

CHAPTER 5: ENHANCING ECONOMIC VITALITY



Norfolk has historically been the business, cultural, educational, and medical center of the Hampton Roads region. It continues to be so today. The City is home to the world’s largest naval base, one of the busiest international ports on the East Coast of the United States and one of the largest coal exporting terminals, in terms of tonnage, in the world. Commerce in Norfolk is supported by the region’s major airport facility, Norfolk International Airport.

Norfolk’s cultural role is enriched by the presence of the Virginia Arts Festival, the Virginia Opera, the Virginia Stage Company, and the Virginia Symphony Orchestra, as well as supporting facilities such as the Attucks Theatre, the Wells Theatre, the Harrison Opera House, Chrysler Hall, and Norfolk Scope Arena. Norfolk also hosts the Chrysler Museum, home to a world-renowned glass collection. Norfolk State University, Old Dominion University, Virginia Wesleyan College, and Tidewater Community College support the City’s role as the educational center of the region. Norfolk is also home to four hospitals, Sentara Norfolk General Hospital, Children’s Hospital of the King’s Daughters, Sentara Leigh Hospital, and DePaul Medical Center, as well as Eastern Virginia Medical School.

Examination of employment indicates that Norfolk has a greater percentage of jobs in the services (including healthcare), federal civilian, and military employment sectors than the region (see Table EV-1).

TABLE EV-1
EMPLOYMENT IN NORFOLK AND THE REGION

Source: 2009 Bureau of Economic Analysis, 2009

	Norfolk	Percent of Total	Region	Percent of Total
Construction	6,592	3.1%	60,078	5.4%
Manufacturing	6,928	3.3%	56,460	5.1%
Retail Trade	13,036	6.1%	112,493	10.2%
Transportation/Warehousing	9,119	4.3%	NA	NA
Information	3,092	1.5%	15,323	1.4%
Finance, Insurance, Real Estate	13,098	6.2%	88,218	8.0%
Services	67,785	31.8%	296,815	26.8%
Federal Civilian	15,258	7.2%	49,889	4.5%
Military	50,847	23.9%	99,789	9.0%
State government	7,527	3.5%	NA	NA
Local government	14,222	6.7%	NA	NA
TOTAL JOBS	212,974	100.0%	1,108,092	100.0%

The Department of Development has created a *Comprehensive Economic Development Strategy* for Norfolk, identifying a series of goals for economic development. This strategy identifies the following business clusters that drive additional economic development and create new capabilities, new companies, and new businesses: Maritime and Transportation Business Cluster; Technology Business Cluster; Retail and Commercial Business Cluster; and Finance and Business Services Cluster. Most of these industries have played and will continue to play a major role in Norfolk’s development, especially Maritime and Transportation, while others, such as Technology Business Cluster, will assist Norfolk in the future.



KEY ISSUES

Based on existing conditions and trends, the following are the key issues involving Norfolk’s economy:

1. Reinvesting, reusing, or redeveloping properties to enable economic development since Norfolk is a mature, developed city.
2. Supporting or enhancing existing assets and competitive advantages, such as the military, port, university facilities, and the “renewable” labor force they represent, in order to maximize economic development potential.
3. Investing in lifelong learning to promote economic vitality.
4. Improving and expanding regional transportation linkages, including highway, bridge, and tunnel infrastructure, as well as multi-modal connections (see the Providing Transportation Options chapter for more on this topic).

IMPORTANT LINKAGES

The goals, outcomes, and actions outlined in this chapter are linked to goals, outcomes, and actions found in the following chapters:

- Identifying Land Use Strategies
- Creating and Maintaining Healthy and Vibrant Neighborhoods
- Providing Transportation Options
- Supporting Lifelong Learning
- Delivering Quality Community Services
- Enjoying Daily Life
- Fostering Responsible Regional Cooperation

Economic Vitality Goal 1. Enhance economic health and increase employment opportunities through business retention and expansion and business attraction.

