

LVEDC Annual Meeting Draws Record Crowd: ‘Economic Success Requires a Village’

By LVEDC

LEHIGH VALLEY - A record crowd of more than 800 celebrated Lehigh Valley's economic success and the 30th Anniversary of Lehigh Valley Economic Development Corporation at LVEDC's Annual Meeting on March 18.

Leaders from business, education, government, labor, community organizations, and more gathered at Steel-Stacks at ArtsQuest in Bethlehem to hear how far the Lehigh Valley has come and how it is primed for more growth in the years ahead.

"Economic success requires a village, and we've got a great one," said Don Cunningham, LVEDC's President & CEO.

The Annual Meeting, which was livestreamed by WFMZ, explored how the Lehigh Valley is thriving because its quality of life is attracting people to work and live here. Four inspiring individuals who moved to the Valley in the past 30 years shared why they came here, and why they have stayed.

Jay Gamer, a site selection consultant who is President and Founder of Gamer Economics in Atlanta, said the Lehigh Valley is "the economic engine" of Pennsylvania.

Rick Siger, Secretary of the Pennsylvania Department of Community and Economic Development, said the region is "really on the rise" and "truly a shining star of Pennsylvania."

"You can sort of feel it on the street when you're in the community, that the Lehigh Valley is doing well," Siger said.

The Renaissance in Numbers

Lehigh Valley's Gross Domestic Product is now nearly \$56 billion. Manufacturing continues to lead the way, with about 750 manufacturers producing a collective output of \$9 billion. That's 16% of the region's GDP. Nationally, manufacturing makes up 12% of GDP.

"We make everything from medical devices to semiconductors, to steel pipe valves and airplane parts, to beer and cranberry juice, to Mack Trucks and crayons – and a lot in between," Cunningham said.

That manufacturing legacy was showcased at LVEDC's Annual Meeting with a special "Made in Lehigh Valley" exhibit hall where about 20 companies displayed products and ideas that have helped pave the way for Lehigh Valley's economic success.

In 2024, Lehigh Valley was ranked the No. 3 mid-sized market in the U.S. for the number of new economic development projects. In regional rankings, Lehigh Valley was No. 5 in the Northeast, among communities of all sizes, beating out many larger communities.

"There are many statistics I can cite," Cunningham said. "But the ones that matter are about people. I believe that's why this organization was created, why people invest in it. I believe it's what motivates all of us involved in LVEDC, all of us in this room."

Lehigh Valley has the largest labor force in its history, about 364,000 people. The average hourly wage is nearly \$29, and median household income is \$81,709, higher than the U.S. and Pennsylvania. Unemployment is low and poverty is decreasing.

Challenges of the Past and Looking to the Future

"It wasn't always like this," Cunningham said. "Many of you have heard me speak before of those days in the '90s and early 2000s when business closures dominated the headlines and we fought 'brain drain,' losing our young people to places with more opportunity."

In 1995, when LVEDC was formed, Lehigh Valley was facing shifting economic times, like the rest of America. The future required moving away from reliance on a few titans of industry, such as Bethlehem Steel, and attracting a diversity of employers of all sizes. The region also had to begin acting regionally, marketing itself as one community.

During his remarks, Cunningham showed a photo of his father working on the hot metal pouring floor in the Ingot Mould Foundry at Bethlehem Steel.

"His work was much different than mine," Cunningham said.

LVEDC was created to rebuild, revitalize, and reposition the Lehigh Valley's economy, while providing opportunities for those living here. Its mission also was to market the Lehigh Valley regionally.

Today, Lehigh Valley is attracting newcomers and is a leader in population growth of young adults. "Brain Drain" has become "Brain Gain." Cunningham said the region now is able to be more selective in the types of new businesses it seeks, targeting life science, biotech, medical device, software and hardware technology, semiconductors and pharmaceutical companies, and advanced manufacturing.

Gamer, who has done extensive work in the Lehigh Valley, said the region has come a long way.

"You haven't relied on others to shape your destiny. You've stepped up. You've made a difference," he said.

Gamer said Lehigh Valley's population growth of about 6.5% since 2013 – a higher rate than the state and U.S. – is a key indicator of the region's strength and puts Lehigh Valley in a class with fast-growing states in the South and West.

