

Chapter 6

Planning for our third century in the Center of the Universe

ECONOMY



Healthy... Sustainable... Diverse



6.0 ECONOMY



Abstract

Ashland recognizes that a healthy, sustainable economy depends the creation of conditions for business development, growth and retention across all sectors. The Economy chapter is intended to guide public and private decisions that foster the stabilization and strengthening of the local Ashland economy while enhancing community and social development.

The Economy chapter works to enhance Ashland's economic development and long-term economic health and sustainability by:

- Fostering a strong and diverse economy which provides a full range of employment choices for present and future residents.*
- Supporting business development activities to retain, expand and recruit businesses.*
- Mobilizing public and private resources to encourage new business development through the Technology Zone and the GreenTech Incubator.*

The economy is a central factor in a community's ability to sustain itself. Economy plays a central role in maintaining the vitality and quality of life within a community. A strong and diverse economy provides employment and a tax base that supports a livable community by providing for schools, police, fire protection, parks and many other community facilities and services. Ashland can capitalize on numerous advantages from an economic development perspective. Because of Ashland's location and amenities (including excellent highway access, small town atmosphere and proximity to Richmond and Washington, DC), the Town's economic base is poised to grow.

The purpose of the Economy chapter is to guide public and private decisions that foster the stabilization and strengthening of the local Ashland economy. In addition to strengthening the economy, economic development is valuable for community and social development as well. Traditional economic development is evolving from basic recruitment and business attraction, to the cultivation of local entrepreneurship as a foundation of a diverse business community. Home grown businesses tend to be more loyal, they draw on local resources and owners that live locally are often more sensitive to the need for a small town to retain its unique quality of life characteristics. The Town of Ashland is fortunate to have a diverse collection of home-grown businesses including both large and small retailers selling everything from riding supplies to fleet vehicles. There are locally-owned construction industry

contractors, real estate sales, development companies and distribution outlets. This concept of local entrepreneurship is well tailored to suit the needs of Ashland, particularly the historic Downtown and the England Street corridor, by growing local businesses and creating jobs from within the local economy. Ashland's continued economic vitality depends on the Town's ability to support a diverse mix of businesses and industries, build on existing amenities and promote a high quality of life.

Over the years, as transportation methods have changed, so has the economic structure of Ashland. Initially the Town served railroad passengers as a resort town, then automobile travelers along Route 1, and today, although the first two are still used, the predominant thoroughfare is Interstate 95. These transportation changes have situated the Town of Ashland to be very competitive when recruiting for desired companies. Location is a primary factor in attracting quality firms.

At the same time, these changes have also positioned Ashland to serve a diverse base of retail customers ranging from Town residents to those who live in smaller rural communities nearby, interstate travelers, college students and employees coming to work in Ashland. As new retail outlets locate along the borders both in and out of Town, the retail businesses and shopping centers in Town, including the Historic Downtown and England Street corridor, must continue to reinvent themselves and find their niche in today's market.

Historic Downtown is the place people envision when they think of Ashland and it must remain a top priority to strengthen this area as part of our effort to keep Ashland *Ashland*. The Town must continue to strengthen other areas of Town so that investments can be made in the Historic Downtown. Retail is a vital sector to support residents and visitors and should be encouraged. Also, Ashland's prime location within the Richmond region establishes it as a potential regional employment center, poised to grow into the future. Diversification and a balance of retail, office, industry and manufacturing are all possible and will foster the economic health and stability of the Town.

This Plan chapter contains policies related to economic development and Ashland's long-term economic health and sustainability. These policies address issues such as strategic planning, quality of development, Randolph-Macon College student spending, business clusters, regional partner priorities and creativity and the arts. Economic development should not be viewed in isolation, but rather as a fundamental principle that is reflected in all elements of the comprehensive plan. The policies in this chapter are meant to work in conjunction with other plan policies to achieve the Town's objectives. For instance, Policy CD.14 in Community Character and Design suggests the creation of affordable mixed-use, live/work spaces on England Street to complement existing businesses as well

as strengthen an arts and cultural district. By creating a space where people can live, work and shop, an economic driver is created, hopefully spurring further revitalization. In Chapter 5, Housing and Neighborhoods, Policy HN.1 voices the Town's desire to capture a larger amount of the region's higher value housing. The presence of higher value housing attracts middle and upper income wage earners, new businesses, and the higher-end retailers; all adding to the economic vitality of the Town.

Population Projections

Population projections provided by the Virginia Employment Commission (VEC) suggest a population change from 7,600 in 2008 to 12,749 through the year 2035, an increase of 67.7 percent as demonstrated in Table E-1. In the Hanover County Retail Business Strategy, by Basile Baumann Prost Cole & Associates, the report predicted Ashland's ability to support 1 million more square feet of retail space by the year 2022 attributable to the increasing population.

Table E-1

Population Projections		
	2008	2035
Ashland	7,600	12,749
Hanover	102,015	174,123
Source: RRPDC		
**County totals include Asland		

***The Hanover County Comprehensive Plan has a stated goal to achieve an average 2% annual growth. This is consistent with the growth rate that the County has experienced since 1940. Hence, the overall population control total was derived using this growth rate. Hanover County also has a unique land use development system inherent in its Comprehensive Plan that provides for the "phasing" of more dense residential developments in specific areas using specific timing measures. The Comprehensive Plan also contains goals for the distribution of development in the suburban and rural areas to balance infrastructure and service needs geographically. 2035 Population threshold derived from 2030 VEC straight line projection to 2035 and adding up to 10%. Since 2035 Total Population approved by Hanover is 3.4% higher than this 10% cushion, document supported justification has been provided by the county.*

Employment

Table E-2 shows the most current employment data available for the Town. It was compiled by the Richmond Regional Planning District Commission (RRPDC) based on information from the Virginia Employment Commission. This data is compiled in a manner that protects the individual employer's confidentiality. While limited in nature, this table shows the following:

- 1) 37.1 percent of Ashland's total employment is employed within the retail sector.

