



ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY

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Remarks of the James City County ECONOMIC DEVELOPMENT AUTHORITY to the Comprehensive Plan Citizen Participation Team (CPT)

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Introduction

Good evening Chairman Poller and members of the Citizen Participation Team (CPT). Thank you for extending an invitation to the Economic Development Authority (EDA) to appear before you this evening. I am Mark Rinaldi, and I have the honor of serving as the 2008 Chairman of the James City County EDA. With me this afternoon is our EDA Planning Commission liaison, Doug Gebhardt. We will keep our remarks brief, seeking largely to impart to the CPT and to interested citizens an overview of our principal interest areas for the 2008 Comprehensive Plan Update.

First, let me provide an introduction to the EDA. The EDA is comprised of seven members, termed Directors, who are appointed by the Board of Supervisors. The typical EDA Director term is four-years; however, sometimes vacancies arise and members may be appointed to fill out the unexpired terms of prior members. In addition to the members present this evening, the current EDA includes Tom Tingle, our Vice-Chairman, Brien Craft, Leanne Dubois, Marshall Warner and just appointed, Paul Gerhardt – all current EDA Directors are James City County citizens, and most work in the County as well. As citizens, and as an official advisory body to the Board of Supervisors, we bring our individual and collective business experience and familiarity with the County, its history, business and its governmental operations to bear in considering and addressing matters that affect the economic well-being of the County.

The Economic Development Authority is tasked with sustaining and expanding the County's commercial and industrial revenue base to maintain and enhance the quality of life for County citizens. The Authority advises the Board of Supervisors on matters of Economic Development and assists the County and its Office of Economic Development in expanding James City County's business tax base. The EDA also acts as a conduit for issuing Industrial Revenue Bonds for manufacturing projects as well as for qualifying medical, assisted living, non-profit, or public facilities. The EDA owns land slated for industrial development in the James River Commerce Center (JRCC) and we also hold title to the Mainland Farm, reputed to be the oldest continuously farmed property in North America. Contrary to our holdings in the JRCC, Mainland Farm is held in trust by the EDA for all County citizens in recognition of its historical significance. We take this responsibility quite seriously.

We are all reminded daily about the uniqueness of our community, the privilege we enjoy by living here and the duty that we as citizens have to protect that which makes JCC so special. And there are those who would argue that protecting the integrity of the historic properties, natural areas and residential enclaves within our midst by preserving all that remains undeveloped should be our principal

land use and growth management imperatives. Others will ask themselves why the EDA's interest in continued economic development is so important to the well being of James City County citizens? The answers are at once elementary and extremely complex. At the heart of the concept of beneficial economic development are two key premises: First, to lighten the burden on residential taxpayers (and in our community, a significant number of retired and fixed income citizens are particularly vulnerable), inviting business and industry to share in paying for the essential infrastructure and services that local government is best suited to provide makes good sense. Second, since the cost of everyday products and government salaries are not static but rather seem to always be on the rise, maintaining a status quo economic and residential base in a community can only translate to one reality: more and higher taxes and a greater burden to pay for those who remain. Prudent economic development seeks to ameliorate these negative realities and also to provide opportunities for existing residents and their ensuing generations to realize their potential for learning and contributing to the common good and to advance their positions in life.

History of EDA Involvement in the Comprehensive Plan Update Process

The EDA has actively participated in the previous two Comprehensive Plan updates. In the most recent 2003 update, the EDA contributed its perspective in Steering Committee meetings on various topical areas of the plan, including not only economic development, but also land use, housing, community character and environment. EDA Directors attended and participated in Community Conversations and also provided detailed input to the Steering Committee on landowner-initiated land use re-designation requests that included an economic development component.

I would now like to have Doug Gebhardt highlight the key issues and interest areas that the EDA would like the 2008 Comprehensive Plan update to address.

2008 Comprehensive Plan Update – Issues and EDA Interest Areas

In the current Comprehensive Plan update, our primary interest areas are structured around the findings and recommendations of the Business Climate Task Force (BCTF), a citizen/industry/government committee whose formation and mission charter were recommended by the EDA to the Board of Supervisors roughly two years ago. The BCTF was tasked with reviewing the climate for business retention and expansion of existing small, medium, and cornerstone businesses in the County and for recruiting outside businesses. The main charter was broadly defined to identify how James City County can be more of a value-added partner to the business and industrial community. To place the Comprehensive Plan-pertinent recommendations of the BCTF into proper context, we offer the following observations on defining countywide issues as we see them:

