



2013
COMPREHENSIVE
PLAN

Economic Development

Introduction

Local economies evolve as the resident population increases, the number of employers and jobs increase, and as the numbers of businesses that provide goods and services increase. As these economies evolve, the responsibility for the careful management of resources by governing bodies and support agencies evolves as well.

Local governments and organizations increasingly have become interested in promoting policies and programs which stimulate local economic development. By being proactive in economic development, Warren County will retain control of important social factors such as the local education system, areas of industrial, commercial, and business development, and the efficient provision of local services such as water and sewer.

The County can effectively promote the creation, survival, and expansion of local businesses by reducing the costs of doing business, by correcting market imperfections that inhibit new or small business development, and by designing a comprehensive plan that clearly defines areas targeted for growth and areas targeted for preservation.

A prudent economic development program promotes local goods and services for export, and decreases dependence on imported goods and services. Importation of goods and services reduces the opportunity to circulate money locally, and employs people elsewhere in the manufacture of those goods and services. Alternatively, the local manufacture of goods and services for export creates jobs and generates and circulates money locally.

The three basic components of job creation are: (1) the retention and expansion of existing businesses, (2) the recruitment of new businesses, and (3) the emergence of new businesses. The County's economic development program should foster these components in order to provide a balanced approach to local economic diversification.

It is recognized that, due to its proximity to Washington, D.C. and the Northern Virginia region, Warren County is poised for future growth. It is important that the County carefully manage this growth in order to preserve its character and the quality of life for its residents.



Economic Development & Growth Management Issues

The Warren County economic development program is an integral component of the County's Comprehensive Plan. The County's economic development has direct impact on land use, transportation, infrastructure, housing, and the provision of community facilities and related services. The ability to pay for the costs of growth and to manage growth effectively is related to the balance achieved between commercial, industrial, and residential development. The following points are some important links between economic development and other aspects of growth management.

- **Local economic development can affect the type and quality of the County's residential development.**

The growth of the County's internal employment base can affect the location, timing, type, and quality of residential development. New retail, office, and particularly industrial developments, provide jobs for County residents. These employment opportunities generate housing demands different to those created if Warren County continues to develop as a bedroom community for Northern Virginia and the Washington, D.C. Metropolitan area. Varied local industries will generate varied local housing demands depending upon prevailing wages.

- **Employment opportunities within Warren County will present different transportation and infrastructure requirements than those based upon increasing "out-migration" jobs.**

The extent to which Warren County's growth is dependent upon employment expansion beyond the County's borders, specifically in the Northern Virginia region, has direct consequences for the County's present transportation and infrastructure (water and sewer) requirements. Encouraging future economic development within the County will require transportation system improvements and increased availability of water and sewer service and affordable rates in key County areas.

- **Economic development is linked directly to the issue of paying for the growth costs.**

The ability to support a wide range of community facilities and services is dependent, in part, on the non-residential development that the County can sustain and attract. To the extent that local commercial and industrial development does not occur, more reliance must be placed upon residential property taxes to pay for needed services - affecting both current and future property owners.

- **The character of the County's development, from its land use patterns to the incomes and lifestyles of its residents, is a function of economic development that can be encouraged within the County's borders.**

Most County residents recognize that Warren County, due to its proximity to Northern Virginia and Washington, D.C., is poised for future growth. The character and form of growth and development

The mission of the Warren County Economic Development Authority is to:

- * *Broaden the industrial tax base of its community*
- * *Bring its commuting workforce home to work*
- * *Create living wage jobs for its residents*
- * *Foster a healthy environment in which businesses may grow and prosper.*

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within Warren County will in large part be shaped by the local economy. The desired mix of residential and non-residential development in Warren County will have a strong impact on its character and the quality of life of its residents.

Section 1: The Local Economy

Introduction

The purpose of this section is to capture and chart the County's economy, and to identify important trends. The basic indicators are employment, income, and sources of tax revenue, i.e., industry, commercial, retail, etc. Included herein is a labor market analysis that indicates those jobs, at which residents are employed, a work source analysis that indicates the number and kinds of jobs available, and a study of income.

The data presented in this paper is assembled from a variety of sources, including the Census Bureau, the Bureau of Economic Analysis, and by the Virginia Employment Commission.