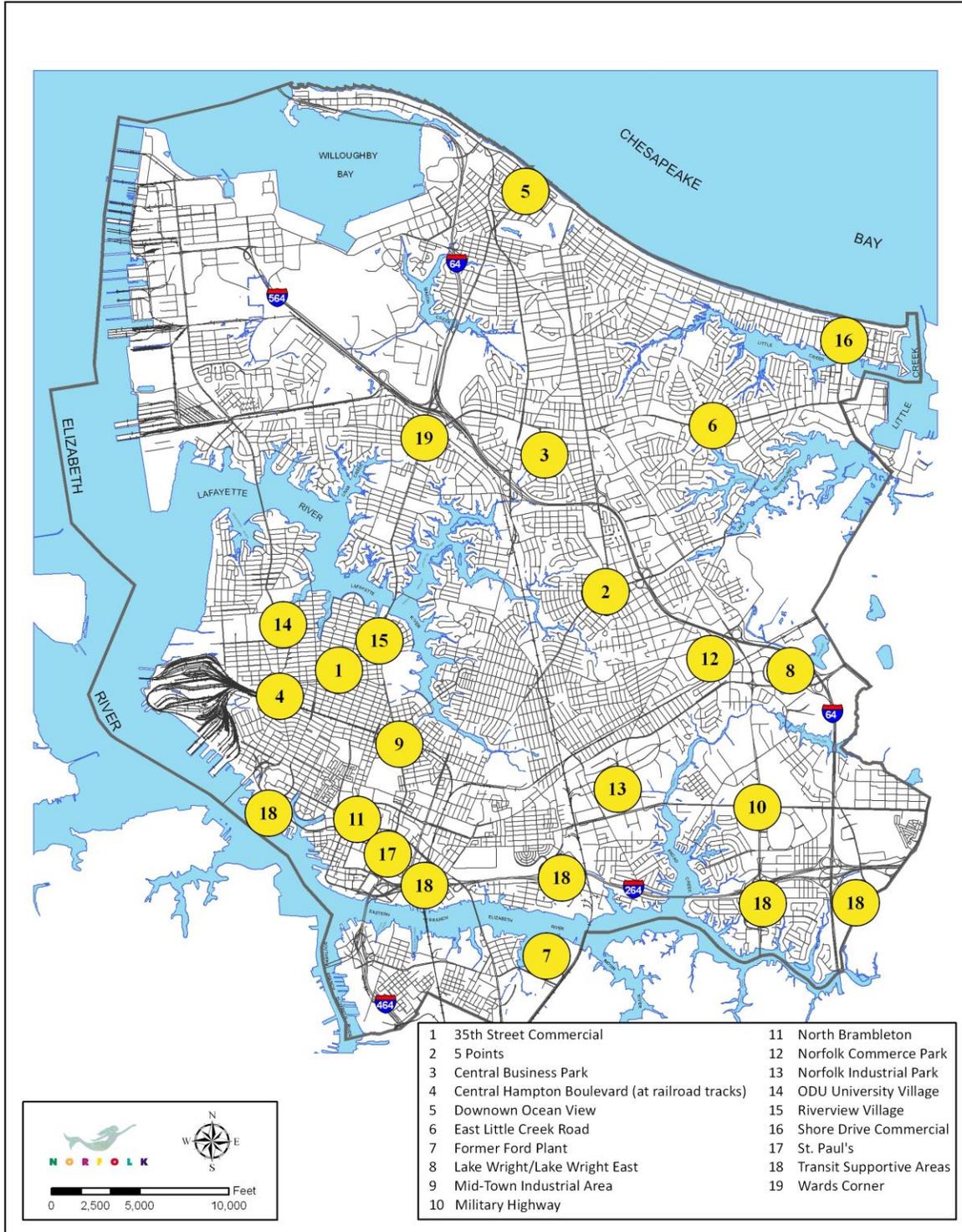
Outcome EV1.1. An enhanced environment and resources to support business expansion and investment.

Metrics:

- *Percent change in the value of building permits for commercial investment.*
- *Percent change in the average amount of time required for development approvals.*

Action EV1.1.1. Support the intensification of land use in the Strategic Economic Development Areas (see Map EV-1) that have infrastructure capacity and access (including transit) and underutilized land based on its economic value.

MAP EV-1. STRATEGIC ECONOMIC DEVELOPMENT AREAS



Action EV1.1.2. Invest in infrastructure to attract and maintain businesses (see the Providing Transportation Options, Delivering Quality Community Services, and Enjoying Daily Life chapters).

Action EV1.1.3. Explore creative financing resources, such as Tax Increment Financing and Business Improvement Districts, for economic development activities.



Action EV1.1.4. Continue to encourage the revitalization of Norfolk’s commercial corridors and nodes by improving public infrastructure and promoting available grant funding for aesthetic improvements of commercial properties.



Action EV1.1.5. Continue to support the designation of Norfolk as an Enterprise Zone as well as the hosting of several Historically Underutilized Business Zones (HUBzone) to allow Norfolk businesses to have access to the financial and tax incentives provided by these programs.

Action EV1.1.6. Continue to support the Norfolk Economic Development Authority’s (EDA) efforts to provide assistance to eligible businesses.

