



Shaping Albemarle County's Future Economy

*Draft Economic Development
Strategic Plan*

July, 2017

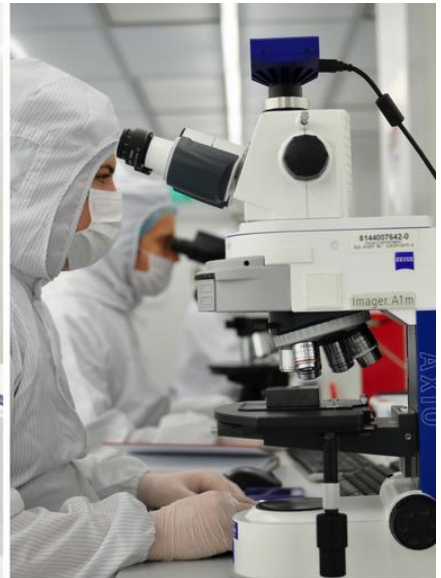


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Background/Statement of Purpose

Albemarle County's focus on economic development has developed significant momentum in recent years. The County has taken a very deliberate, thoughtful, and strategic approach that works within the framework of the community's vision as established in the Comprehensive Plan and other established policy items.

Significant Milestones Along the Way:

- **2008 - Updating the Economic Development Chapter of the Comprehensive Plan** - to reflect a more up-to-date strategic focus on desired industries.
- **2009 - Economic Opportunity Fund created** – for the first time, established a dedicated source of funding to support desirable economic development activities, used in several instances to match state grant funds for capital investment and above average wage jobs.
- **2010 - Economic Vitality Action Plan/Target Industry Study** – action plan adopted by the Board in 2010 with five specific goal areas; one of the most significant outcomes was a regional target industry study commissioned to identify industry groups with greatest chance of success given community assets and preferences – analyzed assets, workforce, existing industry clusters, etc.
- **2012 - Zoning ordinance modernized** – a complete modernization of the zoning ordinance to provide more flexibility and location options for businesses in target industry sectors.
- **2015 - Economic Development Office created** – hired the County's first Economic Development Director.
- **2016 - Restructured Economic Development Authority (EDA)** – streamlined procedures that allow the EDA to operate as a more effective economic development partner.
- **2016 - Economic development identified as critical focus on Strategic Plan** – FY17-19 Strategic Plan adopted last year identifies redevelopment and revitalization of County's urban areas, including focus on economic development, as top priorities.
- **2016/17 - Support for economic development in Two Year Plan and FY18 Annual Budget** – dedicated money to support initiatives that promote capital investment/quality jobs/economic vitality for urban areas.

The next critical step in advancing the County's Economic Development Program involves a Strategic Plan that identifies the most immediate priorities and guides the hiring of a new Director of Economic Development.

Contributing Policies/Documents:

Existing County policies and documents provide an overarching structure and parameters to help define priorities in the Economic Development Strategic Plan.

County's Vision Statement:

Albemarle County envisions a community with...

- *Abundant natural, historic, and scenic resources*
- *Healthy ecosystems*
- *Active and vibrant development areas*
- *A physical environment that supports healthy lifestyles*
- *A thriving economy, and*
- *Exceptional educational opportunity*

...for present and future generations.

Comprehensive Plan Economic Development Policy:

The purpose of this Economic Development policy is, first and foremost, to provide the local citizenry an improved standard of living and enhanced quality of life. Economic growth and vitality are required to sustain and enhance the human economic, cultural, and natural characteristics of our community. By creating and sustaining a high quality, diversified economic environment, citizens will enjoy improved job opportunities, competitive wages, work force development opportunities, and the community will enjoy a growing and diversified tax base.

Economic Vitality Action Plan Preamble:

The Economic Development Policy of the County's Comprehensive Plan has a stated purpose to "provide the local citizenry an improved standard of living and enhanced quality of life." This Action Plan is intended to translate the purpose and goals of the Economic Development Policy into concrete and measureable actions, being very mindful of the need to adhere to already established growth management objectives and natural resource protections. While this Plan is focused on accomplishing specific action items within the next three years, the County recognizes the need for a long-term commitment to economic vitality. This Plan is intended to establish a sustainable pathway for the long-term health of our local economy.