Labor Analysis

Warren County Labor Force

Labor force refers to the number of people, 16 or over, who are either employed or seeking work (**Table 6.1 and Chart 6.1**). In Warren County, according to the 2010 Census, 19,622 of the 28,397 people 16 or over were in the labor force, for a civilian labor participation rate of 69.1% Warren County's labor force participation rate was above the State of Virginia rate of 65.4%. Out of the 19,622 people in the civilian labor force, 961 were unemployed, which is a 3.4% unemployment rate. Fifty-one (51) people were employed in the Armed Forces.

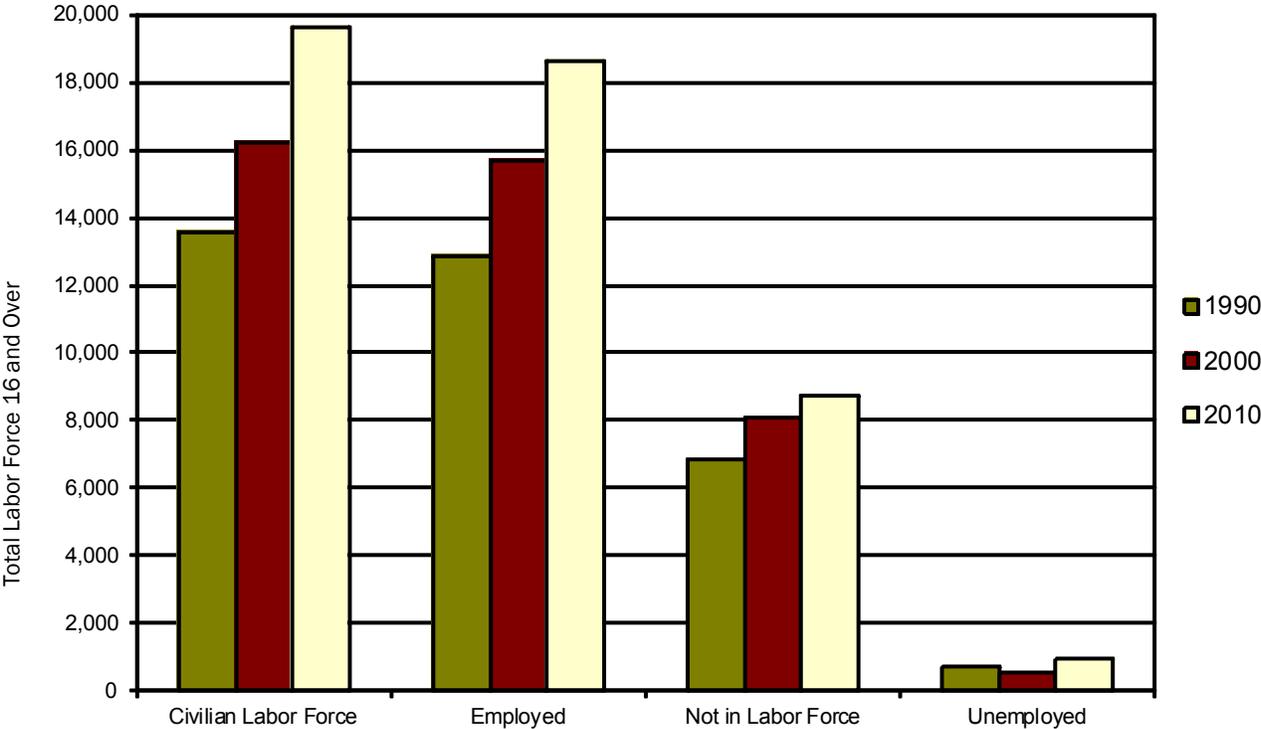
Table 6.1 Labor Force Data (1990-2010)

Total, 16 years and over	1990	2000	2010
Civilian Labor Force	13,554	16,245	19,622
Armed Forces	18	12	51
Employed	12,856	15,687	18,661
Unemployed	698	558	961
Not in Labor Force	6,831	8,104	8,724

Source: *Census of Population* 1990, 2000, & 2010, U.S. Bureau of Census.