- The current comprehensive plan encourages sprawl in both residential and non-residential development throughout the County. Significant opportunities exist now to reshape our land use patterns in ways that will ultimately transform our County into a more sustainable community by encouraging growth to extend up, not out, and by creating communities that rely less on the private automobile and more on alternative forms of public and private transportation and on mixed land uses. The decisions made over the next few years will in large part determine what type of community we will be 20, 30 and 50 years from now. Equally important as how our undeveloped land will be developed, is the consideration of appropriate incentives and regulations governing redevelopment. If properly managed, redevelopment can ease the pressure on converting Greenfield sites and allow for the redeployment of aging, obsolete or underutilized properties in ways that serve contemporary needs and in forms that are more efficient, sustainable and attractive to the modern eye. The 2008 plan can accomplish all this and more, if

we work together towards a more refined understanding of the inter-relationships between land uses.

- Examining population and business growth projections from various federal and state agencies leads to the inevitable conclusion that James City County will continue to experience the pressures of growth for decades to come. Recognizing that our finite land resources are being consumed by sprawling residential communities and expanding regulations that limit the developable land available to accommodate growth, it is increasingly important that the County plan for and protect lands suited for future office, industrial, services, retail and workforce residential uses in the right quantity and in the right locations. It is our hope that this Comp. Plan update will focus on identifying the proper magnitude and locations for these various uses, defining their character and establishing a vision for them, assessing the infrastructure demands that such growth will require and planning for the investment in public infrastructure needed to encourage and support the right kind of development in the right places.
- The Chamber & Tourism Alliance recently conducted a workforce analysis that identified a approximately 10,000 current local jobs wanting for a lack of employees and a projected rise in the unmet employment demand to 50,000 in the coming decade. Many of the efforts of the EDA and Office of Economic Development that are aimed at broadening, diversifying and strengthening the County's economic base will fail to be realized if the workforce does not exist locally to satisfy the demand. With rising fuel prices and growing uncertainty over the future of transportation energy supply, having the range of employees our local economy will demand living in close proximity to the jobs that exist and we hope will be created over time is imperative. The ability to attract and retain young, moderate income and service workers, in an effort to sustain and expand economic growth in JCC, will in large part be determined by the availability of suitable workforce housing within our borders and regionally. This Comprehensive Plan update represents a crossroads opportunity to identify suitable locations for mixed use areas where higher density workforce housing makes sense as well as other suitable locations for a variety of workforce housing options (including the full range of single-family detached, townhome and apartment housing options). Once locations are identified and appropriately planned to ensure compatibility with existing and future development patterns, the essential collaboration between free market entities and government in the process of facilitating needed workforce housing can begin in earnest.
- JCC must seek to achieve a balanced economic portfolio that can provide a diverse range of jobs, business types and County tax revenues that can be sustained through multiple economic cycles. This includes supporting the quality business base we now enjoy as well as encouraging and expanding the business base in ways that capitalize on the opportunities inherent in the dynamic world in which we live. Monitoring, and then pursuing, emerging technologies that can benefit from the impressive intellectual resources we enjoy regionally in the College of William and Mary/VIMS, the Jefferson Labs, NASA Langley and the Newport News Shipyard and which can also find application and funding through the significant federal defense and homeland security presence in Hampton Roads is but one example of the tremendous opportunity awaiting us in JCC. Another opportunity presenting itself relates to the continued expansion and rise to East Coast prominence of the Port of Virginia. The growth of the ports can be expected to continue to drive interest in warehouse and distribution development in the region. While some local government economic development offices are actively pursuing this type of investment, JCC's current and prospective economic portfolio is and should be more diverse. Accordingly, in this Comprehensive Plan update, recognizing the limited developable land mass of JCC, we would

urge a careful consideration of the prospective magnitude and location of this form of development in JCC as the use imparts special and significant demands on infrastructure while contributing proportionately little in offsetting local revenues relative to the land area it consumes.

