracting new higher education investment and supporting the expansion of existing institutions. Increasing higher education opportunities for workers and residents will not only enhance entrepreneurial and innovation ecosystem in the county, it will enhance the competitiveness of existing businesses.

As a long-term goal, Chester County will need to build research platforms that involve industry and higher education. These will allow entrepreneurship to sustain the growth of technology companies. This effort is the most ambitious of the strategy. It cannot be achieved in a short time frame. It requires long-term commitment on behalf of the entire county as well as CCEDC. Recommended strategies for pursuing this goal include: exploring the potential for developing a mixed-use higher education center in the county, increasing the supply of wet lab space available to small life science companies and entrepreneurs, establishing a technology conference, and expanding access to capital for entrepreneurs and early stage ventures.

STRATEGIES

4.1. Pursue higher education as a long-term target sector.

- 4.1.1. Establish a higher education partnership to promote dialogue regarding college and university roles in innovation and economic development.
- 4.1.2. Explore opportunities to develop an Innovation Campus: a multi-institution, mixed-use, higher education/research center in the county.

4.2. Grow the bio-pharma/life sciences industry cluster with additional support for small Bio-pharma/life sciences companies.

- 4.2.1. Perform a competitive analysis on the availability and cost differentials of laboratory, space, equipment, and services in the region (e.g., Science Center in Philadelphia and Drexel Bio Center in Bucks County).
- 4.2.2. Explore the potential for further developing small lab space options for start-up early-stage bio-pharma companies. (e.g., Innovation Center at Eagleview)
- 4.2.3. Increase the marketing and visibility of existing vacant, lab-related real estate (especially smaller lab space options) in the county.

ROUND ROCK MASTER PLAN FOR HIGHER EDUCATION

To enhance its ability to attract and develop talent, the City of Round Rock, Texas, developed a Master Plan for Higher Education. The City collaborated with Texas State University, Texas A&M Health Science Center, Austin Community College, and Round Rock Independent School District to develop the plan. These institutions partnered with private developers to locate education facilities in close proximity to a mixed-use master planned community as well as a hospital.

www.roundrocktexas.gov/highereducation

- 4.2.4. Clarify the emerging role of Contract Research Organizations (CRO) in the life sciences industries in Chester County (and nationally) and develop programs to support and attract them.
- 4.2.5. Build on existing links between County CROs and the larger Bio/Pharma sector to establish stronger industry connections.
- 4.3. Enhance the county's entrepreneurship and innovation ecosystem, infrastructure, and services.
 - 4.3.1. Add to the emerging location/space options that are supportive of start-up and early-stage companies (e.g. Evolve IP, Walnut Street Labs, etc.)
 - 4.3.2. Set the stage for a larger technology conference by initiating an industry speaker series around subjects like Internet security and privacy, and extend to conferences that attract wider participation. This recommendation should involve the Greater Philadelphia area, as these events favor a denser urban environment.
 - 4.3.3. Establish a targeted industry technology conference, co-hosted by local companies, built on a similar platform to that of SXSW Interactive.
 - 4.3.4. Continue fostering collaboration among higher education, the private sector, the public sector, and non-profits to promote a more entrepreneurial culture and train entrepreneurial leadership and talent.
 - 4.3.5. Leverage entrepreneurial leadership, organizations, and incubators in the Philadelphia region to create broader networks to support local entrepreneurial activity. This can be accomplished through interlinking board memberships, presentations to Philadelphia organizations (such as the Ben Franklin Partnerships), and the sponsorship of showcase events.
 - 4.3.6. Interact with other innovative regions worldwide to learn/update best practices.
 - 4.3.7. Enhance the existing network of seasoned entrepreneurs, business service providers, financing experts, and technical experts willing to volunteer time to work with the most promising ventures. (e.g., SCORE)
 - 4.3.8. Create a relationship map for entrepreneurs documenting possible collaborative resources that can support business growth, with access to Southeastern Pennsylvania's network of business services, technical know-how, and capital sources.
- 4.4. Focus on building R&D capacity within Chester County.
 - 4.4.1. Identify and categorize current R&D capacity and activities within Chester County.
 - 4.4.2. Establish specific steps to augment/expand R+D capacity, especially in targeted industry cluster areas.
 - 4.4.3. Increase technology transfer activity.
- 4.5. Establish a "delivery lab" model for startup companies. Identify and recruit entrepreneurial talent around a problem-solving model, rather than as generic incubator start-ups. The first of these could address Internet identity and security. In addition to existing corporate interest, the lab should also work with the medical industry both in Chester County directly and in the Philly metro area.
 - 4.5.1. Identify location and research focus for initial "delivery lab" incubator.
 - 4.5.2. Secure funding and establish initial "delivery lab" incubator.

SXSW V2V

Launched in 2013, SXSW V2V is the newest addition to the SXSW family of events. SXSW V2V is a four-day event in Las Vegas that brings the startup and venture capital communities together with creative industries. Innovators and entrepreneurs in such industries as technology, music, film, fashion, health, education, and sustainability learn the skills, make the connections, and find the inspiration to take their ideas and talents to the next level.

<http://sxswv2v.com/>

Overall, infrastructure in Chester County is generally positive. However, like most locations, there are improvements that can work to enhance local economic performance. Transportation emerged as one of the few concerns residents expressed in the Community Questionnaire. One-third of respondents disagreed that it is easy to get around the county. In addition, as can be seen in the adjacent image, improving transportation infrastructure and access was cited as the main need for positioning the county for the future. Solutions to this problem are long-term and will involve investments in roads (e.g., Route 30/Route 30 Bypass), non-auto transportation infrastructure (e.g., rail, bike, and pedestrian), and

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STRATEGIES

- 5.1. On an annual basis, identify the top five transportation improvements that support economic development in targeted growth corridors.
 - 5.1.1. Survey Chester County companies to assist in development of the top five list.
- 5.2. Support and capitalize on PennDOT planned investment in Keystone Corridor track and station improvements.
 - 5.2.1. Identify and support Transit Oriented Development (TOD) opportunities in communities with stations on the Keystone Corridor.
- 5.3. Support the extension of sewer and water infrastructure in the targeted growth corridor between Route 1 and the East Penn Railroad.
 - 5.3.1. Identify public and private financing options for extending sewer and water infrastructure in this corridor.
- 5.4. Support improvements to the Route 30/Route 30 Bypass growth corridor that expand opportunities for economic development in the corridor.
 - 5.4.1. Prioritize improvements to the Airport Road/Route 30 Bypass interchange to support and encourage development in the Chester County Airport area.
 - 5.4.2. Complete proposed multi-modal study to identify traffic and transit issues and options.
- 5.5. Preserve and expand sites within the county most appropriate for higher intensity employment.
 - 5.5.1. Consider an economic development land conservancy focused on preserving industrial or commercial sites in targeted development corridors.

The objective of this action is to ensure that land suitable for economic development not be lost to low intensity development. This can be achieved through aggressive land acquisition or through advocacy for preferred development
 - 5.5.2. Encourage local townships to consider zoning and land development ordinances that promote the redevelopment of suburban office parks into mixed-use commercial centers to better respond to changing business demands.
- 5.6. Support the emerging regional retail/restaurant destination development in West Chester and Phoenixville.
 - 5.6.1. Evaluate the use of Pennsylvania's P3 program as it relates to long-term prospects for extending passenger rail service to West Chester & Phoenixville.
- 5.7. Consider options for improving transit access to Route 202/Great Valley office park developments to expand employee commuting alternatives.
 - 5.7.1. Work with the Chester County TMACC to identify viable options.
- 5.8. Consider alternative ways to encouraging/supporting economic development along Route 724 on approved development sites in corridor communities.
 - 5.8.1. Assist Route 724 communities with the development of appropriate strategies and provide implementation assistance.
- 5.9. Work with the Chester County Planning Commission to improve the county's transportation infrastructure, including the expansion of rail, bike, and pedestrian infrastructure.

HIGHER INTENSITY EMPLOYMENT

Higher intensity employment refers to the wage structure of those employed, as well as the capital investment in the facility. This contrasts with low intensity employment associated with warehousing and distribution.

- 5.9.1. Create a task force to address the economic importance of infrastructure improvements to all the county growth corridors.
- 5.10. Evaluate options to ensure an adequate supply of workforce housing for all wage levels.
 - 5.10.1. Implement identified workforce-housing strategies.
 - 5.10.2. Update/analyze impacts of current supply and demand for workforce housing on county business growth
 - 5.10.3. Develop specific strategies to support meeting demand.
- 5.11. Evaluate the condition of the freight railroad system serving Chester County businesses and develop priorities for improvements.
 - 5.11.1. Identify necessary improvements to maintain quality service to rail served businesses.
 - 5.11.2. Identify resources and implement necessary improvements.
- 5.12. Prioritize improvements to Chester County airport(s) that support economic development in airport areas.
 - 5.12.1. Develop list of key airport improvements that will contribute to economic growth.
- 5.13. Utilize state and federal assistance programs (LERTA, KOZ, TIF, etc.) to support critical infrastructure needs in targeted growth corridors.
 - 5.13.1. Provide technical assistance and application preparation (fee based) for projects that improve infrastructure.

IMPLEMENTATION MATRIX

STRATEGIES	TIMELINE					POSSIBLE IMPLEMENTING PARTIES
	Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
GOAL 1. MAINTAIN AND ENHANCE “QUALITY OF PLACE” AS A KEY COMPONENT OF ECONOMIC HEALTH						
STRATEGY 1.1. Build understanding of the connection between “quality of place” and economic health.						
1.1.1. Continue to document the value of “quality of place” in supporting the ongoing economic health of Chester County.	◆					Land Conservancies/County/CCEDC
STRATEGY 1.2. Continue enhancing public recreational amenities and infrastructure that promote active living.						
1.2.1. Maintain and enhance parks and recreational facilities.	◆					County/City/Boroughs/Townships
1.2.2. Foster walkable downtowns as alternative residential locations for workers.	◆					City/Boroughs
1.2.3. Enhance trails and bikeways as amenities for workers and residents.	◆					County/City/Boroughs/Townships
STRATEGY 1.3. Preserve and protect natural lands in the county, especially in those areas not in targeted opportunity corridors.						
1.3.1. Raise awareness about the economic benefits of natural lands including agricultural production, hunting, fishing and wildlife observation, recreational tourism, flood control, clean water, etc.	◆					Land Conservancies /County/ Townships/Boroughs
1.3.2. Partner with land conservancies to augment the supply of natural lands for passive recreation and outdoor healthy living activities.	◆					Land Conservancies/County/ Townships/Boroughs
1.3.3. Continue funding support for the county’s award-winning natural areas preservation program.	◆					County
1.3.4. Preserve the county’s historical assets in ways that promote economic development while retaining the aesthetic character of the county.	◆					Land Conservancies/County/ Townships/Boroughs
1.3.5. Foster the growth of arts and culture opportunities within the county, particularly in urban centers, to enhance the cultural tapestry of the county.	◆					County/Townships/Boroughs/ Arts and Culture Institutions
STRATEGY 1.4. Work with municipalities to develop approaches that allow Chester County’s suburban office parks to adapt to changing market realities and the growing demand for mixed-use development and lifestyle centers.						

STRATEGIES	TIMELINE					POSSIBLE IMPLEMENTING PARTIES
	Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
1.4.1. Establish a multidisciplinary task force to work with county municipalities regarding the importance of addressing the need for new land development and zoning options.		◆				CCPC/Boroughs/Townships/CCEDC
1.4.2. Develop and distribute “tools” to help municipalities forge new approaches that will lead to successful adaptations of the traditional suburban office park.			◆			CCPC/Boroughs/Townships/CCEDC
STRATEGY 1.5. Improve the communication and public awareness of social activities and events within the county.						
1.5.1. Establish a coordinated countywide calendar of events that utilizes social media.		◆				CCCVB/County/Boroughs/Townships/Venues/Chambers/CCEDC
1.5.2. Develop/implement a Chester County events and activities mobile app.			◆			CCCVB/County/Boroughs/Townships/Venues/Chambers/CCEDC
STRATEGY 1.6. Collaborate with the CCCVB and other tourism partners to enhance the county’s “quality of place”.						
1.6.1. Evaluate possible locations and a funding structure for an event venue for Chester County sufficient to handle major events (e.g. business conferences, technology events, etc.)				◆		CCCVB/County/CCEDC
1.6.2. Construct a Chester County event venue (subject to workable funding structure).					◆	CCCVB/County/CCEDC
1.6.3. Utilize potential of current “quality of place” assets (e.g. destination uses, artisanal tourism, farm/eco-tourism, historic assets/museums, place based events, etc.) to enhance recognition of Chester County as a desirable location.	◆					CCCVB/County/Boroughs/Townships/Venues/Chambers/CCEDC
STRATEGY 1.7. Establish new incentive grants for preparation of local economic development strategies and strategy implementation congruent with VISTA 2025.						
1.7.1. Provide a new source of funding to assist Chester County communities to prepare local economic development strategies.			◆			County/DCD/CCPC/CCEDC
1.7.2. Provide enhanced technical assistance to local municipalities in preparing economic development strategies and strategy implementation.	◆					CCEDC/Consultants
1.7.3. Develop and distribute marketing materials describing grants and technical assistance services.			◆			County/DCD/CCPC/CCEDC
STRATEGY 1.8. Establish an “urban area economic strategy” for the county’s boroughs.						

STRATEGIES	TIMELINE					POSSIBLE IMPLEMENTING PARTIES
	Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
1.8.1. Convene an event/create a forum for all County boroughs to discuss borough economic development issues.		◆				CCEDC/County/DCD/Boroughs
1.8.2. Provide preference or bonus allotments to Community Revitalization Program grants that achieve needed public infrastructure improvements and enhance the prospects for economic growth.	◆					County/DCD
1.8.3. Help the boroughs assess their regional/sub-regional or local economic market area potential to target programs and resources.	◆					CCEDC/CCPC/Consultants
1.8.4. Assist the boroughs with the development of appropriate strategies and implementation assistance.	◆					CCEDC/DCD/Consultants
STRATEGY 1.9. Implement a “city economic strategy” to promote and support the revitalization of the City of Coatesville.						
1.9.1. Develop programs/incentives to attract new, high density downtown investment (e.g. “Flats”, DEPG)		◆				City/CCEDC/County/RDA
1.9.2. Identify new options for increasing the City’s capacity to support new economic development.			◆			City/CCEDC/County/Foundations/ RDA
1.9.3. Implement a “Main Street” program.			◆			City/CCEDC/CCPC/CAPP/ Foundations
1.9.4. Implement a “transit office campus” development at Coatesville train station.			◆			RDA/City/CCEDC/Developer/ PennDOT/County
GOAL 2. POSITION CHESTER COUNTY AS A MAGNET FOR ATTRACTING TALENT AND A MODEL FOR BUILDING AN EMPLOYER READY WORKFORCE						
STRATEGY 2.1. Organize a Chester County Workforce and Education Summit and implement related activities.						
2.1.1. Convene a summit to focus on critical Chester County workforce issues.		◆				CCEDC/WIB/DCD/DCCC/CCIU/ High Schools/Colleges/Universities/ Employers
2.1.2. Conduct an annual assessment to monitor progress on matching employer expectations with education and training.	◆					CCEDC/WIB/DCD/DCCC/CCIU/ High Schools/Colleges/Universities/ Employers
2.1.3. Establish a joint private sector & educational institution task force to better align student preparation with industry requirements.	◆					CCEDC/WIB/DCD/DCCC/CCIU/ High Schools/Colleges/Universities/ Employers
2.1.4. Establish a Next Generation Task Force to address intergenerational workforce issues.		◆				CCEDC/WIB/DCD/DCCC/CCIU/ High Schools/Colleges/Universities/ Employers

STRATEGIES	TIMELINE					POSSIBLE IMPLEMENTING PARTIES
	Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
STRATEGY 2.2. Address industry concerns with maintaining and advancing the skill level of incumbent workers.						
2.2.1. Determine possible sources of support for additional incumbent worker training.			◆			WIB/DCD/CCEDC/Employers
STRATEGY 2.3. Collaborate with the CCCVB and other tourism partners to enhance recognition of the County's "quality of place" and strengthen the County's attractiveness to businesses and employees.						
2.3.1. Work with the CCCVB to broaden talent and business outreach efforts.	◆					CCCVB/CCEDC/Chambers
2.3.2. Develop a joint marketing theme that highlights Chester County's "quality of place" and distinguishes it as a prime location for employee and business location.		◆				CCEDC/CCCVB/County/Chambers
2.3.3. Include a prominent link on the CCCVB website to the CCEDC website with information on Chester County as a location for employees and businesses.		◆				CCCVB/CCEDC/Chambers
2.3.4. Utilize key tourist attractions to build on the county "quality of place" in order to market to and attract key companies and worker talent.			◆			CCCVB/CCEDC/Chambers
2.3.5. Establish/maintain database of Chester County quality of place statistics/reports and utilize database information in marketing activities.		◆				CCCVB/CCEDC/Chambers
2.3.6. Compile/update inventory of "quality of place" contributors including destination uses, artisanal tourism, eco-tourism, place based/event tourism, sporting events, historic /museum assets, etc. and utilize in marketing activities.		◆				CCCVB/CCEDC/Chambers
STRATEGY 2.4. Develop a campaign to expand the awareness and perception among local youth regarding the breadth and depth of career opportunities in Chester County.						
2.4.1. Design a branded initiative that offers physical and digital marketing materials describing middle skill job opportunities to targeted audiences.			◆			CCEDC/DCD/DCCC/WIB/STEM Schools/Private Companies
2.4.2. Hold annual career days for local high schools focused on advance technology and middle skill jobs.	◆					CCEDC/WIB/DCD/STEM Schools/Private Companies
2.4.3. Organize industry tours that showcase advanced technology/middle skill jobs.	◆					CCEDC/WIB/DCD/MACCD/STEM Schools/Private Companies
2.4.4. Create additional apprenticeship and/or internship programs for young adults focused on advance technology and middle skill jobs.				◆		CCEDC/WIB/DCD/MACCD/STEM Schools/DCCC/Private Companies

STRATEGIES	TIMELINE					POSSIBLE IMPLEMENTING PARTIES
	Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
STRATEGY 2.5. Explore the creation of public and/or private incentive programs designed to attract and retain college graduates to Chester County through repayment of student loans.						
2.5.1. Examine LiveNF (www.live-nf.com) as a potential model.		◆				CCEDC/WIB/DCD/Private Companies
2.5.2. Develop pilot incentive program.			◆			CCEDC/WIB/DCD/Private Companies Foundations
STRATEGY 2.6. Expand awareness of WIB and CareerLink programs to ensure all workforce segments are adequately served.						
2.6.1. Expand/improve outreach efforts and build strong connections with employers through new workforce initiatives.		◆				DCD/CCEDC/CareerLink
2.6.2. Build on the success and brand development of <i>Hire One</i> and <i>CareerLink</i> to increase assistance to long term unemployed.			◆			DCD/CCEDC/CareerLink
STRATEGY 2.7. Engage with key economic development resources, industry groups, and professional networks in the greater Philadelphia region.						
2.7.1. Join key regional industry associations and professional networks to remain current on critical issues, build stronger networks and leverage resources.	◆					CCEDC/WIB/DCD
2.7.2. Attend conferences and trade shows held in Philadelphia by national industry organizations.	◆					CCEDC/WIB/DCD
2.7.3. Identify and assist existing companies with talent recruitment challenges and opportunities.	◆					CCEDC/WIB/DCD
STRATEGY 2.8. Identify and promote opportunities for emerging leaders and young professionals.						
2.8.1. Continue supporting and expanding Emerging Leaders of Chester County, Leadership Chester County, the Chester County Youth Leadership Program, and similar programs. Consider consolidating and unifying these initiatives.	◆					CCEDC/County/Chambers
2.8.2. Encourage emerging leaders to apply for seats on county, local, and non-profit boards and commissions.	◆					CCEDC/County/Chambers
STRATEGY 2.9. Recruit former students at local colleges, universities, and high schools to “come back to Chester County” by highlighting and promoting Chester County employment options/opportunities.						

STRATEGIES	TIMELINE					POSSIBLE IMPLEMENTING PARTIES
	Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
2.9.1. Utilize alumni networks and social media to highlight new business investments and employment opportunities.	◆					High Schools/Colleges/Universities CCEDC/WIB/DCD
2.9.2. Develop marketing materials and a quarterly newsletter to inform former residents of opportunities and events.		◆				CCEDC/WIB/DCD/High Schools/Colleges/Universities
GOAL 3. EXPAND BUSINESS ATTRACTION AND RETENTION EFFORTS WITH A FOCUS ON TARGETED INDUSTRY CLUSTERS						
STRATEGY 3.1. Strengthen the county's Business Retention and Expansion (BRE) program.						
3.1.1. Maintain and expand a countywide database of existing primary employers.		◆				CCEDC
3.1.2. Prepare and administer an annual online "Take the Pulse" business survey.		◆				CCEDC/Chambers
3.1.3. Improve and enhance the utilization of Customer Relations Management software to better monitor business issues and concerns.	◆					CCEDC
3.1.4. Formalize CCEDC's on-site employer visitation program to ensure consistency and build relationships with key employers.			◆			CCEDC/Chambers
3.1.5. For those employers with headquarters located outside of Chester County, establish relationships by meeting face to face with executives from the headquarters, either in their home office or on a trip to Chester County.			◆			CCEDC
3.1.6. Build on the VISTA 2025 focus group experience to establish more formal and regular business roundtable discussions and industry cluster partnership meetings.		◆				CCEDC
3.1.7. Develop a county based, broader, more comprehensive "early warning" and "rapid response" strategy for identifying and responding to potential layoffs or plant closures.			◆			CCEDC/County/DCD/Chambers
3.1.8. Develop a county "in-sourcing" program to connect county based company supply chain requirements with county based company suppliers.			◆			CCEDC/Chambers
STRATEGY 3.2. Increase the visibility of Chester County to employers and potential investors/employers outside of the county.						
3.2.1. Establish a Chester County joint messaging strategy and marketing theme that can be used as part of the marketing efforts by all county agencies.		◆				CCEDC/County/CCCVB/Chambers

STRATEGIES		TIMELINE					POSSIBLE IMPLEMENTING PARTIES
		Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
3.2.2.	Design a set of marketing materials that incorporates the joint marketing theme, including the “quality of place” message, targeted at general new business investment prospects.		◆				CCEDC/County/Chambers/Brokers
3.2.3.	Develop marketing materials that speak directly to the needs of Chester County’s targeted industry clusters.		◆				CCEDC
3.2.4.	Develop data and information essential to site location consultants to be available on a website.		◆				CCEDC
3.2.5.	Develop social media tools and strategies to augment distribution of Chester County marketing information.		◆				CCEDC/County
3.2.6.	Utilize and expand the newly developed Chester County interactive office/industrial parks map as part of the marketing process.		◆				CCEDC
3.2.7.	Actively manage the county’s Wikipedia description to ensure that it accurately reflects the county’s economic strengths and opportunities.	◆					CCEDC/County
3.2.8.	Organize an annual familiarization tour for brokers, developers, and site selectors in the Philadelphia region.			◆			CCEDC/Brokers/Developers
3.2.9.	Link industry attraction efforts to areas of talent strength in the county.			◆			CCEDC
3.2.10.	Actively recruit early stage companies involved in internet security and identity, as well as bioscience and health informatics.			◆			CCEDC
STRATEGY 3.3. Enhance the county’s ability to respond to prospects and attract new business growth.							
3.3.1.	Formalize a tracking system for companies interested in Chester County.		◆				CCEDC
3.3.2.	Coordinate prospect identification and handling efforts with the State of Pennsylvania, the Greater Philadelphia region (Select Greater Philadelphia), and PECO.	◆					CCEDC/Chambers
3.3.3.	Create a Chester County Economic Development Action Team (CCEDAT) for major prospects/expansion opportunities.		◆				CCEDC/County/DCD
STRATEGY 3.4. Strengthen and build on Chester County’s key industry clusters.							
3.4.1.	Expand current industry cluster partnership programs and services beyond workforce issues to address additional industry needs and concerns.		◆				CCEDC/Industries

STRATEGIES		TIMELINE					POSSIBLE IMPLEMENTING PARTIES
		Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
3.4.2.	Build/expand formal industry cluster partnerships around targeted industries: BioPharma/Life Sciences (including health care); Advanced Manufacturing (including Optics/Lasers); IT/Info Systems (including medical information, individual data record management and business services software/technology, Web-based design, app development, and search engine development.)			◆			CCEDC/Industries
3.4.3.	Evaluate the need/opportunity for additional industry cluster partnerships.		◆				CCEDC/Industries
3.4.4.	Establish necessary/desirable industry cluster partnerships based on available resources.			◆			CCEDC/Industries
STRATEGY 3.5. Preserve and expand agriculture as a critical component of Chester County's economy.							
3.5.1.	Promote and expand business and economic development services to farmers.		◆				CCEDC/County/
3.5.2.	Consider the development of a dedicated Agricultural Center.				◆		CCEDC/County/ Ag. Dev. Council
3.5.3.	Explore opportunities and foster growth of farm business incubators within the county.			◆			CCEDC/County/ Ag. Dev. Council
3.5.4.	Utilize Chester County's Agricultural Development Council to increase public awareness of agricultural issues and activities in Chester County.	◆					CCEDC/County/ Ag. Dev. Council
3.5.5.	Maximize the business potential of farm land using information resources to match farmers with land opportunities. (e.g. PA FarmLink).	◆					CCEDC/County/ Ag. Dev. Council
3.5.6.	Continue County funding support for agricultural land preservation program.	◆					County
3.5.7.	Explore the benefits of a center of excellence for the equine industry and/or veterinary medicine through the New Bolton Center.			◆			CCEDC/County/ Ag. Dev. Council
3.5.8.	Support ancillary agricultural programs consistent with Chester County's agricultural base (e.g. farm to table, Agritainment, etc.			◆			CCEDC/County/ Ag. Dev. Council
3.5.9.	Explore the "slow money" concept as it relates to agriculture in Chester County (www.slowmoney.org).			◆			CCEDC/County/ Ag. Dev. Council
STRATEGY 3.6. Increase capacity to provide technical assistance and business support services.							
3.6.1.	Promote an "easy access gateway" approach for countywide business assistance, including the SBDC, SCORE, County chambers, and other organizations.		◆				CCEDC

STRATEGIES	TIMELINE					POSSIBLE IMPLEMENTING PARTIES
	Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
3.6.2. Expand the range of business services available to Chester County businesses.			◆			CCEDC/Chambers
3.6.3. Improve and expand the marketing and promotion of export assistance programs at the state and regional level to provide expanded support to Chester County companies.			◆			CCEDC/WTCGP/USEAC
3.6.4. Foster economic cultural inclusion through expanded outreach and services to minority entrepreneurs and businesses.			◆			CCEDC
STRATEGY 3.7. Expand financing programs for businesses looking to start, continue, expand, or locate in Chester County.						
3.7.1. Enhance/expand capacity for accessing state and federal business loan and grant programs.			◆			CCEDC/CCIDA
3.7.2. Enhance/expand communication with the banking industry regarding Chester County business financing needs and opportunities.			◆			CCEDC/CCIDA/Banks
3.7.3. Establish stronger connections with Philadelphia region and national venture capital networks.	◆					CCEDC
3.7.4. Establish stronger connections with Philadelphia region Angel investor networks.	◆					CCEDC
3.7.5. Establish and build on a Chester County event/program to showcase early stage companies.			◆			CCEDC
3.7.6. Utilize financing mechanisms such as New Market Tax Credits (NMTC).			◆			CCEDC
3.7.7. Develop the capacity to utilize EB-5 financing to support projects suitable for that funding approach.			◆			CCEDC
3.7.8. Evaluate emerging crowd funding options to meet the needs of Chester County companies and real estate developers.			◆			CCEDC
3.7.9. Leverage existing lending expertise to broaden range of business and development financing.		◆				CCEDC/CCIDA
STRATEGY 3.8. Improve access to capital for start-ups and early stage business ventures.						
3.8.1. Fully utilize state and federal tax credit programs to support capitalization of early stage companies (e.g. KIZ, R&D).	◆					CCEDC/BFTC
3.8.2. Establish a pre-seed fund through monetary and in-kind donations. Consider linking this fund to the “delivery lab.”				◆		CCEDC/BFTC/Investors/CCIDA

STRATEGIES	TIMELINE					POSSIBLE IMPLEMENTING PARTIES
	Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
3.8.3. Encourage the formation of an Angel investor network in Chester County, and form a syndication network with other Southeastern Pennsylvania Angel networks to bolster deal flow.				◆		CCEDC/Investors/BFTP
3.8.4. Actively market qualified Chester County-based start-ups to the Angel Investor Network.		◆				CCEDC/Investors/BFTP
3.8.5. Encourage and support local entrepreneurs to use Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) grants.	◆					CCEDC/SBDC/BFTP
GOAL 4. ESTABLISH AN INNOVATION CULTURE THAT SUPPORTS ENTREPRENEURSHIP AND BUSINESS GROWTH						
STRATEGY 4.1. Pursue higher education as a long-term target sector.						
4.1.1. Establish a higher education partnership to promote dialogue regarding college and university role in innovation and economic development.		◆				CCEDC/Colleges and Universities
4.1.2. Explore opportunities to develop an Innovation Campus: a multi-institution, mixed-use, higher education/research center.			◆			CCEDC/Colleges and Universities
STRATEGY 4.2. Grow the bio-pharma/life sciences industry cluster.						
4.2.1. Perform a competitive analysis on the availability and cost differentials of laboratory, space, equipment, and services in the region.		◆				CCEDC/Consultant/PA BIO/BFTP
4.2.2. Explore the potential for developing additional small lab space options for start-up early-stage bio-pharma companies. (e.g. Innovation Center at Eagleview.)			◆			CCEDC/Developers/PA Bio
4.2.3. Increase the marketing and visibility of existing vacant lab-related real estate in the county.		◆				CCEDC/Developers/Brokers/PA BIO
4.2.4. Clarify the emerging role of Contract Research Organizations (CRO) in the life sciences industries and develop programs to support and attract them.		◆				CCEDC/BFTP/PA BIO
4.2.5. Build on existing links between County CROs and the larger bio/pharma to establish stronger industry connections.			◆			CCEDC/PA BIO
STRATEGY 4.3. Enhance the county's entrepreneurship and innovation ecosystem, infrastructure, and services.						
4.3.1. Add to the emerging location/space options that are supportive of start-up and early-stage companies (e.g. Evolve IP, Walnut Street Labs, etc.).			◆			CCEDC/BFTP
4.3.2. Set the stage for a larger technology conference by initiating an industry speaker series.		◆				CCEDC/Chambers/PA BIO/BFTP/PACT

STRATEGIES	TIMELINE					POSSIBLE IMPLEMENTING PARTIES
	Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
4.3.3. Establish a targeted industry cluster technology conference, co-hosted by local companies.				◆		CCEDC/BFTP
4.3.4. Continue fostering collaboration among higher education, the private sector, the public sector, and non-profits to promote a more entrepreneurial culture and train entrepreneurial leadership and talent.	◆					CCEDC/Colleges and Universities/ PA BIO/BFTP/County
4.3.5. Leverage entrepreneurial leadership, organizations, and incubators in the Philadelphia region to create broader networks to support local entrepreneurial activity.			◆			CCEDC/Colleges and Universities/ PA BIO/BFTP/County
4.3.6. Interact with other innovative regions worldwide to learn/update best practices.	◆					CCEDC
4.3.7. Enhance the existing network of seasoned entrepreneurs, business service providers, financing experts, and technical experts.			◆			CCEDC
4.3.8. Create a relationship map for entrepreneurs documenting possible collaborative resources that can support business growth.			◆			CCEDC
STRATEGY 4.4. Focus on building R&D capacity within Chester County.						
4.4.1. Identify and categorize current R&D capacity and activities within Chester County.		◆				Colleges/Universities/Private Companies
4.4.2. Establish specific steps to augment/expand R+D capacity, especially in targeted industry cluster areas.			◆			Colleges/Universities/Private companies
4.4.3. Increase technology transfer activity.				◆		Colleges/Universities/Private companies
STRATEGY 4.5. Establish a “delivery lab” model for startup companies.						
4.5.1. Identify location and research focus for initial “delivery lab” incubator.				◆		CCEDC
4.5.2. Secure funding and establish initial “delivery lab” incubator.				◆		CCEDC
GOAL 5. SUPPORT CRITICAL INFRASTRUCTURE IN TARGETED CORRIDORS OF OPPORTUNITY						
STRATEGY 5.1. On an annual basis, identify the top five transportation improvements that support economic development in targeted opportunity corridors.						
5.1.1. Survey Chester County companies to assist in development of the top five list.		◆				CCEDC
STRATEGY 5.2. Support and capitalize on PennDOT planned investment in Keystone Corridor track and station improvements.						

