

City of Petersburg

BLIGHT AND ECONOMIC DEVELOPMENT

NOVEMBER 19, 2019



Blight and Economic Development

- ▶ Blight is the presence of vacant and abandoned properties with profound negative impacts on afflicted communities. (HUD)
- ▶ Symptoms include: Economic disinvestment, the withdrawal of industry, increases in unemployment and worker migration, and property vacancy and deterioration.
- ▶ Economic development is the process by which the economic well-being and quality of life of a nation, region or local community are improved.
- ▶ Economic Development helps to address blight.
- ▶ Economic Development is a marathon not a sprint.
- ▶ Economic Development is a team sport that is most effective with collaboration not isolation.

Economic Challenges in Petersburg

Weaknesses

- ▶ Unemployment Rate Higher than State Average
- ▶ Income is lower than the State Median
- ▶ Local Workforce Supply and Readiness
- ▶ Health Outcomes Lower than State Average

Threats

- ▶ Blighted Properties
- ▶ Potential National Economic contraction
- ▶ Fewer Multi-Family Conversion Redevelopment Opportunities
- ▶ Federal elimination of Work waiver for Benefit Recipients
- ▶ Low Census Count and Potential Population reduction
- ▶ Changes in Retail and the on-line impact
- ▶ Few large sites for industrial development

- There has been a significant decrease in the unemployment rate in Petersburg, which is consistent with national trends.
- However the rate in Petersburg remains twice the state rate.

Year	Petersburg	Virginia	US
2014	10.8%	5.2%	6.2%
2015	9.2%	4.5%	5.3%
2016	7.6%	4.0%	4.9%
2017	7.3%	3.7%	4.4%
2018	6.1%	3.0%	3.9%

Employment Trends

Population and Median Income

	Petersburg	Virginia	US
Population estimates, July 1, 2018, (V2018)	31,567	8,517,685	327,167,434
Population estimates base, April 1, 2010, (V2018)	32,435	8,001,055	308,758,105
Population, % change April 1, 2010 to July 1, 2018	-2.70%	6.50%	6.00%
Population, Census, April 1, 2010	32,420	8,001,024	308,745,538

Year	Petersburg	Virginia	US
Median household income (in 2017 dollars), 2013-2017	\$33,939	\$68,766	\$57,652