- 2) Ashland's total employment in 2008 of 7,910 exceeds the total population of 7,600 as estimated by the RRPDC.
- 3) Of total employment in Hanover County (Ashland included) 15.7 percent is located within Ashland.
- 4) Of the total County retail employment (Ashland included) 25.3 percent is located within the Town. 12.9 percent of the County non-retail employment is located in Ashland.

Table E-2

Town of Ashland 2008 Employment					
	Total	Retail		Non-Retail	
Ashland	7,910	2,936	(37.1)	4,974	(62.9)
Hanover County	42,380	8,677	(20.5)	33,703	(79.5)
County incl Ashland	50,290	11,613	(23.1)	38,677	(76.9)

Source : VEC 2008 Second Quarter Masterlist. Cross checked and verified by RRPDC Staff

Labor Force

The Town's labor force is very diverse. According to the 2007 Economic Census, performed by the U.S. Census Bureau, employment in the Town of Ashland is divided among eleven different employment sectors including administrative support, wholesale trade, education, manufacturing and professional, scientific and technical services. This diversity of employment options can offer stability during tough economic times. Table E-3 reinforces that idea by showing that Ashland's largest employers reflect this diversity of employment sectors.

Table E-3

Ashland's Largest Employers				
Employer	Number of Employees			
	July 2010	July 2009	2008	
Hanover County	501	679	679	Government
Wal*Mart	322	322	325	Retail
Randolph-Macon College	317	321	321	Higer Education
Produce Source Partners (new)	180	160	0	Wholesale
Ashland Nursing & Rehab	173	182	184	Medical
IES Commercial, Inc (moved)	-	0	162	Contractor
Cox Transportation	150	160	160	Trucking
Martins formerly Ukrops	127	100	120	Retail
TruGreen Lawncare (moved)	-	0	150	Contractor
Cracker Barrel Old County Store	107	109	105	Retail Restaurant
Richmond Restaurant	95	107	122	Wholesale
Sheehy Ford	60	63	-	Retail

Source: Ashland Business Development Office & VEC Quarterly Census of Employment & Wages

Town Revenues

One of the benefits the Town receives from its high number of employers is a broad tax base. This comes from real estate and personal property taxes as well as business/professional/occupational license tax (BPOL). In addition to the real estate and personal property taxes, retail businesses also contribute a portion of sales tax revenue. Meals and lodging taxes are collected as well and represent close to 30 percent of the Town's revenue. These taxes allow for an extremely low ratio between the percentage of property taxes paid by homeowners and the high level of services provided by the Town.

Applicable Economic Development Plans & Studies

Over the past several years, a series of development plans and studies have been completed both for the Town and for the County by various consultants. Several of these studies are summarized here.

Urban Partners

Completed in August 2008, a study by Urban Partners for the Town of Ashland highlights the historic importance of transportation to the Town, from the train, to automobiles on Route 1 and then Interstate 95. The study includes many suggestions and facts which if heeded could enhance the Town:

- England Street between Route 1 and the railroad tracks lacks cohesiveness and draw as a retail district. Revitalization and an overall district attraction is necessary to establish this corridor as a red carpet to Downtown;
- Existing shopping centers in Ashland have undergone decline and repositioning them with a modernized store mix and a diversified range of goods and services will aid the Town in revitalization efforts;
- Capitalize on the growing retail concentration at Lewistown Road by developing the southern end of Route 1 as a gateway to trigger development of underutilized properties;
- Ashland is a prime location for denser Class A office development adjacent to I-95 at the Route 54 exit;
- Strengthening the relationship between Randolph-Macon College and the Town will help improve Downtown's economy;
- Opportunities exist in Ashland for the development of new specialty goods stores, services, and activities;
- Add additional high-value housing to our varied residential mix to decrease the gap between the disproportionately large portion of mobile homes and a disproportionately small portion of owner-occupied housing as compared to Hanover County.

According to the study, there are 14 hotels located within Ashland and of these, two-thirds are over twenty years old. Due to the age of the existing hotel stock, and the lack of high-end lodging in Ashland, the report suggests there is unmet demand for new amenities. There are several competitive locations within Ashland such as near Interstate 95 at the Route 54 exit, on both sides of the Interstate and on Route 1 near England Street.

Hanover County Retail Business Strategy

The retail business strategy developed by Basile Baumann Prost Cole & Associates in 2008, identifies three existing retail nodes in Hanover County (Ashland, Mechanicsville, and Sliding Hill/Lewistown), with a future node to be developed at Atlee over the next few decades. While Ashland's position as a retail node in the County is currently strong and expected to grow, population and retail growth in other parts of the County may limit Ashland's percentage of the County's retail sales. It is suggested that as retail development continues at the County retail nodes of Atlee and Sliding Hill/Lewistown, as well as the continued draw of Short Pump, Ashland property owners attract reputable brand name tenants as infill within existing shopping centers. As shown in Table E-4, Ashland currently captures about 60 percent of tourist expenditures in Hanover County with that number expected to drop to 40 percent by 2022 as the Atlee and Sliding Hill/Lewistown retail nodes become more developed during 2012-2022. Although Ashland's percentage of Hanover tourism expenditures are projected to decline, actual lodging and food expenditures are expected to grow due to the Town's proximity to high tourist activity spots like Kings Dominion immediately to the north and Bass Pro Shops immediately to the south.