STRATEGIES	TIMELINE					POSSIBLE IMPLEMENTING PARTIES
	Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
5.2.1. Identify and support Transit Oriented Development (TOD) opportunities in communities with stations on the Keystone Corridor.			◆			CCEDC/TMACC/County/Boroughs/Townships
STRATEGY 5.3. Support the extension of sewer and water infrastructure in the targeted growth corridor between Route 1 and the East Penn Railroad.						
5.3.1. Identify public and private financing options for extending sewer and water infrastructure in this corridor.			◆			CCEDC/Route 1 Committee/CCPC
STRATEGY 5.4. Support improvements to the Route 30/Route 30 Bypass growth corridor that expand opportunities for economic development in the corridor.						
5.4.1. Prioritize improvements to the Airport Road/Route 30 Bypass interchange to support and encourage development in the Chester County Airport area.		◆				CCEDC/CCPC
5.4.2. Complete proposed multi-modal study to identify traffic and transit issues and options.			◆			CCEDC/CCPC/Communities
STRATEGY 5.5. Preserve and expand sites within the county most appropriate for higher intensity employment.						
5.5.1. Consider an economic development land conservancy focused on preserving industrial or commercial sites in targeted development corridors.			◆			CCEDC
5.5.2. Encourage local townships to consider zoning and land development ordinances that promote the redevelopment of suburban office parks into mixed-use commercial centers.			◆			CCATO/CCEDC
STRATEGY 5.6. Support the emerging regional retail/restaurant destination use development in West Chester and Phoenixville.						
5.6.1. Evaluate the use of Pennsylvania's P3 program as it relates to long-term prospects for extending passenger rail service to West Chester & Phoenixville.				◆		TMACC/CCEDC/County/State
STRATEGY 5.7. Consider options for improving transit access to Route 202/Great Valley office park developments to expand employee commuting alternatives.						
5.7.1. Work with the Chester County TMACC to identify viable options.			◆			TMACC/CCEDC
STRATEGY 5.8. Consider alternative approaches to encouraging/supporting economic development along Route 724 on approved development sites in corridor communities.						

STRATEGIES	TIMELINE					POSSIBLE IMPLEMENTING PARTIES
	Ongoing	0-12 mos.	12-24 mos.	2-5 yrs.	5-10 yrs.	
5.8.1. Assist Route 724 communities with the development of appropriate strategies and implementation assistance.			◆			CCEDC
STRATEGY 5.9. Work with the Chester County Planning Commission to improve the county's transportation infrastructure, including the expansion of rail, bike, and pedestrian infrastructure.						
5.9.1. Create a task force to address the economic importance of infrastructure improvements to all the county growth corridors.		◆				CCEDC/CCPC
STRATEGY 5.10. Evaluate options to ensure an adequate supply of workforce housing for all wage levels.						
5.10.1. Implement identified workforce housing strategies.				◆		CCPC/DCD/CCEDC
5.10.2. Update/analyze impacts of current supply and demand for workforce housing on county business growth			◆			CCPC/DCD/CCEDC
5.10.3. Develop specific strategies to support meeting the demand.			◆			CCPC/DCD/CCEDC
STRATEGY 5.11. Evaluate the condition of the freight railroad system serving Chester County businesses and develop priorities for improvements.						
5.11.1. Identify necessary improvements to maintain quality service to rail-served businesses.		◆				CCEDC/Railroads/Rail-served Companies
5.11.2. Identify resources and implement necessary improvements.				◆		CCEDC/Railroads/Rail-served Companies
STRATEGY 5.12. Prioritize improvements to the Chester County airport(s) that support economic development in airport areas.						
5.12.1. Develop list of key airport improvements that will contribute to economic growth.			◆			CCEDC/Airports
STRATEGY 5.13. Utilize state and federal assistance programs (LERTA, KOZ, TIF, etc.) to support critical infrastructure needs in targeted growth corridors.						
5.13.1. Provide technical assistance and application preparation (fee based) for projects that improve infrastructure.	◆					CCEDC

PERFORMANCE METRICS

An important piece of any strategic plan is developing the metrics by which the success of the plan's implementation will be measured and tracked. The types of performance measures normally established and used by organizations include:

- **Input measures**, which identify the amount of resources needed to provide a particular product or service, including labor, materials, equipment, and supplies;
- **Output measures**, which represent the number of products or services provided, and focus on the level of activity involved in providing a service or making a product (workload measures are one of the most common type of output measures);
- **Efficiency measures**, also known as productivity measures, which reflect the cost of providing products or services, either in terms of dollars or time;
- **Quality measures**, which reflect the effectiveness in meeting the expectations of customers and stakeholders in providing a service or product, and can include reliability, accuracy, courtesy, competence, responsiveness, and completeness associated with the product or service provided; and
- **Outcome measures**, which reflect the actual results achieved with a service or a product.

While it is difficult to directly connect the success of any economic development plan to local-level macro-economic statistics (e.g., median household income), tracking some economic indicators provides a general understanding of the relative economic health of Chester County. TIP recommends Chester County use the following indicators to measure program effectiveness and economic growth in the county.

Goal/Strategy	Metric	Data Source
Quality of Place	Percent of the population age 20-34	U.S. Census – American Community Survey (1-year estimates)
	Retail sales growth	Pennsylvania Department of Revenue
	Hotel room occupancy	Chester County CVB; Pennsylvania Department of Revenue
	Acreage preserved as protected open space	Chester County Planning Commission
Talent	Employer perception of ease of recruitment	Employer survey
	Employer perception of quality of the workforce	Employer survey
Business Development	Number of jobs created/retained	Pennsylvania Department of Labor & Industry; business interviews, surveys, and media reports
	Average wage of jobs created/retained	Pennsylvania Department of Labor & Industry; business interviews, surveys, and media reports
	Growth of private capital investment	Business interviews, surveys, and media reports
	Growth of commercial tax base	Chester County
	Number of companies assisted	CCEDC records
	Office square footage added to the local market (by geographic area)	Regional commercial office brokerage
	Industrial square footage added to the local market (by geographic area)	Regional commercial office brokerage
	Agricultural production	US Census of Agriculture (every 5 years); USDA National Agricultural Statistics Service (annual)
Entrepreneurship &	Population over age 25 with a bachelor's	U.S. Census – American Community Survey (1-

Goal/Strategy	Metric	Data Source
Innovation	degree or higher	year estimates)
	Percent of population enrolled in college or graduate school	U.S. Census – American Community Survey (1-year estimates)
	Number of new businesses formed	Business interviews, surveys, media reports
	Number and dollar value of VC deals	Business interviews, surveys, media reports
	SBIR/STTR awards	US Small Business Administration (www.SBIR.gov)
	Utility Patent Grants	US Patent & Trademark Office
Infrastructure	Acreage preserved for commercial and manufacturing uses	Chester County Planning Commission
	Median home Price	Chester County Planning Commission
	Mean travel time to work	Chester County Planning Commission

APPENDIX A: COMMUNITY INPUT QUESTIONNAIRE

INTRODUCTION

A key component of the VISTA 2025 process is learning how Chester County's economic opportunities and challenges are impacting its residents. The community questionnaire asked residents to provide their thoughts, ideas, and concerns in regards to the county's economy and the process of creating an economic development strategy. The questionnaire was available online via the VISTA 2025 website, resulted in 302 respondents, and closed July 1, 2014.

This summary report is divided into three sections. The first section provides information on the demographics of the people who filled out the questionnaire. Section 2 addresses how respondents rate specific economic development characteristics and attributes of Chester County. Section 3 summarizes responses to the open-ended questions in the questionnaire. Summaries of the open-ended responses are presented as a word cloud to illustrate the most common terms and phrases residents used in responding to each question. A list of the 28 questions is provided in Appendix 1.

SUMMARY OF FINDINGS

The majority of respondents were 40 to 64 years old; long-term residents; employed in full-time positions in the county; and in Management/Professional roles. Where most respondents are based in the county, a few work outside the county, primarily along the Philadelphia-Wilmington metropolitan corridor. Few respondents were less than 25 years old (2%), and an overwhelming percentage of respondents were over 40 years old (82%). Other notable groups of respondents included self-employed/independent contractors (18%), full-time employees based outside of the county (17%), and retirees (13%). Part-time employees were only nominally represented (4%).

Overall findings show residents have a generally positive view of Chester County in regards to economic development. A majority of respondents agreed that it is easy to do business in the county; the county has maintained its small-town feel; there is a wide variety of cultural amenities; it is a good place to raise a family; there are many housing options; workers are easy to find; and the K-12 and postsecondary systems are adequate.

One area that indicated resident concern is transportation. When asked whether the county's transportation network is adequate, 60% of residents disagreed versus 22% who agreed. Concerns surrounding transportation were mentioned frequently through the open-ended questions, particularly in regards to traffic congestion, transportation infrastructure, and public transportation. In addition, views on the ease of getting around the County received mixed results. A slight majority (56%) of residents agreed that it is easy to get around the county; while, 32% of respondents disagreed.

About half of the respondents agreed Chester County's cost of living compares favorably to similar areas.

A large majority of residents agreed that proximity to major metropolitan areas is an asset (76%). This view is also reflected throughout the open-ended questions. When asked what the county's greatest economic development assets are, location is mentioned by numerous respondents.

A number of key themes were evident when residents were asked about economic development assets, opportunities, successes, and setbacks. Along with transportation and location, issues that were mentioned frequently include quality of life (represented by factors including natural beauty, historical assets, small town charm, recreational opportunities, and retail); education and training; business friendliness and growth; and agriculture and farming. Residents saw agriculture as a key opportunity, along with capitalizing on assets and corporations.

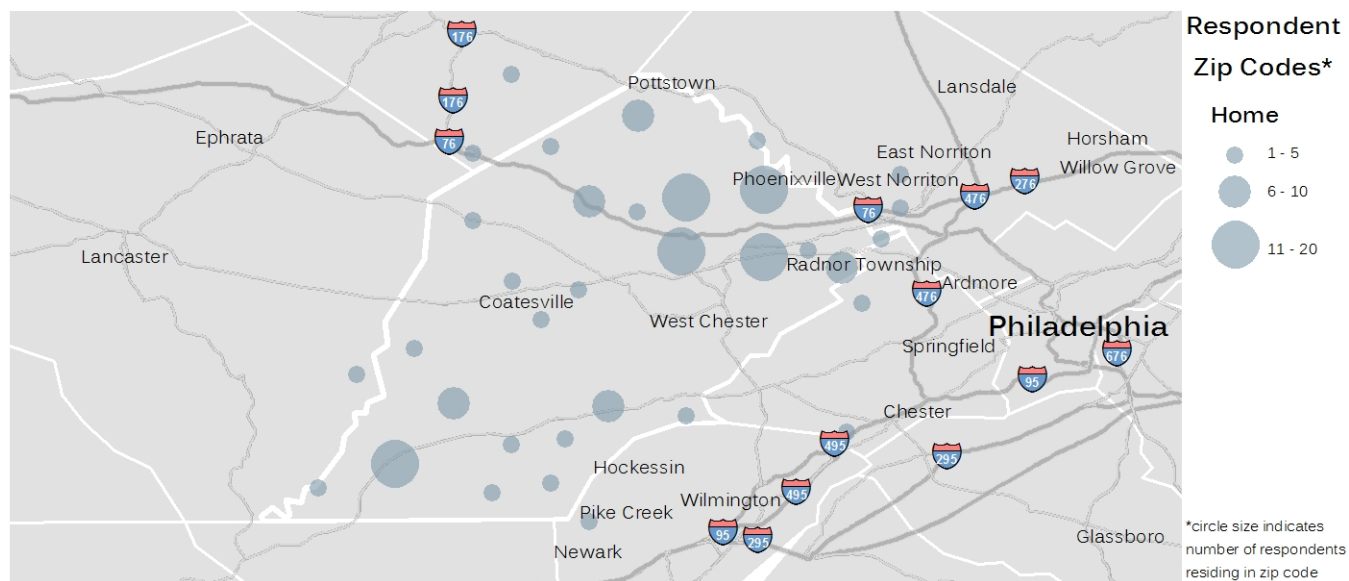
Feedback about economic successes was tempered by descriptions of setbacks. Although development and growth, the attraction of and retention of businesses, and tax policy were listed as successes, concerns about preserving open spaces and the natural beauty of the county as well as traffic woes resulting from growth, were all mentioned a number of times. A number of residents suggested that planning should be sustainable, collaborative, and maximize the assets of the Chester County. Residents also encouraged the redevelopment and reuse of existing under-utilized areas, and the continued revitalization of small towns and boroughs. Coatesville was cited as an area of economic concern and in need of development.

When asked what qualities of the county were most valued, its natural characteristics (from agriculture, farming, and the rural setting, to the small town vibe, open spaces and parks) were listed by most of the respondents.

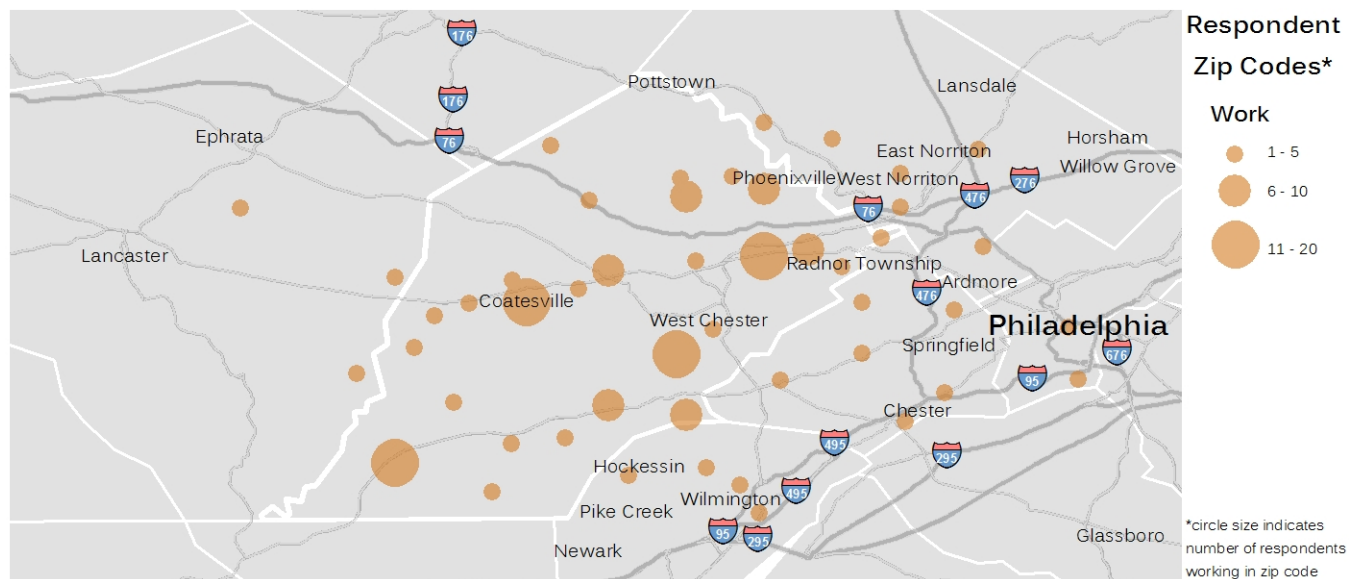
SECTION 1: DEMOGRAPHIC PROFILE OF RESPONDENTS

Compared to the distribution of residences, the distribution of workplaces is more urban and concentrated, such as along Highway 30. More respondents lived in the county than worked in the county. Several respondents lived in Chester County and worked in the Philadelphia–Wilmington metropolitan area.

HOME

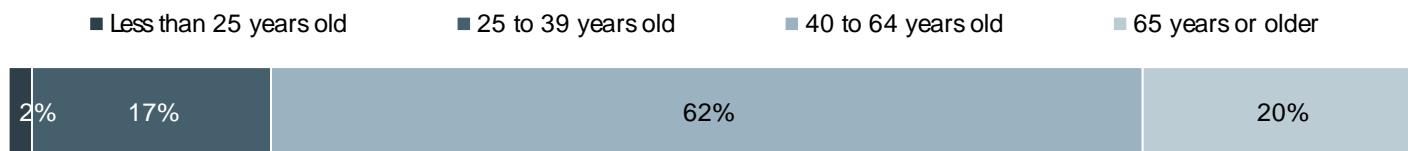


WORK PLACE



PLEASE INDICATE YOUR AGE USING THE CHOICES BELOW.

Over 80% of respondents filling out the questionnaire were over 40 years old. Most (62%) were middle-aged, falling between 40 and 64 years of age. Senior respondents slightly outnumbered young adults 20% to 17%, respectively. Only 2% of respondents were less than 25 years old.

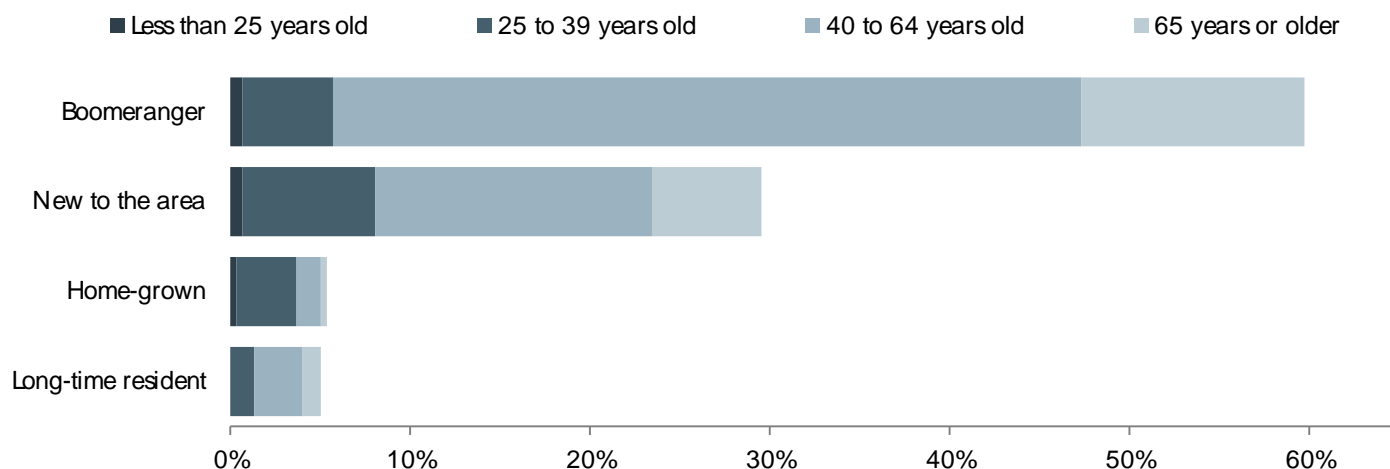


WHICH OF THE FOLLOWING BEST DESCRIBES YOUR CONNECTION TO CHESTER COUNTY?

Descriptions for each category follows:

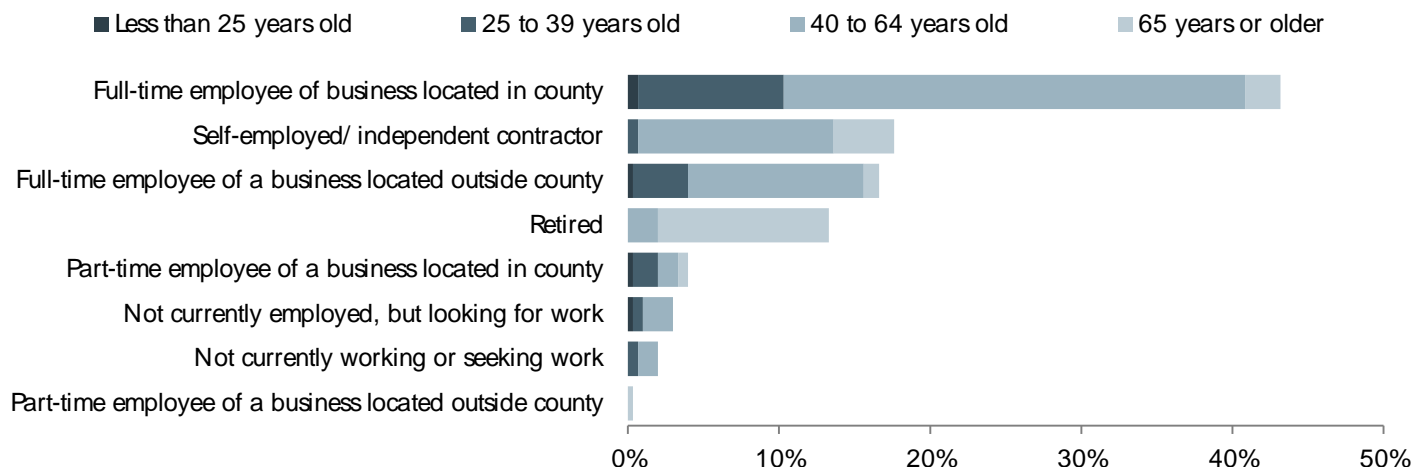
- Boomeranger: Born or raised in Chester County and have returned after living in another county for a period of years
- New to the area: Moved to the county within the last 24 months
- Home-grown: Have lived in the county all or most of my life
- Long-time resident: Born or raised somewhere else, but have lived in the county five years or more

Over half of respondents were long-time residents and those that had been in the county most of their lives made up another quarter of respondents. Those who were new to the area were more likely to be under 40 years old.



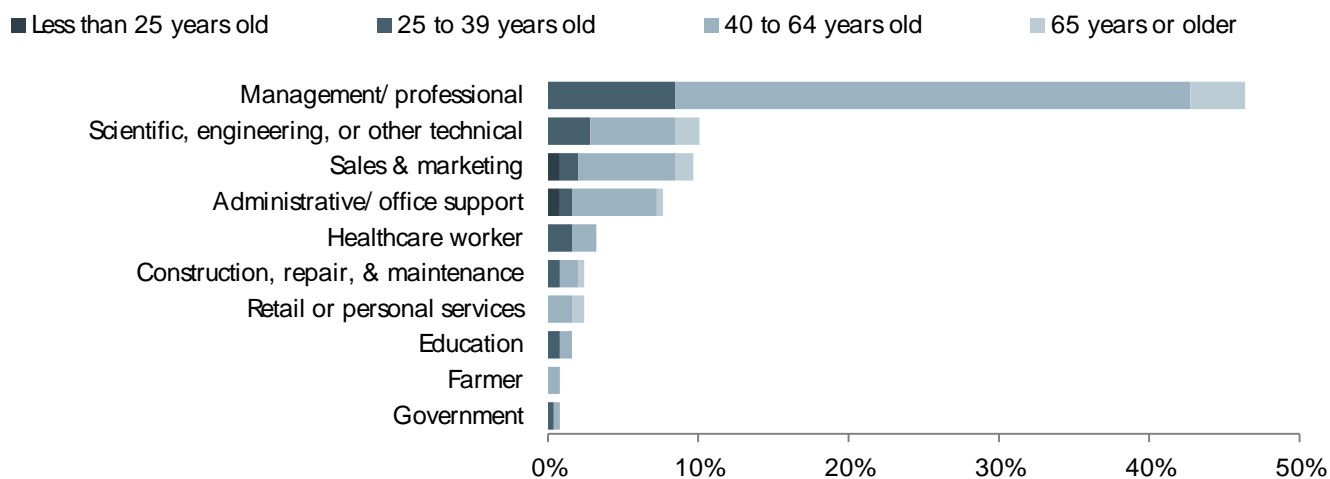
WHICH OF THE FOLLOWING BEST DESCRIBES YOUR EMPLOYMENT SITUATION?

Full-time employees, those self-employed or contractors, and retirees made up the majority of respondents. Almost 20% of respondents were full-time employees of a business located outside the county. Those aged 40+ made up the majority of self-employed or contractor respondents, as well as retirees.



IF YOU ARE CURRENTLY EMPLOYED, WHICH OF THE FOLLOWING BEST DESCRIBES YOUR OCCUPATION?

Over 45% of respondents were in management or professional occupations, none of which were under 25. The next two most frequently cited occupations were technical roles and sales and marketing, both representing 10% of respondents.



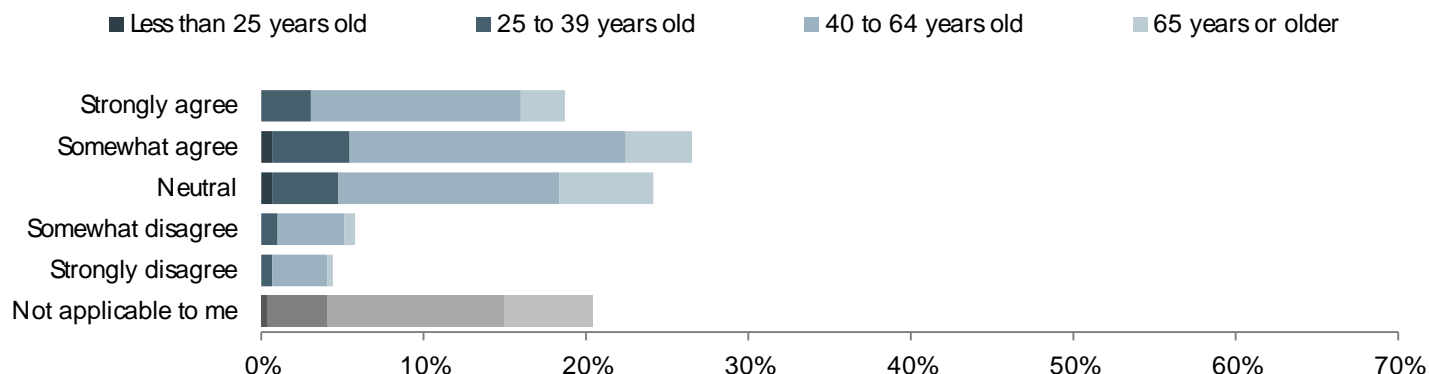
SECTION 2: HOW DO RESPONDENTS RATE THE COUNTY'S ECONOMIC DEVELOPMENT CHARACTERISTICS?

Respondents were asked to use a scale (from strongly agree to strongly disagree) to indicate their thoughts on specific economic development concerns in the county.

IT IS EASY TO DO BUSINESS HERE.