Blighted Properties

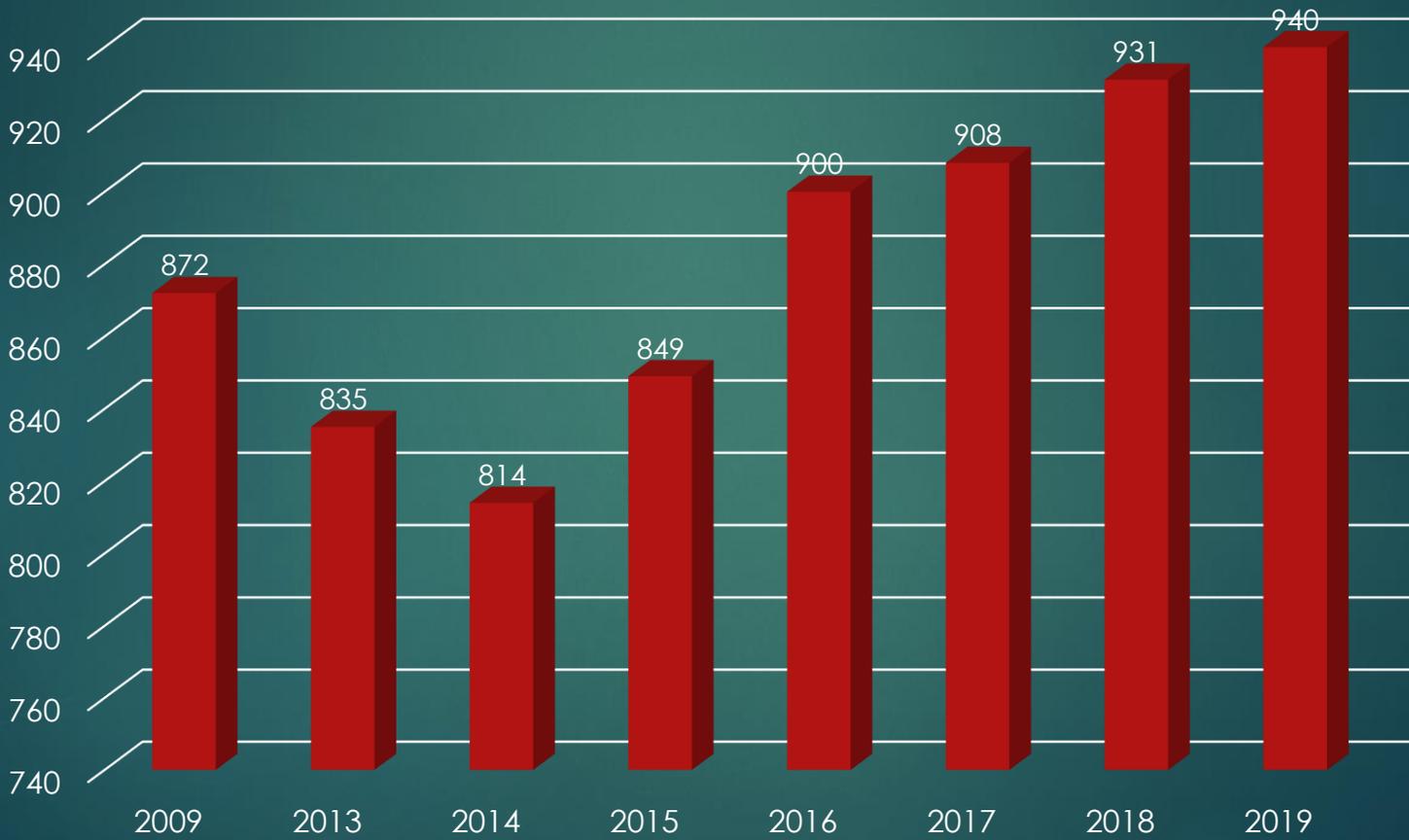
- The City has an inventory of more than 200 vacant properties.
- There are more than 200 Red Tag Privately owned properties.
- The blighted hotel property at I-95 and Washington Street is at the City's Gateway.



Multi-Family Housing Development

2005	— High Street Lofts/PI (10HU)	922 Total Housing Units (HU)		
2006	— South Street Lofts (44HU)			
2007	— Mayton Transfer Lofts/PI (111HU)			
2008	— Dunlop Lofts (64HU) High Street Lofts/PII (24HU)			
2009	—			
2010	— Lofts on Market (23HU)			
2011	— Lofts at 301 (34HU) Oddfellows (19HU) High Street Lofts/PIII (36HU) Old Towne Flats (34HU) River Street Lofts (8HU)			
2012	— 141 East (19HU) Courthouse View (40HU) Mayton Transfer Lofts/P II (108HU)			
2013	— Cameron Lofts (33HU) Star Lofts (66HU) High Street Lofts Phase IV (9HU)			
2014	— 25 West Bank (18HU) Butterworth Flats (45HU)			
2015	—			
2016	— 30 Franklin St (16HU) Ice House (18HU) The Bosco (74HU) Burr Lofts (40HU)			
2017	— Long Lofts (62HU)			

Number of Business Establishments



Strengths

- ▶ Diverse Economy
 - ▶ Industrial Businesses
 - ▶ New Small Businesses especially restaurants
- ▶ Increase in the number of businesses
- ▶ Central Location in the Mid-Atlantic Region
- ▶ Close proximity to markets on East Coast especially in Richmond, Hampton Roads and North Carolina
- ▶ Great Auto and Rail Access
- ▶ History and Historic Assets
- ▶ Loft Conversions of vacant buildings and new residents
- ▶ Regional Institutions of Higher Learning
- ▶ Walkable Historic Downtown

