



Senate Intergovernmental Operations Committee Hearing

Testimony by Silas Chamberlin, Vice President of Economic & Community Development of the York County Economic Alliance

Summarized Version

December 12, 2019

Thank you to the Senate Intergovernmental Operations Committee for having me here today, particularly to Chair Doug Mastriano of the 33rd Senatorial District, which encompasses an important portion of York County in the district – where many of our manufacturers of food products and other delectable treats are produced. I encourage you all to visit, I'm sure we'll bring back some Martin's Rolls back to York County.

My name is Silas Chamberlin, and I have the pleasure of serving as Vice President of Economic & Community Development for the York County Economic Alliance (YCEA), YCEA is the best of a chamber of commerce, best of an economic development corporation, and the best of a Main Street - all in one, with a focus to create sustainable prosperity for all in YoCo. We Make Things Happen!

Today, I will provide a brief on the state of the business climate in York County, with an emphasis on regulations. While this is focused on York County, I imagine many on the committee will find similarities to the communities they represent.

York County has a population of 440,000, with about 236,200 in the labor force, of whom 227,300 are employed. Meaning that there are an approximately 8,900 unemployed York County residents. While this is excellent news for our community, indicating that most residents have secured employment, this creates a new and uncharted obstacle for employers as we approach full employment and face a retirement wave of over 15,000 employees. Our top three industries are made up of Manufacturing (17%), Healthcare (15%) and Retail (12%). Many in our community identify as underemployed and note specific barriers to unemployment – this may relate to another committee, but let me explain.

Our organization, the YCEA, consistently hears from businesses throughout York County that there is a distinct need to educate, train, attract and retain a skilled workforce in York County. This sentiment is true for all major industries – from leaders in construction, manufacturing, healthcare, and in education. What is increasingly needed is a perception that our community and commonwealth is open for business – this relates to access to a workforce and policies that foster business growth opposed to being a hinderance.

The YCEA has been committed to dedicating resources to determine how we can move the needle in access to opportunities for those who wish to start a business in York County.

This past July, along with many partners, we kicked off the Small Business Development Program.¹ The program launched as a multi-week training program to assist entrepreneurs and existing contractor businesses. We organized two tracks, track #1 had a focus for on planning, financing, legal establishment, human relations, sustaining, and navigating resources. Track #2 was specifically for contractors to learn about marketing, navigating government contracts, certifications, understanding bidding process, compliance, and financing.

Through the sessions we had a goal of connecting the participants to the resources necessary to support redevelopment projects across the county. This was a direct answer to the lack of a deep pool of contractors, including Minority Business Enterprises, who are readily available for projects such as the Yorktowne Hotel. Which is a landmark renovation project in York and we wanted to be certain that dollars invested in this project went to local contractors/workers. Many contractors we had discussions with at a Bid mixer for the Yorktowne Hotel project, noted a lack of knowledge and a need to understand the regulatory process that comes with bidding and government contracts.

At a time when criminal justice reform has a workforce development approach, we are seeing a spotlight on those wishing to re-enter the workforce in a licensed occupation as well. Trades across the board that require clean records have left skilled professionals on the sidelines. Reformed individuals who have skills need be to apart of our economic picture, there are skills that someone can acquire in an institution, but because of current regulatory practice those with electrical, plumbing, or barber skills are denied the opportunity for redemption and a family-sustaining job.

Those who remain unemployed or underemployed are having trouble securing family sustaining jobs because they lack skill or are burdened by a past mistake. Businesses want ready to work employees and have gone above and beyond to ensure the workforce they hope to have access to are prepared, but they need tools that make sense for modern issues. Updating regulations surrounding workforce dollars and how career and technical education (CTE) operates in our state are a necessity.

To address these concerns, states across the country need to place an expanded emphasis on prioritizing Workforce Innovation and Opportunity Act (WIOA) funds, technical assistance, and guidance to help sector partnerships support work-based learning programs.² While it is Congress who makes decisions on funding for WIOA, it is a regulatory effort of the state to appropriately plan and integrate work-based learning into sector partnership policies.

Act 76, a bipartisan bicameral effort that was signed into law by Governor Wolf in October, takes a necessary step forward in this direction. Though the policy changes are in their infancy, this law will go far in ensuring the following:

- expanding grant guidelines to cover CTE training and equipment;

¹ YCEA Small Business Development Program. See:

<https://www.yceapa.org/workforce-development/small-business-development-program/>

² Partnering Up: how industry partnerships can bring work-based learning to scale. See:

<https://www.nationalskillscoalition.org/news/blog/local-industry-driven-partnerships-critical-to-expanding-work-based-learning-in-the-u-s>

- requiring occupational advisory committees to be established at Intermediate Units (IU) to ensure that industry standards are properly integrated into career and technical instructional programming; and
- establishing a grant program for pre-apprenticeship programs for the purpose of establishing or enhancing workforce development partnerships between schools, employers, organizations, or associations to create pathways to learn a trade and ultimately provide employers with a trained workforce.

The YCEA has worked in last two years to convene over 50 partners in a countywide workforce action plan, referred to as Pathways to Prosperity.³ Act 76 goes far in helping our efforts. YCEA and the partners applaud the Legislature and the Governor for addressing this need and establishing Pennsylvania as a leader in CTE.

Switching gears to another regulatory focus, I would like to place an emphasis on a need to address liquor licenses. In the City of York, we have experienced a renaissance in our Historically Edgy Downtown, we have restaurants, breweries, galleries, two markets, and growing need/interest in businesses of all sizes locating or starting up in the Downtown. What a few restaurateurs have expressed is difficulty in acquiring a liquor license, this limits the ability for businesses to grow and compete.

The YCEA has taken steps to help a restaurant in our Downtown, through a pilot effort, to help them acquire an economic development license⁴ or EDR. Now, the Liquor Control Board is limited to issuing no more than two economic development licenses in the county. \$40,000 for an EDLL is no small fee for an independent restaurant, but is still more affordable than purchasing a license at market value, which in York County has approached \$500,000.

In 2016, we saw significant change in our liquor laws, the law has gone far to modernize our laws. One unintended consequence of the law was the shift of restaurant and hotel licenses to be used to sell in a convenience store. We have large players in the same field as small restaurants and we are seeing clear losers and winners. An adjustment in licensing is needed, strongly considering a specific class for convenience stores could remedy the issue. A change would be a win for many restaurants and developing Main Streets/Downtowns that are experiencing a resurgence across the Commonwealth.

Allocating funds and changing historic policies will provide some hurdles, but in order for our state to remain competitive tough decisions are necessary and collaboration is key. I thank each of you for your time on hearing from me and the other panelists today. Please let me know how we can provide any further insight or be of any further assistance. Thank you for today's opportunity.

³ Pathways to Prosperity. See: <https://www.yceapa.org/wp-content/uploads/2018/11/Workforce-Development.pdf>

⁴ Economic Development Licenses. See: <https://www.lcb.pa.gov/Legal/Documents/Advisory%20Notice%202020.pdf>