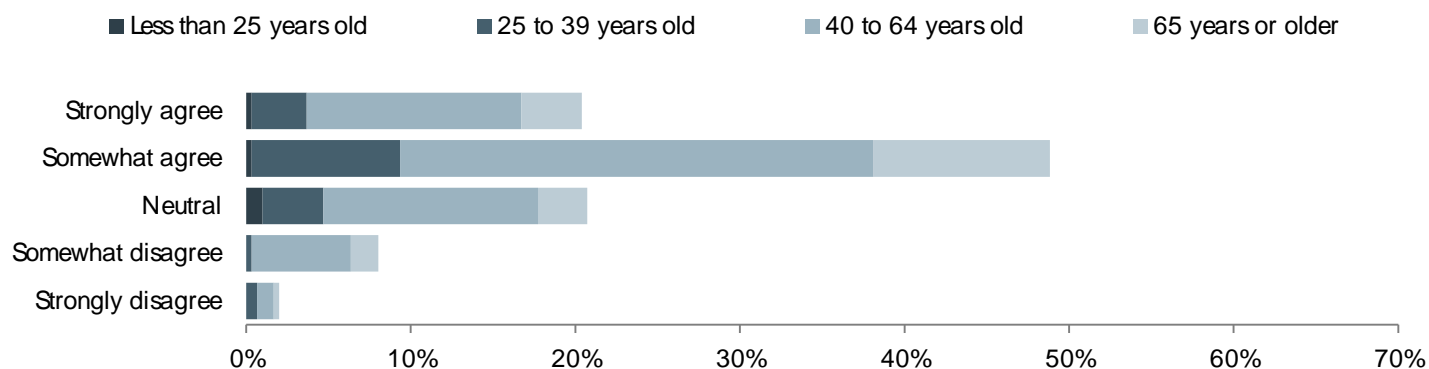
With respect to business climate, 46% of respondents agreed that it is easy to do business in Chester County. Only 10% of respondents felt as though the county was not business friendly. About a quarter of respondents had a neutral view on business climate and over 20% considered the question not applicable to them.

Age did not play a significant factor in the local views on business climate. The results across the age spectrum were consistent with the overall percentages.



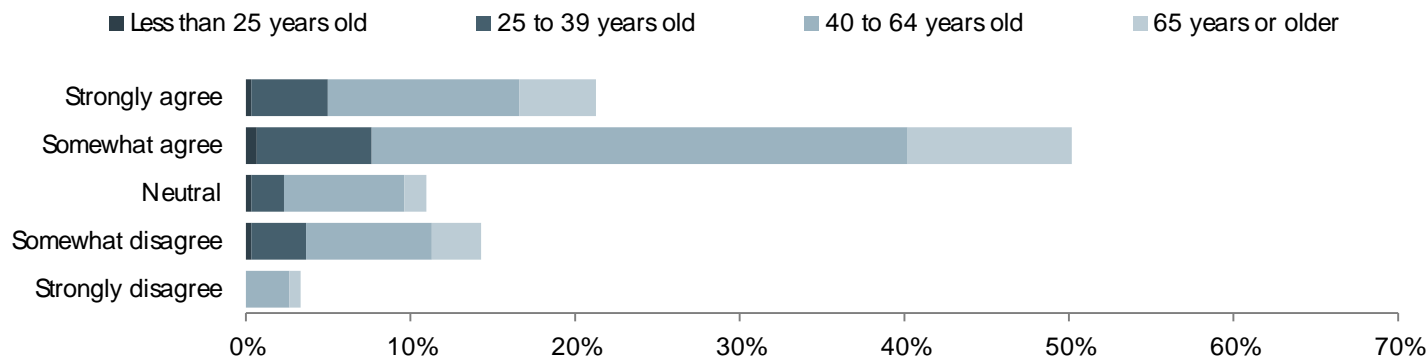
IT IS EASY TO FIT IN HERE.

Almost 70% of respondents agreed that it is easy to fit in Chester County. Over 20% had a neutral view.



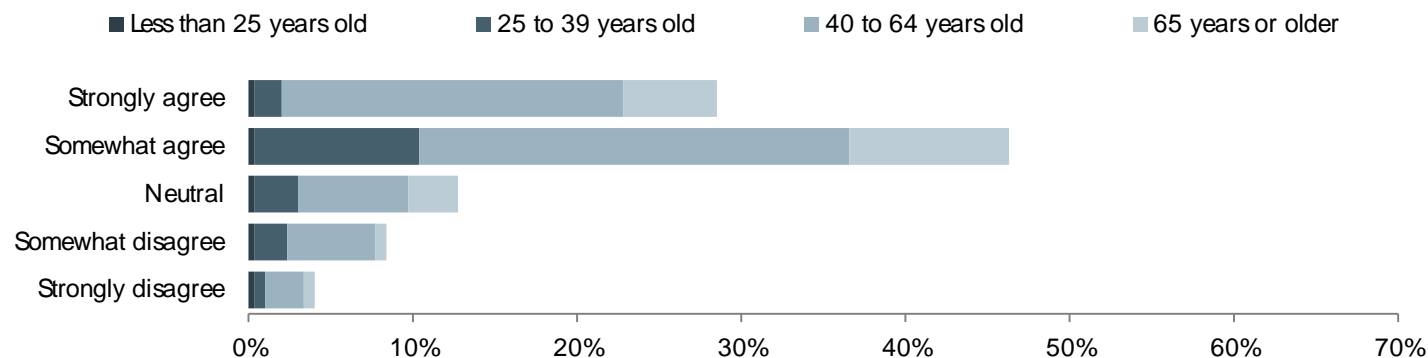
CHESTER COUNTY HAS MAINTAINED ITS SMALL-TOWN FEEL.

Most respondents (71%) felt that Chester County has been able to maintain its small town feel, while 28% disagreed with or were neutral on this statement.



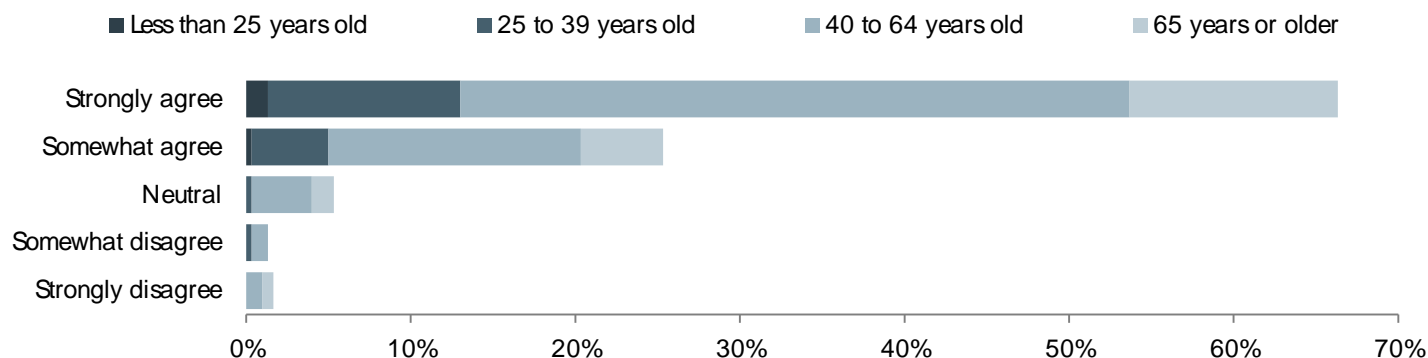
THERE ARE A WIDE VARIETY OF CULTURAL AMENITIES.

A majority of respondents agreed that the county offers a wide variety of cultural amenities (75%).



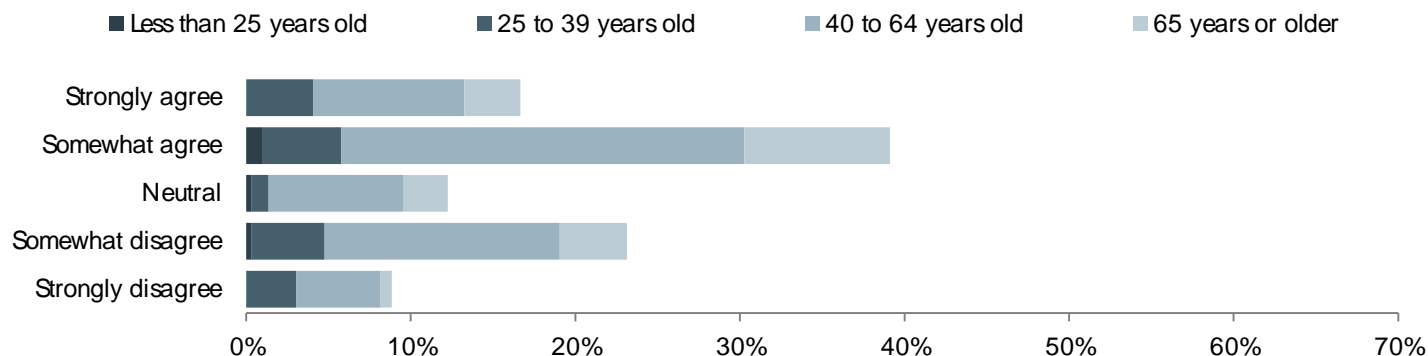
CHESTER COUNTY IS A GOOD PLACE TO RAISE A FAMILY.

Respondents were in strong agreement that Chester County is a good place to raise a family. Over 90% of respondents answered strongly or somewhat agreed.



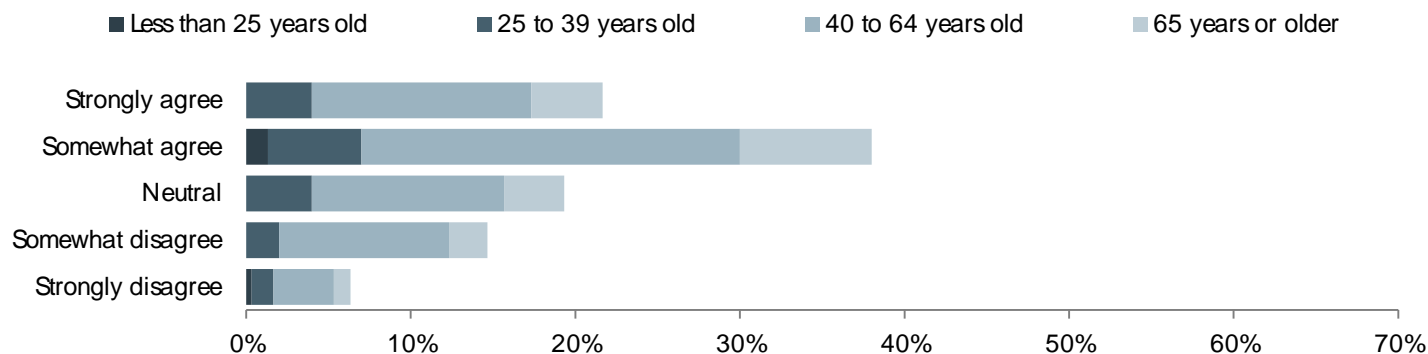
IT IS EASY TO GET AROUND THE COUNTY.

Responses were mixed in regards to ease of getting around the county. Just over 55% agreed that it is easy, where 32% disagreed.



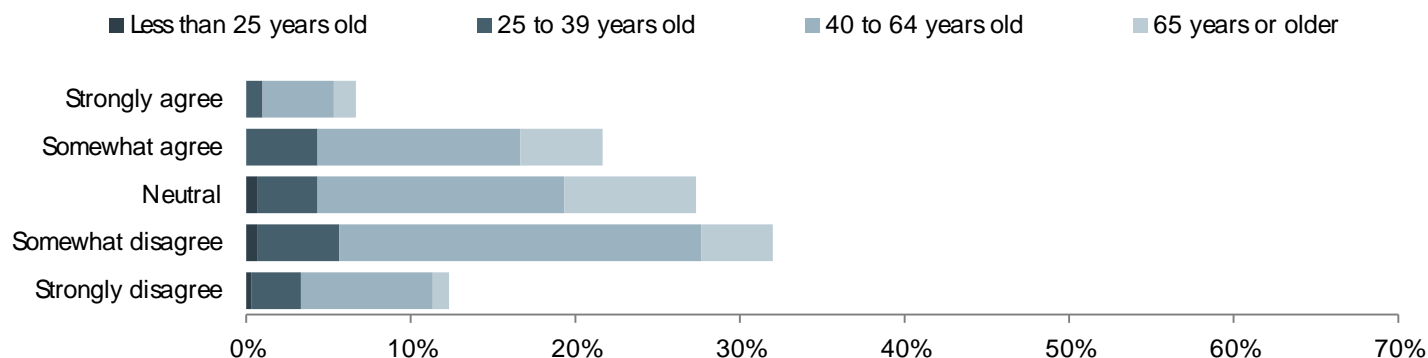
THERE ARE A LOT OF OPTIONS FOR HOUSING.

Of respondents, 60% agreed there are a lot of options for housing in the county, while 40% were either neutral or disagreed.



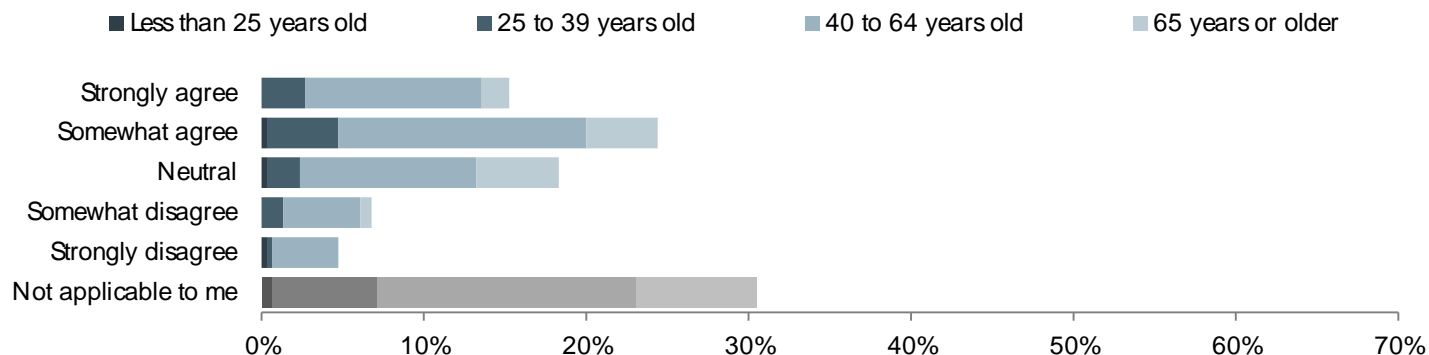
HOUSING IS AFFORDABLE.

Most respondents did not agree that housing is affordable or were neutral about the issue (71%). Only 7% strongly agreed that housing is affordable.



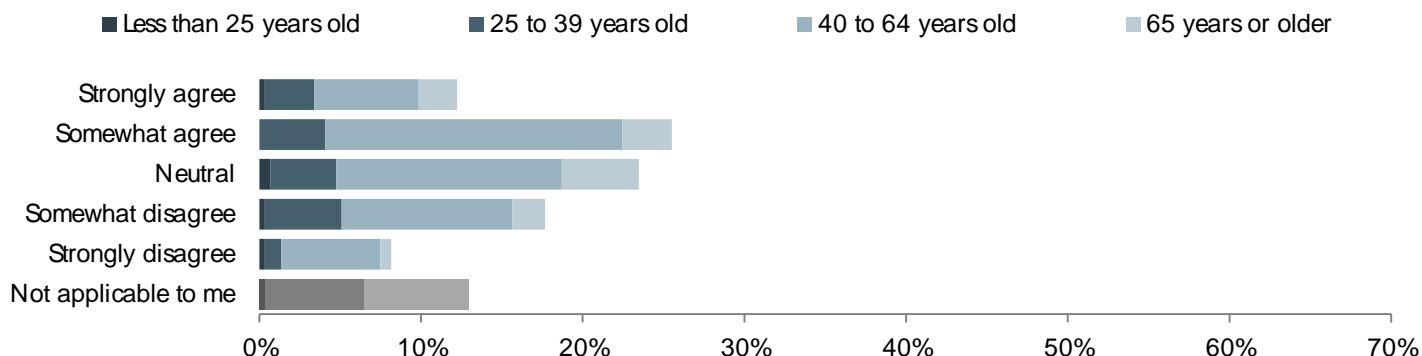
IT IS EASY TO FIND THE WORKERS I NEED.

Regarding whether it is easy to fill positions, most respondents did not think the question was applicable to them (31%). Of those that did, about 40% agreed that it was easy to find the workers they needed and 18% were neutral.



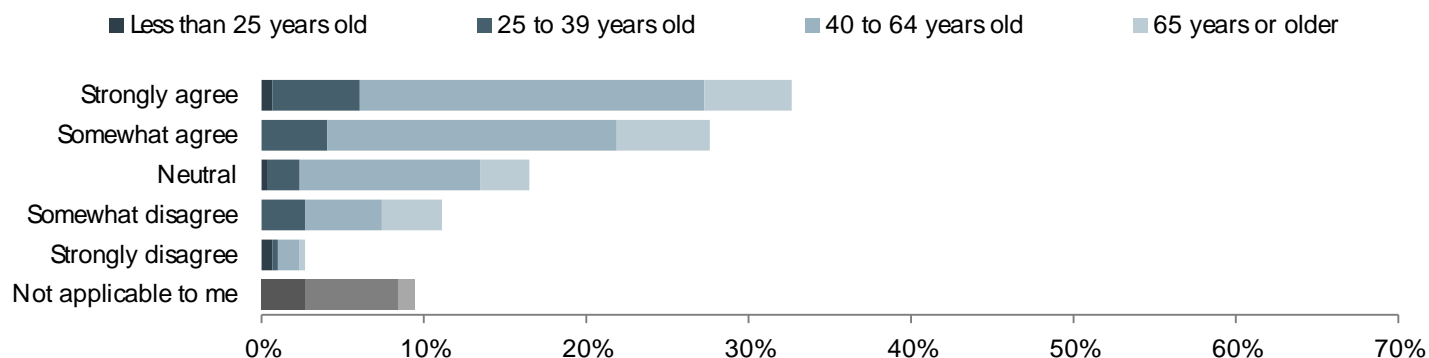
IT IS EASY TO FIND A JOB IN THE AREA IN MY FIELD.

Responses were mixed on whether people thought it easy to find a job in the area in their field. Only 38% agreed, 26% disagreed, and 23% were neutral.



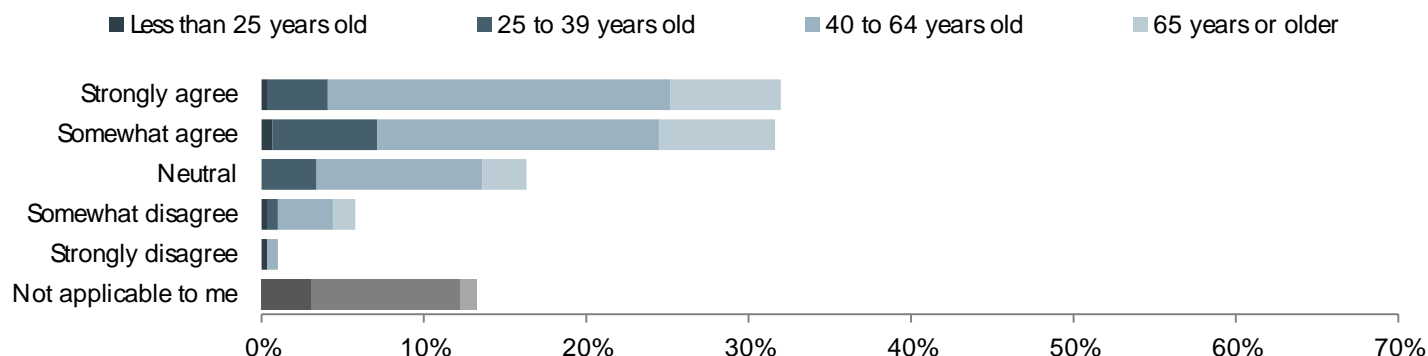
THE EDUCATION SYSTEM (K-12) PREPARES STUDENTS ADEQUATELY.

The county's education system is generally viewed very favorably by respondents. A majority found the K-12 system adequate (61%), with just 15% disagreeing.



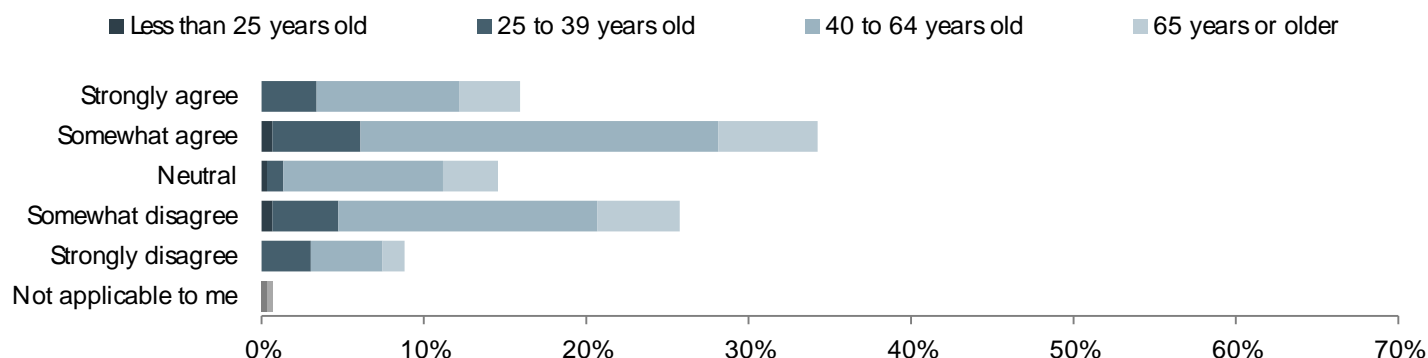
THE POSTSECONDARY SYSTEM (COLLEGE/UNIVERSITY) PREPARES STUDENTS ADEQUATELY.

The same favorable view holds true for the postsecondary education system. Almost 65% of respondents agreed that the post-secondary system was adequate, with just 7% disagreeing.



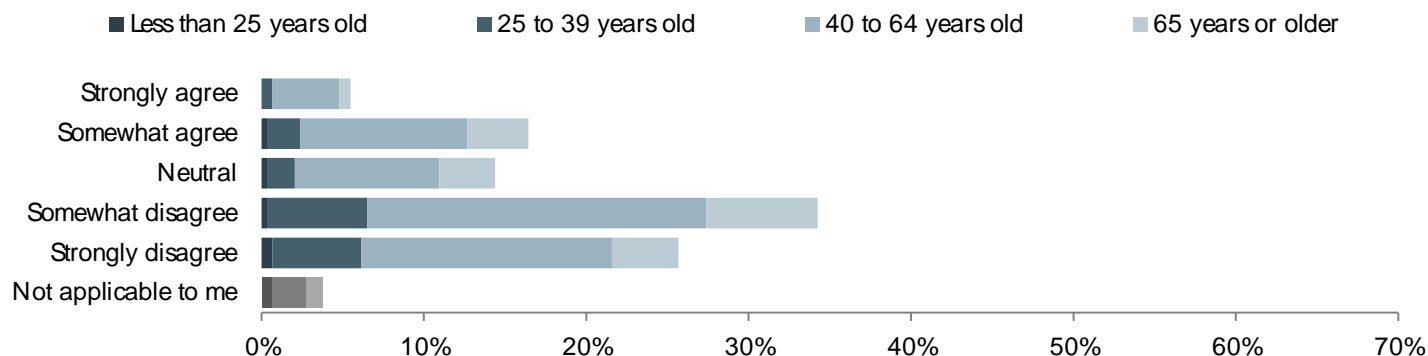
THE COST OF LIVING COMPARES FAVORABLY WITH SIMILAR AREAS.

Cost living was another area with mixed responses. Half of respondents agreed that the cost of living is favorable. However, most of the remainder (49%) disagreed or were neutral.



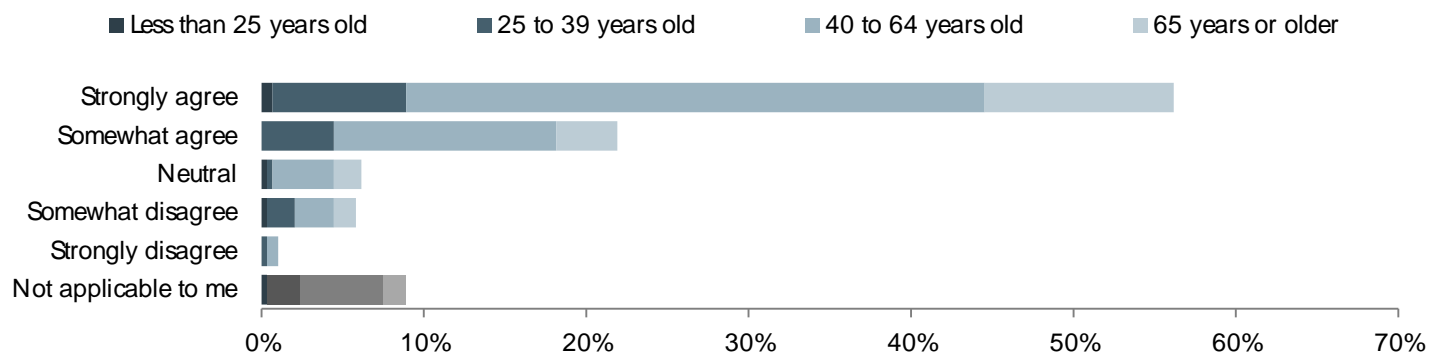
THE COUNTY'S TRANSPORTATION NETWORK IS ADEQUATE FOR EXISTING USAGE.

Transportation is one of the few areas where respondents had a negative view of the county. 60% of respondents disagreed with the question of whether the transportation network is adequate. Only 21% agreed that it is adequate.



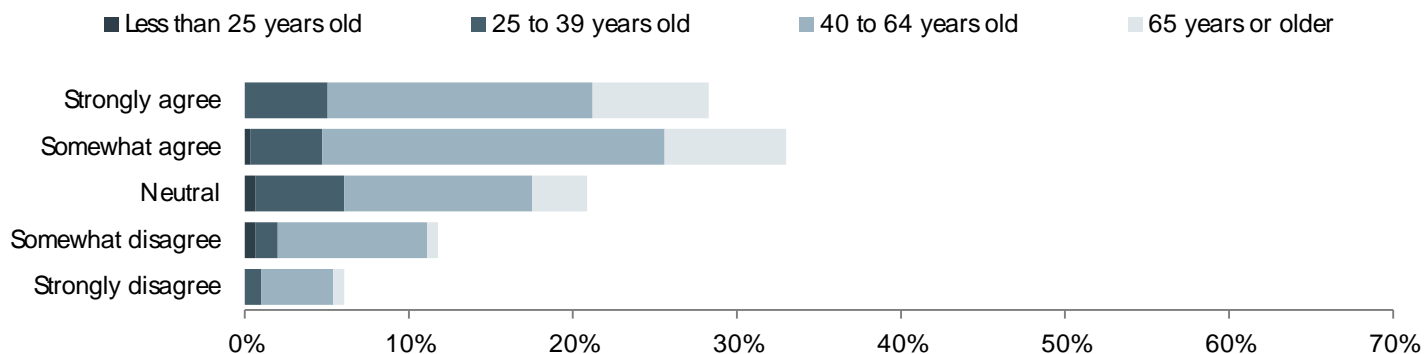
THE COUNTY'S PROXIMITY TO MAJOR METRO AREAS IS AN ASSET.

Proximity to major metropolitan areas was clearly considered an asset to the county, with 78% of respondents agreeing.



MANAGING GROWTH IS A HIGH PRIORITY FOR COUNTY LEADERS.

Most respondents (61%) thought that managing growth is a high priority for county leaders. About 40% of respondents disagreed or considered themselves neutral to the question.



The following questions were open-ended, providing respondents with the opportunity to tailor their input to reflect their specific thoughts. The answers were then summarized and broken out by phrase for the purposes of comparative analysis. They were then organized as word clouds to prominently display words and phrases that occur more frequently.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

WHAT QUALITIES OF CHESTER COUNTY DO YOU VALUE MOST?



LIST OF SURVEY QUESTIONS

DEMOGRAPHIC PROFILE OF RESPONDENTS

Please enter your HOME zip code.

Please enter your WORK zip code (if applicable)

Please indicate your age using the choices below.

Which of the following best describes your connection to Chester County?

Which of the following best describes your employment situation?

If you are currently employed, which of the following best describes your occupation?

HOW DO RESPONDENTS RATE THE COUNTY'S ECONOMIC DEVELOPMENT CHARACTERISTICS?

How would you rate Chester County with regard to the following factors related to economic development?

[It is easy to do business here]

Please use the scale below to tell us the extent to which you agree with the following statements about living in Chester County

[It is easy to fit in here]

Please use the scale below to tell us the extent to which you agree with the following statements about living in Chester County

[Chester County has maintained its small-town feel]

Please use the scale below to tell us the extent to which you agree with the following statements about living in Chester County

[There are a wide variety of cultural amenities]

Please use the scale below to tell us the extent to which you agree with the following statements about living in Chester County

[Chester County is a good place to raise a family]

Please use the scale below to tell us the extent to which you agree with the following statements about living in Chester County

[It is easy to get around the county]

Please use the scale below to tell us the extent to which you agree with the following statements about living in Chester County

[There are a lot of options for housing]

Please use the scale below to tell us the extent to which you agree with the following statements about living in Chester County.

[Housing is affordable]

How would you rate Chester County with regard to the following factors related to economic development?

[It is easy to find the workers I need]

How would you rate Chester County with regard to the following factors related to economic development?

[It is easy to find a job in the area in my field]

How would you rate Chester County with regard to the following factors related to economic development?

[The education system (K-12) prepares students adequately]

How would you rate Chester County with regard to the following factors related to economic development?

[The postsecondary system (college/university) prepares students adequately]

How would you rate Chester County with regard to the following factors related to economic development?

[The cost of living compares favorably with similar areas]

How would you rate Chester County with regard to the following factors related to economic development?

[The county's transportation network is adequate for existing usage]

How would you rate Chester County with regard to the following factors related to economic development?

[The county's proximity to major metro areas is an asset]

Please use the scale below to tell us the extent to which you agree with the following statements about living in Chester County

[Managing growth is a high priority for county leaders]

OPEN-ENDED QUESTIONS

What are the county's greatest economic development assets?

What are the county's greatest economic opportunities?

What have been the county's greatest economic successes in the last 10 years?