This same potential work force pattern is seen for both males and females. The County’s male labor force participation was 54.5%, while the female labor force participation rate was 61.7%. In addition to people who are not currently working, a major labor source is recent high school graduates. In 1990, of the residents 25 and older, 65% were high school graduates and 15.8% were college graduates. In 2000, of the residents 25 years and older, 76% were high school graduates and 15.0% were college graduates. In 2010, of the residents 25 years and older, 83% were high school graduates and 22% were college graduates. For high school graduates, these percentages were above the Planning District, but below the State education attainment percentages.

Chart 6.1 - Warren County Labor Force Data (1990-2010)



Labor Characteristics

The Bureau of Census classifies the resident labor force in two different ways. The first is by the industry in which they are employed, such as agriculture, manufacturing, and services. The second is by occupation; managers and clerical workers, for example, are employed in a number of industries.

This data provides information about Warren County residents but not the location of their employment. A Warren County resident could be a manager in the manufacturing sector but be working in Fairfax County. This data is important because an existing industry or a new industry moving into Warren County is concerned about the available work force. Local industries could potentially attract those commuting workers for employment within the County.

Industry of Employed Residents

Table 6.2 and Chart 6.2, shows the employment growth and change by industry for 2000 and 2010. During this time, total employment increased 19%. The distribution by industry of employed residents changed during the 90's, with a lower percentage of workers in agricultural, forestry and fisheries, mining, manufacturing, transportation, communication, utilities, and wholesale or retail trade. The construction, finance, insurance, real estate, service, and government sectors increased.

In 2010 over half of Warren County's working residents were employed either in service industries or in wholesale or retail trade. Of the County's 18,661 employed residents, the largest group were working in the service industries sector at 6,923 (37%) followed by the construction sector 2,803 (15%).

The third largest group was the wholesale and retail trades sector with 2,624 (14%), followed by the manufacturing sector with 1,616 (9%).

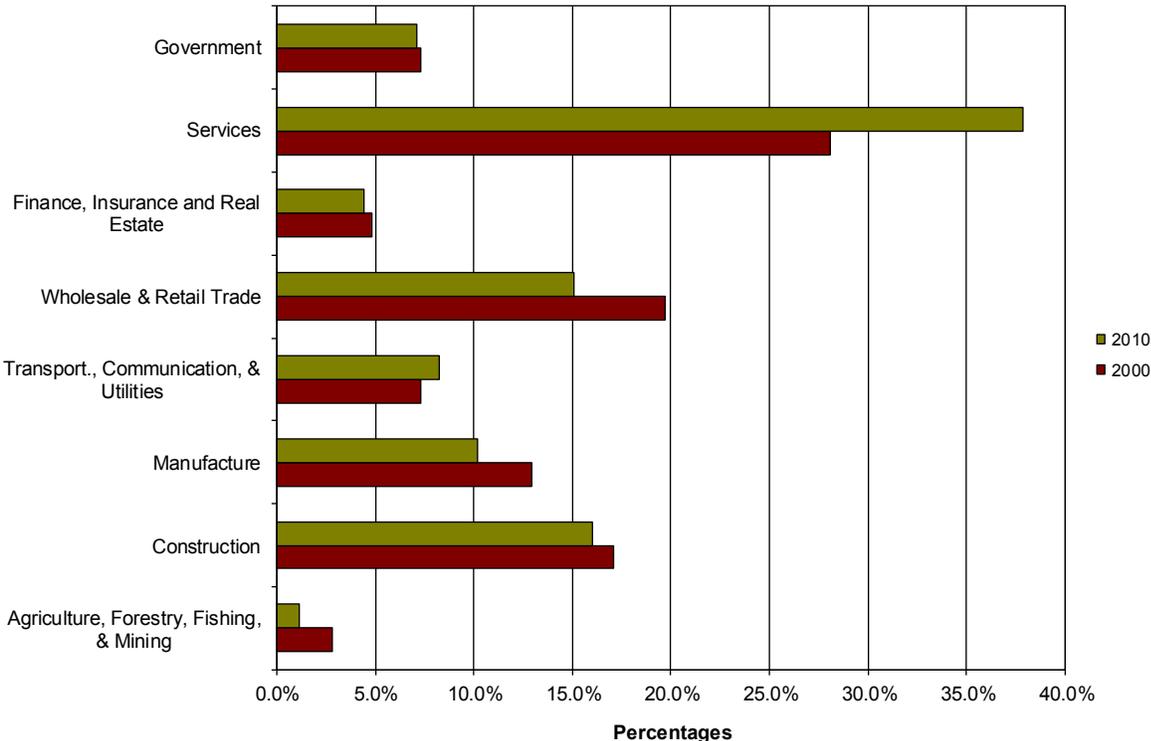
Table 6.2 Industry of Employed Residents (2000-2010)