Table E-4

Tourist Expenditure by Retail Node (2007-2022)				
Trade Area	2007	2012	2017	2022
Sliding Hill/Lewistown	\$0	\$4,004,761	\$4,421,579	\$4,881,781
Mechanicsville	\$5,078,129	\$4,805,713	\$5,305,895	\$5,858,137
Ashland	\$8,705,364	\$6,407,617	\$7,074,527	\$7,801,849
Atlee	\$0	\$800,952	\$884,316	\$976,356

Source: VTC's 2006 Virginia Visitor Study, Greater Richmond CVB, BBPC Associates

Hanover County Economic Development Strategic Plan

Hanover County's 2009 Economic Development Strategy focuses on four major goals: 1) expansion of the tax base, 2) economic stability, 3) job retention, and 4) job creation. Combined with these goals are four objectives: 1) new business attraction, 2) existing business expansion and retention, 3) support for the agriculture and forestry industries, and 4) building on tourism and convention services.

GUIDING PRINCIPLES

This chapter supports the Plan's Guiding Principles as follows:

1. Preserve Ashland's Small Town Character

- Enhance the presence and visibility of the art in Downtown through a designated Arts and Culture District and the addition of public art.

2. Protect Ashland's Unique Features

- Cultivate an appropriate retail cluster in the historic Downtown so that it may serve as a destination for shopping and entertainment.
- Support Randolph-Macon College's efforts to strengthen physical connections between Town and college as an opportunity to draw increased spending and general community interaction with the R-MC students.

3. Manage and Enhance Our Green Town

- Utilize trees and landscaping to enhance the aesthetic quality of development as a method of improving quality of life factors to make the Town more attractive to professionals and industry.

4. Encourage Continued Variety in Ashland

- Further the use of high quality design and construction in new developments.
- Provide housing that increases the sustainability and economic vitality of the Town by increasing the number of jobs retained and new businesses recruited.

5. Promote Continued Economic Development

- Develop an economic development strategic plan to ensure continued stability and future growth.
- Employ the new Mixed Commercial land use designation to establish a synergistic mix of office and commercial uses along Route 1.

6. Provide a High Level of Government Services

- Create a positive business atmosphere to promote business development and expansion.
- Explore and utilize incentive, grant, and loan programs.

6.1 STRATEGIC PLAN

A strategic plan is a proactive, future-oriented approach to planning that establishes a long-range view of economic development. It provides the community with a clear understanding of their current situation, identifies potential opportunities as well as challenges, and defines the efforts required to achieve specific goals. This long-term plan is intended to provide an expanse of economic activities that not only strengthens existing businesses but also helps to diversify the employment base through the attraction of additional companies and the start

up of new entrepreneurial firms. It is important to continually expand the local economy with new opportunities not only to ensure Ashland's stability today but also to ensure jobs for the next generation of Ashland's workforce.

The Economic Development Authority (EDA) is a seven member body of persons appointed by the Town Council but is a separate entity enabled by the Code of Virginia §15.2-4900. The focus of the EDA is to encourage competitive property development. The EDA issues tax exempt financing bonds and manages and funds a developers loan program. The EDA operates as a quasi-governmental, nonprofit and is authorized by the state to own, develop and manage real properties separate from the Town while maintaining its tax exempt status.

Policy E.1 Economic Development Strategic Plan

The Town of Ashland does not currently have its own economic development strategic plan. To establish an organized effort towards continued stability and future growth, the EDA will develop and periodically maintain a comprehensive Economic Development plan. This Economic Development strategic plan should be completed in concert with Economic Development staff, the EDA, a representative from the Town Council, a representative from the Planning Commission, and a hired consultant. Until such time as a completed strategic plan is in place and adopted as part of the Comprehensive Plan, the EDA will rely on and respond to the regional partners' plans.

The study in preparation for the Economic Development Strategic Plan should focus on: 1) identifying opportunities for and constraints on economic development; 2) establishing goals and criteria for a development strategy and building consensus among stakeholders; 3) the expansion and diversification of employment opportunities in the town; 4) the disproportionate number of retailers that offer sustainable goods versus the need for large format/specialty retailers to support the desired higher-end real estate; 5) increasing the percentage of retail uses while decreasing the high percentage of office uses on Railroad Avenue; and 6) improving the balance of high-quality/affordable/workforce housing mix. The study will also aid Ashland in defining how it will fit within the growing Hanover County. As part of the economic development plan the Economic Development Coordinator shall maintain a list of vacant and blighted commercial properties. This list shall serve as a method to focus redevelopment toward these properties through public/private partnerships.

6.2 BUSINESS CLUSTERS

The term business cluster as used in this context refers to a geographical concentration of associated business. While it may sound counter-intuitive at first, the benefits that businesses obtain when locating near



each other generally outweigh any perceived disadvantage. In the case of a retail cluster, for example downtown, the extra foot traffic outweighs the increased competition. In the case of office space, medical offices, or technology companies, the importance of clustering comes from the shared need for supportive services such as shipping facilities, a range of lunch options for staff and good regional access. Another cluster example is the stretch of Route 54 between Interstate 95 and Route 1, also referred to as the Golden Mile. Dominated by lodging and fast food establishments, the Golden Mile serves primarily as an interstate service area catering to the needs of interstate travelers. The location of a business is extremely important to its survival and specific areas of Town meet the needs of certain markets. Ashland has several different types of business clusters and the potential for more to be encouraged.