What have been the county's biggest economic setbacks in the last 10 years?

In your opinion, what is the single most important action the CCEDC could take that would position the region for the future?

What qualities of Chester County do you value most?

APPENDIX B: ECONOMIC ASSESSMENT

To provide a common framework for our recommendations, TIP began by compiling demographic and economic data on Chester County and the Philadelphia Metro Region. This analysis focused on the county in the context of the metropolitan area and the state where appropriate. The purpose is to understand the county's relative economic position and highlight its competitive advantages and disadvantages.

ABOUT THE DATA

We based our findings on: 1) A review of relevant studies, plans, and other material provided by CCEDC; and 2) A review of economic and demographic data from primary and secondary sources, including the US Census Bureau, the Internal Revenue Service, the US Bureau of Labor Statistics, and Economic Modeling Specialists Inc. (EMSI).

The data and analysis are organized into two categories: Workforce & Education and Economy & Infrastructure.

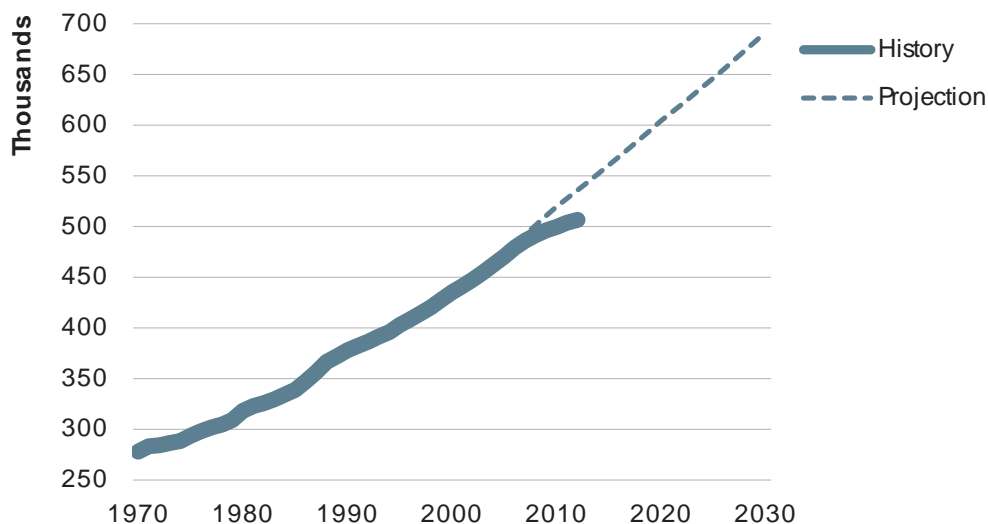
WORKFORCE AND EDUCATION

CHESTER COUNTY POPULATION

HISTORY AND PROJECTIONS

The most recent population projections from the Pennsylvania State Data Center at Penn State University-Harrisburg's Institute of State and Regional Affairs were completed prior to the 2010 census and were benched to the previous decennial census.

These projections were optimistic, as Chester County's population in the first decade of the century grew slower than expected.

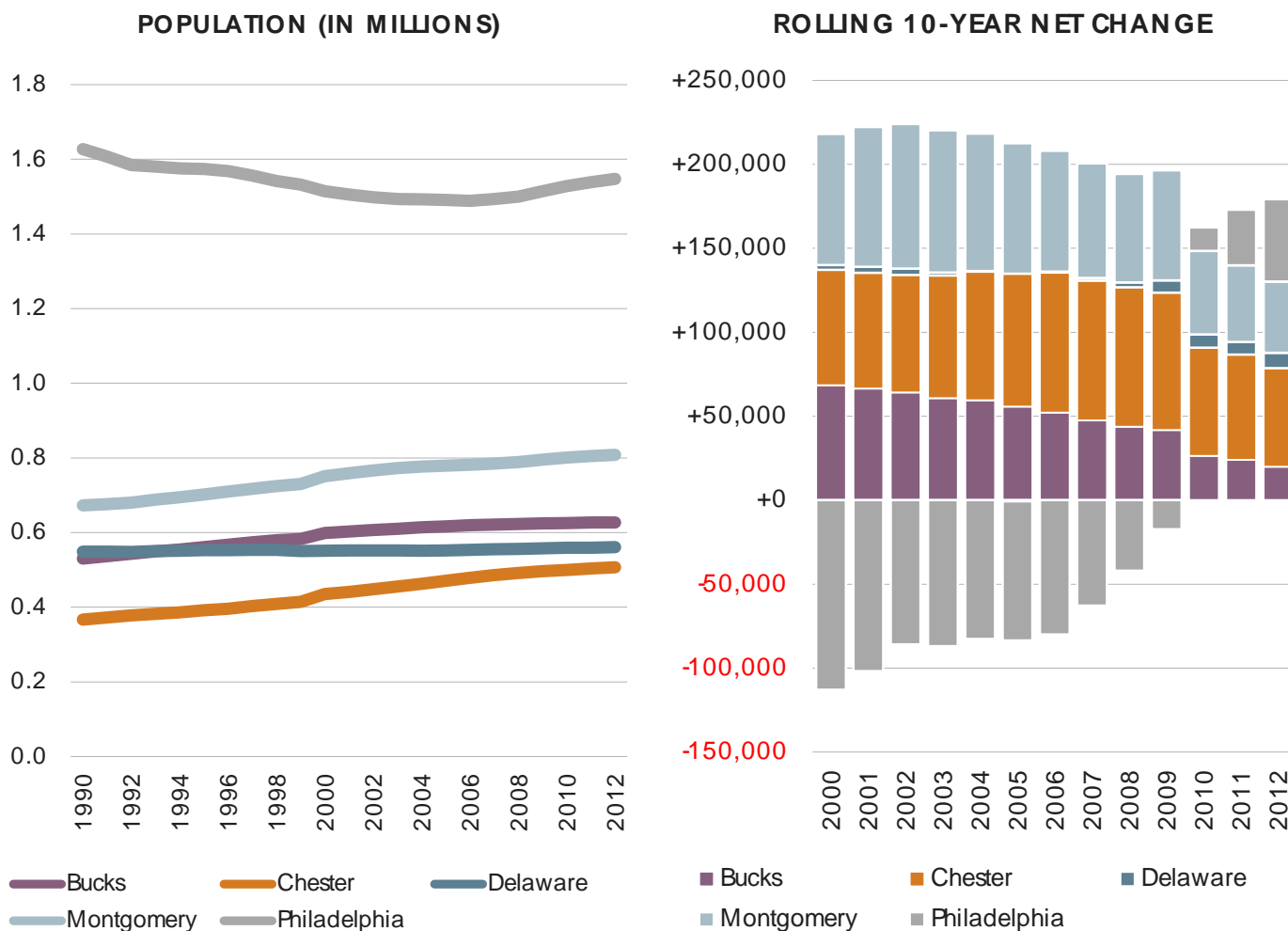


Note: The Pennsylvania State Data Center's projections are the most recent available and were benched to the 2000 Census
Source: US Census Bureau; Moody's Analytics; and Pennsylvania State Data Center, Institute of State and Regional Affairs, Penn State University-Harrisburg

SOUTHEAST PENNSYLVANIA POPULATION GROWTH BY COUNTY

GROWTH PATTERNS, 1990-2012

The reason the Pennsylvania State Data Center overestimated Chester County's population growth may be due to an emerging demographic pattern in which older core cities have stopped losing population to their surrounding suburbs, especially among certain age cohorts.



An uptick in Philadelphia's population began sometime in the past decade. As of mid-year 2012, Philadelphia's population was at its highest point since the late 1990s. This growth trend may have curtailed some of the growth potential from surrounding counties.

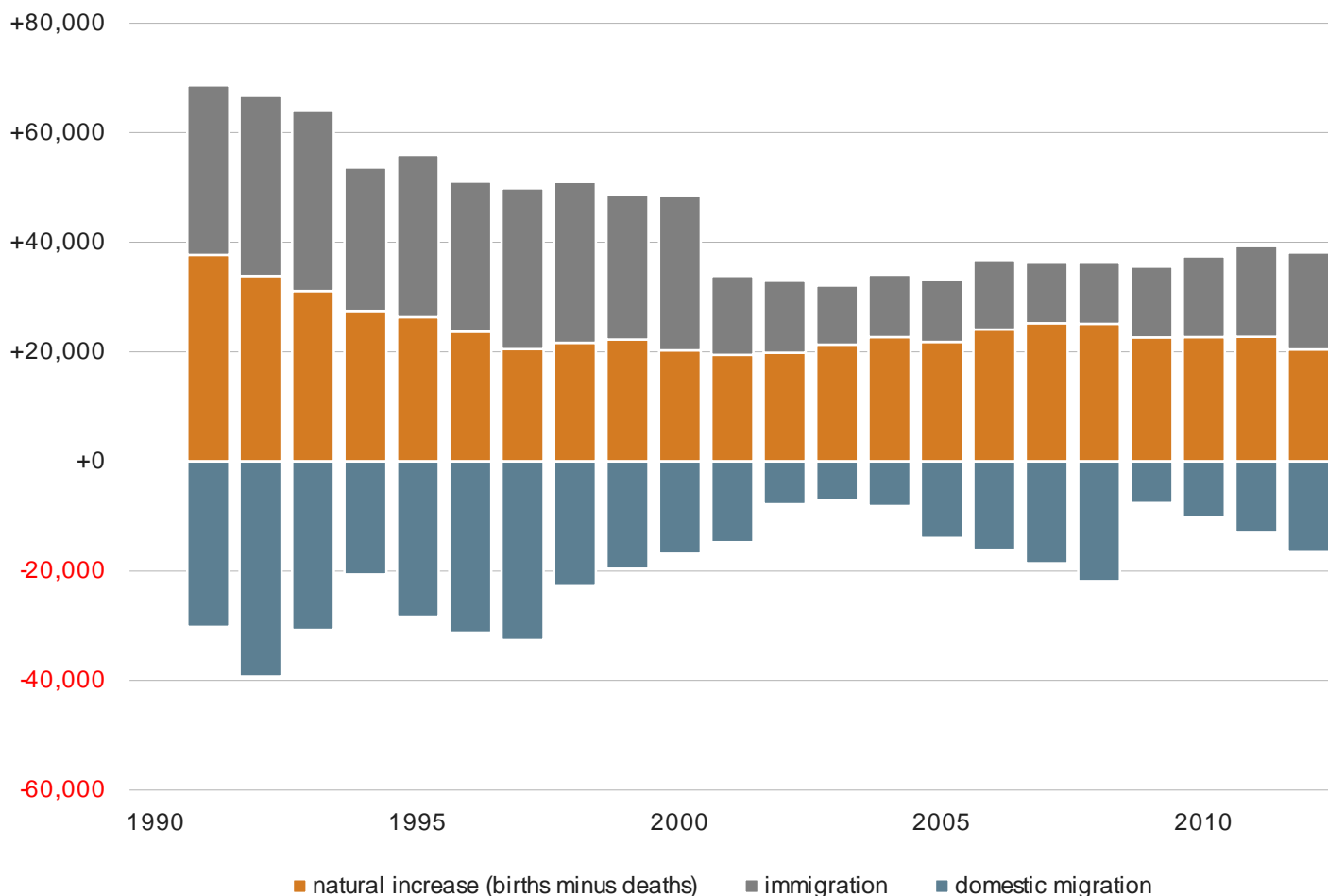
Nevertheless, the large suburban counties like Chester and Montgomery are still growing at a moderate pace, with others like Bucks and Delaware growing more modestly.

Source: US Census Bureau; Moody's Analytics

COMPONENTS OF GROWTH IN THE PHILADELPHIA MSA

GROWTH PATTERNS, 1990-2012

Natural increase (crudely, the excess of births over deaths) has proven a relatively stable contributor to the MSA's population growth for nearly 20 years. Natural increase slipped from around 37,000 per year in the early 1990s to an annual pace of around 20,000 by the mid-1990s, where it has remained since.



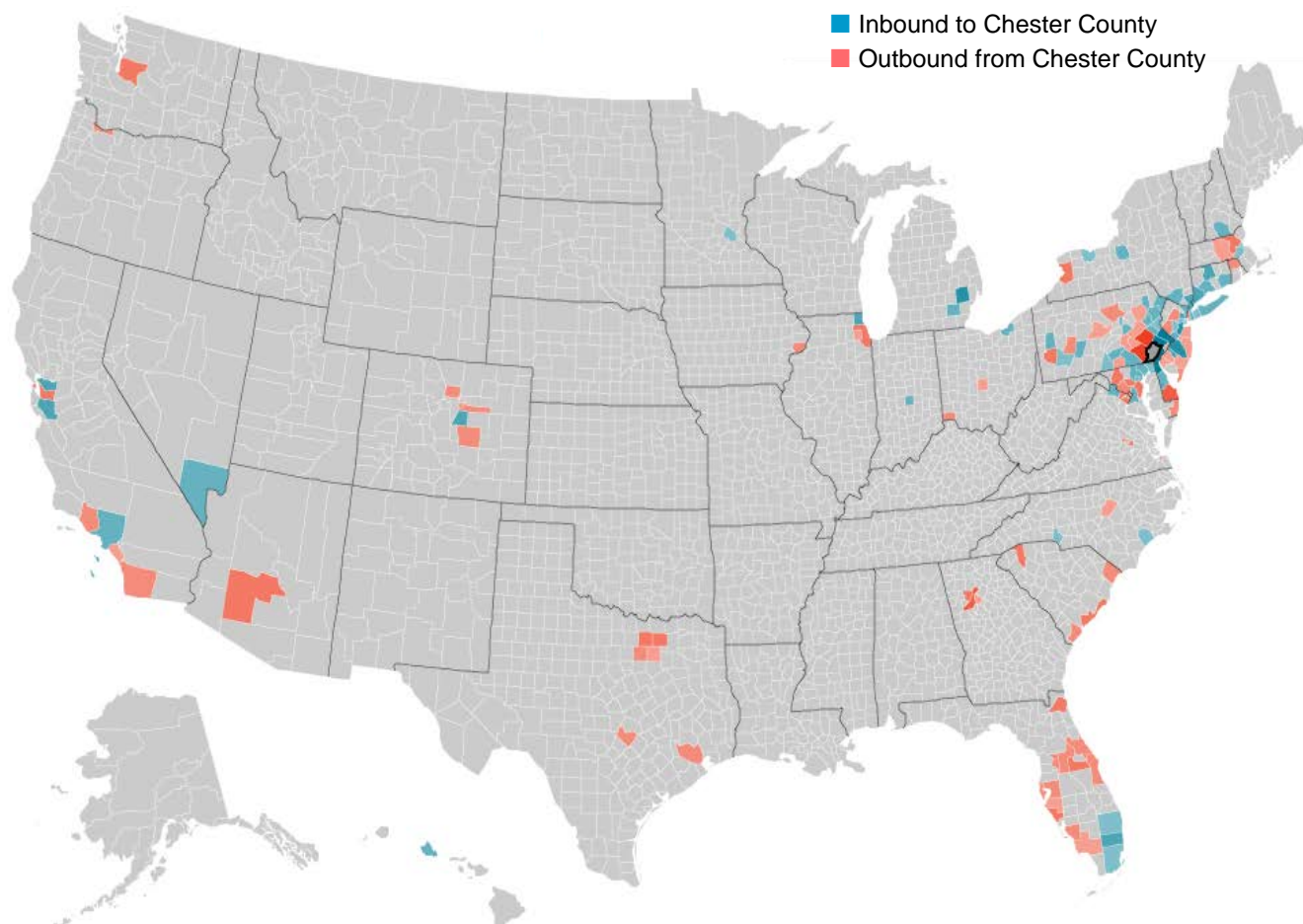
Immigration over this same period has followed a similar pattern. In the 1990s, the pace was strong, sometimes even matching the level of natural increase. In the past decade, immigration has proven a much smaller, though steadily positive contributor to population growth.

The most volatile component of growth has been domestic migration. The heavy exit of residents in the 1990s tapered during the dot-com recession. Domestic outmigration picked up again as the economy picked up, then repeated the same pattern with the deep recession of 2009.

Source: US Census Bureau; Moody's Analytics

MAJOR ORIGINS AND DESTINATIONS OF CHESTER COUNTY MOVERS

COUNTIES EXCHANGING THE MOST NET MIGRANTS WITH CHESTER COUNTY DURING 2010



The US Internal Revenue Service tracks changes in the number and location of income tax exemptions. This administrative data (a bi-product of filing an annual tax return) can be used to show patterns of people moving into and out of a county in any given year.

The geographic patterns of those moving into and out of Chester County in 2010 (the example year shown here) are generally in line with expectations. For example, there is consistent out-migration to the Sunbelt, including San Diego, Phoenix, Dallas, Houston, and Atlanta, as well as to large portions of coastal Florida and South Carolina. Within the greater Philly area, Chester County residents also tended to move to counties farther west. In-migration, on the other hand, came largely from other suburban and exurban counties in the New York-Philadelphia corridor.

One aspect of the overall migration pattern is notable. Chester County consistently lost residents to the suburban counties of Boston and Washington, DC, with Chester County residents primarily landing in Boston's western suburbs and in DC's Maryland suburbs, both of which are areas with heavy biotech activity.

Note: Based on the latest federal tax year for which county-to-county flows are available. (A data processing error caused a delay in the release schedule for 2011 and beyond.)

Source: US Internal Revenue Service, county-to-county migration flows; Forbes visualization tool

NET DAILY COMMUTER TRAFFIC FOR CHESTER COUNTY

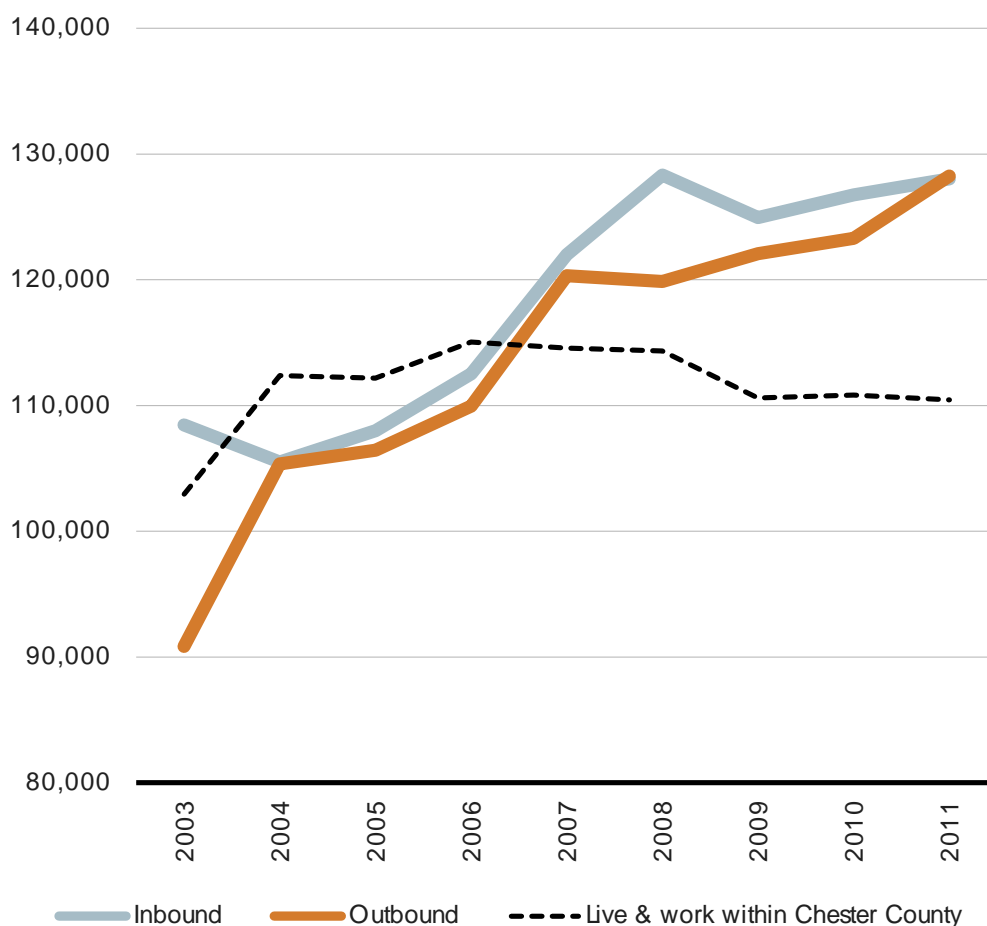
*ESTIMATES BASED ON DIFFERENCES BETWEEN JOB LOCATION AND RESIDENCE LOCATION**

The number of residents who live and work within Chester County has remained relatively stable in recent years at 110,000 to 115,000.

As this pattern occurred, however, the numbers of both inbound and outbound commuters has risen. In other words, more people who live in the county have jobs outside the county. And more people who live outside the county have jobs within the county. This underscores a rising degree of regional economic integration and live/work mobility.

*Note: Not all jobs require daily commuting. Some jobs involve minimal physical commuting (e.g., telecommuting). Other jobs may involve seasonal or periodic work in distant locations for extended periods of time.

Source: US Bureau of the Census, Local Employment Dynamics (LED) database, 2003-2011



SIGNIFICANT COMMUTING PATTERNS BETWEEN CHESTER AND OTHER COUNTIES

*ESTIMATES BASED ON DIFFERENCES BETWEEN JOB LOCATION AND RESIDENCE LOCATION**

In 2011 (the most recent year for which data are available) Chester County's inbound and outbound commuters were roughly the same overall, making net commuting levels a wash. However, at the individual county level there were clear differences in inbound and outbound patterns.

Chester County's largest surplus of net outbound commuting is to New Castle, DE. For every New Castle resident who works in Chester County, there are two Chester County residents working in New Castle. This is an even greater surplus of net outbound commuting compared to Philadelphia.

Both inbound and outbound commuting between Montgomery and Chester Counties is high, but the traffic between the two counties mostly nets out.

Both Lancaster and Berks Counties supply a large net surplus of workers to Chester county employers.

■ Inbound to Chester County ■ Outbound from Chester County



*Note: Not all jobs require daily commuting. Some jobs involve minimal physical commuting (e.g., telecommuting). Other jobs may involve seasonal or periodic work in distant locations for extended periods of time.

Source: US Bureau of the Census, Local Employment Dynamics (LED) database, 2003-2011

CHESTER COUNTY COMMUTING PATTERNS

AVERAGES FOR 2009-2011 FOR VARIOUS SOCIOECONOMIC CHARACTERISTICS

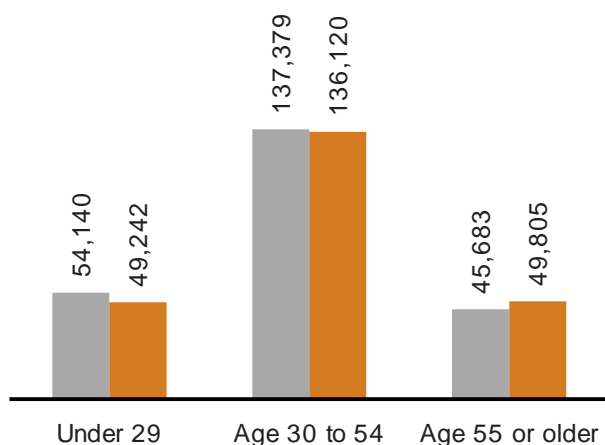
In all socio-economic categories examined—age, earnings, education, gender—the balance of employed Chester County residents to Chester County jobs available was fairly even.

The only moderate gaps in the variables shown here are among high earners (over \$40,000) and the highly educated (college degree). In these two categories, Chester County has slightly more employed residents than it has equivalent jobs.

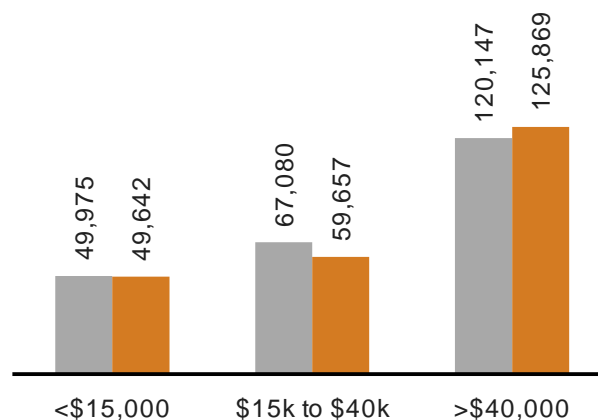
■ Jobs located in Chester County

■ County residents who are employed, regardless of where the jobs is located

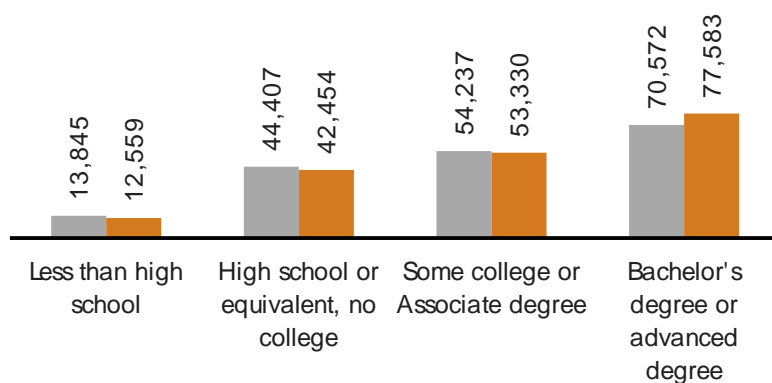
BY AGE COHORT



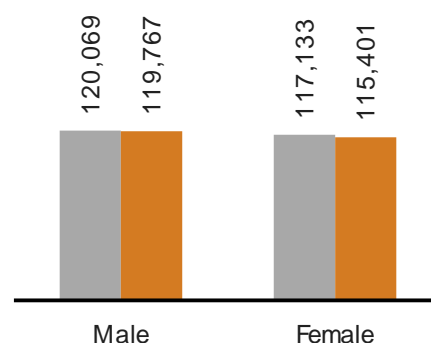
BY JOB EARNINGS



BY EDUCATIONAL ATTAINMENT



BY GENDER



Note: Because of volatility in the data from year to year, the findings presented are based on an average of the most recent 3 years available.

Source: US Bureau of the Census, Local Employment Dynamics (LED) database, 2009-2011

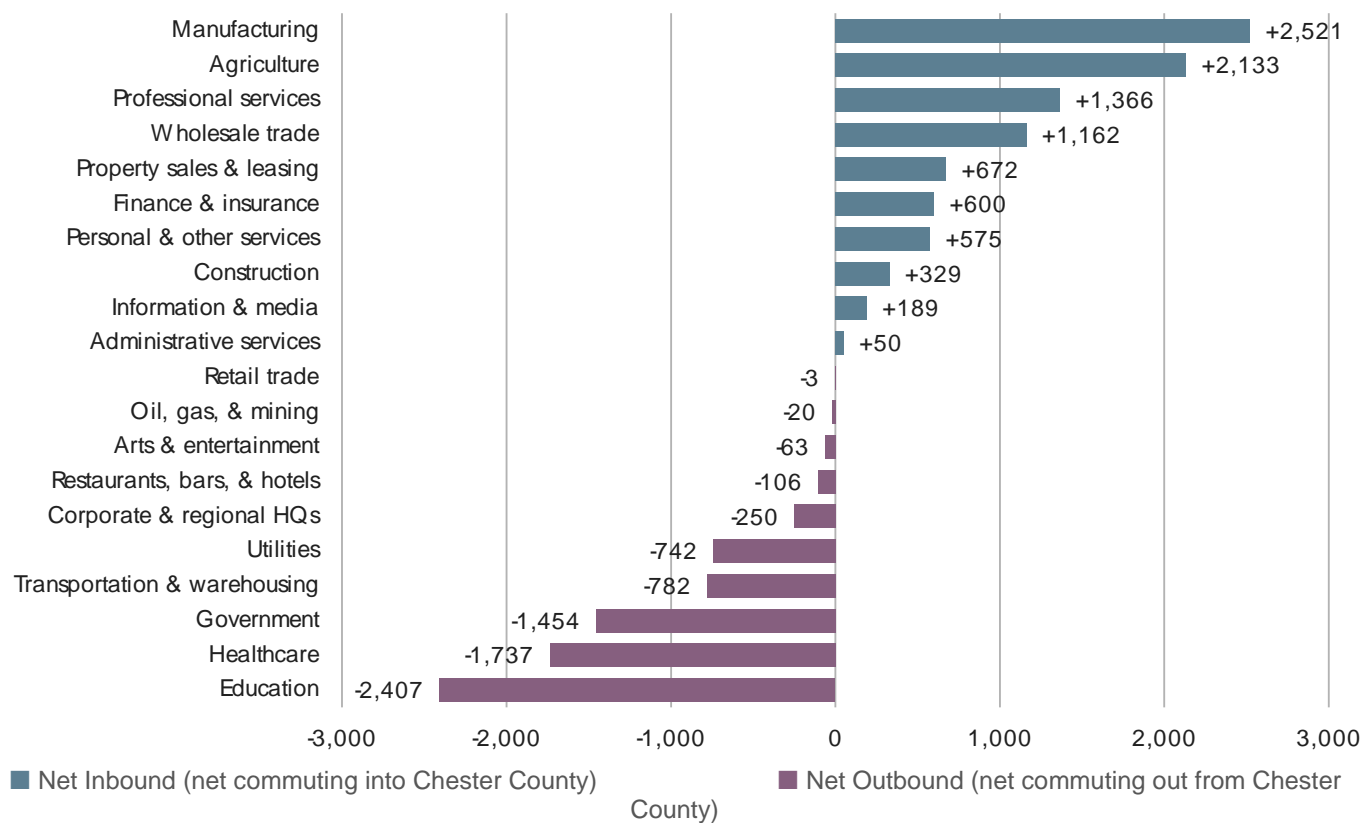
CHESTER COUNTY COMMUTING PATTERNS

AVERAGE NET INFLOW/OUTFLOW FOR 2009-2011 IN MAJOR ECONOMIC SECTORS

While most socio-economic variables show a net wash of commuting for Chester County, the same pattern does not apply evenly across individual industries.