Industries	2000 Total	2000 Distribution	2010 Total	2010 Distribution	Percent Change 2000 to 2010
Total Employment	15,687	100%	18,661	100%	+18.9%
Agriculture, Forestry, Fishing, & Mining	173	1.1%	182	1.0%	+5.2%
Construction	2,511	16.0%	2,803	15%	+11.6%
Manufacture	1,602	10.2%	1,616	8.7%	+0.9%
Transport, Comm., & Utilities	1,288	8.2%	946	5.1%	-25.5%
Wholesale Retail Trade	2,365	15.1%	2,624	14%	+10.9%
Finance, Insurance & Real Estate	693	4.4%	960	5.1%	+38.5%
Services	4,885	31.1%	5,464	29.3%	+11.9%
Health Care Services	1,061	6.8%	1,459	7.81%	+37.5%
Government	1,109	7.1%	1,315	7.0%	+18.6%

Source: Summary File 3, U.S. Bureau of Census, 2000 & 2010.

Note: Percentages are rounded to the nearest whole number.

Chart 6.2 Employed County Residents' Occupations (2000-2010)



Occupation of Employed Residents

According to the 2010 Census, 5,156 (27.6%) of Warren County's working residents were employed as management, professional, and technical workers.

The County's second largest occupation group consisted of 4,556 sales and administrative office occupations; this group accounted for 24.4% of the working residents.

Other large groups include; construction, extraction (mining), and maintenance, installation and repair workers 3,238 (17.4%), service occupations accounted for 3,412 (18.3%) of the workforce, and the production, transportation and material moving occupations which accounted 2,245 (12.0%) of the total 18,661 workers.

Since 1990, only the farming, fishing, and forestry category has decreased in both net and in percentage of total workers. The farming, fishing, and forestry category lost 258 workers from a high of 316 in 1990 down to 58 in 2000 and the most recent figure of 54 in the 2010 census for a total of 0.3% of the workforce (Table 6.3).

Table 6.3 Occupation of Employed Residents:

Occupation	2000 Total	2000 Distribution	2010 Total	2010 Distribution	Percent Change 2000 to 2010
Total Employed 16 years & over	15,687	100%	18,661	100%	+18.96%
Management, Professional & Technical	4,227	26.9%	5,156	27.6%	+21.98%
Sales and Office	3,727	23.8%	4,556	24.4%	+22.24%
Construction, Extraction, and Maintenance	3,125	19.9%	3,238	17.4%	+3.62%
Transport & Material Moving	2,152	13.7%	2,245	12.0%	+4.32%
Farming, Forestry, & Fishing	58	0.3%	54	0.3%	-6.9%
Service	2,398	15.2%	3,412	18.3%	+42.29%

Source: Summary File 3, U.S. Bureau of Census, 2000 & 2010.