Policy E.2 Downtown Retail Cluster

The three portions of Downtown have the potential to be a successful retail cluster featuring arts related businesses or serving the tourist market. However, in recent years the historic Downtown has become off balance with its many office uses. In this location, the proliferation of office uses undermines the potential of this historic Downtown. As new development occurs and as tenants vacate the spaces, it would be desirable to have the ground level uses convert to retail and arts related businesses. A better location for the office uses would be on the second or third floor of the buildings allowing the three Downtown areas to become one cohesive shopping district. Typically, offices and some service businesses do not need the visibility or pedestrian traffic that is needed by retail. The Downtown retail corridor should be continuous, interesting and attractive to hold the interest of the pedestrian and maintain the pedestrian traffic.

The Downtown should be seen as a destination for shopping and entertainment. This area is the core of the community and an ideal location for independent businesses and retailers. The Town should continue to promote Downtown as a destination focusing on the unique heritage and small town character. This can be a valuable focus of resources as the entire Town will benefit from a healthy Downtown.



Policy E.3 Technology, Medical, & Class A Office

Growth from the Richmond Metro area is pushing north into Hanover County, positioning Ashland to grow as a regional employment center. This anticipated growth will increase the demand for both Class A office space and medical facilities. As defined in Chapter 3, Class A office space is defined as “the most prestigious buildings competing for premier office users with rents above average for the area. Buildings have high quality standard finishes, state of the art systems, exceptional accessibility and a definite market presence.”

The Town should plan accordingly for these future needs. As shown on the Future Land Use map, there are several locations suggested as appropriate for new, multi-story Class A office space. Two specific areas suggested as target areas for business clusters are: 1) The central and southern end of Route 1 for office use; 2) The northern end of Route 1 for a potential medical facility. In following with the concept of business clusters, the Town should continue to support the newly established Technology Zone (partially located along Route 1) to promote a supportive environment of like businesses.

In order to facilitate the establishment of business clusters along various part of Route 1, a new land use called Mixed Commercial has been established. Mixed Commercial is meant to establish a synergy among the mix of office and commercial uses along the corridor. The mix of retail, restaurants and hotels will serve the technology, office and medical workers and their daily business needs. The establishment of these business clusters will work towards strengthening Ashland as an employment center.

Policy E.4 Interstate Service Area

The area referred to as the Interstate Service Area is primarily Route 54 between Interstate 95 and Route 1. This area operates as a business cluster serving the needs of interstate travelers with service stations, fast-food outlets and motels. There are several nationally known businesses operating in this area. Walmart serves as a dominant retailer drawing shoppers into the Town from surrounding rural areas. Cracker Barrel, McDonald’s and Ruby Tuesday are national chain establishments which bring in travelers.

As mentioned in Chapter 3, Community Character and Design, Route 54 between the Interstate and Route 1 serves as a gateway to our Town. It is important that the good work and improvements on landscaping and signage made by our Town be maintained. Continued beautification of this area should serve to inspire redevelopment of aging properties, investment by new businesses and inspire travelers to spend more time in Ashland.



According to the Urban Partners study, the area immediately off the Route 54 exit from Interstate 95 is a prime location for development due to the presence of several underutilized parcels. These parcels are considered underutilized because each is a large expanse of land in a prime location with only a small amount of development. At the time of this writing, one underutilized parcel is occupied by the TA truck stop; another is occupied by Quality Inn. If either were to relocate, these sites are ideally situated to be developed as major mixed-use commercial developments with higher-quality retail and hotel components to compete with development in Hanover County. Density should be increased on these underutilized parcels when future uses are considered.

Business Parks

Ashland is home to several business parks which also serve as a type of business cluster. Located off the north and south portions of Route 1, these business parks are the site of a considerable number of successful, low impact businesses. The business parks are made up of multi-tenant flex space, office and light industrial and are home to both local and nationally owned businesses.

6.3 NEW ADDITIONS TO THE TOWN OF ASHLAND

Technology Zone

As an important economic development tool and in sync with the regional partners' priorities, an ordinance was passed in July 2010 by the Town Council designating three corridors, Dow Gil Road, Hill Carter Parkway and Route 1 South as a technology zone. This technology zone acts as an overlay district and offers incentives to existing or new businesses located within specific areas of these three corridors. These incentives include 100 percent tax rebates for years 1, 2, and 3 and 50 percent rebates for years 4 and 5 on taxes including personal property, real property, machinery, and tools, and BPOL. Incentives such as these are often the basis for a company's final decision to locate their business in Ashland. In order to qualify a certain capital investment is required, a minimum number of jobs must be created, and there is a minimum threshold for wages. In order to keep the tax rebates, the company must remain in the Tech Zone for five years. The boundaries of the Tech Zone are shown on Map Econ-1, page 6-13.