In several industries—including manufacturing, professional services, and finance/insurance—the county pulls in a solid net inflow of workers to fill existing jobs.

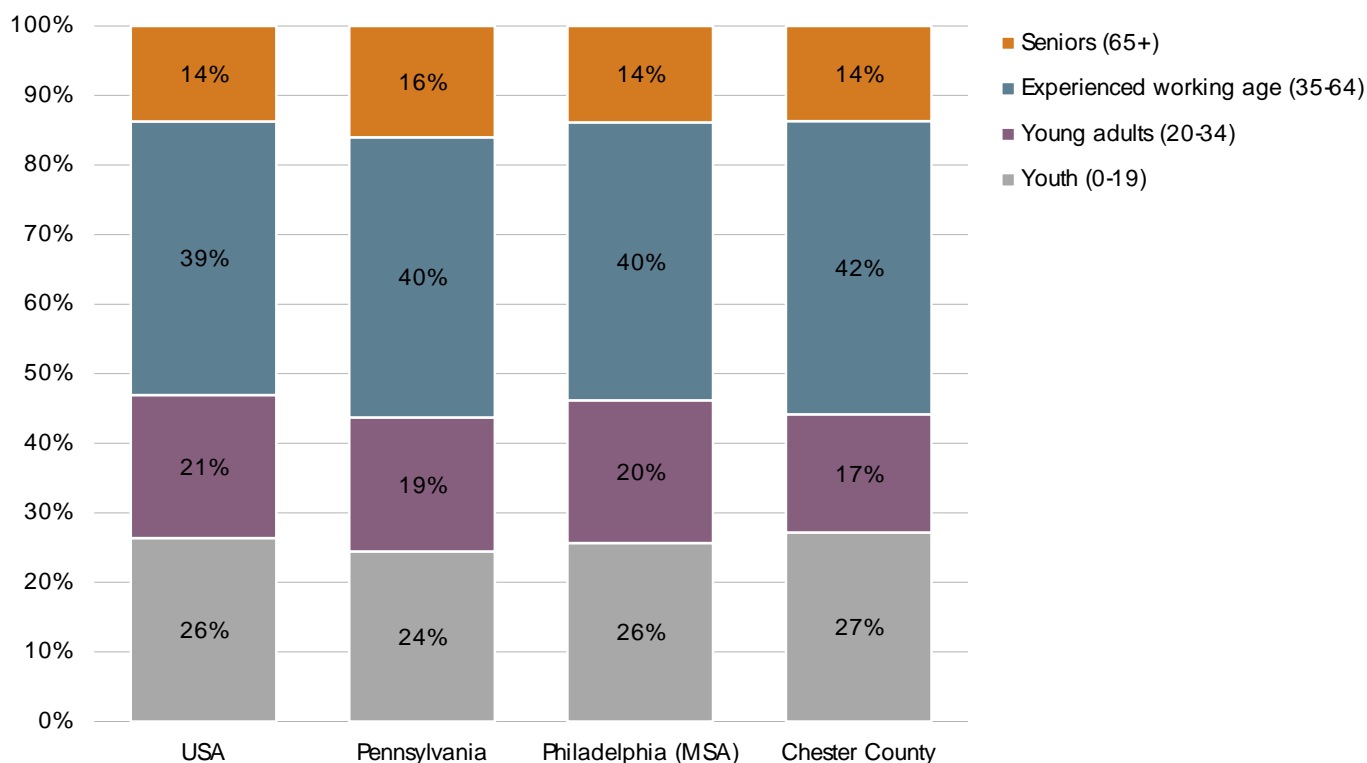
The heaviest outbound activity tends to include sectors such as healthcare, education, and government.



Note: Because of volatility in the data from year to year, the findings presented are based on an average of the most recent 3 years available.

Source: US Bureau of the Census, Local Employment Dynamics (LED) database, 2009-2011

COMPARATIVE POPULATION DISTRIBUTION BY AGE



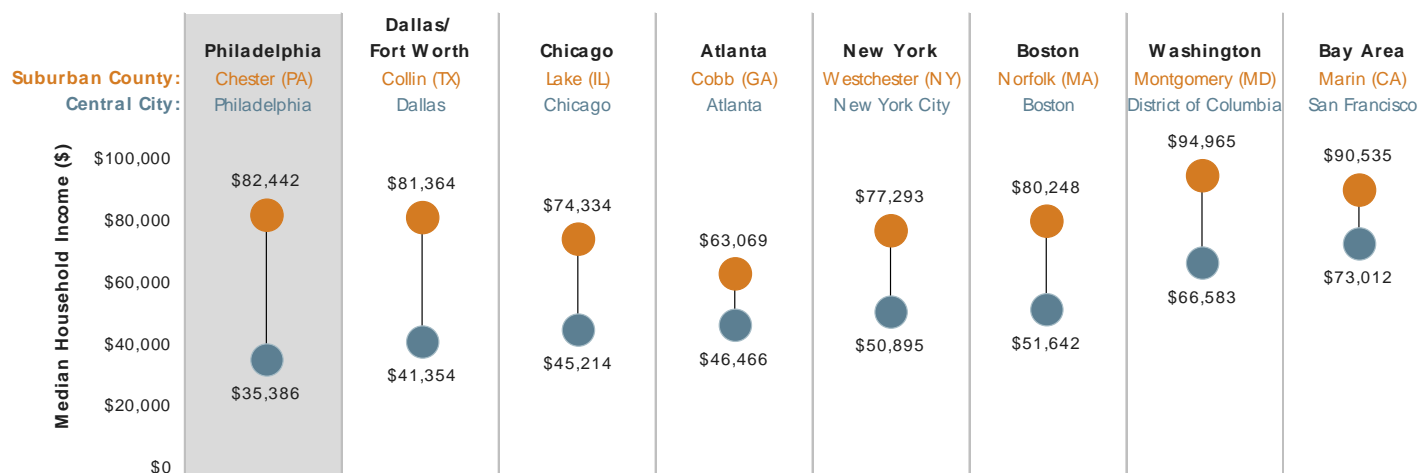
The Philadelphia MSA has an age structure that is relatively close to the state and national averages. A subtle difference in Chester County lies in the working age cohorts. The experienced working age population (ages 35-64) in Chester County accounted for 42 percent of the county's total population in 2012 compared to 39 percent for the US overall, but those adults under age 35 represented only 17 percent of the county's population compared to 21 percent nationwide.

Source: US Census Bureau (2012 American Community Survey, 1-Year Estimates)

PEER ANALYSIS

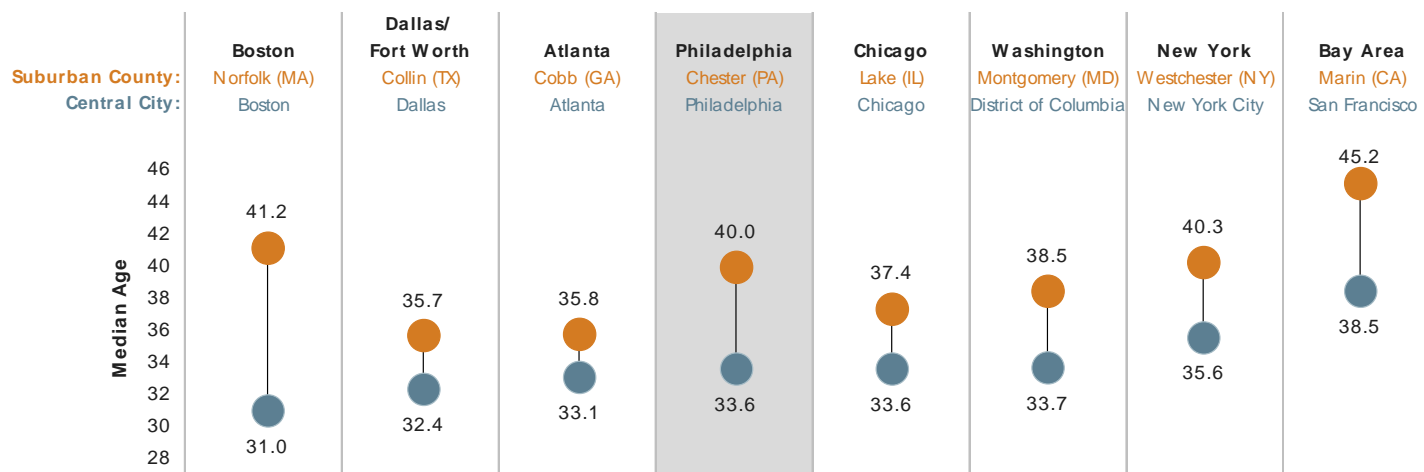
A COMPARISON OF ECONOMIC & DEMOGRAPHIC FACTORS IN CENTRAL CITIES AND WEALTHY SUBURBAN COUNTIES

Comparing an individual county to the state or US level is not always the most instructive approach. Sometimes it can be better to select peers for comparative purposes. In comparing a wealthy, educated county like Chester County to the central city of Philadelphia, we have chosen seven other city/suburban county pairs that may be useful benchmarks. These include Dallas (Collin County); Chicago (Lake County); Atlanta (Cobb County); New York City (Westchester County); Boston (Norfolk County); Washington DC (Montgomery County, MD); and San Francisco (Marin County).

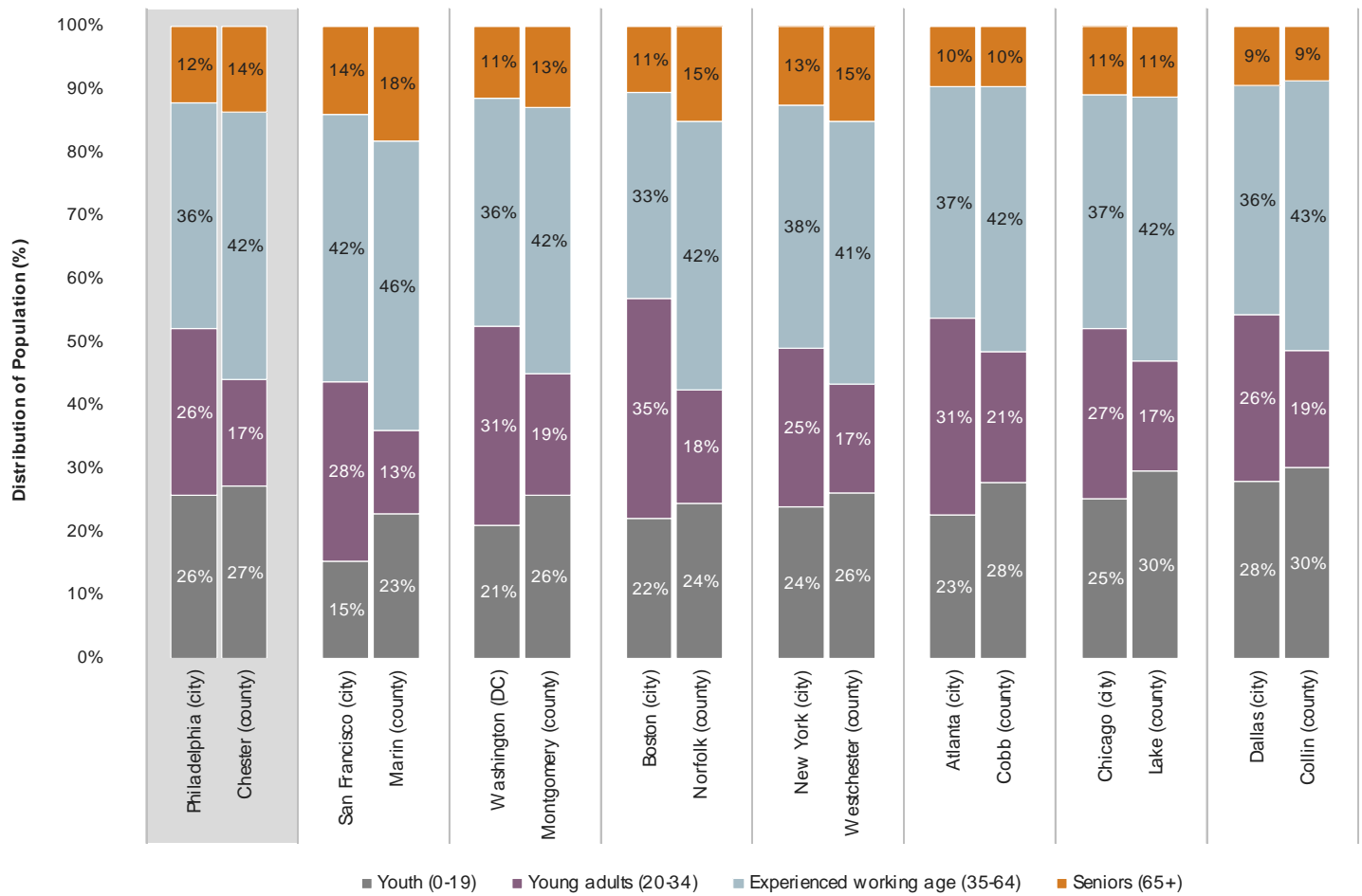


In all of the city/suburban county pairs examined, there was a significant gap between median household incomes. This gap was, however, wider between Chester County and the City of Philadelphia than in any of the other pairs we examined. The next widest gap was between the City of Dallas and its northern suburbs in Collin County.

All of the central cities examined had lower median ages than did their wealthy suburban counties. This gap was widest in Boston, probably because of an unusually large surplus of college students. The next widest age gaps were found in Philadelphia and Northern California's Bay Area.



In the peer regions examined, the age characteristics of central cities tend to be similar to each other. This is also true for wealthy suburban counties, all of which tend to be similar to each other in age structure. An age differential between central cities and suburban counties is commonplace across this group of peers, even though the size of the differential varies somewhat from one metropolitan area to another.

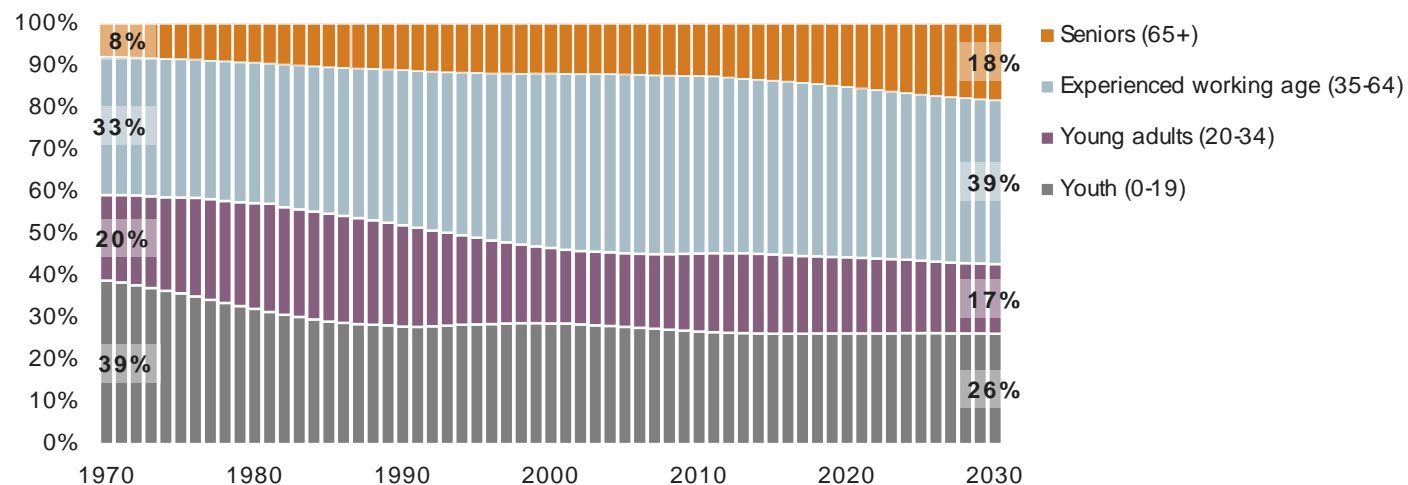


Source: US Census Bureau (2012 American Community Survey, 1-Year Estimates)

CHESTER COUNTY POPULATION DISTRIBUTION BY AGE

HISTORY AND PROJECTIONS, 1970-2040

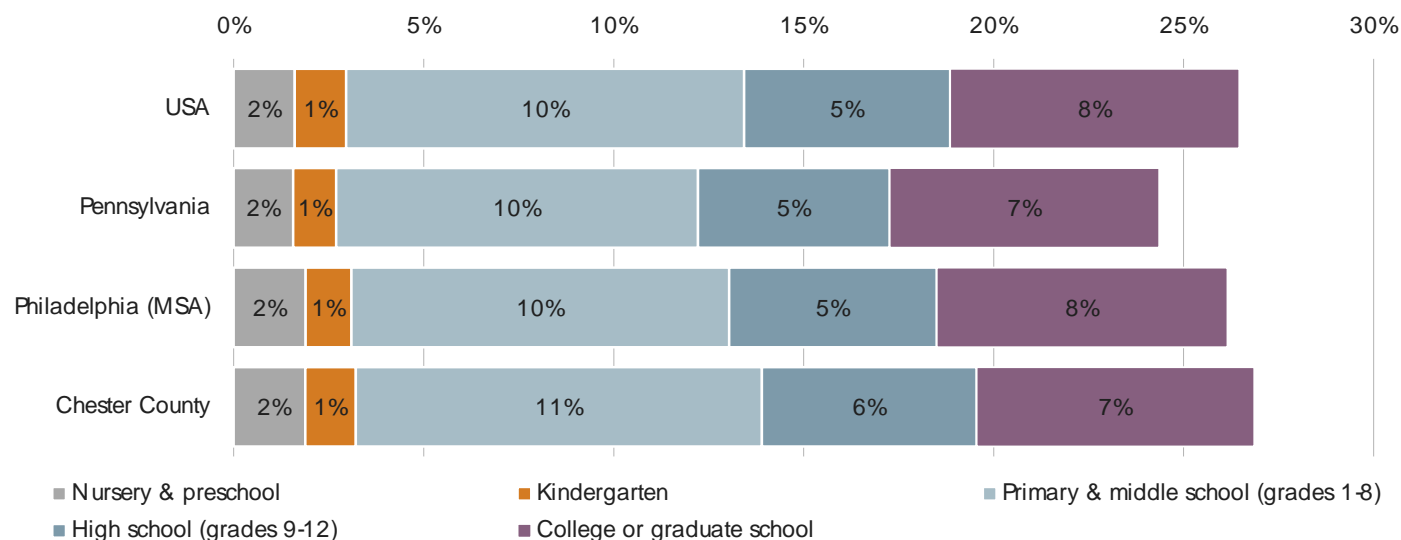
Chester County's trends are moving in the same direction as the 11-county MSA overall. In the 60-year period from 1970 to 2030, the senior share of the county's population will more than double from 8 percent to 18 percent. As seniors continue to assume a larger share of the county's population, the percentage of younger age cohorts will fall slightly or remain flat. The process is gradual and reflects the nation's changing demographic structure.



Source: US Census Bureau; Moody's Analytics

CURRENT ENROLLMENT STATUS OF THE POPULATION

Enrollment data for the Philadelphia region (including Chester County) mostly parallels US patterns. Slight differences of only 1-2 percent across geographies may reflect little more than differences in age structures among the regions compared here.

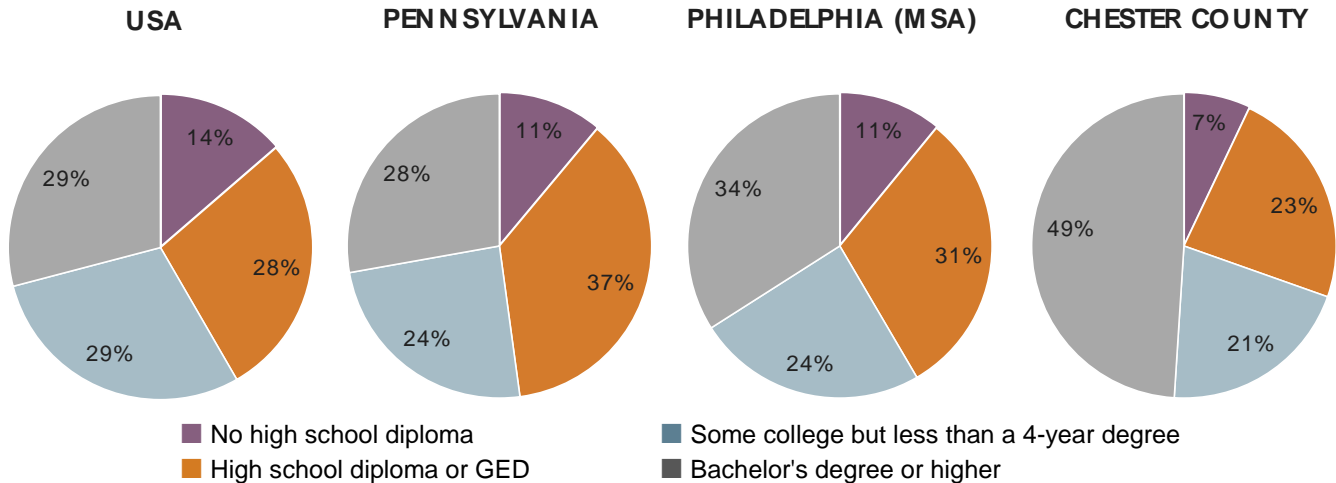


Source: US Census Bureau (2012 American Community Survey, 1-Year Estimates)

EDUCATIONAL ATTAINMENT

HIGHEST LEVEL OF EDUCATION ACHIEVED BY THE POPULATION AGE 25 OR OLDER

Chester County's educational attainment levels exceed national and state levels by a wide margin. For Chester County overall, about 49 percent of residents have a 4-year degree or higher. This percentage runs 20 points higher than the US average of 29 percent. At the same time, only half as many Chester County residents lack high school equivalency (just 7 percent) as the national average of 14 percent.



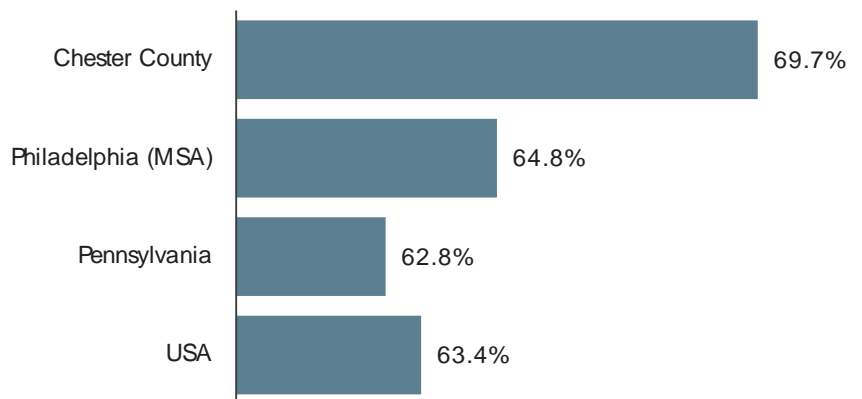
Source: US Census Bureau (2012 American Community Survey, 1-Year Estimates)

LABOR FORCE PARTICIPATION RATE

Labor force participation is the share of the population age 16 or above that is currently employed or seeking to be employed.

Official civilian labor force participation rates are calculated by the US Bureau of Labor Statistics, but these rates are not readily available below the state level. An alternative can be roughly calculated from a different sample available from the US Census Bureau's annual American Community Survey.

This alternative calculation shows a noticeably higher CLF participation level for Chester County (nearly 70 percent) than the MSA, the state, or the national average, all of which fall roughly in the 63 percent-65 percent range.



Source: US Census Bureau (2012 American Community Survey, 1-Year Estimates)

AVERAGE ANNUAL UNEMPLOYMENT RATE, 1990-2013 (%)

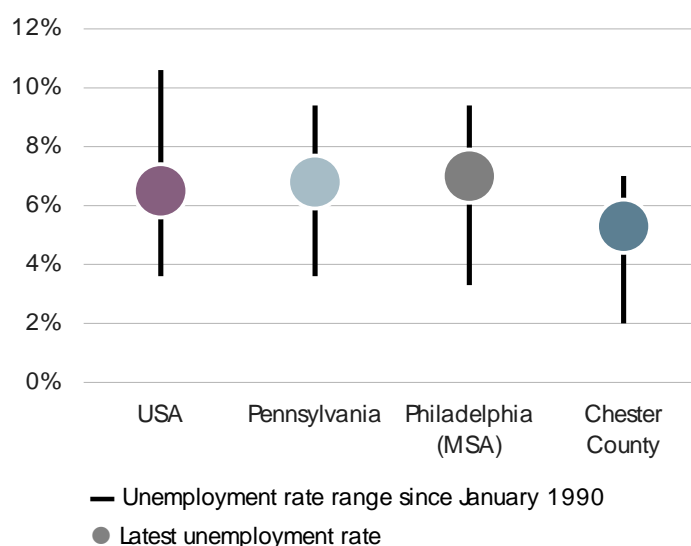
LATEST 2013 UNEMPLOYMENT RATE RELATIVE TO THE HISTORICAL 2-DECADE RANGE

Unemployment rates nationwide rose to record highs during the 2008-2009 recession and have since inched gradually toward improvement. National, statewide, and metropolitan jobless rates have now eased well below 8 percent.

In Chester County, the structural range of the unemployment rate over the past 20+ years has been lower than either the statewide or national average. The county's most recent unemployment rate is 1 percent-2 percent below national, statewide, and metropolitan averages.

Note: Because seasonal adjustment is not available for all jurisdictions, none of the rates shown (including comparables) are seasonally adjusted.

Source: US Bureau of Labor Statistics, CPS (US rate) and LAUS (state & county rates)



UNEMPLOYMENT RATES COMPARED

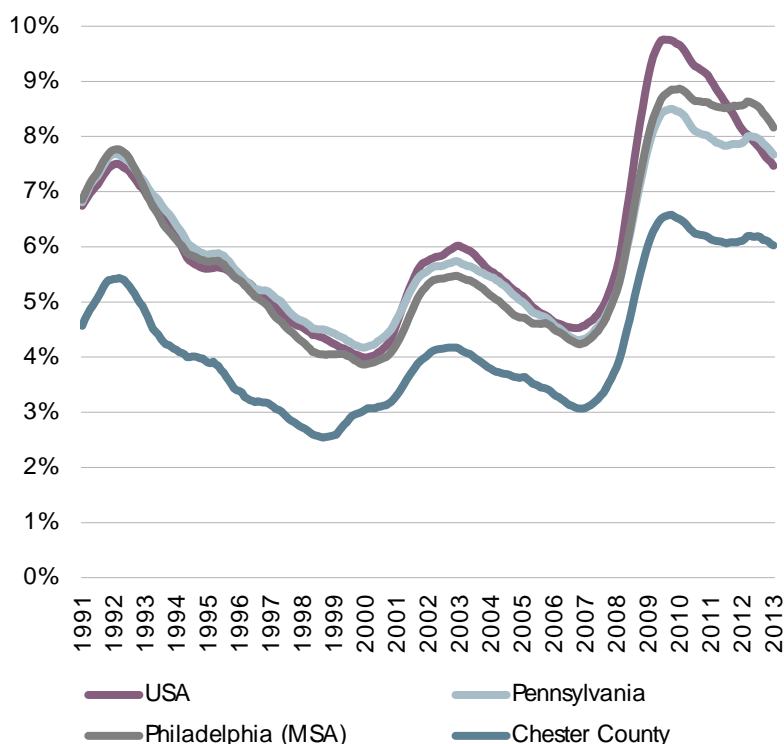
THE REGIONAL EMPLOYMENT CYCLE IS INCREASINGLY DISCONNECTED FROM THE US AVERAGE

Local unemployment rates (both MSA and county) have generally followed the same cyclical patterns as statewide and national averages. But while general movements have been parallel, the levels have not. The national, statewide, and metropolitan jobless rates were closely synchronized in the 1990s and through most of the 2000s. The 2008-2009 recession, however, threw these rates out of line, with the US first shooting higher and more recently slipping below statewide and metropolitan averages.

Chester County's cyclical trend has been similar, but the level of unemployment over the past 20+ years has generally been about 2 percentage points below comparable statewide and metropolitan rates.

