

## ***ECONOMIC DEVELOPMENT ELEMENT***

### ***Introduction***

The purpose of this *Economic Development Element* of the 2020 Henderson County Comprehensive Plan is to set forth key Recommendations and Action Strategies necessary to maintain a healthy, vibrant, sustainable economy.

The Henderson County Board of Commissioners has often expressed its commitment to the development of a sustainable economy through its various efforts both past and present that support economic development. In particular, that commitment is expressed through the County's funding of the Greater Hendersonville Chamber of Commerce, as well as the through the County's *Economic Incentives Guidelines* and the *Henderson County Strategic Plan*. A number of other key documents and resources were consulted in the development of this element, including the following:

- *The Henderson County Economic Development Master Plan*
- *A Report to the Henderson County Board of Commissioners. Committee on Economic Development.*
- Staff and resources of the Greater Hendersonville Chamber of Commerce; AdvantageWest; North Carolina Department of Commerce, Division of Community Assistance; Henderson County Travel & Tourism; and Land-of-Sky Regional Council.

A review of Henderson County's economic characteristics and recent trends can be found in Section 2, *Economic Trends*.

### ***Public Input***

The results of the Citizen Survey indicate that economic issues are not a high priority among the survey respondents relative to other issues such as the natural environment, the rural landscape, and a visually attractive community.

- Respondents indicated a moderate level of concern regarding the stability of the economy.
- There was a moderate level of agreement that key industrial sites should be identified and protected, but somewhat less agreement that public funds should be spent to develop those sites.

- The need for County support for tourism was the least important of all issues addressed by the survey, and there was virtually no support for the expenditure of public funds for tourism development.
- There was moderate support for the expenditure of funds to provide incentives for industry and somewhat higher support for the expenditure of funds to promote small businesses.
- The survey indicated high agreement that a visually attractive community and a clean natural environment are necessary for economic growth.
- There was a high level of support for the protection of agriculture and farmland, including support for the expenditure of public funds and the implementation of related polices and regulations.

Citizen Survey questions relating to economic development are in the separately bound document entitled *Citizen Survey Report*.

The results of the community meetings generally echo those of the Survey. Approximately 1.6% of the comments provided by Community Meeting attendees indicated a need for economic development measures to provide jobs. However, this was the least important of the top 20 issues of the Community Meetings. Meanwhile, Community Meeting attendees indicated a very high level of support for the protection of agriculture and for regulations and land use policies that protect residential development from the negative impacts of industrial and commercial development. Also identified was the need for more conveniently located commercial services, although this was 18<sup>th</sup> among the top 20 comments.

<b>Figure E.1 Designing Our Future Ballot Results, Economy</b>	
<b>ISSUE: ECONOMY</b>	<b>Percent of Responses</b>
Bring in high tech & environmentally friendly industries with incentives, high-tech infrastructure, industrial parks	28.9%
Improve salaries, opportunities, and benefits	24.3%
Increase jobs and job options	19.3%
Maintain a balanced economy	9.7%
Support our agricultural community	9.3%
Attract a younger population	8.4%
Source: Designing Our Future. <a href="http://www.designingourfuture.org/ballot_results.htm">Community Vision Ballot Results.</a> <a href="http://www.designingourfuture.org/ballot_results.htm">http://www.designingourfuture.org/ballot_results.htm</a>	

Phase II of the Designing Our Future project gathered public input through a process called Community Vision Balloting. More than 2,600 ballots were collected. The results of the Balloting Process pertaining to the economy are shown on Figure E.1.

Lockwood Greene surveyed 101 businesses employing almost 3,000 persons in Henderson County and achieved a 41% response rate. The most immediately useful results detailed those things that area businesses need in order to thrive in Henderson County:

- Good economy and growth
- Lower cost of living
- Diversified, thriving economy
- Additional industry as part of the local economic base
- Support for manufacturing in the city, county, and state
- Inclusion of travel, tourism, and the retirement industry in the local economy
- High quality of life
- Good workforce with diversified skills and experience and a good work ethic
- Suitable, available sites and lower property values
- Financial incentives for expansion and retention purposes
- Strong education system
- Improved business climate
- An overall plan for economic development and marketing

The process of developing the 1993 *Henderson County Comprehensive Land Use Plan* included a questionnaire. Respondents ranked 15 key issues in order of importance. The issue ranking highest was the need for jobs (28% of the respondents), followed closely by the need for zoning controls. Also, 90% of respondents agreed that the County should be working to attract new jobs and industries. However, there was considerably less agreement that more commercial development and retail shopping opportunities were needed at the time.