Green Incubator

As energy costs rise and concern for the future of the environment grows, a rapidly growing field has emerged referred to as green technology. Green technology is an evolving group of methods, materials and techniques for everything from generating renewable energy to creating

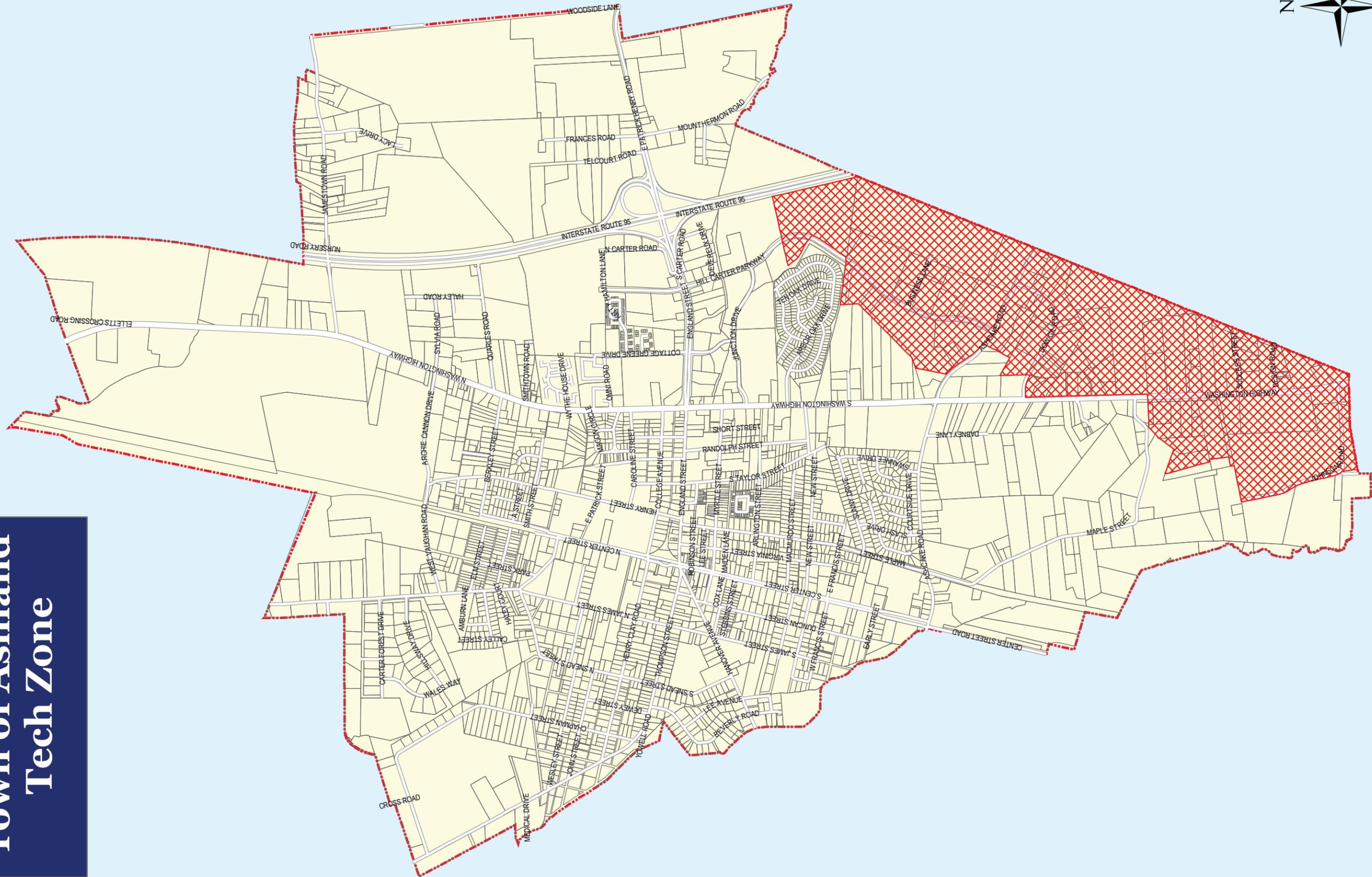


non-toxic cleaning products. The intention is to meet society's needs in a clean and sustainable manner that can continue into the future without compromising the ability of future generations to meet their own needs. Widespread excitement is building around green technology and corporate investment is beginning to grow.

As a first step into this emerging market, the Dominion Resources *GreenTech* Incubator (DRGI)/DGRI Commercialization Program opened in January 2010 in Ashland. The facility is located on Hill Carter Parkway in Ashland. The DGRI/ DGRI Commercialization Program's founding partners are Dominion Resources, Hanover County, Town of Ashland, Virginia Bio-Technology Research Park and Virginia Biosciences Development Center. A number of other Strategic Partners and Sponsors have joined since DGRI's inception. The DGRI/ DGRI Commercialization Program was established to serve entrepreneurs creating new businesses focused in clean, green, alternative energy-related technologies and services. An incubator provides support for start-up businesses such as assistance with research, financial services, business planning and office space. The focus on green technology was chosen because it is a valuable niche for the mid-Atlantic region. An incubator greatly increases the start-up businesses' chances for success and a home grown company is more likely to locate permanently in the area. The long term goal is to incubate 25 companies and 15 graduates within the first five years and for the incubator to become self-sustaining at the end of the five year period. It is the Town's first priority that these new companies grow, prosper and become established members of the business community in Ashland. This incubator partnership has allowed Hanover County and the Town of Ashland to create a premier incubator facility in a cost-effective way, with the potential to generate new high-technology growth firms for the Town and the region.



Town of Ashland Tech Zone



Legend

 Ashland Tech Zone

6.4 NEW DEVELOPMENT

Policy.E5 Quality in Design & Construction

A high quality of design, construction and landscaping contribute to the image, identity, sense of community and the marketability of a project. Quality design and construction serves not only to enhance the aesthetic quality of development but to improve the quality of life. Quality of life is often a factor businesses consider when deciding where to locate. In Chapter 3, Community Character and Design, Policy CD.1 refers to the Town's aspirations for quality and design in construction.