Unemployment

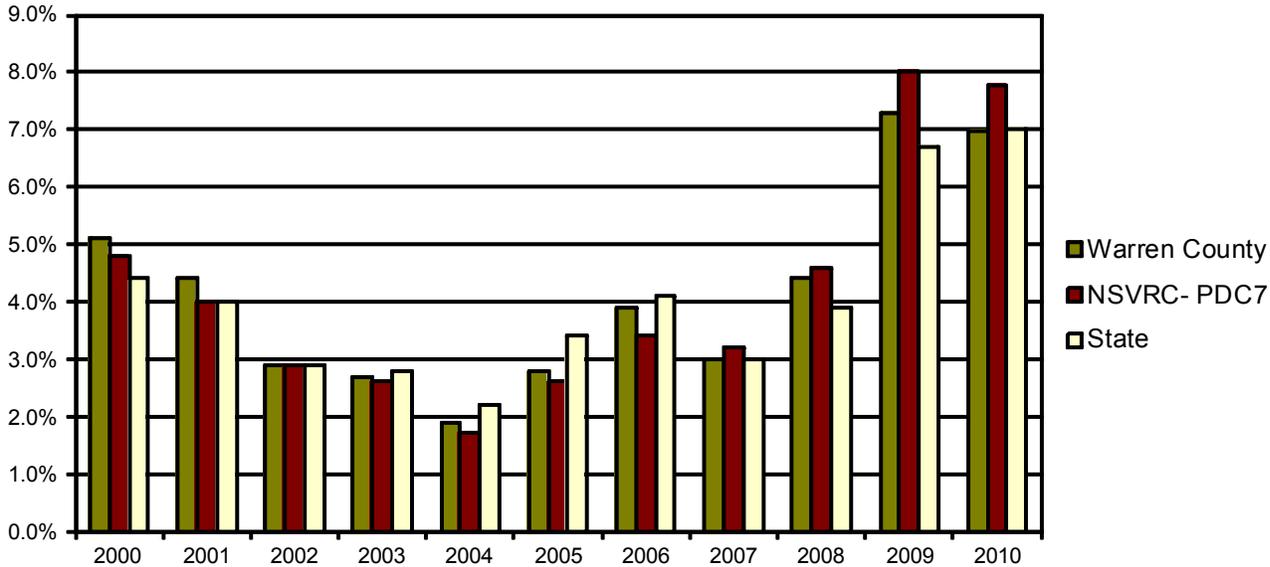
Warren County's unemployment rate is among the highest within the Northern Shenandoah Valley Planning District. The annual unemployment rate average between 2000 and 2010 for Warren County was 3.7% (**Table 6.4 and Chart 6.3**) compared to the Planning District rate of 3.8% and the State-wide rate of 3.8%.

Table 6.4 Unemployment Rates (2000-2010)

Annual Rates:	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Warren County	5.1%	4.4%	2.9%	2.7%	1.9%	2.8%	3.9%	3.0%	4.4%	7.3%	6.9%
NSVRC-PDC7	4.8%	4.0%	2.9%	2.6%	1.7%	2.6%	3.4%	3.2%	4.6%	8.0%	7.7%
State	4.4%	4.0%	2.9%	2.8%	2.2%	3.4%	4.1%	3.0%	3.9%	6.7%	7.0%

Sources: Labor Force Estimates, 2000-2010, VEC, LAUS Unit and Bureau of Labor Statistics

Chart 6.3 Unemployment Rates (2000 - 2010)



Regional Labor Pool



Wal-Mart at Riverton Commons Shopping Center

Information on the regional labor pool is provided in **Table 6.5**. This table looks at the labor supply in terms of total population, sex distribution, and labor force participation. The Northern Shenandoah Valley’s 2010 population was 217,701 people. NSVRC’s work force of 168,147 people, 16 years or older, includes 82,511 males and 85,636 females. Of those, 61,741 males and 51,734 females were participating in the labor force, for an average total participation of 67.6%.

Table 6.5 Labor Force Participation (2000-2010)

Sex	Persons 16 & Over	In Labor Force	Participation Rate
Male	82,511	61,741	74.8%
Female	85,636	51,734	60.4%
Not in Labor Force	33,902 (F)	20,770 (M)	32.5%

Source: Northern Shenandoah Valley Regional Commission.

Work Source Analysis

Jobs in Warren County

According to the Bureau of Economic Analysis (BEA) and U. S. Census Bureau, in 2008 Warren County had 17,171 jobs; an increase from 13,890 jobs in 2000. Between 2000 and 2008, Warren County had a 23.6% job increase. **Table 6.6** shows a comparison of Warren County's income changes by industry for 2000 and 2008.

The U.S. Census Bureau reports that of Warren County's 14,532 private employment jobs in 2009, over half, 7,898, were in the service sector. Warren County's manufacturing and distribution employers had 2,562 employees in 2010, including the largest of: Family Dollar Services distribution center with 400 employees, DuPont 400 employees, Baugh Northeast, a major food distribution center with 317 employees, Ferguson Enterprises (a plumbing and building products distributor) with 234 employees and Interbake Foods, LLC (food processing) with 222 employees.



Services added 7,898 (54.3%), wholesale and retail added 2,624 (18.1%) and finance, insurance, and real estate (FIRE) provided 960 jobs (6.6%). In 2010, these three industries accounted for almost 79% of all the Warren County jobs.