### ***Recommendations & Action Strategies***

It is often stated that Henderson County's economy is composed of four primary sectors: manufacturing, commerce, agriculture, and tourism. The growth of the retirement community is also cited as a distinct component of the economy. The following Recommendations and Action Strategies will address industry, commerce, and tourism. Agriculture and retirement development will be addressed in the *Agriculture, Housing, and Growth Management* elements of this Comprehensive Plan.

It should be reiterated that the preceding summary of public input indicates very little interest among the public in government involvement in economic development activities. However, the County recognizes that economic development is critical to the long-term success of Henderson County and that balanced, cost-effective attention to economic development issues is required.

***Recommendation E-01: Support the development of the industrial sector of the economy by implementing the recommendations of the Lockwood Greene Study.***

In 2001, the Henderson County Partnership for Economic Development (formerly, Committee of 100) of the Greater Hendersonville Chamber of Commerce enlisted the assistance of Lockwood Greene Consulting to develop the *Henderson County Economic Development Master Plan* (the “Lockwood Greene Study”). The Lockwood Greene Study, which was supported financially in part by Henderson County government, was completed in June 2002 and focused specifically on economic development from the industrial standpoint.

The Lockwood Greene Study identified a number of key strengths, weaknesses, and neutrals that affect industrial economic development within the county. For the complete list of strengths and weaknesses please see the separate bound document entitled, *Henderson County Master Plan: Executive Summary*.

The recommendations of the Lockwood Greene Study are summarized as follows:

- a) Increase the supply of prepared industrial sites and buildings, and make them available on a cost competitive basis.
- b) Consider a regional approach to water and sewer infrastructure and service to improve the economic development situation.
- c) Increase the resource and funding base for economic development.
- d) Work to improve commercial air service.
- e) Establish a committee of retired executives to serve as an economic development liaison with the retirees of the county.
- f) Communicate the importance of manufacturing to the future of the economic development of Henderson County.
- g) Explore options to increase the supply of affordable housing.
- h) Avoid raising the minimum wage in Henderson County.
- i) Implement the Lockwood Greene Marketing Plan and recruit key target industries.

It is the recommendation of this Comprehensive Plan to maintain the identified strengths of Henderson County and to improve upon the county’s identified neutrals and weaknesses by supporting the full implementation of the recommendations of the Lockwood Greene Study.

**A. Work with the Chamber of Commerce and other entities to implement the Lockwood Greene Study.**

Any specific responsibilities of Henderson County should be identified and incorporated into the *Henderson County Strategic Plan* and the County budget as required.

**B. Conduct a *Countywide Industrial / Commercial Zoning Study*.**

The *Countywide Industrial / Commercial Zoning Study* will accomplish the following:

- a) Identify key sites to be targeted for industrial and commercial zoning.
- b) Establish general criteria to be used in siting industrial and commercial land uses.
- c) Examine potential industrial zones proposed by the Partnership for Economic Development (formerly, Committee of 100) of the Greater Hendersonville Chamber of Commerce for their appropriateness for industrial development. Such sites are shown on Map #8, "*Committee of 100*" *Recommended Industrial Zones* and Map #24 *Future Land Use Map* (Appendix I).
- d) Analyze existing industrial and commercial zoning districts for necessary modifications. Such zoning districts are shown on Map # 17, *Current Zoning Map*, and Map # 18, *Current Zoning Map Inset* (Appendix I).
- e) Identify other appropriate industrial and commercial zoning sites not currently identified by the Partnership for Economic Development or the Official Zoning Map.
- f) Result in modifications to, and re-adoption of, the Future Land Use Map of this Comprehensive Plan.
- g) Result in modifications to, and re-adoption of, the Official Zoning Map.
- h) Set the stage for more detailed commercial zoning consideration during the development of the community plans envisioned in Section 04 of this Comprehensive Plan.
- i) Similar zoning studies will be conducted from time to time to ensure that zoning is consistent with the demands of the economy and the needs of the county's residents.

***Recommendation E-02: Support the development of the commercial sector.***

It is in the County's interests to promote the development of the local commercial sector. Numerous organizations currently support local businesses, including the Downtown Merchants' Association; Blue Ridge Community College; and the Greater

Hendersonville, Fletcher, and Hickory Nut Gorge Chambers of Commerce. Continued support for and cooperation with such organizations are required.

Also required are improvements to the Henderson County Zoning Ordinance in order to minimize unnecessary restrictions and to allow for more innovation and adaptation on the part of commercial development while at the same time protecting adjacent residential development. Furthermore, new commercial zoning districts will need to be created in order to provide adequate space for commercial development to occur while at the same time protecting adjacent residential development.