Target Industry Study:

The Central Virginia Partnership for Economic Development directed consultant work on a Target Industry Study for its member jurisdictions, including Albemarle County, which was completed in April 2012. This study identifies types of industries that have the strongest potential to succeed and offer the best prospects for "good jobs," meaning jobs that offer a higher quality of life (security, higher wages, opportunities for advancement, training, flexibility), both in our larger region and specifically in Albemarle County. The Board of Supervisors endorsed the targets recommended for Albemarle County in May 2012.

The list of target sectors is a list of optimal targets and should not be considered to exclude related sectors. It is critical to emphasize that the Target Industry Study supports the cultivation and nurturing of existing businesses and considers employment of current residents as its most important outcome. The targets were selected based on available workforce, alignment with community preferences, and growth potential as well as strong multiplier effects that create jobs across a broad spectrum of skill sets.

The recommended target industries are:

- *Bioscience and Medical Devices*
- *Business & Financial Services*
- *Information Technology and Defense & Security*
- *Agribusiness and Food Processing*

Complementary targets are:

- *Health Services*
- *Arts, Design and Sports & Media*

Economic Development Mission and Guiding Principles:

Albemarle County Economic Development Mission:

To promote responsible economic development activities that enhance the County's competitive position and result in quality job creation and career employment opportunities, increased tax base, enhanced natural resources and community character, and an improved quality of life for all citizens.

Albemarle County Economic Development Guiding Principles:

- **Economic Diversity:** Support a diverse and vibrant economy that offers a broad range of job opportunities across the full spectrum of skill levels while delivering high quality government services to our residents.
- **Organizational Collaboration:** Collaborate on all levels (local, regional, and state) to maximize the economic opportunities for the area in a cost-effective manner, including close partnerships with the City of Charlottesville and the University of Virginia.
- **Entrepreneurship/Organic Growth:** Create an environment that encourages, values, and supports entrepreneurship and builds value from within by supporting those businesses or assets who have been a contributor to our community.
- **Build Awareness of Local Opportunities:** Build a strong level of awareness amongst students and young adults of the availability of local career and economic opportunities that keep young people here in our community and support efforts that build a skilled and talented workforce.
- **Educational Achievement and Partnership:** Recognize and support the strength of our local educational institutions and promote lifelong learning opportunities.
- **Leverage Intellectual Capital:** Strengthen and diversify Albemarle's economy by leveraging our intellectual capital to promote expansion of business interests to attract investment and enhance the livability of our community (and not detract from it).
- **Support Critical Infrastructure:** Support social infrastructure through business offerings that recognize family, educational, and cultural needs and that help people be successful, productive employees and encourage physical infrastructure that supports the County's desired economic development activity.

Proposed Goals, Objectives and Initial Strategies

These goals, objectives and initial strategies have been developed based on data analysis, review of policy documents and other background materials, and comments from the stakeholder's interviews and the joint Board of Supervisors/Economic Development Authority work session. Efforts are already underway in some areas as indicated in red below, and work will continue as staff capacity permits. Final assessment of the strategies and corresponding full action plans and performance measures will be determined in consultation with new County Executive and Economic Development Director.

- **Goal 1 - Strengthen Existing Business Retention/Expansion Efforts and Improve Business Climate**
 - **Objective 1 - Expand existing business visitation program**
 - Strategies:
 - implement schedule that insures that all county target industries and basic industries are contacted in person at least once every two years – provide necessary resources as part of future staffing plan
 - **Action Item Underway – Business First visitation program currently contacts approximately 75 businesses annually**
 - Create active community ambassadors program to work with County staff to increase ongoing contact with complete existing business base
 - Provide spectrum of services focused on keeping local businesses rooted in the community through their various stages of growth – differentiate between needs of start ups vs. later stage businesses
 - **Objective 2 - Continue efforts to streamline development review processes and address costs of doing business in the County**
 - Strategies:
 - Complete Zoning Code amendments to actively achieve County vision and goals
 - **Action Item Underway – housekeeping items to clarify requirements and improve implementation**
 - **Action Item Underway – adoption of a new zoning district to implement the Rio/29 Small Area Plan**
 - **Action Item To Follow Upon Completion of Above – recodification to reorganize and reformat non substantive changes**
 - **Action Item To Follow Upon Completion of Above - modernize zoning code elements to streamline approval processes and provide flexibility**
 - Continue to evaluate and improve other regulatory processes to remove barriers, streamline operations, and keep pace with a rapidly changing business environment