The Town should strive to improve quality of life factors to make the Town more attractive to professionals and industry. This may include the variety of housing types offered, recreational and entertainment amenities, low crime rates and quality education options. Priority attention should be given to areas that contain parcels and or buildings ripe for development that are for sale.

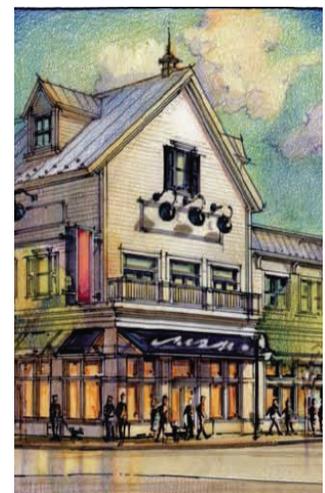
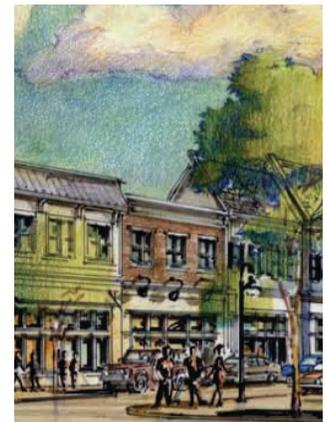
Policy E.6 Housing Stock

As defined in Chapter 5 Housing and Neighborhoods, workforce housing serves households earning between median income and 120 percent of the area median income (AMI). Workforce housing is intended to appeal to gainfully employed, essential workers in the community such as teachers, nurses, police officers, and firemen.

Workforce housing should not be confused with low income/affordable housing of which there is a disproportionate number in Ashland. Affordable housing is that which is affordable to persons earning the median household income. Low income housing is typically subsidized rental housing and as earlier studies have shown Ashland has a higher percentage than the surrounding county.

Additional higher quality housing in Ashland, on the other hand, will attract residents with more disposable income to support retail businesses in Town. It will also provide residences for the employees in the Class A office spaces and the technology businesses. The proper housing balance will aid in future business retention and recruitment.

Economic development and housing are directly linked to the Town's future. The Town's sustainability and economic vitality relies on the residents living in Ashland, their occupations and skills and the businesses that are attracted to the Town. The available housing must be compatible with the sales needs of the businesses and the type of employment available to the Town residents. Much of the retail success of Ashland, especially in the Downtown areas, is due to the vital support of our residents.



Mixed Use as Economic Generator

Mixed-use development is appropriate in historic downtowns, neighborhood-oriented retail centers, transit nodes, and main streets all of which describe different areas in the Town of Ashland. Bringing together a mix of retail, restaurants, offices, civic uses, transit and housing promotes an efficient use of land and infrastructure while protecting environmentally sensitive resources. A diversity of people on the street, living and working in the Downtown, provides the catalyst for success. Businesses recognize the benefits associated with areas able to attract more people, as there is increased economic activity when there are more people in an area to shop. This increased activity should also spur revitalization in older properties and businesses. Compact development costs less for roads, water, sewer, and other necessary infrastructure thereby creating increased revenue for the Town. In addition to the economic benefits of bringing new workers, residents, and pedestrians to underutilized areas, mixed use development can bring a unified streetscape and a real sense of place to both the England Street and the Route 1 corridors. As mentioned in Chapter 4 Land Use, the Mixed Use areas of the Downtowns and the Mixed Commercial are meant to encourage a synergy of complementary uses existing together.



6.5 THE IDENTITY OF THE DOWNTOWNS

Policy E.7 Creativity and Arts

The Plan suggests strategies that can help the Town of Ashland and its various organizations build upon the Town's existing strengths and charm and bring arts and cultural activities to the historic Downtown and England Street. A recommendation was made to develop new uses in Downtown Ashland that will complement existing businesses while enhancing the arts and cultural environment. An example of this would be to create affordable mixed-use, live/work spaces in Downtown Ashland and on England Street. Some uses that would be conducive to live/work space are galleries, culinary arts or music stores, artisan bakery or brewery and artists' studios. The use of large display windows on the ground floor provide a retail experience and allow the passerby to observe working artists.

Also suggested is the increase of public art throughout the Town to enhance the visibility of the arts and culture environment. Public art may be located in significant areas around the Town of Ashland to convey a positive visual message that Ashland is a town that supports the arts and its artists. For additional information, see Policy CD.13 regarding suggestions for an outdoor art program.

The implementation of these ideas will take the participation of several parties: the Town government, the property owner and Ashland Main

Street. This combination of ideas works to build and strengthen an arts and cultural district.

Policy E.8 Incentives for Arts-Related Businesses

To increase the presence of arts-related businesses and organizations such as art galleries and studios, an art supply shop, theaters (both cinema and stage), a music center, retail music instruments, craftware shops, photography studios, culinary arts, and art and music education venues, consideration should be given to the provision of economic incentives or regulatory flexibility. Examples of incentives are exemption from BPOL fees, real property tax exemption, or special regulatory flexibility for arts and cultural venues within the district for a defined period.

