



METROPOLITAN POLICY PROGRAM
THE BROOKINGS INSTITUTION

**Committing to Prosperity:
Moving Forward on the Agenda to Renew Pennsylvania**

**Metro Profile: Lancaster
March 2007**

This profile provides key economic and demographic trend information about the Lancaster metropolitan area relating to “Committing to Prosperity,” an update of the 2003 Brookings Institution report, “Back to Prosperity.” To read the entire report, other regional summaries, and a rural policy brief, see www.brookings.edu/metro/pubs/committingtoprosperity.htm. For any questions or comments, please contact Rebecca Sohmer at the Brookings Institution Metropolitan Policy Program (rsohmer@brookings.edu / 202-797-6085).

The Trend: The Lancaster metropolitan area continues to grow faster than the state as a whole

Lancaster experienced a gain in population between 2000 and 2005

In 2005, metropolitan Lancaster (consisting of Lancaster County) had a population of 490,600. Between 2000 and 2005, metro Lancaster grew by 4.2 percent—an increase of about 20,000 people. This is a larger percentage increase than the state’s 1.2 percent growth during the same time period. The post-2000 growth represents a continuation, albeit a slowing down, of metro Lancaster’s growth trends in the 1990s. Between 1990 and 2000, metropolitan Lancaster grew 1.08 percent a year. Between 2000 and 2005, metropolitan Lancaster grew 0.83 percent annually.

Lancaster’s population is becoming more diverse due to minority gains

Metropolitan Lancaster, like the rest of the state, saw its population become more diverse. While metro Lancaster’s overall population grew by 4.2 percent, it experienced a 20 percent increase (10,000) in its minority population. The Latino population in particular had big increases in metro Lancaster growing 20 percent between 2000 and 2005.

Metro Area	Annualized population growth rate, 2000–2005
York	1.38%
Reading	1.33%
Allentown	1.29%
Lancaster	0.83%
State College	0.70%
Harrisburg	0.57%
Philadelphia	0.21%
Erie	-0.03%
Sharon	-0.12%
Williamsport	-0.28%
Scran./W.B./Haz.	-0.30%
Altoona	-0.37%
Pittsburgh	-0.37%
Johnstown	-0.49%
Pennsylvania	0.24%
United States	1.05%

Lancaster’s migration patterns show an up-tick of people moving into the region after 2000

According to IRS county-to-county migration data, the Lancaster metro netted over 6,300 people from migration between 1994 and 2005. Over 60 percent of that total is from the most

recent four years: over 3,800 more people moved into the York metro area than moved out between 2001 and 2005.

The Trend: Lancaster is still spreading out—and hollowing out

Lancaster's older communities are still hollowing out

Between 1990 and 2000, all of metro Lancaster's municipal types grew. However, although boroughs, the first-class township, and second-class townships continued to grow between 2000 and 2005, Lancaster city went from growing 0.14 percent annually in the 1990s to losing 0.57 percent annually. The rate of growth also slowed for the metro's other municipal types: boroughs grew 0.64 percent per year in the 1990s but 0.01 percent per year after 2000. The first-class township grew 1.55 percent annually in the 1990s, but 1.09 percent between 2000 and 2005, while second-class townships grew 1.37 percent annually in the 1990s but 1.33 percent annually after 2000.

The vast majority of housing permits are still issued in second-class townships

Housing data shows that residential building activity continues to occur mainly in second-class townships. Between 1995 and 1999, 2,273 permits were issued in the metro's city, boroughs, and first-class township, and 8,487 were issued in second-class townships. This pattern stayed basically the same in the post-2000 period. Between 2000 and 2004, 2,287 permits were issued in the city, boroughs, and first-class township—which represents a slight increase in permits issued in older Lancaster—while 9,099 were issued in second-class townships.

A large share of the Lancaster region's rural land has been developed

Between 1990 and 2000, more than 30,000 acres of rural land was developed in the Lancaster metropolitan area. And the losses from between 1980 and 2000 are even greater: rural land in metropolitan Lancaster saw a 45 percent decrease (68,000 acres). In 1980, 26 percent of metro Lancaster's developable land was rural. By 2000, only 14 percent of metro Lancaster's land was rural.

The Trend: Lancaster's job growth outpaces the state

Lancaster surpassed the state's employment growth in the 1990s, and has continued to do so

Lancaster actually grew had a higher annual job growth rate than the state in the 1990s. Between 1990 and 2000, the number of Pennsylvania jobs grew 0.96 percent per year, while Lancaster added 1.57 percent annually. And between 2000 and 2006, Pennsylvania added 0.18 percent per year while Lancaster gained 0.69 percent per year. Of the 9,600 jobs created in the Lancaster metro area since 2000, 7,700 were added between 2003 and 2006.

Lancaster continues to lose manufacturing jobs, but has seen large gains in many sectors

Like the rest of the state, Lancaster continues to lose manufacturing jobs, the sector in metropolitan Lancaster with the largest absolute loss. Both the state and the Lancaster metro lost 22 percent of their manufacturing jobs between 2000 and 2006. The Lancaster metropolitan area experienced its largest percentage gains in educational and health services, professional and business services, and wholesale trade, with 37, 16, and 16 percent gains, respectively—far exceeding state performance in these industries.