Opportunities

- ▶ VA Business-Ready Sites Program
- ▶ Vacant Industrial and Residential Properties
- ▶ State and Federal Incentive Programs:
 - Opportunity Zone, HUB Zone, Enterprise Zone, Technology Zone, C-PACE and Tourism Zone
- ▶ New QoL Amenities:
 - ART, Dog Park, Harbor Event Space
- ▶ Vacant School Buildings
- ▶ New Hospitality Developments

Economic Overview

- ▶ The City of Petersburg has become the healthcare center for our South-Central Virginia region.
- ▶ Industrial businesses including AMPAC, Amsted Rail, International Paper and Boar's Head continue to be major contributors to the local economy.
- ▶ Independent retail establishments, restaurants and breweries have opened, especially in downtown to serve as economic draws and contributors to the economic vitality of Petersburg.
- ▶ Historic architecture and sites continue to attract visitors and the film industry.
- ▶ Regionally, Fort Lee continues to serve as a major economic driver.



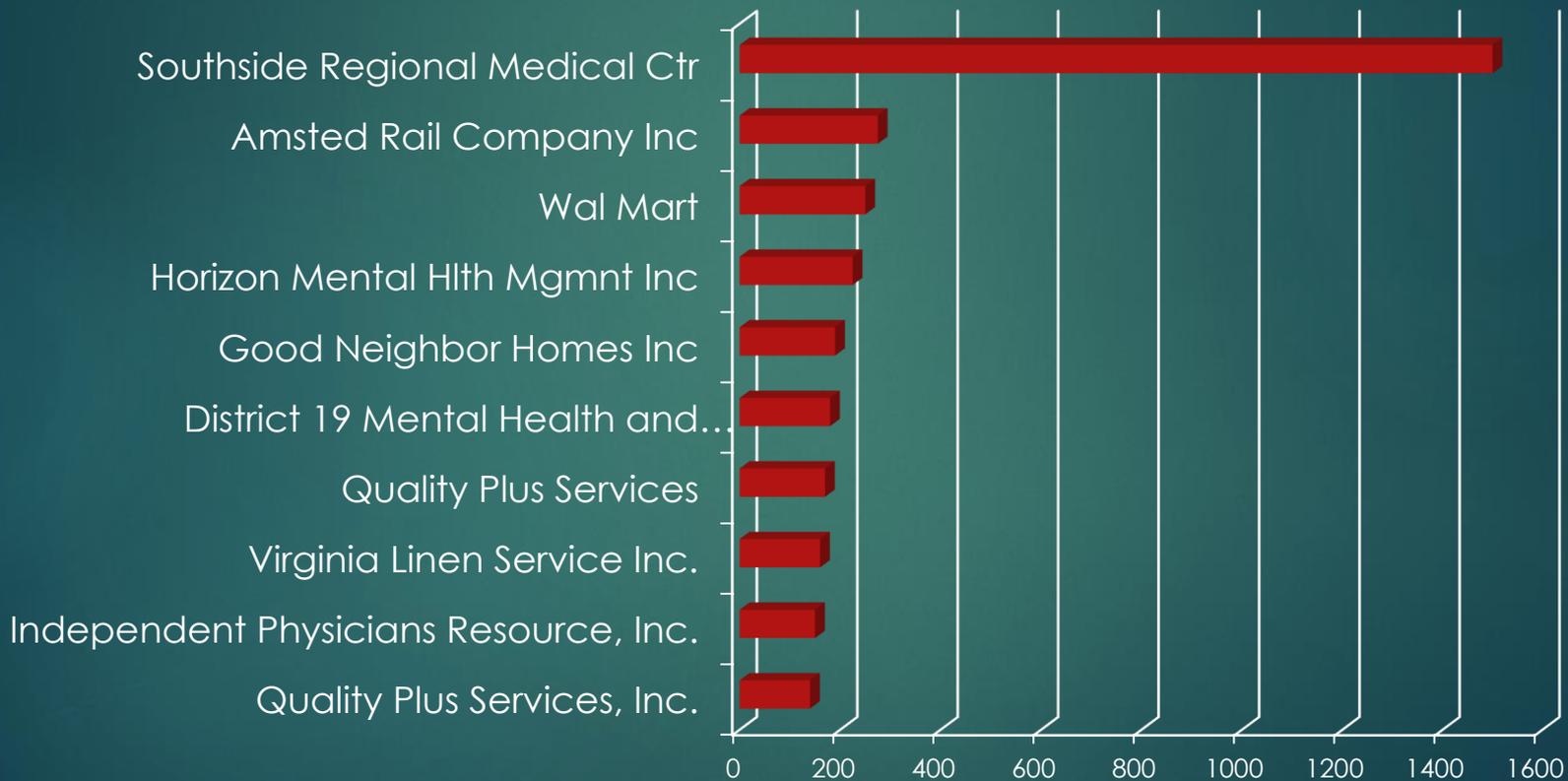
Top Industries by Employment

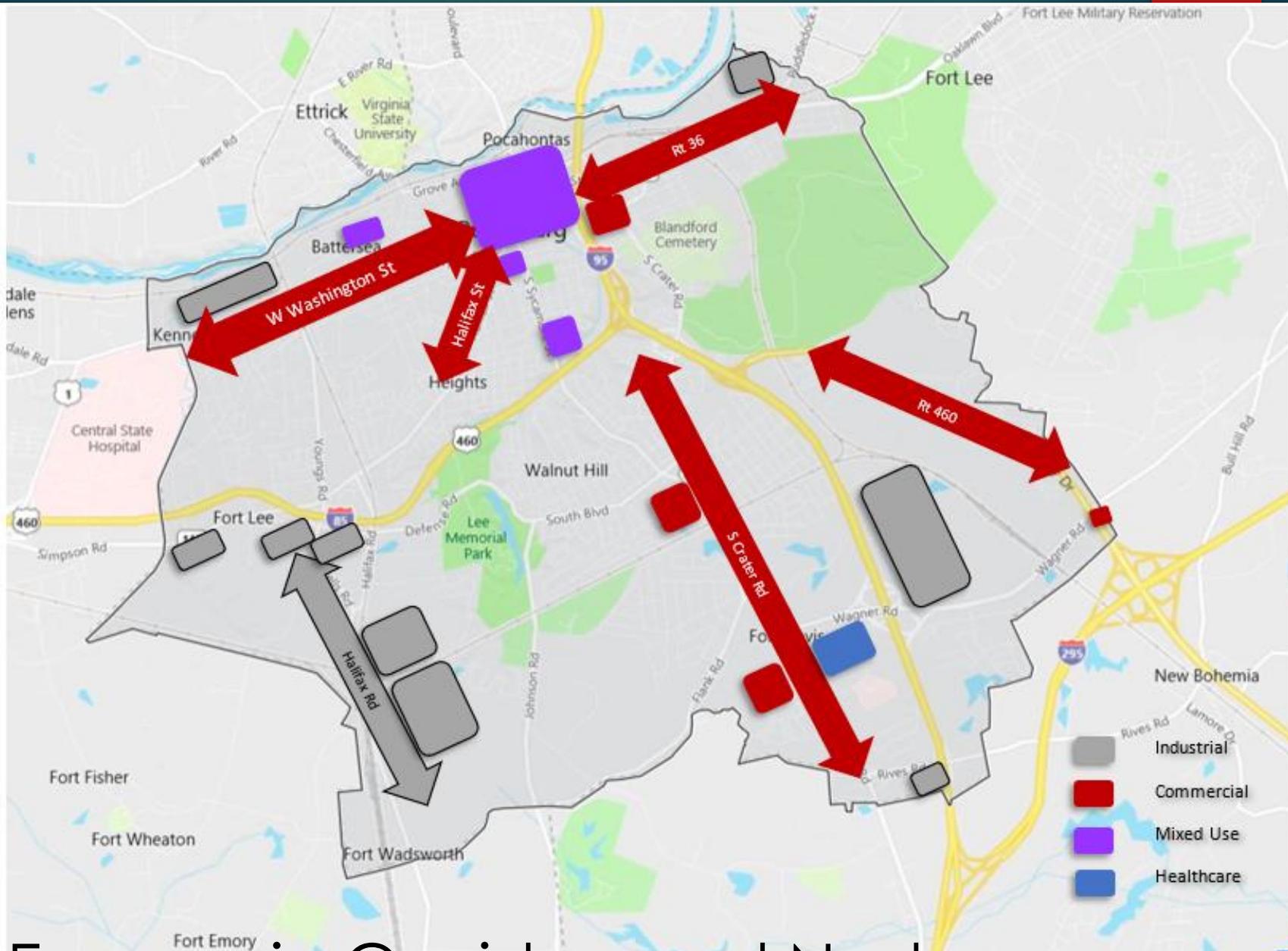
Healthcare and Social Assistance	4,276	36%
Government	1,788	15%
Retail Trade	1,438	12%
Accommodation & Food Services	1,101	9%
Manufacturing	856	7%
Other Services	748	6%
Administrative, Support, Waste Mgt	681	6%
Construction	436	4%
Wholesale Trade	369	3%
Transportation and Warehousing	280	2%

