



Albemarle County

Legislation Text

File #: 21-495, **Version:** 1

AGENDA DATE: 10/19/2021

TITLE:

Project ENABLE Review and Economic Development Authority Work Session

SUBJECT/PROPOSAL/REQUEST: Review progress on Project ENABLE goals and consider two new economic development tools: Economic Development Authority control of land and a Building Reuse Grant

ITEM TYPE: Regular Action Item

STAFF CONTACT(S): Richardson, Walker, Kamptner, DeLoria, Johnson, Newberry

PRESENTER (S): Walker, Johnson, Newberry

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: In December 2018, the Board of Supervisors approved the County's first economic development strategic plan, Project ENABLE (Attachment A). Prior to the adoption of Project ENABLE, the Board and the Economic Development Authority (EDA) agreed to a memorandum of understanding (MOU) to guide the EDA's activities and ensure alignment with the County's other policies, goals, and objectives. The MOU continues to serve as a guide to the Board and EDA in their intent to work closely and cooperatively to achieve the County's goals for economic development.

The BOS and EDA last met jointly in June 2019. At that meeting, each body approved matching policies for several state grants, including the Commonwealth Development Opportunity Fund (COF), Virginia Jobs Investment Program (VJIP), and the Agriculture and Forestry Industries Development Fund (AFID). Each body also approved the County's first local incentive, a synthetic tax increment financing tool called the ENABLE grant.

STRATEGIC PLAN: Economic Prosperity - Foster an environment that stimulates diversified job creation, capital investments, and tax revenues that support community goals.

DISCUSSION: The Economic Development Office (EDO) continues to work diligently under the guidance of Project ENABLE. Despite ongoing impacts from the pandemic, the EDO has made significant progress toward each of the plan's seven strategic goals. A summary of activities since late 2019 is found in Attachment B. Likewise, the EDA continues to play a critical role in these achievements and a summary of their accomplishments from last year is found at the end of the Annual Report (Attachment C).

Looking toward the future, staff is seeking concurrence from the Board and EDA to address a consistent barrier to economic growth: the cost of land. Staff is recommending two new tools to address this barrier: the ability for the EDA to control (and potentially own) land and a Building Reuse Grant.

Owning or controlling land through leasing, easements, rights of first refusal, or strategic partnerships would permit the EDA to improve the site readiness environment in the County. In short, it provides the EDA with greater flexibility to respond to business market demands. Additionally, a Building Reuse Grant could reduce the cost of adaptively reusing existing structures. The Building Reuse Grant would develop existing buildings in the County to become assets to attract expanding businesses or accommodate primary businesses that wish to locate here. These two tools have the potential to mitigate obstacles for local sustainable economic growth and activity.

Additionally, EDA control of land is recognized as a best practice for creating an independent, sustainable revenue stream to support other economic development related goals and initiatives. The establishment of an independent, sustainable revenue stream has been a long-term goal of the EDA since the adoption of Project ENABLE.

BUDGET IMPACT: While costs to implement is to be determined, the EDO plans to use existing funds from the Economic Development Investment Pool to fund these tools, if approved. The EDA's latest financial report is found in Attachment D.

RECOMMENDATION:

Staff recommends the Board of Supervisors and Economic Development Authority provide feedback on the two proposed economic development tools.

ATTACHMENTS:

- A - Project ENABLE
- B - Project ENABLE Progress Report
- C - EDA Annual Report
- D - EDA Year End Financial Report