"This is huge," he said.

Looking ahead, Gamer suggested priorities should include increasing the availability of housing that is affordable for the workforce; expanding childcare resources; growing the already strong entrepreneurial support network; and recruiting more international businesses.

Cunningham said the goal is to continue to expand the economy while preserving the Lehigh Valley's cherished quality of life.

"The story of this region is the story of its people, its companies, its schools, institutions, and neighborhoods," he said. "The old has been infused with the new and we've become better. We've always welcomed new people, new companies, new ideas. We know how to reinvent and reimagine. That's why we don't stay down too long, and our future is always brighter than our past."

"Making Lehigh Valley Home"

To continue to grow, Lehigh Valley must continue to attract the talent that employers need. Lehigh Valley's quality of life, and the personal and professional opportunities that it offers, is driving talent attraction and retention.

LVEDC's Annual Meeting explored that link during a panel discussion with four people who moved to the Lehigh Valley in the past three decades.

The discussion was moderated by Kassie Hilgert, President and CEO of ArtsQuest and a new member of LVEDC's Board of Directors.

Shahnaz Hanna, Co-owner of Union and Finch restaurant in Allentown, shared how she met her husband, a Lehigh Valley native, while living in New York City. Seeking a place to raise their family, they re-located here and started a business, quickly finding a strong and diverse community where small businesses can thrive.

"There's huge support

from the community that you get for small businesses," she said. "We're very fortunate to be in Allentown."

Paul Hodges, CEO and Co-founder of Soltech Solutions in Bethlehem, said he and his business partners were looking for a location with a strong entrepreneurial system to start their business, which develops state-of-the-art LED grow lights to make it easy to grow plants indoors in all settings.

He found Bethlehem listed on a CNN list of best places to do business, and they checked it out.

"There's so many different avenues, just a huge network of support. I was surprised when I came here, just the amount of referrals I kept getting. And I learned so fast just by being introduced to more and more people, more and more resources," Hodges said.

Orville Trout, Senior Vice President of Human Resources at Crayola, told how he wasn't very familiar with the Lehigh Valley until he was offered a job here. Then he and his family fell in love with the area, especially the arts scene and its proximity to places like New York City and Philadelphia.

"Having the opportunity to get to another city in an hour and a half or an hour, as well as getting to the ocean, that was just delightful," Trout said.

Karianne Gelinas, Vice President of Regional Partnerships & Talent Strategies at LVEDC, explained how she grew up in the Lehigh Valley, left to attend college and then teach in the West, and returned to raise her family.

"We have a great family friendly environment here, which is why I think so many folks come or move back," she said.

There are a variety of living options, from rural to urban, Gelinas said, along with great restaurants and plenty of festivals and other entertainment options.

Partnering with Pennsylvania

Siger outlined how Pennsylvania, under Gov. Josh Shapiro, is developing new strategies and funding streams to help the Lehigh Valley and the rest of the state be more competitive at attracting new employers and jobs, particularly in key industries.

"The Lehigh Valley is an exceptionally powerful part of Pennsylvania's economy. We are working really hard every day to be the most effective partner possible. We believe we're making real progress," Siger said.

The state's economic development strategy – its first in nearly 20 years – is investing \$500 million to make sites shovel ready for development. A site in Allentown is among those to receive funding.

Processing times for permits and other regulatory approvals have improved.

Shapiro's proposed budget for fiscal year 2025-26, which requires approval by the state Legislature, would allocate \$65 million more for innovation, including \$30 million for life sciences through coordination with research universities to help companies bring new technologies to market.

"We know we've got to be better at commercializing that research, bringing it out of our universities and research labs to create jobs," Siger said.

The budget requests the creation of a new, more flexible \$10 million AdvancePA tax credit, by reallocating funding from three previous tax credit programs. Workforce development is also prioritized in the proposed budget, including \$2 million to create a Career Connect program to build internships.

State officials are working on a plan to increase housing options, to help the workforce grow, Siger said.

"We feel like we have a playbook," he said. "We have energy. We have momentum. And under Governor Shapiro's leadership, we're really determined to make Pennsylvania a leader, not just here in the Lehigh Valley, but in all of Pennsylvania, a leader in economic development."