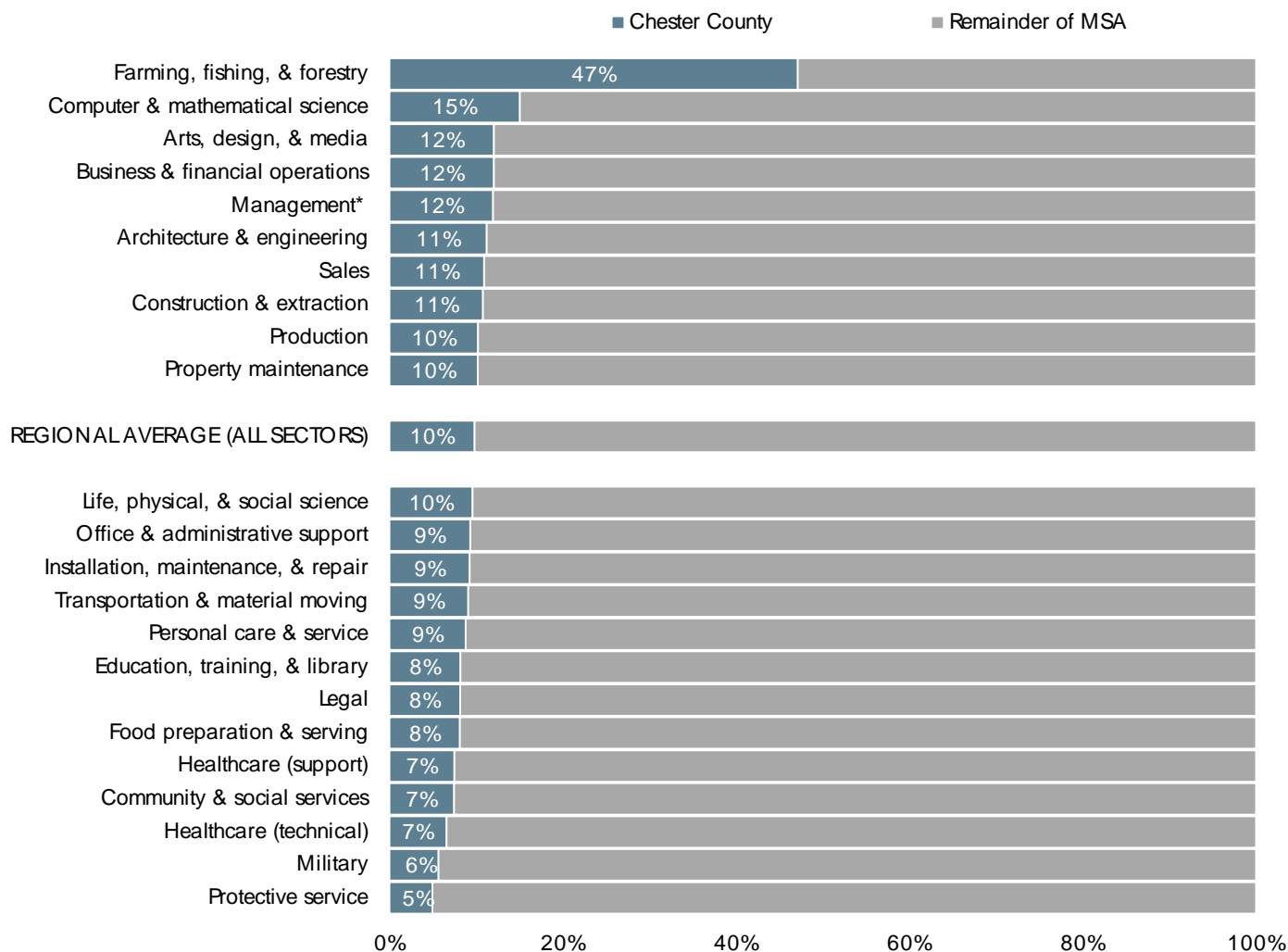
Note: 12-month moving average of the seasonally unadjusted jobless rates

Source: US Bureau of Labor Statistics, CPS (US) and LAUS (state & county)



GEOGRAPHIC DISTRIBUTION OF OCCUPATIONAL EMPLOYMENT IN THE PHILADELPHIA MSA AS OF 2013

Chester County accounts for about one job of every 10 in the greater Philadelphia region. This rate differs across occupational groups. Chester County captures almost half of the region's jobs in agricultural occupations, reflecting the importance of agriculture to the county's economy. Chester County also captures an above-average share of employment in high-wage occupations related to IT, finance, management, and engineering. Both healthcare and education-related occupations appear at below-average rates in Chester County, but this is consistent with other datasets showing net outbound commuting for county residents who work in education and healthcare fields.



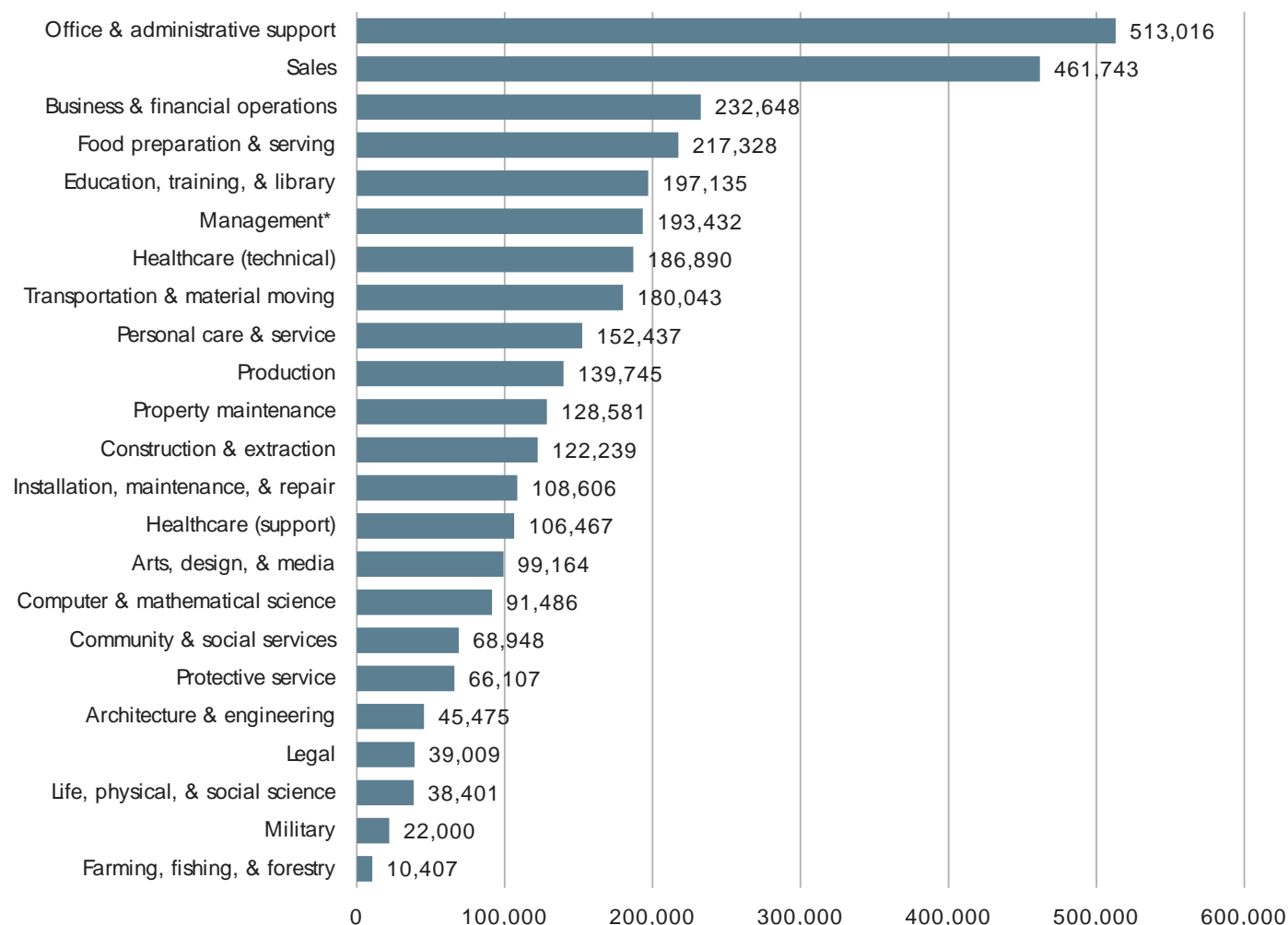
*Note: Education includes all public schools, colleges, & universities, i.e., these jobs are not included with local or state government.

Source: EMSI Complete Employment - 2013.4

2013 JOB BASE BY OCCUPATIONAL GROUP IN THE PHILADELPHIA MSA

More than one quarter of the MSA's entire workforce (28 percent) falls into two occupational groups: office administration and sales. It is common for urban areas to employ large numbers of workers in these categories.

One occupational group that does, at first glance, appear to be particularly strong in the Philadelphia area is business/financial operations. The MSA employs nearly one-quarter million individuals in this occupational category. This is a relatively high number, even for a metropolitan area of this size. As shown in the previous chart, Chester County accounts for an above-average share of the MSA's jobs in this important sector.



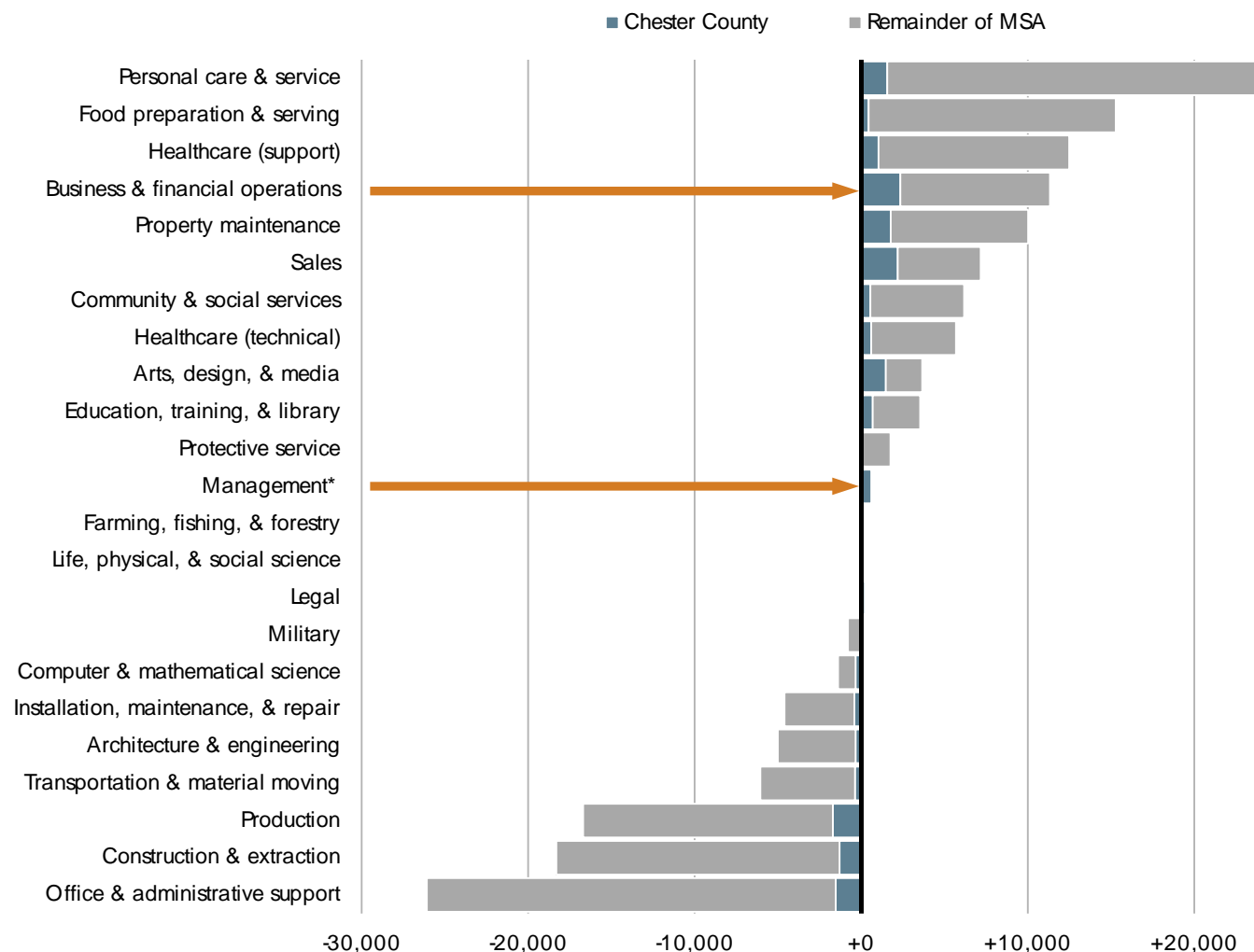
Note: Management occupations include self-employed real estate agents and farmers & ranchers as well as construction managers and general managers.

Source: EMSI Complete Employment - 2013.4

NET JOB CHANGE WITHIN THE MSA, 2009-2013

Chester County accounts for a relatively small portion of the MSA's job base, so one has to look closely to find distinct occupational differences from the MSA overall. With this in mind, Chester County's share of the MSA's net job gains and losses over the past four years has differed moderately by occupational group.

For business and financial occupations, Chester County picked up more than one-quarter of the MSA's total net job gains since 2009. In another skilled occupational group (management) Chester County added jobs over the past five years even though net gains in the rest of the MSA were nil.



*Management occupations include self-employed real estate agents and farmers & ranchers as well as construction managers and general managers.

Source: EMSI Complete Employment - 2013.4

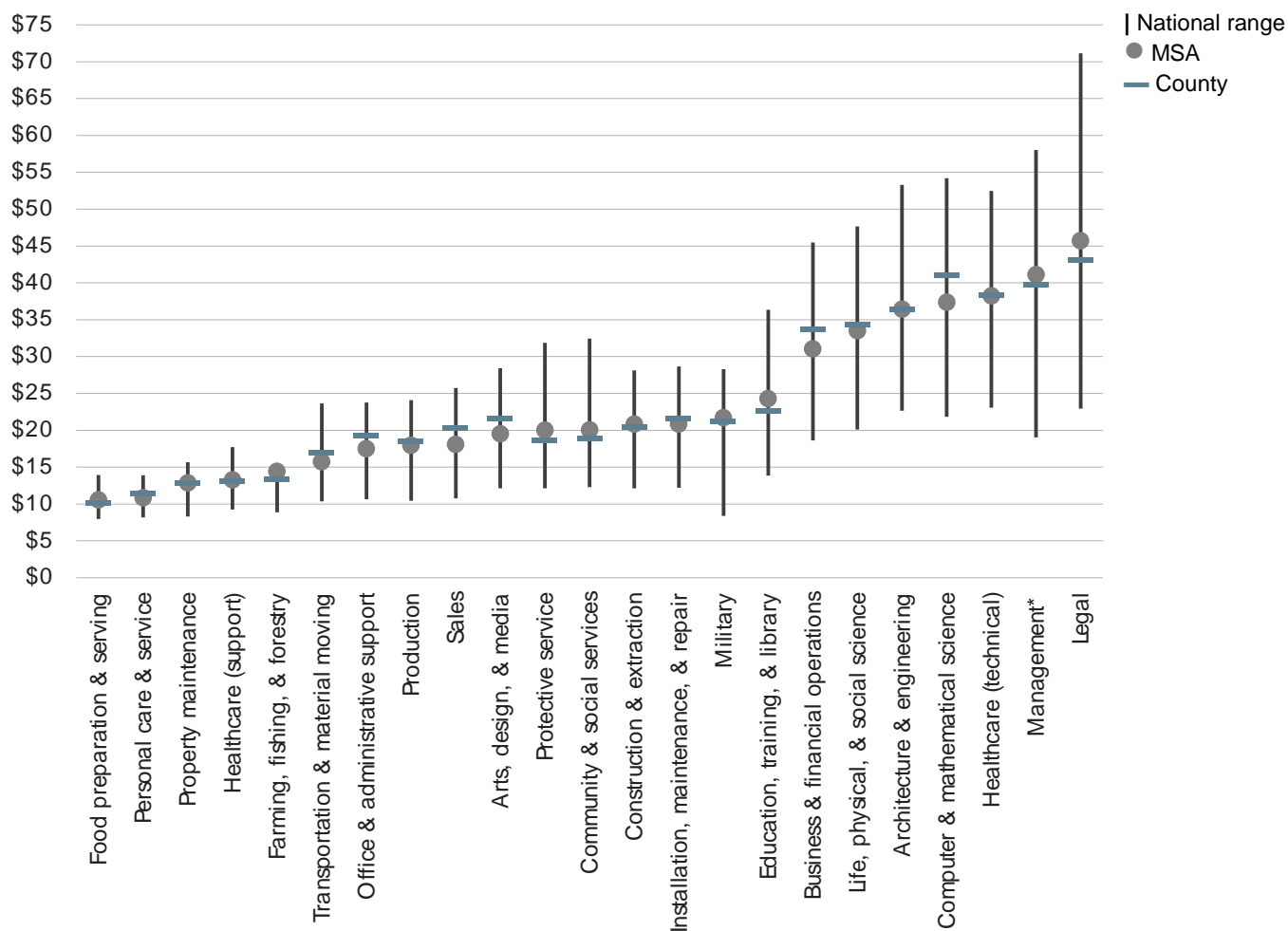
MEDIAN HOURLY WAGE RATE BY OCCUPATIONAL GROUP

LOCAL MEDIAN WAGES PRESENTED IN THE CONTEXT OF THE NATIONAL WAGE RANGE

In most occupational categories, the median wage in the Philadelphia MSA falls near the middle of the national wage range.

Not surprisingly, high skilled occupations in law, management, healthcare, computer sciences, and engineering tend to draw higher median earnings than lower skilled jobs in service occupations such as food preparation, personal services, and property maintenance. (Recall from an earlier exhibit that low-paying occupations in food prep, personal services, and property maintenance have been among the MSA's major job gainers during the economic recovery.)

Wage levels for most occupational groups in Chester County match the metropolitan levels, but with a few exceptions. Chester County's jobs tend to pay slightly more in fields such IT, financial services, design, and sales.



Note: Circle represents the MSA median; horizontal bar represents the county median; vertical line represents the national occupational wage range between the 10th and 90th percentiles.

* Management occupations include self-employed real estate agents and farmers & ranchers as well as construction managers and general managers.

Source: EMSI Complete Employment - 2013.4

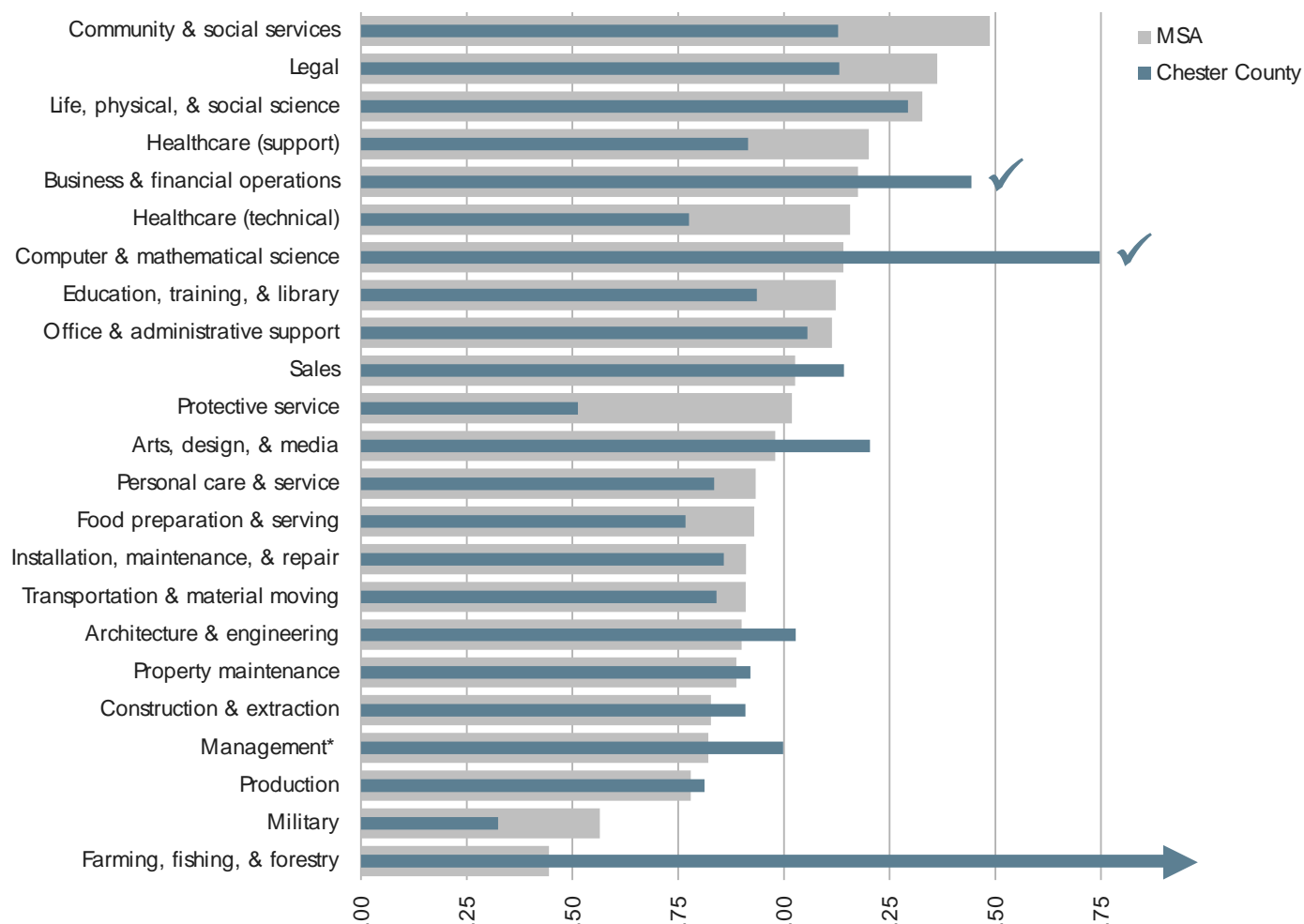
OCCUPATIONAL GROUP CONCENTRATIONS RELATIVE TO THE US

LOCATION QUOTIENT ANALYSIS

US average for each industry = 1.00

Regional strength > 1.25

Regional weakness < 0.75



Location quotients (LQs) indicate strengths and weaknesses in the employment base relative to the US overall. Theoretically, higher LQs imply specialization in a local economy and are often viewed by economists as export industries.

Occupational groups with high location quotients (LQ) underscore the Philadelphia region's core economic strengths. Scientists and attorneys are among those who score high regional location quotients. IT and financial service occupations also scored LQs above 1.0 at the MSA level, but in Chester County these LQs were much higher. The concentration of farm-related employment within the county compared to US employment far exceeds the region's relatively small LQ in this sector.

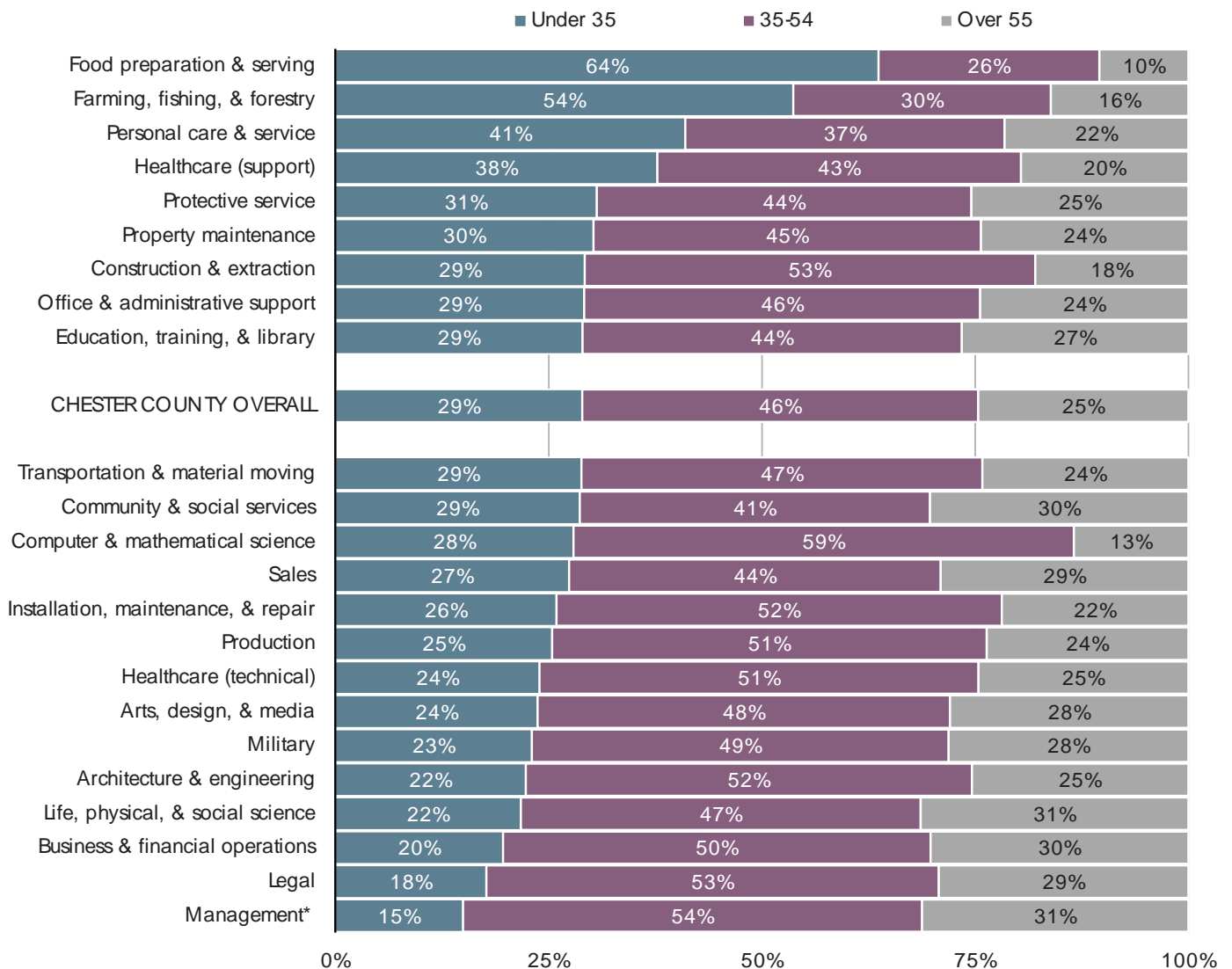
*Note: Management occupations include self-employed real estate agents and farmers & ranchers as well as construction managers and general managers.

Source: EMSI Complete Employment - 2013.4

CHESTER COUNTY'S OCCUPATIONAL MIX BY AGE AND GENDER

Differences exist in the age of workers across occupational groups. Some of this is to be expected. Food preparation and serving, for example, is an entryway into the workforce for many younger workers. As these workers age, they are apt to move into other occupations. Conversely, there's a small share of managerial workers under the age of 35. This makes

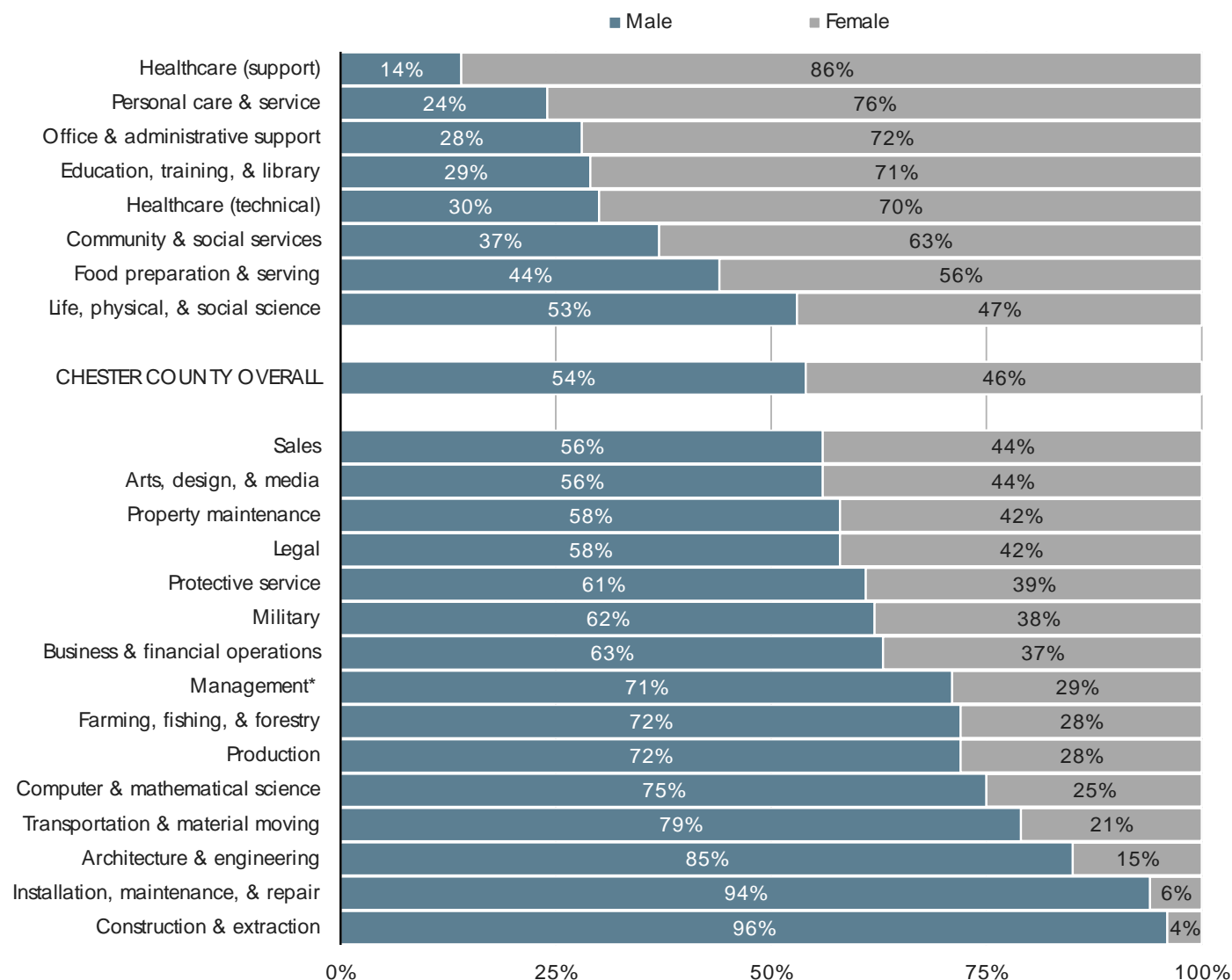
sense as well, as these posts tend to be filled by more experienced candidates. These are very typical patterns seen throughout the US, regardless of region or urban/rural status.



*Note: Management occupations include self-employed real estate agents and farmers & ranchers as well as construction managers and general managers.