Industries

TODAY, THE HEALTHCARE INDUSTRY PROVIDES OVER 36 PERCENT OF THE JOBS IN THE CITY.

Top 10 Private Sector Employers





Economic Corridors and Nodes

Target Industry Sectors

- ▶ Industrial
 - Manufacturing
 - Distribution and Warehousing
- ▶ Healthcare
- ▶ Retail Trade
- ▶ Accommodation and Food Services
 - Grocery Store



Vision

Petersburg, a great place to live and conduct business, at the intersection of I-95 and I-85, that maintains a diverse and thriving economy, with abundant private investment and employment opportunities.

Mission

The mission is to promote Private Investment and Job Creation in the City of Petersburg.

Focus areas include:

Private Investment

- ▶ Business Retention and Expansion
- ▶ New Business Attraction
- ▶ Real Estate Development
 - Industrial
 - Commercial
 - Residential

Job Creation

- ▶ Workforce Development

Private Investment

Business Development

Existing Businesses

Action: **Business Retention and Expansion (BRE)**

▶ Goal:

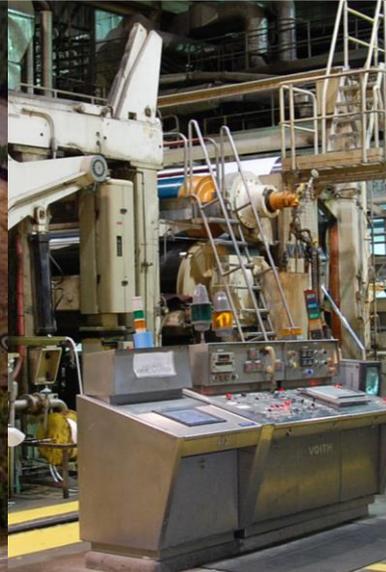
- ▶ To provide assistance to existing businesses to help them grow and thrive and ensure they have access to resources and services that will keep them in Petersburg.

▶ Objectives:

- ▶ Annual individual meetings with the top 25 private employers and state and regional economic development representatives to discuss business plans and any assistance we can provide.
- ▶ Quarterly roundtables with local business chief executive officers to discuss topics of shared interests and concerns.
- ▶ Quarterly Meetings with VEC regarding WARN Notices and any potential downsizing of local businesses.
- ▶ Annual individual meetings with businesses in expanding industries.

Petersburg

Manufacturing Companies



Business Retention and Expansion Strategies

- ▶ **Maintain** and **Strengthen** relationships with local businesses.
- ▶ **Maintain** Membership and participation in organizations to strengthen local business development and growth.
- ▶ **Host** annual economic development summit focusing on strategic issues and opportunities to enhance the development of local businesses.
- ▶ **Celebrate** National Business Appreciation Month with activities showcasing the achievements of local businesses and business leaders.

Partners: Business Retention and Expansion (BRE)

State, Regional and Local Economic Development Partners

- ▶ Virginia Economic Development Partnership (VEDP)
- ▶ Department of Housing and Community Development (DHCD)
- ▶ Virginia's Gateway Region (VGR)
- ▶ Petersburg Chamber of Commerce
- ▶ Virginia Economic Developers Association

Private Investment Business Development

New Businesses

Action: **Business Attraction**

Goal

- ▶ To attract new businesses to Petersburg.

