

SECTION 8 Economic Development

PURPOSE

The Economic Development component of Hanover County's Comprehensive Plan is intended to support Economic Development policy and enable the County and its business community to attract and generate new business, while facilitating retention and expansion of our existing businesses and industries, resulting in a vibrant and diverse local economy. By ensuring that designated land uses are supportive of, and consistent with, goals and objectives of the County's economic development strategies, the County hopes to provide an expanding tax base and employment opportunities for Hanover citizens, while improving the overall standard of living.

In 2000, the Hanover County Board of Supervisors adopted the **Economic Development Strategic Plan** (<http://www.hanovervirginia.com/data-downloads/reports/>) for Hanover County (with updates in 2002, 2009, and 2015). Key themes emerging from these plans include the following:

- The County should encourage the retention and expansion of its existing businesses
- The County will implement strategies to further diversify its economic base
- The County will continue and enhance a focused outreach program to encourage development of sufficient industrial/office parks
- The County will regularly evaluate and implement improvement measures to ensure timely approvals from appropriate permitting authorities to meet project deadlines
- The County should maintain quality development standards without being overly burdensome to existing businesses
- The County will provide critical infrastructure in the Suburban Service Area (SSA) and Economic Development Zones (EDZ) to continue to be competitive in attracting quality companies and talent to Hanover County
- The County will foster a climate to support our existing industries, including small businesses and startups, to provide an environment for them to grow and expand through service offerings, outreach, data and information, and innovative programming

To bring these goals together, Hanover will need to develop comprehensive short and long term strategies to prepare designated areas in the County for business and commercial investment. The current commercial inventory is strained due to brisk absorption.

Economic Development Zones were introduced in the Economic Development Strategic Plan in 2000. The purpose of the EDZs are to support new and expanding business, industrial, office and multi-use projects by ensuring appropriate land use designations are in place, facilitating priority consideration for development of infrastructure, and provide fast-track permitting. The EDZs should be periodically re-evaluated and reviewed to keep the program relevant. Evaluating infrastructure investments, incentive policies, and potential public/private partnerships to enhance quality development, as was done in the early stages of the Lewistown Road/N. Lakeridge Parkway area, is key to maintaining and/or expanding the EDZs.

The 2017 Comprehensive Plan designated EDZs are listed below.

Economic Development Zones	Interstate
Lewistown Road	95
Sliding Hill Road	95
Atlee-Elmont Interchange	95
Pole Green Corridor	295
Creighton Road	295
Mountain Road Corridor	295
Hylas	295

By developing sites with appropriate infrastructure, land use designations that encourage and support economic development investment, and favorable permitting processes, Hanover County can maintain its competitiveness with surrounding localities. Adequate utility capacity, fiber and roads are required to retain and attract a desirable tax base that will alleviate the stresses of residential development.

In 2007, Hanover County expanded the Suburban Service Area and identified significant opportunities for economic development. The expanded areas encompass Route 33 west to Hylas, and include an area to the north and west of Ashland generally bounded by Route 1 and Hickory Hill Road.

The area west of Route 33 was evaluated during the 2012 Comprehensive Plan Update, and the land uses were expanded to include areas designated for Suburban High residential use.

The area to the north and west of Ashland has been the subject of development interest, but to-date no formal development plans have been submitted.

The Hanover County Airport has contributed \$29.3 million in terms of jobs, payroll, and economic activity. Jobs include the total number of individuals employed both directly and indirectly by companies dependent on the airport for business. Payroll includes the annual salary, wages and benefits for full and part time employees, including taxes. Economic activity includes annual gross sales for commercial firms and budget expenditures for government or non-profit entities.

The Airport also produces value and intangible benefits that are difficult to quantify. Essential services such as air ambulance services, time sensitive organ transplant deliveries, aerial agricultural applications including firefighting and insect control, traffic monitoring and law enforcement, charitable flights, emergency response, etc. all serve to enhance the quality of life for County residents in addition to providing educational and recreational opportunities such as pilot training, sightseeing, air shows/events and other types of recreational flying.

Goals

In keeping with the adopted Economic Development Strategic Plan, the expanded goals from the 2015 update are:

- Enhance the business climate
- Create high quality jobs
- Expand existing businesses
- Form new businesses
- Promote tourism

Objectives

From these goals, major objectives shall include:

- Encourage the retention and expansion of existing businesses
- Encourage development of sufficient industrial/office parks available to business prospects
- Endorse expanded public infrastructure investment in key business areas including fiber
- Create opportunities for new businesses to locate within the County
- Support and promote agricultural businesses
- Promote tourism assets and bolster hotel/motel development
- Create land use policies that maximize the designation of areas around the interstate highway interchanges for business development
- Encourage private business investment which will benefit all Hanover citizens by:
 - Expanding the existing tax base
 - retaining and creating employment opportunities
 - increasing and expanding employment opportunities for the County's workforce with a goal of full employment

Strategies

- Continually review each EDZ and specify defined roles and value for the zones as they relate to development opportunities including infrastructure improvements and new and innovative technologies to create a competitive environment for businesses to relocate, grow and expand in Hanover County.
- Develop plans and identify funding mechanisms to expand public water and sewer and transportation networks into the areas designated as Planned Business located between Route 33 and Hylas, and to the north and west of Ashland
- Evaluate the creation of new Economic Development Zone(s) where the County sees long-term strategies for growth.
- Continue to update existing Economic Development Zones in the Economic Development Strategic Plan to ensure an adequate mix of land use and infrastructure is available
- The use of the Mixed Use (MX) district may be considered within the Lewistown Road EDZ due to its proximity to existing and planned retail development, transportation corridors, and existing residential neighborhoods

- Use the Economic Development Authority (EDA) as a vehicle to develop matching site readiness grants to support infrastructure improvements in areas that show the greatest return on investment
- Develop policies that encourage redevelopment in maturing business areas of Hanover County
- Review and revise County ordinances and regulations to ensure they are supportive of and current business models, real estate and development trends (i.e. building heights, architectural standards, screening materials, etc.)
- Designate tax overlay districts to attract significant capital investment from targeted high value industry sectors.
- Identify infrastructure needs in the business districts and the funding sources for those infrastructure improvements
- Support development of the Hanover County Airport as outlined in Section 3, Transportation.