Source: EMSI Complete Employment - 2013.4

The occupational divide by gender is stark, but also typical of broader US patterns. Female workers are much more likely to be employed in the region's healthcare, education, and social and personal service industries. Male workers cluster heavily in construction, maintenance, repair, engineering, and transportation fields. Again, these patterns are not unique to Southeastern Pennsylvania.



These patterns matter at the household level. Economic recessions can hit certain types of occupations disproportionately, and thus can weigh more heavily on a particular age group or gender. Local policymakers must consider these issues carefully when structuring economic development strategies and workforce training programs to best match local needs.

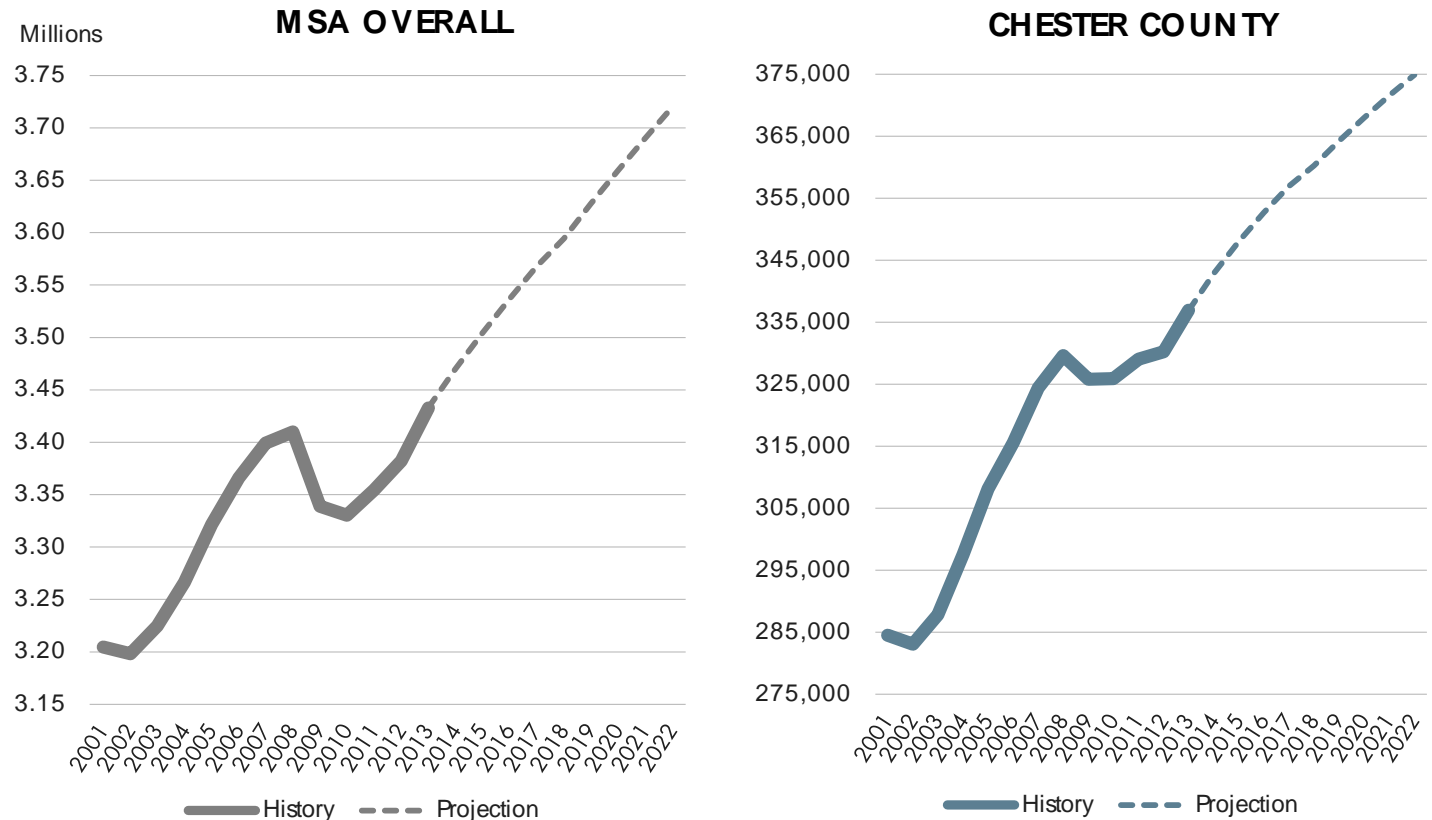
*Note: Management occupations include self-employed real estate agents and farmers & ranchers as well as construction managers and general managers.

Source: EMSI Complete Employment - 2013.4

ECONOMY AND INFRASTRUCTURE

THE REGIONAL JOB BASE, PAST AND FUTURE

A SOFTER LANDING IN CHESTER COUNTY THAN THE MSA OVERALL



According to EMSI, "complete" employment (this includes full-time and part-time jobs and self-employed workers) peaked just above 3.4 million in the MSA in 2008. The MSA did not match this previous peak job level again until 2013.

In Chester County, complete employment peaked just below 330,000 in 2008, almost exactly 10 percent of the metropolitan total. But, Chester's job losses were less severe than the MSA overall and the county had reached a new job peak by 2012, a year earlier than the MSA overall.

Note 1: The Y-axis scales for the MSA and county are not the same, so comparisons should be interpreted carefully

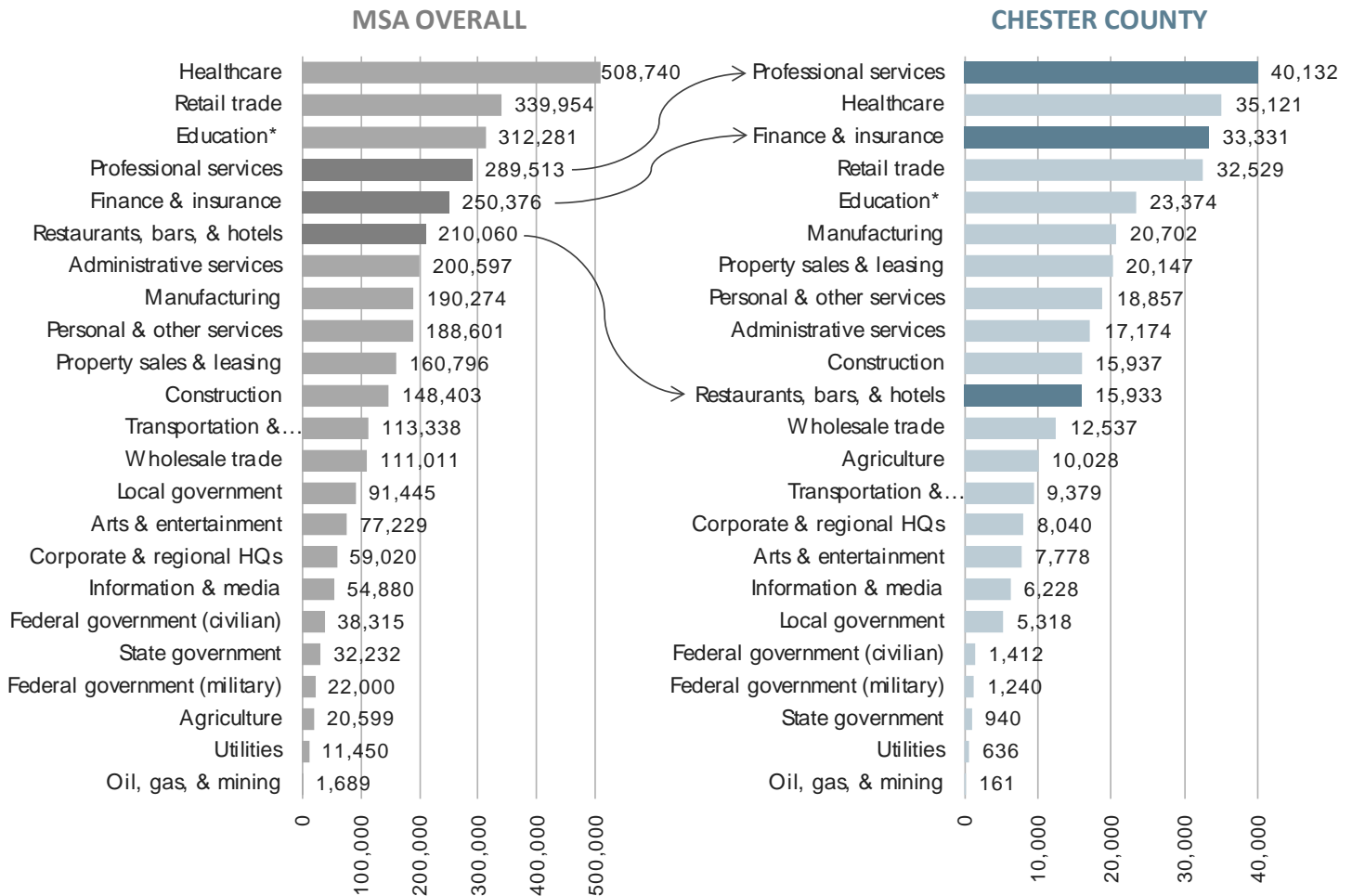
Note 2: The base includes the "complete" job count of public and private sector, covered employment and self-employment, F/T and P/T employment

Source: EMSI Complete Employment - 2013.4

JOB BASE BY INDUSTRY SECTOR

OFFICE-USING SECTORS RANK HIGHER IN CHESTER COUNTY, BUT WHAT ABOUT THE SUPPORT SECTORS?

Relative to the MSA, Chester County's employment base is very strong in professional services and finance/insurance. These industries employ large numbers of office workers. One sector that may be underrepresented in Chester County relative to the MSA is restaurants/bars/hotels. This might indicate significant leakage of residents, workers, and business travelers going outside the county for dining, entertainment, and hospitality amenities and services.



*Note: Education includes all public schools, colleges, & universities, i.e., these jobs are not included with local or state government

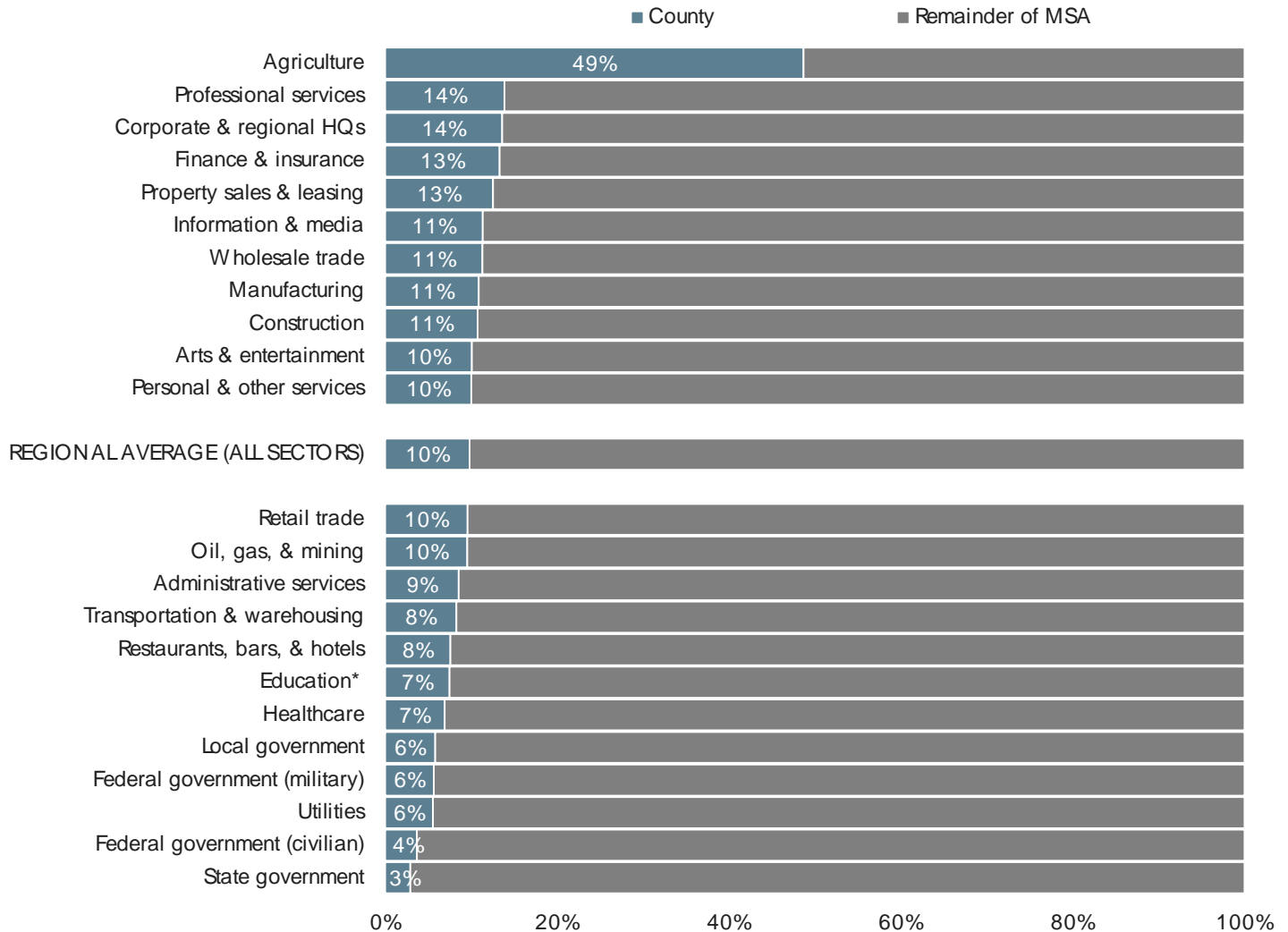
Source: EMSI Complete Employment - 2013.4

GEOGRAPHIC DISTRIBUTION OF JOBS IN THE PHILADELPHIA MSA

AS OF 2013

As previously noted, Chester County accounts for 10 percent of the MSA's job base. The county's share of jobs in professional services, corporate headquarters, and finance/insurance tend to be disproportionately higher than the overall average.

At the other end of the spectrum, the county's government jobs represent very little of the MSA's overall totals. In addition, reinforcing the previous finding, the county represents just 8 percent of the MSA's jobs in restaurants, bars, and hotels. This is slightly surprising; given the county's job base in office-using sectors (workers and visitors who normally support this sector) make up 13-14 percent of the regional total.



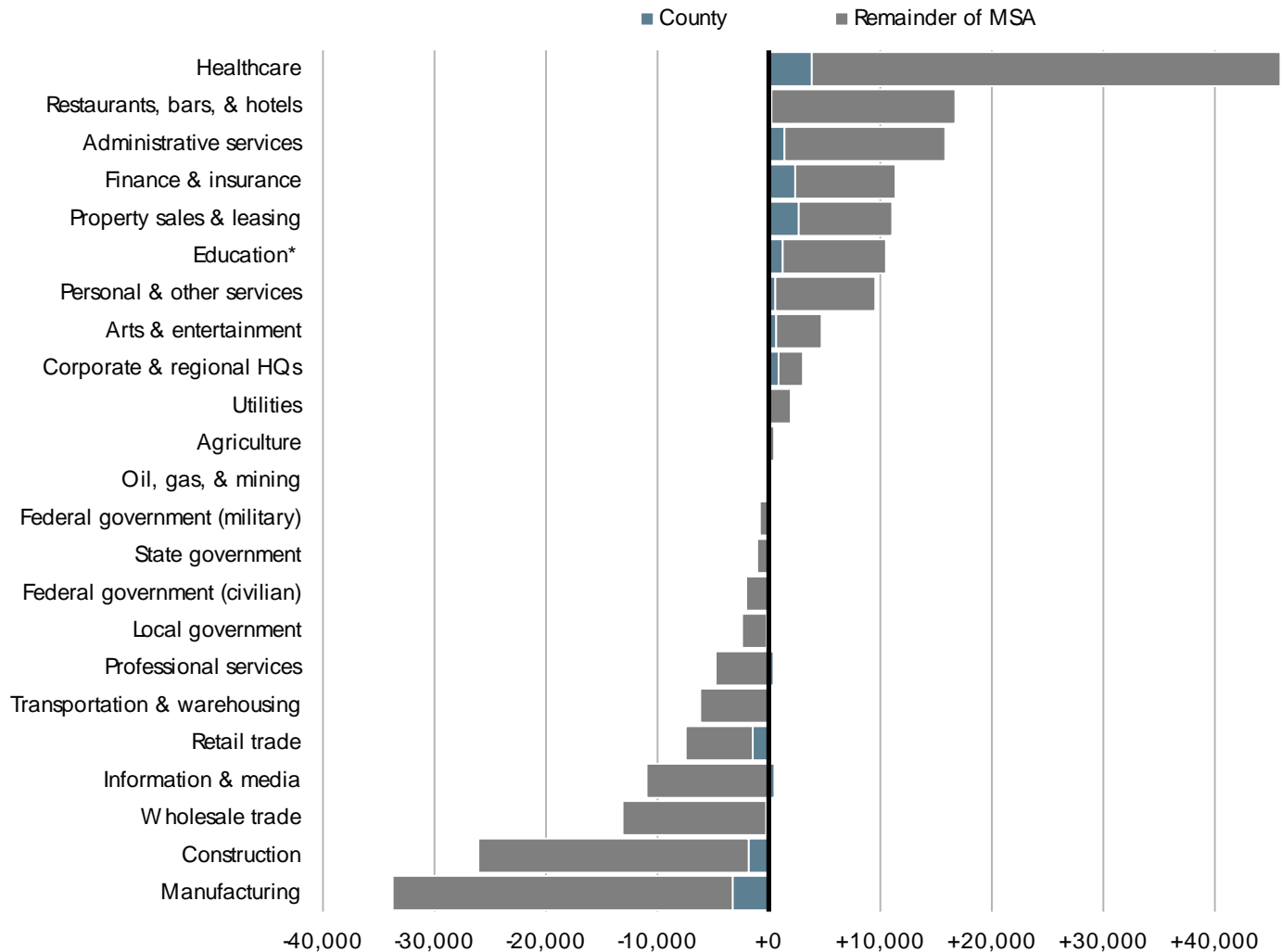
*Note: Education includes all public schools, colleges, & universities, i.e., these jobs are not included with local or state government

Source: EMSI Complete Employment - 2013.4

NET JOB CHANGE WITHIN THE MSA, 2009-2013

This exhibit shows Chester County's share of regional job gains and losses over the past five years. While the county clearly picked up a large number of healthcare jobs during this period, the county's gains in percentage terms were more impressive in finance/insurance and property sales/leasing. In both of these sectors, Chester County picked up more than one-quarter of the entire metropolitan region's job gains.

Meanwhile, the MSA's heaviest job losses occurred in manufacturing and construction. These were also the sectors in which Chester County experienced the most job losses.



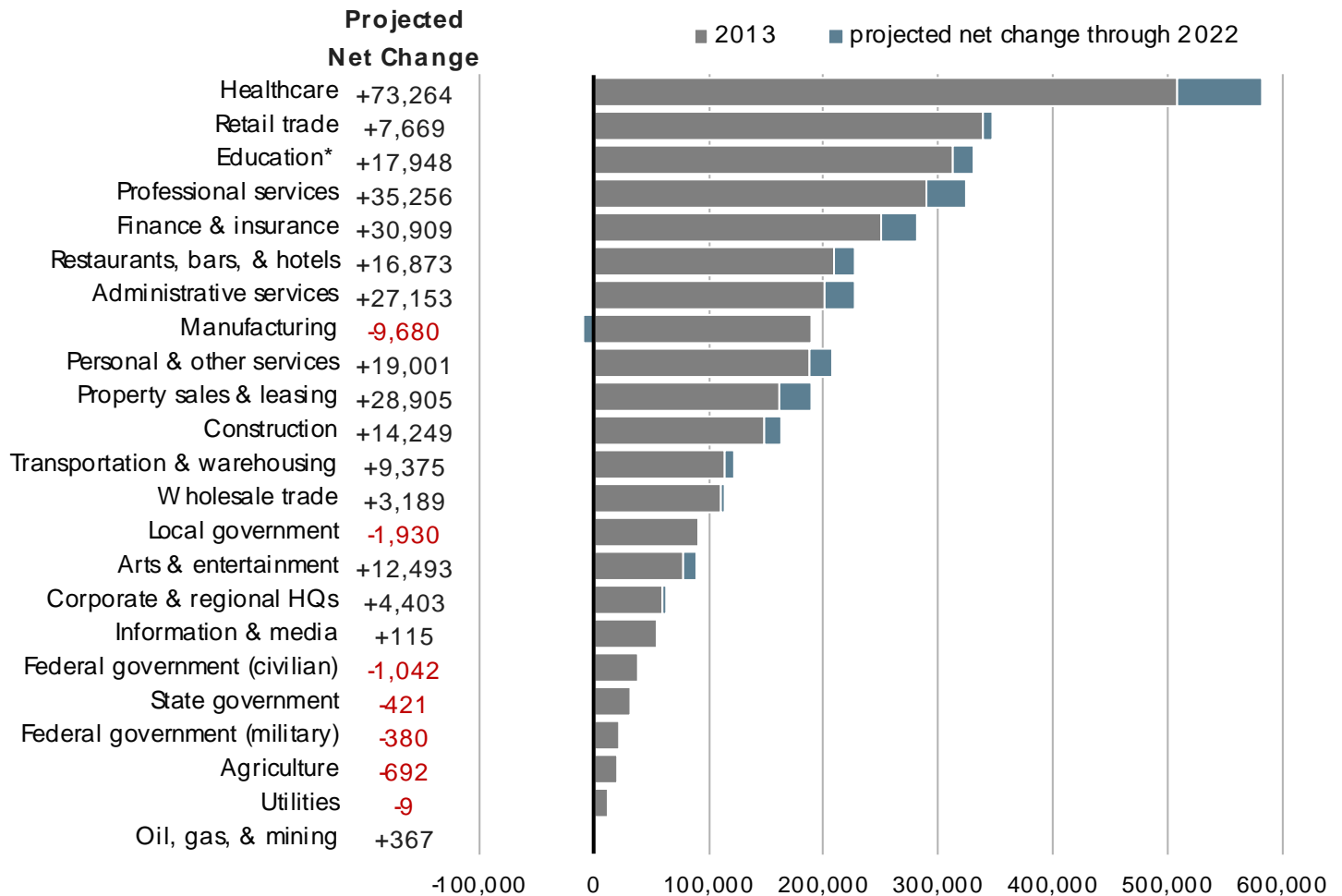
*Note: Education includes all public schools, colleges, & universities, i.e., these jobs are not included with local or state government

Source: EMSI Complete Employment - 2013.4

MSA JOB BASE IN 2013 + PROJECTED NET CHANGE THROUGH 2022

As US demographics change over the coming decade, healthcare will inevitably be a major job gainer, but other sectors, including professional services and finance/insurance will also be among the largest job gainers for the MSA, according to recent projections by EMSI. Professional services and finance/insurance together are expected to add more than 75,000 office-using jobs in the region, a combined total that is more than the healthcare sector's expected gains.

Technological innovations will continue to generate productivity gains in manufacturing and business-to-consumer sales (retail trade) which means few net new jobs, if any, are likely to be added in these sectors.



*Note: Education includes all public schools, colleges, & universities, i.e., these jobs are not included with local or state government

Source: EMSI Complete Employment - 2013.4

INDUSTRY SECTOR STRENGTHS RELATIVE TO THE US LOCATION QUOTIENT ANALYSIS

US average for each industry = 1.00

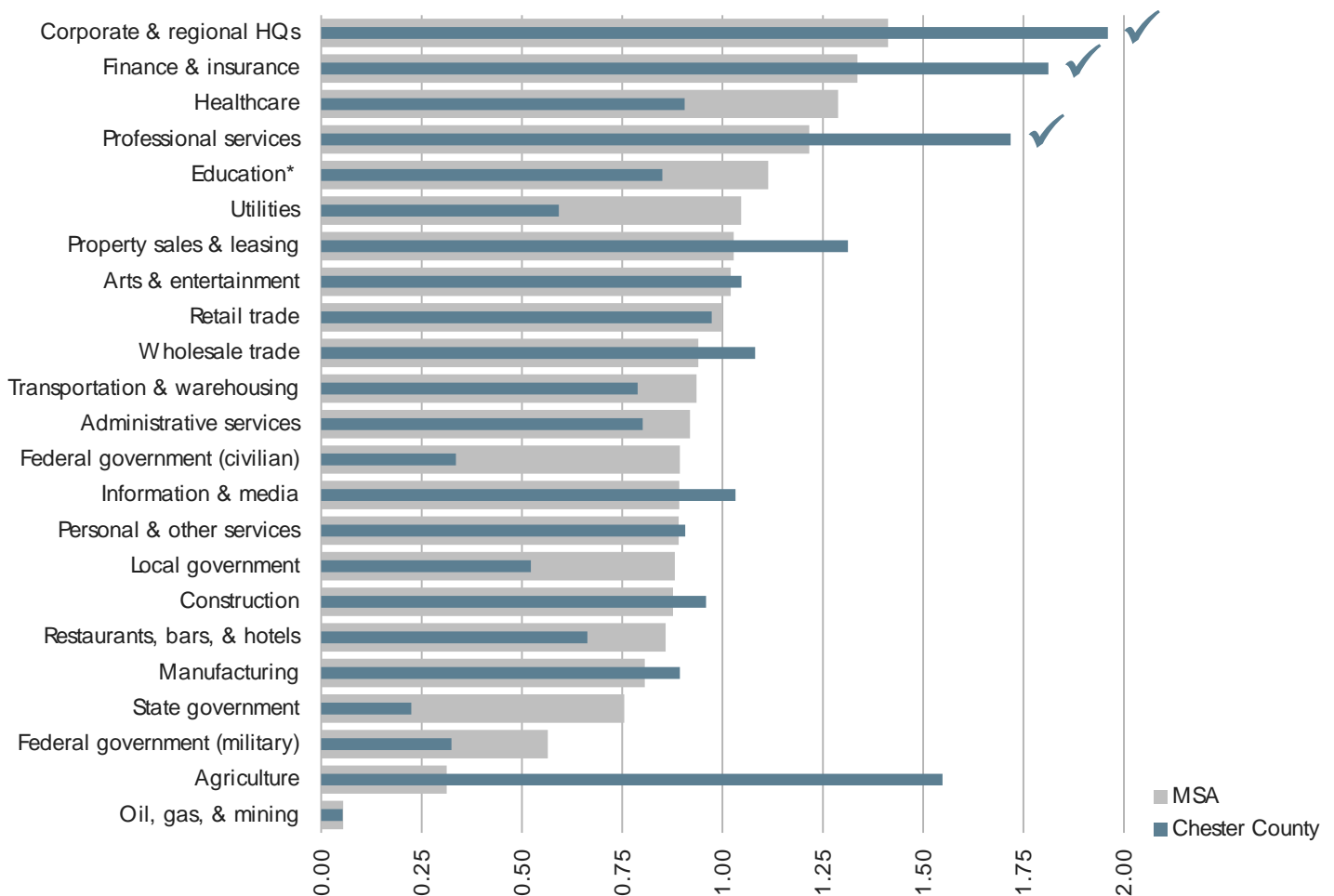
Regional strength > 1.25

Regional weakness < 0.75

Corporate headquarters, finance/insurance, healthcare, and professional services are disproportionately represented sectors in the greater Philadelphia MSA. These sectors all score higher location quotients where 1.00 is equivalent to the national economy.

Three of the five sectors with the MSA's highest LQs are even higher in Chester County. All three represent office-using employment and relatively high-wage professions. The remaining sectors (healthcare and education) scored a lower LQ in Chester County than in the MSA overall.

The graph reiterates the high concentration of the region's agriculture sector employment within Chester County. The county's manufacturing LQ is also slightly higher than the region's.



*Note: Education includes all public schools, colleges, & universities, i.e., these jobs are not included with local or state government.

Source: EMSI Complete Employment - 2013.4

MAJOR EMPLOYERS IN THE PHILADELPHIA REGION

Institutional employers—schools and campuses, hospitals and public healthcare systems, and government agencies—all rank prominently among the Philadelphia MSA's largest employers.

Many of the region's employers, both private and not-for-profit, have a presence across multiple counties in the region. These employers are shaded in the exhibit.

Two of the region's largest employers are based in Chester County and maintain a substantial presence there. These include Vanguard and Genesis Healthcare.