Since 2000 the service sector had a 90.2% increase in employment. The wholesale and retail trade sector increased 19.4% and the manufacturing sector increased since 1997 from 1,540 to 2,562 workers by 66.4%. The major employers within Warren County and Front Royal are illustrated in Figure 6.1 on page 19.

**Table 6.6 Warren County
Residents' Personal Income by Industry (in thousands)**

Industry	2000	2008	Percent Change
Proprietors Income	39,528	53,252	34.72%
Farm Proprietors	891	-6,361	-59.48%
Non-Farm Proprietors	59,613	38,637	-35.19%
Farm Earnings	1,154	-5,501	-56.586%
Non-Farm Earnings	364,105	586,851	61.18%
Private Earnings	303,894	483,820	59.21%
Agriculture, Forestry, & Fisheries	3,728	D	N/A
Forestry and Logging	L	184	N/A
Mining	208	160	-23.07%
Utilities	0	126	100%
Construction	42,767	D	N/A
General Building Contractors	11,628	13,322	14.57%
Heavy & Civil Engineering	5,077	D	N/A
Specialty Trade Contractors	26,062	27,173	4.26%
Manufacturing	61,413	70,355	14.56%
Non-Durable Goods Manufacturing	46,245	60,084	29.92%
Wholesale Trade	11,563	9,406	18.65%
Retail Trade	48,006	50,299	4.78%
Transportation & Public Utilities	18,566	64,877	249.44%
Information (Multi-Media)	2,971	2,649	10.84%
Finance & Insurance	11,838	16,115	36.13%
Real Estate, Rentals and Leasing	2,976	3,909	31.35%
Services	89,338	169,572	89.8%
Professional, Scientific & Technical Services	N/A	20,027	N/A
Management of companies & Enterprises (services)	7,346	7,585	3.25%
Administrative and Waste Services	N/A	37,280	N/A
Educational Services	13,931	15,052	8.05%
Health Care & Social Assistance	31,466	61,121	94.24%
Arts, Entertainment & Recreation	3,675	5,730	55.92%
Accommodation and food services	2,560*	22,777	N/A
Other Services except Public Admin.	30,046	43,813	45.82%
Government & Gov. Enterprises	60,211	103,031	71.12%
Federal Government & Military	14,545	25,263	73.69%
State & Local Government	45,666	77,768	70.30%
State Government	2,702	4,095	51.55%
Local Government	42,964	73,673	71.48%

Source: Bureau of Economic Analysis, Table CA05 (SIC), 2000 and CA05N (NIACS), 2008

(D) Not shown to avoid disclosure of confidential information, but estimates for this item are included in the totals.

(L) Less than \$50,000, but the estimates for this item are included in the totals.

* Doesn't include food services.

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The contract construction sector made up 2,803 jobs (19.2%) during this decade but has dropped significantly since the housing slump and recession started in 2008. Public Administration and Government employment accounts for 1,315 (9.05%) of the jobs, most of which are in state and local governments.

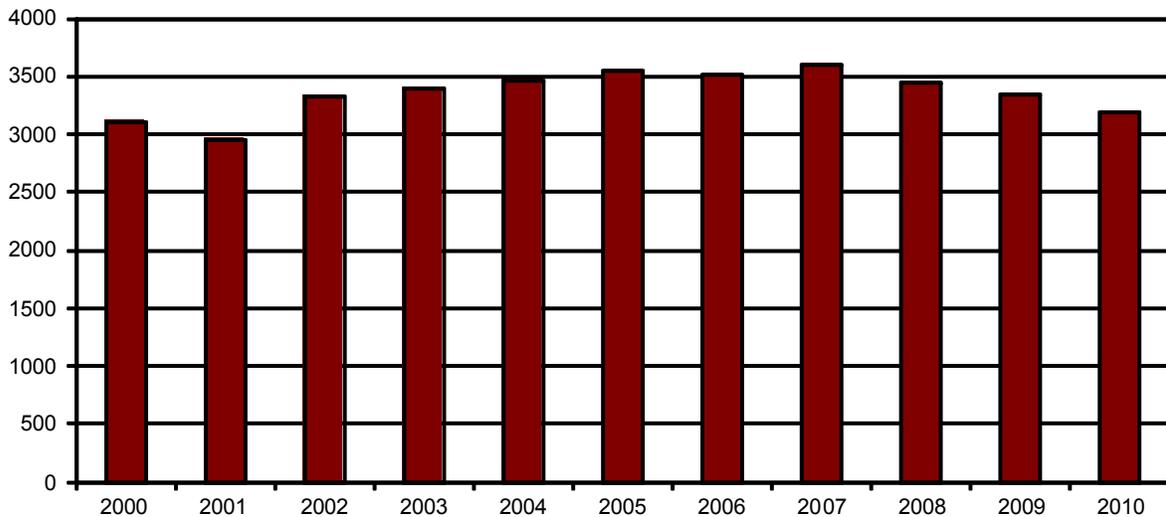
Residents' personal earnings by industry increased between 2000 and 2008. Overall, incomes rose by 62.35 % (**Table 6.6**) while employment rose by 23.62%.