In order to provide such incentives, the Town will need to take advantage of Virginia State Code § 15.2-1129.1 (House Bill 1735) passed in February 2009. This enabling legislation allows any locality to create an arts and cultural overlay district. By creating this overlay district within a designated area, communities are able to grant tax incentives as well as relax certain regulations to arts and culture related businesses for a period of up to 10 years. There are other incentives available in addition to those suggested above. Other examples of the benefits of this designation include flexibility of sign regulations or exemption from ordinances dealing with issues pertinent to Downtown such as parking or hours of operation. The arts and culture overlay district should be established and managed by the Town of Ashland and Town Council with the assistance of Ashland Main Street.

Policy E.9 Main Street Four Point Approach®

Through a partnership of Economic Development staff, Ashland Main Street, community volunteers and partners representing a broad cross section of the community, the Main Street Four Point Approach® should be used to revitalize the Downtown/England Street area. This approach is an economic development tool that leverages local assets to revitalize commercial districts. The four points are organization, promotion, design, and economic restructuring. Organization builds partnerships to get everyone working on the same goal for the commercial district through a volunteer driven revitalization program. Promotion works through marketing, events and retail promotions to build community pride and build both consumer and investor confidence in the district. Design is about the physical appearance of the district from storefronts to public spaces to window displays. It is about encouraging appropriate new construction, effective rehabilitation of older structures and educating business and property owners about maintenance and long term planning. And finally the purpose of economic restructuring is to recruit and assist viable businesses, create a network of business support and

establish a balanced commercial mix to create a district that meets the needs of Ashland residents.

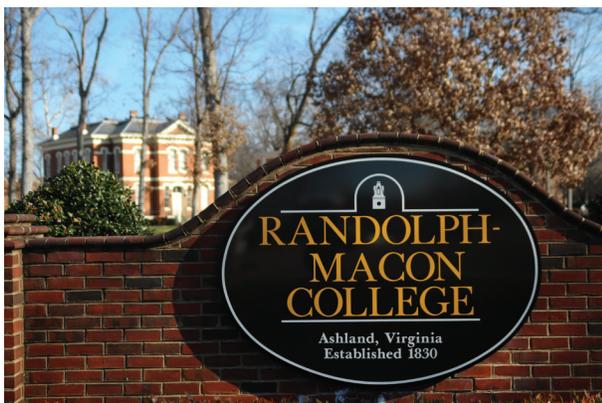
As a method for building stronger local businesses, the possibility for hosting SBA events should be investigated. Entrepreneurial programs should be considered to educate new or potential business owners. The Virginia SBDC offers a Small Town & Merchant Program (STAMP). This program offers workshops, hands-on initiatives and resources specifically geared toward main street retailers and restaurateurs.

6.6 RANDOLPH-MACON COLLEGE

Although Randolph-Macon College is located in the heart of Ashland, very little of the student's spending is done in Town. There are potentially two reasons for this: 1) the self-contained nature of the College; 2) lack of shopping options for the college student. The Randolph-Macon College Spending Patterns survey, prepared by R-MC business majors for a marketing class in 2004, shows the expenditures made by R-MC students annually. These expenditures include dining, entertainment, and retail purchases. The survey found that the majority of purchases made by the College community happen outside of the Ashland Downtown area, either within Ashland but east of Route 1 or at Virginia Center Commons, Short Pump and in Richmond. Due to the proximity of R-MC to the Downtown and England Street commercial areas, select businesses catering to the College community seem to be a logical suggestion. As the quality of development and housing increases, the quality of Ashland's demographic information (per capita income) will increase thus, attracting the types of retail businesses desired by college students.

Policy E.10 College Market

There are few resources dedicated to the attraction of the R-MC community. Existing businesses located in close proximity, specifically in Downtown and on England Street, to R-MC should be inclusive of the College community and strive to meet this market's needs and capture its enormous untapped spending potential. An initial step for existing businesses would be to consider merchandising that appeals to the college



market. Businesses may consider social media marketing techniques designed to capture a student audience. Advertising in the Yellow Jacket, the R-MC student newspaper, is affordable and recommended. The R-MC calendar should be considered when planning festivals and other Downtown promotions, in order to ensure that students will be on campus, and also to take advantage of the increase in visitors for important College events such as homecoming and parents' weekend.

As mentioned in Chapter 3, Community Character and Design, the 2008 Randolph-Macon College Master Plan was passed by the Randolph-Macon Board of Trustees in February of 2009. Primarily addressing urban design issues, the plan connects the college's strategic mission with the physical environment. The plan identifies two gateways into the campus that need improvement. The college also seeks to create a more pedestrian-friendly environment, especially along campus edges, to improve connections to Downtown. Randolph-Macon plans to build two mixed-use buildings at the corner of North Center Street and England Street. Commercial spaces in these buildings are intended to serve students as well as Town residents.

Student Housing

As mentioned in Chapter 5 Housing and Neighborhoods, Policy HN.9, the Town and Randolph-Macon College should explore the option of a partnership with a private developer to provide student housing for upperclassmen on England Street above retail and office uses. A successful example of this type of partnering can be found in the RAMZ Hall and Capital Garage buildings on Broad Street in Richmond at the VCU Monroe Park Campus. The upper floors of both buildings are leased and managed by VCU for student housing. The lower level, managed by the development group, houses businesses such as Cold Stone Creamery, Qdoba and Five Guys Burgers and Fries. With R-MC as the lessor of the student housing, the college maintains the same control as the on-campus dormitories. The intention of establishing student housing on England Street is to encourage activity after 5:00 P.M. thereby creating a livelier neighborhood and a stronger retail environment.

Policy E.11 Enhanced Campus Connections

The Town should continue to support the college's efforts to physically connect with the Downtown and England Street areas. Enabling these connections creates an opportunity to draw increased spending and general community interaction by the College students and staff.