Comments: The EDA was created by the City to acquire, own, lease, and dispose of properties to promote industry and induce businesses to locate and remain in Norfolk. The EDA is authorized to issue revenue bonds to finance facilities for non-profits, manufacturers, and businesses in an Enterprise or Empowerment Zone. It also evaluates potential performance based grants for projects with significant capital investment and job creation and grants for website development and engineering assistance for businesses.

Action EV1.1.7. Provide technical assistance to businesses by guiding them through city processes, hosting education and training workshops on how to start or expand a business, and coordinating financial options.

Action EV1.1.8. Evaluate the impact of city processes on doing business, including zoning, permitting, and other requirements, and modify where appropriate to support business investment.

Action EV1.1.9. Expand online City services to include permitting.

Action EV1.1.10. When evaluating proposals to implement tolls or to modify fees, consider the impact of the changes on existing and future businesses and potential investment.

Action EV1.1.11. Update the Comprehensive Economic Development Strategy (CEDS) at least every 10 years to ensure that the City remains current in its economic development efforts and is able to respond to shifting macroeconomic trends.

Action EV1.1.12. Continue to pursue major corporate headquarters.

Outcome EV1.2. Expanded economic activity that capitalizes on Norfolk’s locational advantages and economic assets.

Metrics:

- *Percent growth in jobs in Norfolk in comparison to region, state, and nation.*
- *Percent change in the number of business licenses issued.*
- *Percent change in median household income.*
- *Percent change in the tonnage/TEU’s (twenty-foot equivalent units) of material through the port.*

Action EV1.2.1. Forge a closer relationship with the military to capitalize on its presence in Norfolk and capture more exiting military personnel by coordinating long term comprehensive planning with the Navy.



Action EV1.2.2. Continue coordinating with the Virginia Port Authority in long range planning, including intermodal infrastructure advances and improvements, to support Norfolk’s role as the leader in the maritime industry.

Action EV1.2.3. Capitalize on opportunities for additional port-related investment, including import-export firms.



Action EV1.2.4. Coordinate long range planning with the universities, colleges, and medical institutions to attract spinoff investment in research and development and provide opportunities for training.

Action EV1.2.5. Support and promote Downtown Norfolk as the business, financial, and cultural center of the Hampton Roads region through continued marketing and recruitment activities.

Action EV1.2.6. Develop a plan to ensure the continued vitality of Norfolk’s historic waterfront, capitalizing on its role as an economic catalyst.

Action EV1.2.7. Support the implementation of the Norfolk International Airport Master Plan.



Action EV1.2.8. Support the efforts of the Norfolk Convention and Visitors Bureau to promote Norfolk as a tourist, boating, and convention destination.



Action EV1.2.9. Encourage the marketing of Norfolk’s beaches and the beachfront communities.

Action EV1.2.10. Promote the Half Moone Cruise and Celebration Center as a gateway for cruise ships as well as a venue for events.



Action EV1.2.11. Work with other jurisdictions in the region to develop and market a regional approach to tourism and convention promotion and facility planning.

Action EV1.2.12. Continue to recognize the importance of the arts as an economic tool by coordinating with and promoting the activities of arts organizations such as the Virginia Arts Festival, the Virginia Opera, the Virginia Stage Company, the Norfolk Botanical Garden, and the Virginia Symphony Orchestra (see the Enjoying Daily Life chapter).

Action EV1.2.13. Support the recruitment and expansion of “Green” businesses and manufacturers (see the Promoting Environmental Sustainability chapter).

Comments: State and federal initiatives aimed at creating offshore wind-energy sites off the coast of Virginia present supply chain opportunities for Norfolk and other municipalities.

Action EV1.2.14. Encourage Norfolk’s water supply surplus to be marketed and utilized as a major regional asset to attract development.

Outcome EV1.3. Lifelong learning opportunities that are responsive to changing economic needs.

Metrics:

- Reduction in the number of people who live in poverty.
- Change in high school graduation rate.

Action EV1.3.1. Work with educational partners, both within and outside of Norfolk, including universities, colleges, and trade schools, to tailor their educational programs to the changing opportunities presented by Norfolk’s economy (see the Supporting Lifelong Learning and Fostering Responsible Regional Cooperation chapters).

Action EV1.3.2. Support Norfolk Public Schools in efforts to provide both college-track and trade education that is responsive to economic opportunities (see the Supporting Lifelong Learning chapter).

Action EV1.3.3. Identify and provide opportunities for career training and development of Norfolk residents that can lead to jobs in Norfolk industries (see the Supporting Lifelong Learning chapter).

Action EV1.3.4. Ensure that updates to the CEDS reflect the importance of the City’s higher education and institutional partners as engines of economic development.