- Address costs of doing business in the County such as utility connections and tax structures to maintain competitiveness with benchmark communities
 - Address specialized needs of small businesses
 - Implement tracking system/metrics
- **Objective 3 - Maintain ongoing dialogue between county staff and general business community**
 - Strategies:
 - Customer service surveys for businesses who have engaged with County departments as an entry point
 - Action Item Underway – Community Development currently surveys applicants, need to expand to other departments and share data more broadly for continued process improvement
 - General surveys to identify larger business community issues/trends
 - Form an existing business council/advisory group for existing business outreach and prospect recruitment
- **Goal 2 - Improve the County's Readiness to Accommodate Desired Business Activity**
 - **Objective 1 – Support growth of target industry clusters**
 - Strategies:
 - Reassess and more clearly define target industries given current and future market conditions and emerging economic dynamics
 - Action Item Underway – GO Virginia Region 9 program looking at target industries at a broader regional level
 - Document specific site, building and related infrastructure needs to support target industries - include start-ups and existing businesses as well as appropriate business relocation possibilities featuring redevelopment and infill opportunities
 - Focus on supporting existing and future Department of Defense installations
 - Action Item Underway - Working with Chamber Defense Affairs Committee and Governor's Commission to Grow the Military Mission in Virginia to support current and future activities at Rivanna Station campus
 - **Objective 2 - Increase supply of ready product – building and sites**
 - Strategies:
 - Pursue redevelopment opportunities that encourage economic development activity that supports small area planning and strategic planning goals
 - Action Item Underway – strategic plan priorities supporting urban redevelopment and revitalization, Rio/Rte 29 small area plan, focused attention on active areas like Crozet downtown and Woolen Mills

- Invest in strategic infrastructure elements in urban areas
 - Action Item Underway - Funding approved for the Berkmar Drive to Lewis and Clark Drive Connector Study in preparation for Smart Scale application (\$800,000) with approximately \$1.2 million reserved for construction as part of application
- Determine and implement specific action steps for longer term greenfield options in the development area with highest site readiness potential
 - Action Item Underway – Bowman Consulting site readiness assessment provides necessary steps for eight properties in the development areas designated for LI development
- Pursue incubator and shared work space opportunities to support start up/entrepreneurial activity, CATEC as an option to explore
- **Objective 3 – Develop robust incentives/strategic assets toolbox**
 - Strategies:
 - Structure in place for exploring public/private partnerships (P3)
 - Action Item Underway – working on P3 structures with Development Advisor Consultant
 - Adopt specialized zones i.e. technology zone, economic development revitalization zone, where appropriate
 - Action Item Underway – incentive zones being assessed as part of Rio/Route 29 small area plan work and the Development Advisor Consultant work re: courts relocation
 - Identify and implement financial incentives and taxing structures, working with the EDA as an implementation partner
 - Action Item underway - infrastructure support provided to redevelopment project involving target industry in Crozet
 - Action Item Underway – other potential financial incentives and taxing structures being assessed as part of Rio/Route 29 small area plan work and the Development Advisor Consultant work re: courts relocation
 - Revise guidelines of the Economic Opportunity Fund (EOF) to permit matching for the Virginia Jobs Investment Program (VJIP) and other state grants that do not require a local match
 - Expedited regulatory review for priority target industry projects
 - Action Item Underway - Board adopted a priority review process in 2013, need to reassess and refine that process to include Site Plan and VSMP application activities.
 - Expand efforts to help businesses take advantage of grant programs and state and federal financing opportunities
 - **Objective 4 – Skilled and trained workforce**
 - Strategies:

- Work with partners like PVCC and industry reps to create a trained and skilled workforce that supports target industries
 - Support jobs that help create self sufficiency and career advancement opportunities
 - **Action Item Underway – bus driving training partnership with PVCC under development**
 - Encourage local students to consider CATEC/PVCC career pathways in addition to traditional four year degree pathway
 - Schedule regular business/education roundtables to create shared awareness of areas of employer need
 - Focus on multi-modal transportation infrastructure elements to help commuting routes
- **Goal 3 – Align the County’s economic development staff capacity with desired goals/outcomes**
 - ***Objective 1 – Insure appropriate staffing and resources for economic development office***
 - Strategies:
 - Complete hiring process for ED Director
 - **Action Item Underway – hiring plan to be reviewed with the Board on July 12, key milestone in the hiring process**
 - Work with new ED Director to create staffing plan and appropriate department budget for FY18 budget
 - ***Objective 2 – Formalize standing cross-functional economic development staff team with responsibility for advancing strategic plan goals and objectives***
 - Strategies
 - Determine appropriate functions/skill sets required to insure successful execution of goals and objectives to form team membership
 - **Action Item Underway – ad hoc cross functional team meets as necessary for ED project reviews and approvals, team also meeting to develop draft strategic plan**
 - Establish and charge team with designated leadership/accountability
 - Training and education, engagement/team building with Board, Planning Commission and Economic Development Authority
 - Add critical partners from external agencies on a regular basis
- **Goal 4 - Increase Economic Development Visibility/Communication**
 - ***Objective 1 – Build community awareness/support for ED initiatives***
 - Strategies: Create ongoing community education/outreach program
 - **Action Item Underway – several ED 101 presentations by Board members and staff, including to the Chamber and in town hall settings**
 - ***Objective 2 - Implement an ongoing marketing campaign to highlight the County’s desirability as a location for business***