- As JCC plans its future development, it is our hope that the County's Comprehensive Plan will embrace the concept of Transfer of Development Rights (TDR) as a means of directing growth where growth makes sense on the one hand, and protecting worthwhile and unique areas of the County that offer historical, environmental, agricultural, scenic and cultural attributes on the other hand. In so doing, we can balance the legitimate current and future public interest in appropriate land conservation and growth management with vital planning for long-term economic imperatives, while at the same time respecting time-honored Virginia traditions of private property rights and private savings for the future. By introducing such a market-based approach to land economics in JCC, rural landowners concerned over the prospect of downzoning without compensation as a method to preserve rural lands can instead become both the recipients of fair compensation for the sale of their property rights and the source of an eco-friendly and justifiable basis for more efficient development patterns within targeted growth areas of the County.
- As another means of promoting appropriate land conservation, the EDA hopes to facilitate a resurgent interest in James City County's rural economic development future in the years to come. The EDA is committed to pursuing rural lands initiatives that retain and expand the agricultural presence in our community. Our view is that a viable rural economy provides a market-based alternative for property owners considering the conversion of forests and fields to residential development, while also expanding the tax base of the County through private investment in agriculture-based technologies and equipment. We found strong support by citizens in the first round of Community Conversations for precisely these types of initiatives. Concepts now under discussion within the EDA include ways to encourage and support specialty crop farming, sustainable farming practices, market-supported animal husbandry operations, and agri-tourism/eco-tourism initiatives that cater to both local residents and visitors from outside the area.
- In today's high-speed wireless economy, business opportunities arise and decisions are made under oftentimes extremely tight schedules. We have only to look to the recent corporate takeover of Anheuser-Busch by a foreign multi-national to the tune of \$50 billion dollars - from the first public salvo to a done deal, barely a month transpired. Existing and prospective firms seeking a new, expanded or relocated business location in James City County also must be able to move quickly to satisfy the external drivers of their business growth. The current paradigm which requires many desirable business uses to secure a Special Use Permit or rezoning is in direct contradiction to the new business imperative of our dynamic economy – move nimbly and quickly to seize an opportunity, get a jump start on the competition and cement one's place as the industry or sector leader. Accordingly, we believe it is critical that a comprehensive review of the various commercial SUP development criteria and thresholds be undertaken in concert with the Comprehensive Plan update and that modifications be made, where appropriate, to enhance certainty for businesses, adjoining property owners and other affected stakeholders. We believe such a review should involve the Planning Commission, Planning Staff, County Attorney's Office, Economic Development Staff and the EDA in a collaborative effort to best advise the Board of Supervisors on a course of action. The success of such an initiative will not be measured by the number of business uses that will no longer require SUPs. Rather, the ultimate

success of this initiative will be judged by the quality of performance standards established for each use type so that prospective businesses can know the rules of engagement before pursuing an opportunity and so affected stakeholders can enjoy the certainty of knowing what can and cannot be constructed on a particular property, under what circumstances and under what conditions.

- Another significant opportunity to enhance predictability for new or expanding businesses, and also for citizen property owners, lies in how the County chooses to implement the land use plan element of the Comprehensive Plan. Historically, JCC has not chosen to rezone land in the County to be consistent with the land use plan. Consistency zoning, on the other hand, is an implementation approach which affirms a locality's land use plan by comprehensively zoning land appropriately to the planned land use. From an economic development perspective, taking a consistency zoning approach to implementing the non-residential land use recommendations of the JCC Comprehensive Plan will incentivize a variety of businesses to consider JCC for new sites, expansion or relocation because the development process becomes more certain and expeditious. It will also provide greater certainty to citizens who can begin to expect that the land use plan means what it says and says what it means. And it will allow County government to better anticipate and plan for the investment in public infrastructure that is needed to support the business community. We would urge the Planning Commission and Board of Supervisors to seriously consider and ultimately embrace this straightforward approach to linking planning, zoning and economic development.

In addition to the foregoing, the EDA is in the process of recommending a number of land use re-designation requests for consideration in concert with landowner-initiated requests. While our recommendations are not ready for prime time, so to speak, we are working with County Staff to refine the visions for the various land areas under consideration. We look forward to working with the Steering Committee, the Planning Commission and Board of Supervisors to carry out a thoughtful review of, and detailed planning effort for, those recommendations whose merits justify a change.

There are many other issues and items contained within the Comprehensive Plan on which the EDA can and will offer its perspective to the process. Should there be specific items which the CPT, Steering Committee, Planning Commission or Board of Supervisors would like the EDA to review and offer comment upon, we welcome the opportunity.

It can be said that the local economy of James City County is but a single cell on a massive global economy spreadsheet. Global forces and the "Invisible Hand" described by Adam Smith often guide decisions that can have significant impact on us locally. Diversification, modernization and education are keys to effectively capitalizing on opportunities or niches in the global economy that exist today or emerge over time and which can establish our community as a leader in one or more sectors. It truly is a team effort to get us from here to there.

Thank you again for this opportunity to share our general thoughts. The EDA pledges its continued involvement throughout the full Comprehensive Plan update process. And we thank you all for your vital service to the community in soliciting and encouraging widespread citizen and business involvement in this important planning process.