EMPLOYER	INDUSTRY	COUNTY	JOBS
Jefferson Health System	Healthcare	Philadelphia	19,100
University of Pennsylvania	Educational services	Philadelphia	16,160
University of Pennsylvania Health System	Healthcare	Philadelphia	14,941
Merck & Company, Inc.	Manufacturing	Montgomery	12,000
Wal-Mart	Retail trade	Multiple	11,445
Catholic Health East	Healthcare	Multiple	11,339
UPS	Transportation & warehousing	Philadelphia	10,261
Comcast Corporation (includes Spectacor)	Information & media	Philadelphia	10,200
Main Line Health	Healthcare	Montgomery	10,100
Aramark Corp.	Administrative services	Philadelphia	10,026
Christiana Care Health System	Healthcare	New Castle	10,000
Bank of America Corp.	Finance & insurance	Multiple	10,000
Supervalu Inc. (Acme)	Retail trade	Multiple	10,000
Children's Hospital of Philadelphia (CHOP)	Healthcare	Philadelphia	9,800
El Du Pont de Nemours & Co	Manufacturing	New Castle	9,500
Vanguard Group	Finance & insurance	Chester	9,210
Verizon Communications Inc.	Information & media	Multiple	9,054
Lockheed Martin Corporation	Manufacturing	Multiple	9,000
Virtua Health	Healthcare	Multiple	8,900
Wells Fargo (includes former Wachovia Bank)	Finance & insurance	Multiple	8,870
Southeastern Pennsylvania Transportation Authority (SEPTA)	Transportation & warehousing	Philadelphia	8,800
Wawa, Inc.	Retail trade	Delaware	8,333
Temple University	Educational services	Philadelphia	7,804
Siemens Medical Solutions USA, Inc.	Manufacturing	New Castle & Montgomery	7,546
Temple University Health System	Healthcare	Philadelphia	7,500
CVS Caremark Corp.	Retail trade	Multiple	7,097
Thomas Jefferson University Hospital	Healthcare	Philadelphia	6,830
Crozer — Keystone Health System	Healthcare	Delaware	6,650
US Postal Service	Transportation & warehousing	Multiple	6,410
Abington Health System	Healthcare	Montgomery	6,390
Genesis Healthcare Corp.	Healthcare	Chester	6,328
Bristol-Myers Squibb	Manufacturing	Mercer	6,300
Mercy Health System of Southeastern Pennsylvania	Healthcare	Montgomery	6,250
US Airways	Transportation & warehousing	Philadelphia	6,247

EMPLOYER	INDUSTRY	COUNTY	JOBS
Johnson & Johnson (excludes Centocor)	Manufacturing	Multiple	6,247
Home Depot USA Inc.	Retail trade	Multiple, dist. center in Bucks	6,113
Princeton University	Educational services	Mercer	6,011
TD Banknorth (acquired Commerce Bank in 2008)	Finance & insurance	Multiple	5,900
FedEx Corp.	Manufacturing	Montgomery & Philadelphia	5,900
Sodexo	Administrative services	Montgomery	5,777
GlaxoSmithKline	Manufacturing	Montgomery & Philadelphia	5,700
Wyeth Pharmaceuticals	Manufacturing	Montgomery	5,470
Independence Blue Cross	Finance & insurance	Philadelphia	5,230
Safeway Inc.	Retail trade	Multiple	5,190
Drexel University	Educational services	Philadelphia	5,122
Cooper Health System	Healthcare	Camden	5,000
Tenet Healthcare Corp.	Healthcare	Philadelphia	4,940
Sunoco, Inc. (excludes Atlantic Petroleum)	Manufacturing	Delaware & Philadelphia	4,700
Prudential Fox & Roach Realtors/Trident Group	Finance & insurance	Multiple	4,500
Boeing	Manufacturing	Delaware	4,500

Source: Select Greater Philadelphia

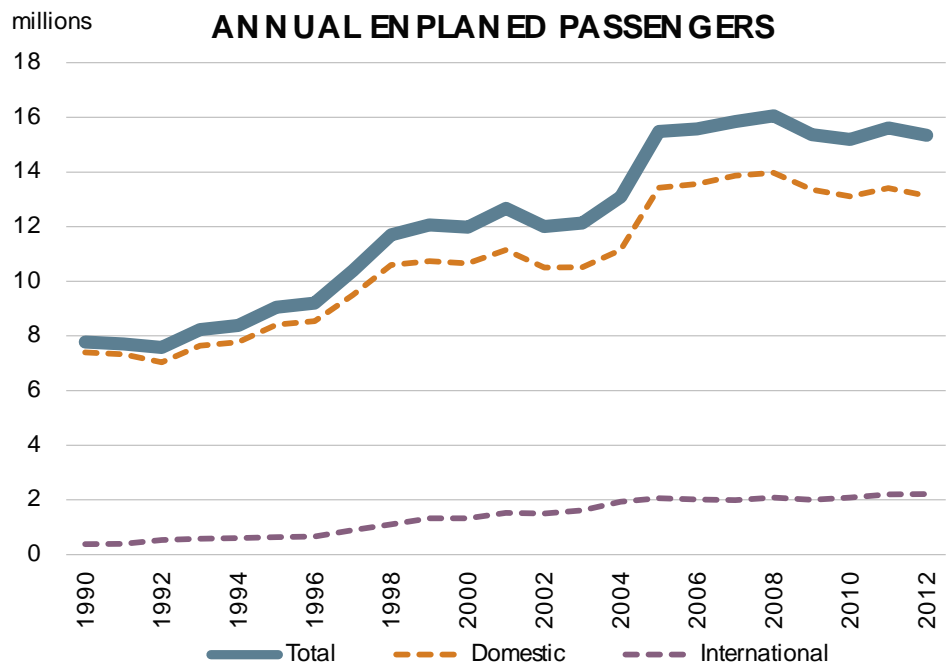
PHILADELPHIA INTERNATIONAL AIRPORT (PHL)

A SNAPSHOT OF TRENDS AND PATTERNS

Passenger enplanements at PHL grew steadily in the 1990s. However, since 2004, passenger volumes have leveled off to between 15 and 16 million annually.

Roughly 13 to 14 million of these annual passengers are enplaned for domestic flights with another 2 million headed abroad.

PHL's domestic destinations follow a familiar pattern. The most heavily traveled routes are to sunny seasonal locations in Florida. The other top destinations are mostly to major US hub airports, including Chicago, Atlanta, Los Angeles, San Francisco, Dallas, and Denver.



PHL's international destinations follow a similar pattern. Again, the heaviest traffic is for seasonal trips to the Caribbean. (In fact, more PHL passengers are enplaned on Caribbean flights in aggregate than to Delta's main hub in Atlanta.) After the Caribbean, the next tier of destinations is mostly international hub airports, including London, Frankfurt, Toronto, and Paris.

LEADING NON-STOP PHL DESTINATIONS

AS OF FYE 2012

DOMESTIC

Market	Avg. Daily Passengers	Airport	Avg. Daily Passengers
Orlando	1,746	MCO	1,746
South Florida	1,572	FLL	779
		PBI	431
		MIA	362
Chicago	1,357	ORD	993
		MDW	364
Atlanta	1,096	ATL	1,096
Boston	959	BOS	959
Los Angeles	862	LAX	862
San Francisco	740	SFO	740
Las Vegas	726	LAS	726
Tampa	710	TPA	710
Dallas	632	DFW	632
Denver	627	DEN	627
Raleigh	531	RDH	531
Phoenix	522	PHX	522
Houston	438	IAH	438
Pittsburgh	386	PIT	386
Minneapolis	367	MSP	367
Fort Myers	359	RSW	359
San Diego	350	SAN	350
Charlotte	345	CLT	345
St. Louis	337	STL	337
San Juan*	329	SJU	329
Nashville	328	BNA	328
Seattle	320	SEA	320
Detroit	312	DTW	312
Jacksonville	274	JAX	274
New Orleans	267	MSY	267
Indianapolis	242	IND	242

INTERNATIONAL

Market	Avg. Daily Passengers	Airport	Location	Avg. Daily Passengers
Caribbean resorts	1,204	CUN	Cancun, Mexico	351
		MBJ	Montego Bay, JM	317
		PUJ	Punta Cana, DR	178
		NAS	Nassau, Bahamas	103
		BDA	Hamilton, Bermuda	88
		AUA	Aruba	74
		SXM	St. Maarten	55
		PLS	Turks & Caicos	38
London	515	LHR	UK	515
Frankfurt	463	FRA	Germany	463
Toronto	344	YYZ	Canada	344
Paris	244	CDG	France	244
Rome	229	ROM	Italy	229
Manchester	218	MAN	England	218
Tel Aviv	214	TLV	Israel	214
Munich	205	MUC	Germany	205
Madrid	202	MAD	Spain	202
Montreal	197	YUL	Canada	197
Dublin	153	DUB	Ireland	153
Brussels	145	BRU	Belgium	145
Zurich	141	ZRH	Switzerland	141
Amsterdam	130	AMS	Netherlands	130
Halifax	129	YHZ	Canada	129
Barcelona	124	BCN	Spain	124
Ottawa	108	YOW	Canada	108
Venice	81	TSF	Italy	81
Quebec City	67	YKQ	Canada	67
Athens	64	ATH	Greece	64
Glasgow	60	PIK	Scotland	60
Lisbon	58	LIS	Portugal	58

There is little in the PHL data for domestic and international destinations to suggest over or under represented routes, as is possible with many major airports. (True, there are no Asian nonstops on this list, but until very recently this had more to do with the physical range of commercial aircraft. In recent years, large East Coast cities have begun to pick up Asian non-stops with the new Boeing 787 Dreamliner, so PHL may have opportunities for this in these types of flights in the future.)

Most troubling in the data is the flat lining of domestic air traffic over the past 10 years. This timeline parallels US Airways' disruptive bankruptcy proceedings in 2002 and 2004 and its eventual merger with America West in 2005. A subsequent merger with American Airlines was finalized in 2013. How all of this will ultimately unfold for PHL as a domestic hub and an international gateway is still unclear. What is clear, however, is that non-stop access to domestic and international hub cities is a vital necessity for the Philadelphia region's corporate headquarters, and especially its thriving finance, insurance, and professional services sectors.

*Note: San Juan, Puerto Rico, is considered a domestic flight.

Source: City of Philadelphia, Philadelphia Airport System, Municipal Securities Disclosure (fiscal year data)

INNOVATION INDICATORS (PART 1)

SBIR/STTR AWARD RECIPIENTS

There are very few ways to effectively measure "innovation" in a workforce or an economy. The solution is to use the best tools available, whatever their drawbacks.

One option is to look at the geographic distribution of innovation awards given to US companies for promising research. The US Small Business Administration's (SBA) Office of Technology administers the Small Business Innovation & Research (SBIR) and the Small Business Technology Transfer (STTR) program. Through these two competitive programs, SBA supports small, high-tech, innovative businesses. Eleven federal departments participate in the SBIR program; five departments participate in the STTR program. In Chester County, the total volume of SBIR/STTR awards peaked in federal FY 2010. This timing was in line with a peak in federal stimulus spending.

FEDERAL SBIR & STTR AWARDS IN CHESTER COUNTY

BY FEDERAL AGENCY SOURCE

	2008	2009	2010	2011	2012	Agency Total
Annual \$ total	12,449,737	6,815,266	18,275,040	13,632,103	15,760,783	
HHS	5,591,688	4,855,697	7,849,891	7,405,409	11,276,343	36,979,028
DoD of which:	5,878,086	1,259,583	8,275,430	4,072,187	3,960,268	23,445,554
DoD (general)		360,989	2,449,387	3,972,299	3,360,397	10,143,072
NAVY	4,360,230	219,831	700,821	99,888	499,899	5,880,669
USAF	847,869		198,887		99,972	1,146,728
MDA	599,993	99,853	1,889,801			2,589,647
ARMY	69,994	239,979	1,599,707			1,909,680
CBD		139,932	1,436,827			1,576,759
OSD		99,999				99,999
DARPA		99,000				99,000
NASA	799,963	699,986	1,399,719	894,507	374,189	4,168,364
NSF	100,000		750,000	800,000		1,650,000
EDUC						0
USDA	80,000			460,000		540,000
DOE					149,983	149,983

Over a long period of time, a picture can evolve to explain patterns in local economic development. In Chester County, HHS and DoD lead the federal government in awarding grants to local companies. A number of companies in the county have been multi-year recipients, including Daniel H. Wagner Associates; Materials Research & Design; PolyMedix; Lifesensors; Progenra; and Molecular Targeting Technology.

FEDERAL SBIR & STTR AWARDS IN CHESTER COUNTY

BY RECIPIENT (CHESTER COUNTY ADDRESS)

	2008	2009	2010	2011	2012	Company
Annual \$ total	12,449,737	6,815,266	18,275,040	13,632,103	15,760,783	Total
Daniel H. Wagner, Associates, Inc.	1,419,987	408,977	2,250,394	2,152,495	2,355,967	8,587,820
Materials Research & Design	1,749,557	640,769	3,359,607	2,649,269	804,857	9,204,059
PolyMedix, Inc.	125,600	1,092,966	3,624,811		3,161,376	8,004,753
Lifesensors, Inc.	2,065,751	1,180,324	513,189		1,241,739	5,001,003
Progenra, Inc.	782,044	337,032	1,521,747	296,751	888,798	3,826,372
Molecular Targeting Technology, Inc.	1,477,465	370,349	196,224	836,316	2,733,598	5,613,952
Reaction Biology Corporation		423,587	1,203,226	1,402,563		3,029,376
Shifa Biomedical Corporation	799,791	529,109	1,626,906		2,183,564	5,139,370
Kensley Nash Corporation				2,134,251		2,134,251
Syandus, Inc.	100,000		150,000	500,000		750,000
Venatorx Pharmaceuticals, Inc.				1,200,000	600,000	1,800,000
Mesh, Inc.		139,932	1,536,814			1,676,746
Dancing Dots Braille Music Technology LP				150,000		150,000
Photon-X, LLC	98,000		98,901			196,901
Lifesplice Pharma, LLC				953,009		953,009
DMX, Inc.			600,000		298,738	898,738
CorTrol Services, Ltd.	79,662		749,984			829,646
Scientific Innovations, Inc.			79,904		701,030	780,934
Zeomedix			150,000	70,000	348,389	568,389
Novaflora, Inc.	80,000			460,000		540,000
Reniguard Life Sciences, Inc.				300,000		300,000
Abzyme Therapeutics, LLC				282,519		282,519
QR Pharma, Inc.			213,508			213,508
Applied Defense Solutions, Inc.	69,114		99,825			168,939
Biopancreate, Inc.					168,530	168,530
AGC			150,000			150,000
MetaTenna			150,000			150,000
VariWaves				150,000		150,000
Silicon Power Corporation					149,983	149,983
American Aerospace Advisors, Inc.					124,214	124,214
Applied Analytic Research				94,930		94,930
<i>All other recipients with awards prior to 2010</i>	<i>3,602,766</i>	<i>1,692,221</i>				<i>5,294,987</i>

Note: SBIR/STTR data include Phase 1 and Phase 2 grants ; awards are tabulated based on the address listed on the grant application

Source: US Small Business Administration (fiscal year data)

INNOVATION INDICATORS (PART 2)

PATENT GRANT RECIPIENTS

Another frequently used benchmark for measuring innovation is patent counts. While SBIR/STTR awards are targeted toward smaller companies, patent filings accumulate more often for corporate and institutional applicants.

Of the 11 counties in the Philadelphia MSA, Chester ranked third (after Montgomery County, PA, and New Castle County, DE) in the total number of patents granted over the past dozen years.

LEADING RECIPIENTS OF NEW UTILITY PATENT GRANTS IN THE PHILADELPHIA MSA BY COUNTY OF APPLICATION

	2007	2008	2009	2010	2011	County
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA	1,667	1,510	1,711	2,102	2,069	Total
Montgomery County PA	423	368	428	524	440	2,183
New Castle County DE	322	307	297	347	387	1,660
Chester County PA	274	233	286	356	320	1,469
Bucks County PA	213	239	251	313	310	1,326
Delaware County PA	180	170	202	279	298	1,129
Burlington County NJ	86	52	100	91	87	416
Camden County NJ	72	49	65	53	70	309
Philadelphia County PA	33	36	37	60	62	228
Gloucester County NJ	28	25	26	44	44	167
Cecil County MD	34	29	20	31	40	154
Salem County NJ	3	3	1	6	12	25

In recent years, patent grants in the MSA have been awarded with by far the most frequency to Du Pont. Other entities with frequent patent awards include Smithkline Beecham; Rohm & Haas; the University of Pennsylvania; and Merck. Chemical and pharmaceutical companies dominate the region's patent pipeline.

Vanguard has also been granted periodic patents in recent years, but its industry is not one which is associated with heavy patent applications.

Note: SBIR/STTR data Include Phase 1 and Phase 2 grants ; awards are tabulated based on the address listed on the grant application

Source: US Small Business Administration (fiscal year data)

**LEADING RECIPIENTS OF NEW UTILITY PATENT GRANTS IN THE PHILADELPHIA MSA
BY SELECTED APPLICANT NAME**

	2006	2007	2008	2009	2010	2011	Organization
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA	1,806	1,667	1,510	1,711	2,102	2,069	Total
E. I. Du Pont De Nemours & Company	233	256	227	249	303	336	1,604
Smithkline Beecham Corporation	22	23	24	20	2	1	92
Rohm & Haas Company	51	39	31	33	41	39	234
University of Pennsylvania	42	38	40	37	70	55	282
Merck + Co. Inc.	31	44	42	59	12	0	188
Metrologic Instruments Inc.	41	32	23	65	31	19	211
Bristol-Myers Squibb Company	58	37	25	42	20	20	202
Wyeth	32	40	39	49	35	7	202
General Instrument Corporation	30	18	10	11	28	18	115
Lockheed Martin Corporation	21	22	28	28	24	26	149
Interdigital Technology Corporation	36	31	29	31	24	27	178
Unisys Corporation	16	14	21	9	16	6	82
Bristol-Myers Squibb Pharma Company	17	11	11	4	4	0	47
Thomas Jefferson University	5	8	4	7	11	2	37
Janssen Pharmaceutica NV	12	8	14	29	38	38	139
Ortho-Mcneil Pharmaceutical Inc.	22	11	14	4	4	2	57
Siemens Medical Solutions USA Inc.	0	2	23	30	41	39	135
Gore Enterprise Holdings, Inc.	13	12	10	15	15	13	78
Hercules Incorporated	4	5	3	6	3	11	32
Arco Chemical Technology, LP	1	0	0	0	0	0	1
Synthes USA	6	10	6	21	18	12	73
McNeil-PPC Inc.	4	6	5	9	11	9	44
Rohm & Haas Electronic Materials / CMP Holdings, Inc.	17	23	11	14	12	6	83
Vanguard Identification Systems Inc.	1	2	0	1	1	2	7
The Vanguard Group, Inc.	0	0	2	2	2	3	9
<i>individuals</i>	235	199	154	146	215	193	1,142
<i>all others</i>	856	776	714	790	1,121	1,185	5,442

Note: Patent applications are tabulated based on the address of the patent application. A fractional counting methodology is used for the tabulation.

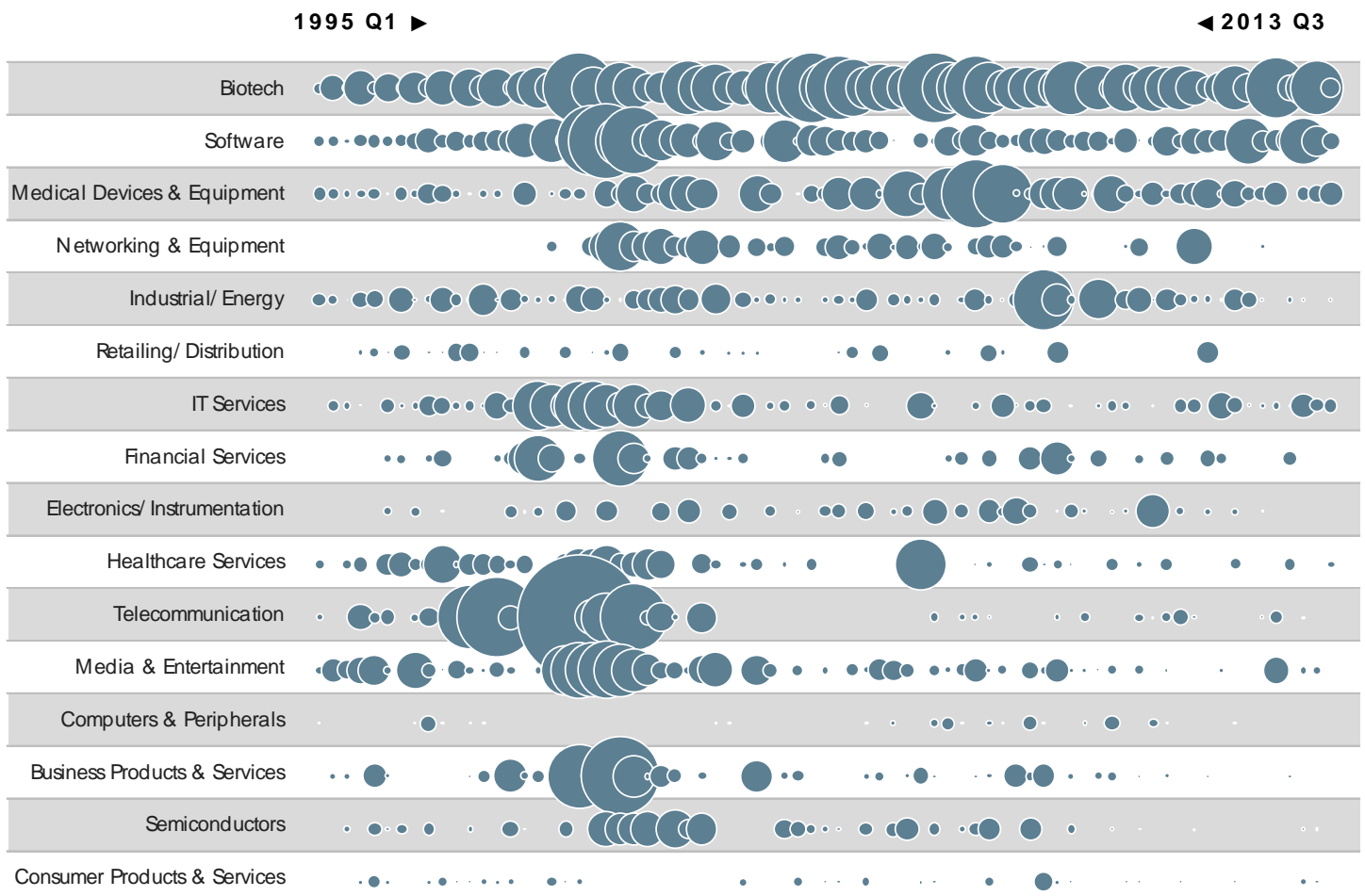
Source: US Patent & Trademark Office (calendar year data)

VENTURE CAPITAL INVESTMENTS IN THE PHILADELPHIA REGION

QUARTERLY VC INVESTMENT VOLUMES BY INDUSTRY, 1995Q1 TO 2013Q3

The tech boom of the late 1990s brought a wave of venture capital investment across all regions of the US, including greater Philadelphia. During this era, the MSA snapped up VC investments in a range of industries including telecom, media, biotech, and software.

More than a decade later, local VC investments in telecom and media have nearly evaporated, but biotech remains unusually stable. The software sector also continues to pull in a fairly steady stream of capital from one quarter to the next, through both recessions and booms. Medical devices have also emerged since the 1990s as a favored VC investment in the Philadelphia MSA.



Note: Bubbles sizes reflect the relative dollar value of investments by industry and by quarter.

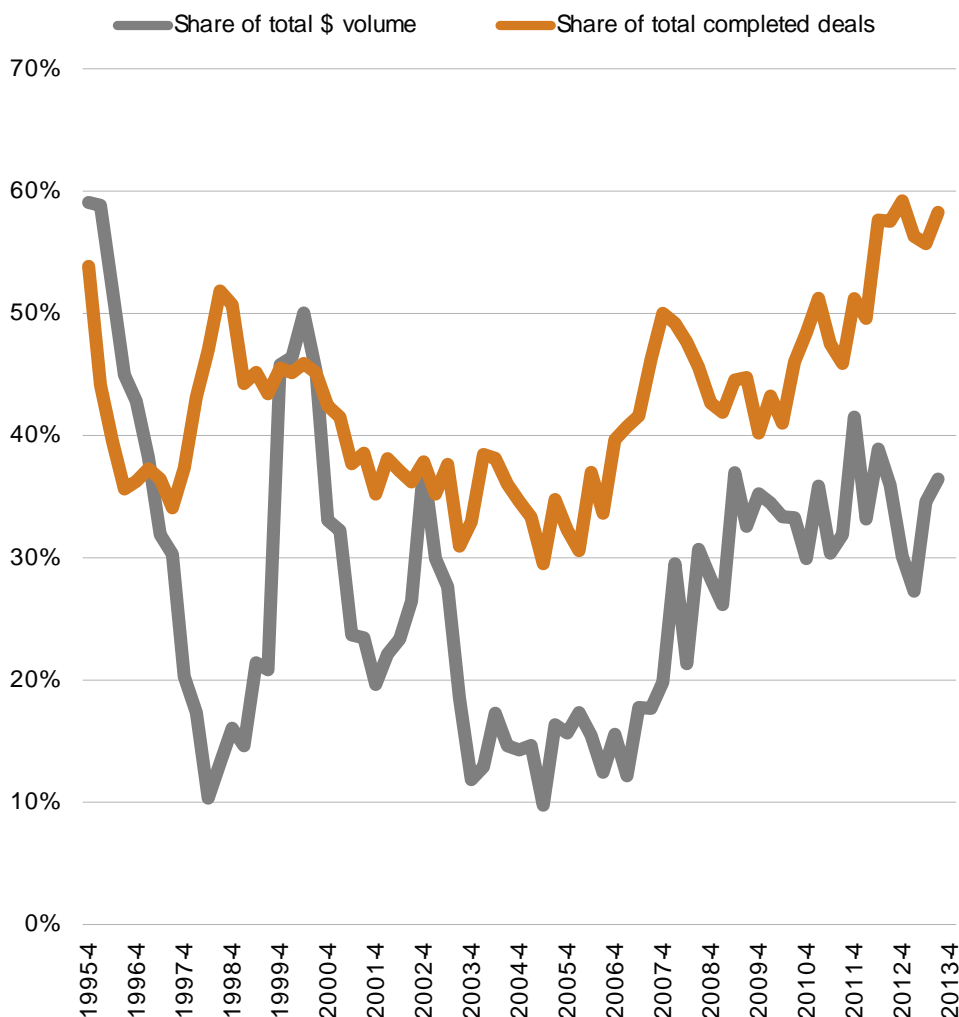
Source: PricewaterhouseCoopers Moneytree

START-UP & EARLY STAGE VC INVESTMENTS IN THE PHILADELPHIA REGION

START-UPS AND EARLY STAGE FIRMS A SHARE (%) OF TOTAL VC INVESTMENT VOLUME AND TOTAL VC DEALS

Following the tech boom of the late 1990s, venture capital investors backed away from risky start-ups and early stage companies, preferring instead to focus on more mature investments with better risk/return profiles. By 2004 to 2006, less than 20 percent of the region's VC volume flowed into these riskier ventures. But in the past few years, about 35 percent to 40 percent of the region's total VC volume has gone to start-up and early stage ventures.

While the volume of VC investment has settled at around 35 percent to 40 percent for start-ups and early stage ventures, these companies still represent more than half the deals completed in recent quarters. This implies that the value per deal is relatively small for these companies and further suggests conservatism on the part of investors. The larger individual deals, the data suggests, are moving toward more established ventures at later, more proven stages of development.



Source: PricewaterhouseCoopers Moneytree

H-1B APPLICATIONS AS A SIGNAL OF 21ST CENTURY EMPLOYER NEEDS

1,684 APPLICATIONS WERE FILED FOR JOBS IN CHESTER COUNTY IN FEDERAL FY 2012

An earlier exhibit showed that the Philadelphia MSA's employment in computers & mathematical occupations grew very slowly in 2012 and 2013. This is somewhat at odds with other datasets showing heavy demand for these occupations. A more nuanced interpretation of these seemingly conflicting datasets is that employers are having some difficulty filling job openings for these occupations. This could explain the low job growth amid otherwise heavy employer demand.

The US Department of Labor's Office of Foreign Labor Certification tracks employer applications for work visas, including the highly coveted but federally capped H-1B visas for skilled foreign labor.

APPLICATIONS BY OCCUPATIONAL GROUP

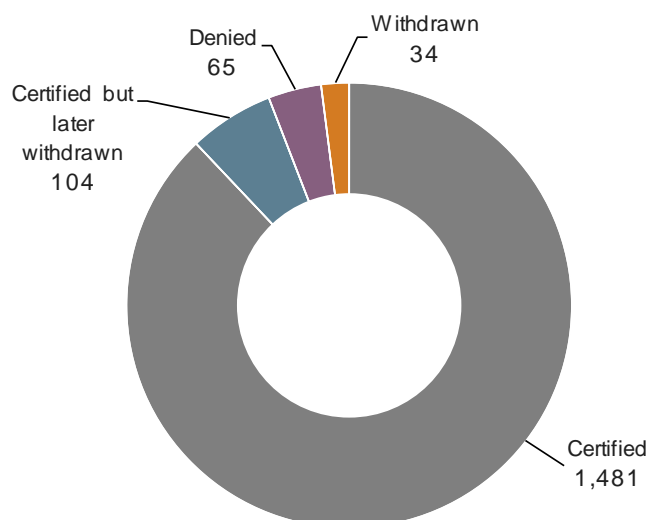
15-0000 Computer & mathematical science	1,405	
13-0000 Business & financial operations	89	
11-0000 Management	50	
17-0000 Architecture & engineering	32	
19-0000 Life, physical, & social science	32	
29-0000 Healthcare (technical)	30	
21-0000 Community & social services	20	
41-0000 Sales	10	
25-0000 Education, training, & library	9	
27-0000 Arts, design, & media	6	
43-0000 Office & administrative support	1	

In FY 2012, employers seeking to fill vacancies for job openings at their offices or subsidiaries in Chester County filed 1,684 applications for H-1B visas for their prospective employees, most of which were eventually certified. Of these 1,684 applications, more than 1,400 were in occupations associated with computers and mathematical sciences. Some of the employers requesting these visas were foreign-based, including firms from Germany (SAP, Siemens) and India (Infosys, Tata). Many, however, were also local, homegrown companies like Comcast and Vanguard or were major US technology firms with a strong local presence like IBM and CSC.

APPLICATIONS BY LEADING SPONSORS

Infosys	211	
SAP	97	
UST Global	92	
IBM	90	
HCL America	68	
Aqua Information Systems	50	
Siemens Medical Solutions USA	50	
Growline	36	
Tata Consultancy Services	34	
Kenexa Technology	22	
Mindtree	20	
Liquidhub	18	
Devereux Foundation	15	
Comcast Cable Communications	13	
Synthes USA	13	
Allscripts	12	
Inception Group	11	
Stansource	11	
Vanguard Group	11	
Visionet Systems	11	
CSC	10	
ERP Technologies	10	
RCM Technologies	10	

APPLICATIONS BY STATUS OF OUTCOME



Source: US Department of Labor, Office of Foreign Labor Certification