6.7 REGIONAL PARTNER PRIORITIES

Hanover County Economic Development (HCED) is a publicly funded office whose mission is to increase the County tax base and create new jobs for its citizens. HCED offers services such as location finding for prospective companies and assistance to existing businesses through the Small Business Association. HCED also has access to numerous databases, programs and information services. As a regional partner, the Town of Ashland has access to many of these resources through HCED. Also, the Virginia Department of Business Assistance and the Virginia Small Business Development Center (Virginia SBDC) stand ready to serve the Town's Economic Development staff.

Policy E.12 Utilize HCED Tools

HCED has many tools at the disposal of Town staff, businesses, property owners and residents. Economic Development staff should identify ways to utilize the available tools to nurture and support our locally-owned businesses and entrepreneurs such as increasing mentoring and networking opportunities.

The Town Economic Development staff should continue to utilize all tools that HCED has to offer such as the Business First Program, the Hanover County Economic Development Strategic Plan, and the Hanover County Retail Business Strategy. As stated in Policy E.1, until such time as the Town's own study is completed, the Town should continue to rely on the County's Economic Development Plans for information. It is important for the Town to stay acutely aware of what is happening in the region and make an effort to respond to the regional partners' priorities.



6.8 SUPPLY AND DEMAND

Supply and demand is one of the most basic concepts of economics. Simply put, supply is how much of something is available and demand is how much of something people want. Ashland must strive to keep up with the development that is happening outside its borders. As investment continues in Hanover County, underutilized properties along Ashland's borders will become more attractive to developers and the Town should be prepared.

Policy E.13 Hotel

As mentioned earlier in the chapter, Ashland's hotel stock is aging and of lower quality. There are many choice locations for hotel development just outside Ashland borders. The Town should be proactive in encouraging a new, higher-quality hotel with conference area and meeting center within its borders. Economic Development staff should research potential incentives for use in recruiting such entities.

Policy E.14 Commercial Development

Commercial development will continue along Ashland's borders. The Town should take advantage of this development and encourage the location of high quality commercial and industrial firms, while maintaining an atmosphere conducive to expansion of existing ones. The Town should be proactive in developing strategies that solidify, protect and enhance its existing markets. To facilitate this goal, staff should always prioritize areas that offer a larger number of parcels for sale where positive change can actually occur.

Policy E.15 Route 1 South

There are currently multiple commercial properties for sale in Town. Specifically on the Route 1 South corridor, however, these parcels lack appropriate infrastructure. Hanover County owns the utilities and it is Ashland's responsibility to seek ways to encourage improvements to these areas to facilitate the desired end result of a cohesively developed Route 1 corridor. In order to create a critical mass of new development, the Town should encourage developers to assemble smaller parcels into a larger parcel for a larger-scale development as opposed to developing one and two acres at a time.

6.9 INFRASTRUCTURE

Utilities: As previously mentioned in Policy E.15, the Route 1 South corridor lacks the appropriate infrastructure. The Town should encourage the owner of the utilities, Hanover County, to improve the connections in the same manner the Town encourages VDOT to continue improving the road systems.

Road Systems: Intersections are a vital key to economic growth. Improvements made to the corridor between Interstate 95 and Route 1 along England Street (Route 54), including the Hill Carter Parkway project, greatly improved safety and accessibility to the businesses that reside in this area, in turn increasing revenues. Improvements to intersections designed to increase business development potential in concert with appropriate site plan requirements should be a priority. Current setback requirements prohibit certain quality development on some corner parcels. See Chapter 4, Land Use for more information regarding Key Intersection Overlay Districts. Key intersections along Route 1 are Archie Cannon Drive, England Street/Route 54, Ashcake Road, and Maple Street (extended). Along Route 54, the key intersections are Hill Carter Parkway and Mount Hermon/Frances Road.



TO DO LIST

1. The Economic Development Authority (EDA) will develop and periodically maintain a comprehensive Economic Development plan. This Economic Development strategic plan should be completed in concert with Economic Development staff, the EDA, a representative from the Town Council, a representative from the Planning Commission, and a hired consultant.
2. Encourage retail clusters in Downtown area as office space becomes available for lease.
3. Promote Downtown, encourage new retail, offices, arts related businesses, etc.
4. Plan for future needs of technology, medical and class A office space
5. Increase density on underutilized parcels in Interstate Service Area when future uses are considered.
6. Encourage high quality development in the Town
7. Add housing as necessary to maintain the appropriate balance of higher quality, workforce and affordable housing.
8. Encourage live/work space and public art downtown.
9. Consider an arts and culture overlay district within the Downtown area.
10. Through a partnership of Economic Development staff, Ashland Main Street, community volunteers and partners representing a broad cross section of the community, the Main Street Four Point Approach® should be used to revitalize the Downtown/England Street area.
11. Utilize VA SBDC's STAMP to assist independent retailers to build stronger businesses
12. Work with R-MC to assist local merchants to meet the needs of the College market
13. The Town should work with the College to strengthen the physical connections between the college and the Town.
14. Utilize HCED tools to nurture and support our locally-owned businesses and entrepreneurs such as increasing mentoring and networking opportunities.
15. The Town should be proactive in encouraging a new, higher quality hotel with conference area within its borders.
16. Encourage high quality commercial and industrial firms while protecting existing markets.
17. Encourage developers to assemble smaller parcels into a larger parcel to create larger-scale development.
18. Encourage Hanover to improve utility connections to create more easily developable areas.