- Strategies:
 - Communicate the County’s economic development “brand,” value proposition, strategic assets, etc., to differentiate the community as a desirable location for target industries, both existing and new.
 - Action Item Underway – ED part time position expanded to allow focus on social media and other marketing activities
 - **Objective 3 - Launch a new website that provides dynamic, compelling “front door” to existing and prospective businesses**
 - Strategies:
 - Develop graphics, content and navigation that provides quick and easy access to critical information
 - Action Item Underway – working with county web staff and consultant as part of overall County website upgrade pending development of new ED site
 - Develop visual, up to date interactive building and site locator
 - Provide clear outline for permitting and licensing processes and tax information
 - **Objective 4 - Track and publish regular reporting/analytics that benchmark progress**
 - Report data to Board, EDA, business community, and other stakeholders to keep them informed about progress in key benchmark areas, which will include CDD, EDO and Dept of Finance performance metrics
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- **Goal 5 - Maximize External Resources/Strategic Partnerships.**
 - **Objective 1 - Explore options to create strategic partnerships that advance County’s strategic and economic development goals**
 - Strategies:
 - Collaborate with the University of Virginia in supporting existing business expansion and attraction of new target industries
 - Action Item Underway - Funding approved for the Berkmar Drive to Lewis and Clark Drive Connector Study in preparation for Smart Scale application (\$800,000) with approximately \$1.2 million reserved for construction as part of application
 - Partner with private sector on land and building possibilities, infrastructure improvements, including establishing formal P3s
 - Action Item Underway - Utilize development advisor to develop public/private partnership (P3) opportunities for courts/ administration functions and other P3 possibilities in the future
 - **Objective 2 – Formalize working protocols with critical regional partners**
 - Strategies
 - Strengthen relationships with state and regional partners like VEDP, CVPED, City of Charlottesville, Charlottesville Business Innovation Council, and Chamber of Commerce, among others, to build the regional economy

- Action Item Underway – BOS and City Council to consider draft MOU at joint meeting in September, potential expansion to include UVA
 - Develop focused partnership with UVA, including entities like the School of Engineering and iLab, PVCC, and CATEC to leverage technology transfer/commercialization possibilities and build the entrepreneurial ecosystem
 - Formalize working protocols with critical external partners like RWSA, VDOT, utility providers, etc.
 - Use resources of ULI and other educational/professional partners for training/project implementation
 - Action Item Underway – County staff and elected and appointed officials are actively engaged with the local ULI chapter
- **Objective 3 – Strengthen effective working partnership with the Economic Development Authority**
 - Strategies:
 - Pursue shared education/training opportunities to understand full partnership possibilities regarding financing structures and other specialized EDA roles
 - Action Item Underway – BOS and EDA members attended recent VIDA conference
 - Schedule regular joint working sessions to determine future direction/activities
 - Action Item Underway – Joint work session on draft ED strategic plan
- **Goal 6 – Expand efforts to build the County’s tourism sector**
 - **Objective 1 – Increase Focus on Arts/ Cultural Activities**
 - Action Item Underway – Working with City of Charlottesville and Charlottesville Albemarle Convention and Visitors Bureau (CACVB) on Charlottesville Albemarle Community Foundation (CACF) - led effort to increase collaboration and support for local arts/culture community
 - **Objective 2 – Identify and support existing and new tourism products in Albemarle County that drive tourist activity to the region, working in partnership with County Parks & Recreation, CACVB and other partners.**
 - **Objective 3 – Encourage off season and business related travel**
 - Action Item Underway – RFP in process by CACVB for consultant study to determine feasibility of a conference center for the Albemarle County/Charlottesville community