Objectives

- ▶ Meet monthly with VEDP/VGR regarding projects and Lead Generation
- ▶ Attend 3 trade shows and events to recruit businesses
- ▶ Target and engage with 30 retailers utilizing Retail Strategies Information to Recruit to Petersburg
- ▶ Identify and market all 40 locations for new businesses
- ▶ Meet Monthly with Chamber Work Group to facilitate business development and address challenges

Business Attraction Strategies

- ▶ **Recruit** businesses and developers to Petersburg.
- ▶ **Collaborate** with local, regional and State partners to assist in developing and launching recruitment strategies for businesses in Petersburg's target industries.
- ▶ **Collaborate** with partners to maintain the infrastructure needed to attract new businesses with higher paying jobs.
- ▶ **Participate** in regional and national meetings and/or events to market business location, investment and development opportunities.
- ▶ **Identify, Market and Apply** for resources and incentives to attract and assist new businesses.

Partners:

Business Attraction

- ▶ Petersburg Economic Development Authority
- ▶ Virginia Economic Development Partnership (VEDP)
- ▶ Virginia's Gateway Region (VGR)
- ▶ Petersburg Chamber of Commerce
- ▶ International Council of Shopping Centers (ICSC)
- ▶ Retail Strategies

Private Investment

Business Development

New Businesses

Action: **Small Business and Entrepreneur Support**

Goal:

- ▶ To establish the City of Petersburg as a center for small business and entrepreneurial development.

Objectives:

- ▶ Meet Quarterly with the Petersburg Entrepreneur Ecosystem Builders (PEEB) to coordinate resources and services.
- ▶ Host Quarterly Seminars with PEEB Partners for new businesses.
- ▶ Develop and Market publication that includes information on resources and services available to new small businesses.

Small Business and Entrepreneur Development Strategies

- ▶ **Facilitate** entrepreneurial initiatives partnering with small business development agencies, colleges and universities, financial institutions and other organizations
- ▶ **Partner** with business resource and service providers to promote small business and entrepreneur development in Petersburg

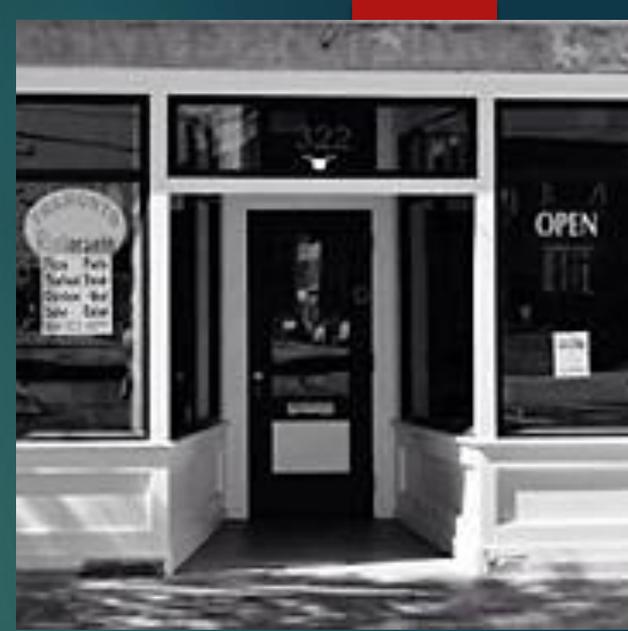


Partners: Small Business and Entrepreneur Support

- ▶ Petersburg Chamber of Commerce
- ▶ U.S. Small Business Administration
- ▶ Longwood Crater Small Business Development Center
- ▶ Virginia Small Business and Supplier Diversity
- ▶ Virginia Small Business Financing Authority
- ▶ Local Initiatives Support Corporation (LISC)
- ▶ VSU Center for Entrepreneurship



Local Brewery



Local Independent Restaurants

Private Investment

Real Estate Development

Action: **Property Sales and Development**

Goal

- ▶ To identify and market available properties for business location and/or development.

