

Economic Development

DESCRIPTION

The Economic Development Department provides services designed to attract, retain, and facilitate expansion of high quality business and industry resulting in a stable, diverse local economy and an improved standard of living for the citizens of the County. The County is becoming an increasingly important part of the diverse and growing Richmond metropolitan economy. Based upon economic forecasts, the County should continue to maintain above average employment rates, per capita income, and growth. The main objective of the

Department is to provide an expanding tax base and employment opportunities for Hanover citizens, while improving the overall standard of living. Economic Development assists existing businesses in the County with expansion, relocation (within the County), and retention issues, and recruits new businesses that may be interested in relocation, expansion, or consolidation to the County from both domestic and international markets. The Department also works to designate additional areas of the Comprehensive Plan for business development.

BUDGET SUMMARY

	FY06 Actual	FY07 Budget	FY08 Budget	FY07 to FY08	FY09 Plan
Expenditures					
Personnel	\$ 396,215	\$ 442,170	\$ 482,704	9.2%	\$ 500,516
Operating	565,417	627,419	692,229	10.3%	712,996
Total Expenditures	\$ 961,632	\$ 1,069,589	\$ 1,174,933	9.8%	\$ 1,213,512
Revenues					
Other Revenue	\$ 297,361	\$ 165,000	\$ 202,000	22.4%	\$ 196,000
General Fund Revenue	664,271	904,589	972,933	7.6%	1,017,512
Total Revenue	\$ 961,632	\$ 1,069,589	\$ 1,174,933	9.8%	\$ 1,213,512
Generated Revenue Percent	30.9%	15.4%	17.2%		16.2%
General Fund Percent	69.1%	84.6%	82.8%		83.8%
Full-time Positions	5	5	5	0.0%	5
Full-time Equivalents	5.0	5.0	5.0	0.0%	5.0

BUDGET HIGHLIGHTS

The FY2008 increase reflects the reclassification of an administrative assistant

to an executive assistant. In addition, \$95,000 is provided to fund a retail strategy initiative.

GOALS AND OBJECTIVES

- Implement the *Business First – Hanover* business retention and expansion program
- Maintain and enhance programs and services to support the retention and expansion of existing businesses

Economic Development

- Encourage new investment projects (new business attraction and existing business expansion) by providing site location assistance information and permit review and approval assistance;
- Market Hanover as a business location;
- Network in professional real estate community;
- Host an annual "Business Appreciation Week" event;
- Publish a quarterly newsletter for distribution to all County businesses;
- Maintain a business resource center;
- Maintain a database of available sites and buildings and an economic development internet site; and
- Maintain a database of existing and prospective businesses.

SERVICE LEVELS

	<u>FY06</u> <u>Actual</u>	<u>FY07</u> <u>Budget</u>	<u>FY07</u> <u>Forecast</u>	<u>FY08</u> <u>Budget</u>
Per capita cost of operating department	\$9.86	\$10.78	\$10.78	\$11.68
Business prospects serviced	128	150	120	100
Information inquiries	250	275	275	300
Existing business visits	45	100	60*	100

Lodging Available (Hotel Rooms)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006**</u>
Town of Ashland	1082	1014	1198	1198	1173
County (excluding Town)	519	519	519	519	541

Source: Survey of establishment 5/06

* Fewer visits anticipated because of transition to new web-based business intelligence program

** Projected

PERFORMANCE MEASURES

	2005	2006
New commercial capital investment:	\$175,836,300	\$258,379,800
New commercial tax collections:	\$196,584.98	\$777,723.20
Jobs to Labor Force ratio:	.79:1****	.80:1****
Class "A" Office Space:	40,000 sf	200,000 sf***; 0 percent vacant
EDA-approved funding:	\$102,212,500	\$0
Economic Development incentive fund:	\$ 93,000 (O&M)	\$25,000 (Americast)
Average website hits 2006:	3,651 per month	6,439 per month
Number of existing business assisted:	46	57
Small business seminar attendance:	104	176

*** Includes 160,000 sf owner-occupied Owens&Minor home offices

**** Strategic Plan sets goal of 1:1 jobs to labor force ratio