**C. Explore ways to support & expand programs & policies that promote local businesses & locally produced products.**

Examples of such measures could include the following:

- a) Offering support to existing local and regional “Buy Local” programs.
- b) Understanding the effect that the geographic placement of government offices can have on local retail.
- c) Exploring ways to support local businesses through governmental purchases.

***Recommendation E-03: Promote appropriate, compatible tourism.***

Tourism is a vital component of the county’s economy. However, public input places tourism in a rather unfavorable light. Such lack of interest in tourism development indicates that tourism should not detract from the county’s high quality of life or take on a form that is incompatible with the traditions and values of the community.

To that end, the County will continue exploring ways to promote a form of tourism that highlights the county’s heritage and important recreational, cultural, and historic resources.

**D. Participate in the development of a *Heritage Tourism Plan*.**

Among other things, the *Heritage Tourism Plan* will promote tourism programs and destinations that highlight local heritage and agricultural resources. Federal funding may be available for such plan.

***Recommendation E-04: Pursue innovative approaches to regional economic development initiatives.***

Henderson County's economy does not operate in isolation. It is inextricably integrated with the regional, statewide, and national economies. Economic development activities must recognize and take into account this reality. Furthermore, certain efficiencies may be achieved by pursuing some economic development efforts in cooperation with the county's municipalities and neighboring jurisdictions. Regional collaboration allows Henderson County to leverage limited resources with like-minded organizations.

**E. Identify and act upon opportunities for joint economic development projects with municipalities, neighboring jurisdictions, and area economic development entities.**

Henderson County should continue to be an active participant and leader in CarolinaWest, a six county sub-regional marketing group; AdvantageWest, the Western NC Regional Economic Development Partnership; and the North Carolina Department of Commerce.

**F. Take a leadership role in the development of the transportation and industrial corridor, proximate to the Asheville Regional Airport and northern Mills River area, as a regional center of economic activity.**

Henderson County has a direct stake in the future of this transportation and industrial corridor. The County will benefit from job growth, tax revenues, and overall economic expansion. As such, the County has an interest in ensuring that area development occurs in a manner that does not waste land resources or the opportunities provided by the presence of transportation and industrial infrastructure. Henderson County has direct land use control in this transportation corridor and a stake in the future of the area through its ability to engage in economic development activities and its influence over transportation and infrastructure development.

This transportation and industrial corridor is a logical focal point for economic development activities involving Henderson County, municipal governments and the Henderson County Partnership for Economic Development. However, development pressures and the mix of jurisdictional interests in this corridor will pose challenges for inter-jurisdictional cooperation, particularly in land use management. The County will take a proactive leadership role in the management and development of this

transportation and industrial corridor and its vicinity by working with all parties, including landowners.

### ***Other Action Strategies***

The following Action Strategies are intended to implement any number of the aforementioned Recommendations.

#### **G. Identify any economically distressed areas of the county and explore revitalization measures.**

Certain Federal and State economic development funds, such as the Community Development Block Grant program, exist for the purpose of revitalizing economically distressed areas. As part of the Community Planning Process envisioned in Section 04 of this Comprehensive Plan, qualifying areas that currently exist, or that emerge during the operational timeframe of this Comprehensive Plan, will be identified, and steps will be taken to apply available funds to the revitalization of those areas.

#### **H. Pursue legislation and solicit regional and statewide support to further economic development initiatives.**

#### **I. Continue to budget funds annually for economic development initiatives.**

### ***Relationship to Other Elements***

Two of the most important steps that can be taken to promote economic growth in the county involve (1) the creation of dedicated, appropriately zoned space for commercial and industrial development, and (2) the development of adequate sewer and water infrastructure. Also, public input indicated considerable support for protecting residential communities from incompatible commercial and industrial land uses. Map # 24, *Future Land Use Map* (Appendix I) of this Comprehensive Plan will propose areas for commercial and industrial development. These areas will be further refined via the Community Planning Process (Section 04), which will result in revisions to the *Future Land Use Map* and the *Industrial / Commercial Zoning Study* suggested by this element. The *Growth Management Strategy Element* of this Comprehensive Plan will call for a revision of the Henderson County Zoning Ordinance that will include requirements that promote the appropriate placement and design of commercial enterprises. Sewer and water development is addressed in the *Sewer and Water* and *Growth Management Strategy* elements of this Comprehensive Plan.

Agriculture, which is also an important component of the county economy, is addressed in the *Agriculture Element* of this Comprehensive Plan.