Objectives

- ▶ Develop marketing Prospectuses for 25 available vacant City-owned Commercial properties
- ▶ Market the four VEDP Business Ready Sites (25+ acres) and seek resources to enhance their marketability
- ▶ Market the eight VGR Business Ready Sites (10-24 acres) and seek resources to enhance their marketability
- ▶ Host Annual Real Estate Forum to showcase available properties in Petersburg.
- ▶ Within 6 months develop a plan for Land banking available vacant City-owned residential properties

Real Estate Development Strategies

- ▶ Partner with Petersburg Main Street to organize, design, market and fund downtown development efforts through Petersburg's Main Street Affiliate status and future designation.
- ▶ Launch an aggressive marketing campaign utilizing business publications, print media, social media, the local cable channel showcasing Petersburg's location-based assets.
- ▶ Implement streamlined process for accepting proposals to purchase and develop City-owned property.
- ▶ Identify and utilize opportunities to Market city-owned properties available for sale and development.
- ▶ Provide technical assistance to anyone seeking information about development opportunities in Petersburg.
- ▶ Host annual Real Estate Forum to share information about economic development opportunities in Petersburg, local, state and federal incentives, and local requirements.
- ▶ Maintain a centralized system of managing and monitoring all real estate transactions.

Partners:

Real Estate Development

- ▶ Petersburg Economic Development Authority
- ▶ Virginia Economic Development Partnership (VEDP)
- ▶ Department of Housing and Community Development (DHCD)
- ▶ Virginia's Gateway Region (VGR)
- ▶ Petersburg Chamber of Commerce

New Single Family Residential Development



New Multi-Family Housing Development



Job Creation

Workforce Development

Action: **Business Relations**

Goal

- ▶ To help Petersburg businesses meet their workforce needs by connecting them to residents seeking employment who are ready, willing and able to work.

Objectives

- ▶ Meet with the top 50 Employers to identify current and future employment needs and opportunities for residents
- ▶ Enroll top 50 Employers in the Career Works Program
- ▶ Meet monthly with the Virginia Career Works Crater Region Work Group to develop and monitor implementation of Workforce Development System to connect residents to employment opportunities
- ▶ Meet Quarterly with the Petersburg City Public Schools Career and Technical Education Board to develop and monitor implementation of Workforce Development Strategies to prepare students for employment.

Workforce Development Strategies

- ▶ Partner with other organizations to assess employment needs, common challenges, growth potential, future plans, etc. and strategies to address them.
- ▶ Partner with the Virginia Career Works Crater Region Business Relations Team to design and implement a process to address critical workforce development needs.
- ▶ Partner with the Virginia Career Works Crater Region to implement workforce readiness and job development opportunities for youth and adults with limited skills and work history.
- ▶ Partner with the Virginia Career Works Crater Region Business Relations Team to create and market local employment programs, services, and resources.

Partners:

Workforce Development

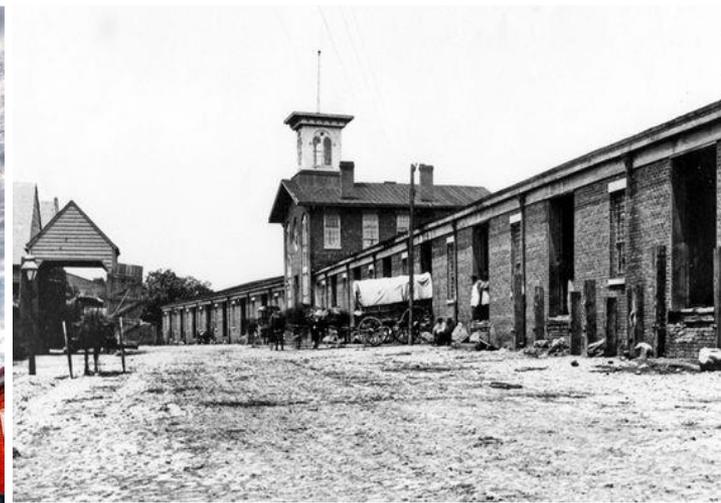
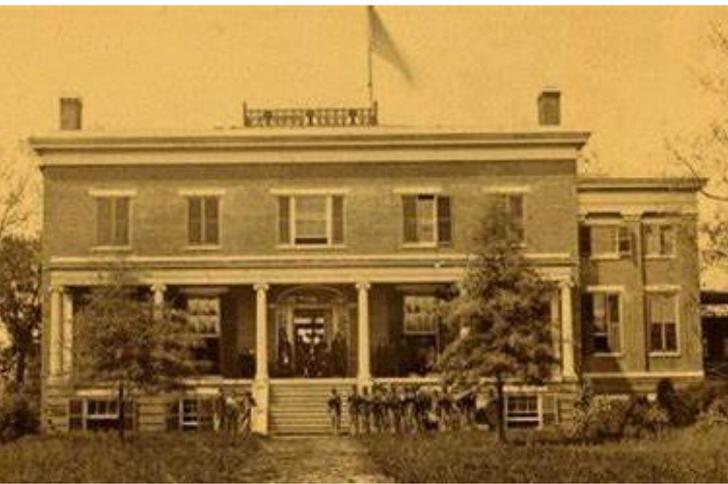
- ▶ Regional and Local Workforce Development Partners
- ▶ Virginia Career Works Crater Region
- ▶ Crater Workforce Innovation and Opportunity Board
- ▶ Virginia Employment Commission
- ▶ John Tyler Community College (JTCC)
- ▶ Community College Workforce Alliance (CCWA)
- ▶ Virginia State University
- ▶ Petersburg City Public Schools Career Technical Education (CTE)



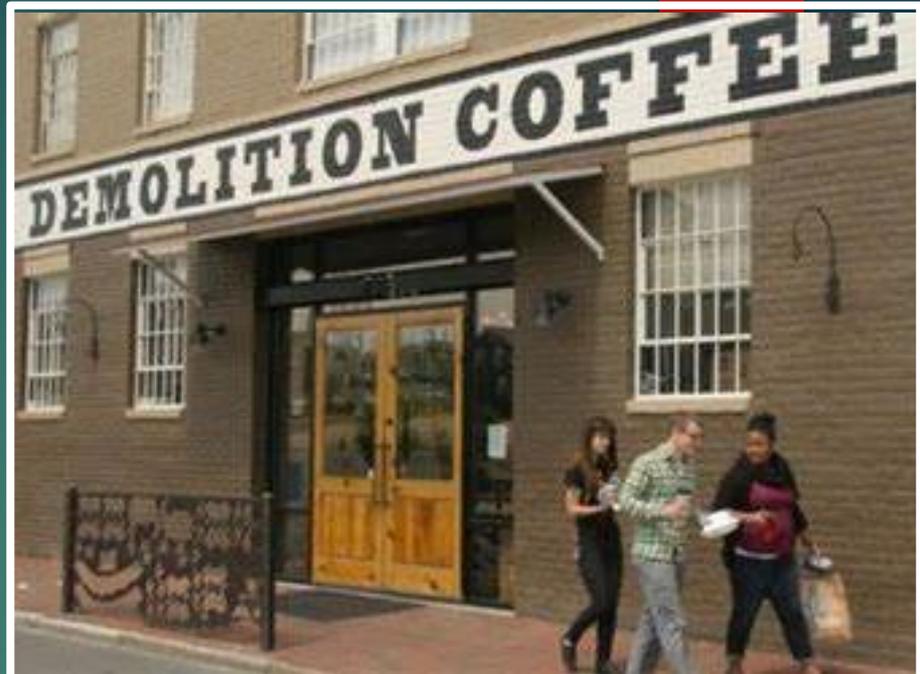
Natural Beauty



Historic Restoration



Historic Charm



Quality of Life Strategies

- ▶ Facilitate the Development of the Petersburg Dog Park
- ▶ Facilitate the Development of the Appomattox River Festival and Event Space
- ▶ Support the Development of the City's Gateways
- ▶ Support the Development of the Appomattox River Trail
- ▶ Support the Development of Tourism Assets and promote development in the Tourism Zone.
- ▶ Explore and exploit opportunities for revitalizing and marketing the City's arts and entertainment district.

Thank you!

Petersburg, Virginia

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