The non-farm sector earnings rose by 61.18% and the private sector posted a 59.21% increase. Farm income decreased, along with farm employment which decreased by 56.59%. The largest income increase sectors are transportation & public utilities 249.44%, health care and social assistance 94.24% and Federal Government and military 73.69%, general building contracting incomes rose by 14.57%. The government sector increased 71.12%. Retail trade rose 4.78%.

Business Licensing

Since 2000, Warren County has experienced a steady continuum of annual business licenses issued. **Chart 6.4** shows the number of business licenses issued since 2000. In 2007, 3,591 licenses were issued which represents the highest number of issued over the 10 year period. This was the year new retail stores in the County began to open in the Rt. 340/522 Corridor.

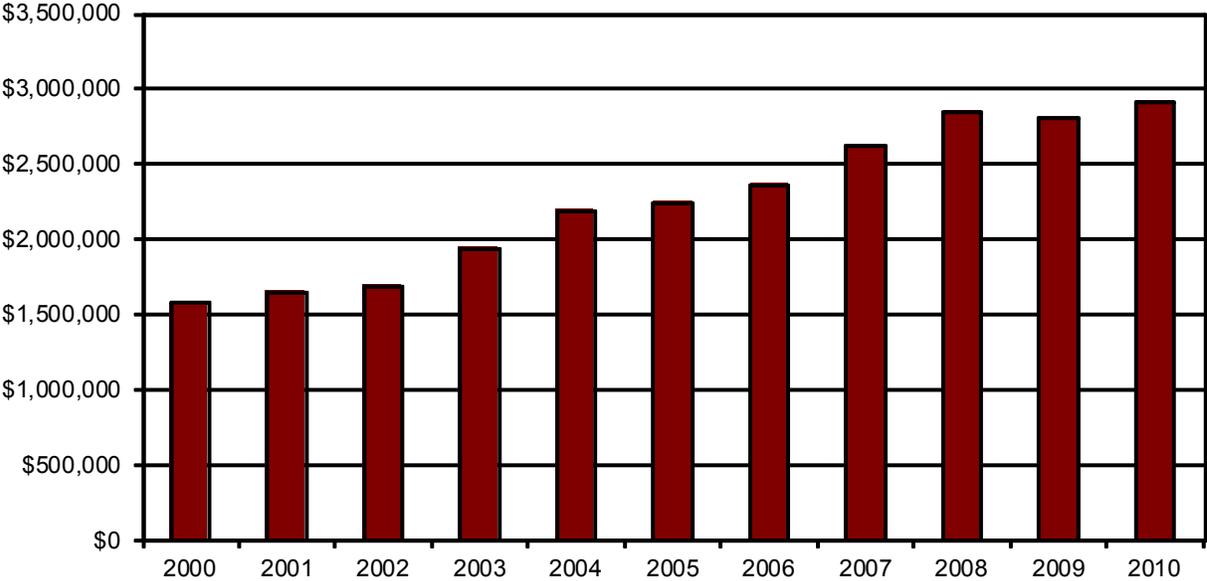
Chart 6.4 Business Licenses Issued Yearly



Retail Sales

Since 2000, Warren County has seen an increase of 84% in retail sales. County retail sales taxes collected equaled \$2,918,420.74 in fiscal year 2010-2011. **Chart 6.5** shows the retail sales taxes collected since fiscal year 2000-2001. The increase around 2007 is evident of the new commercial retail centers that opened for business within the County limits.

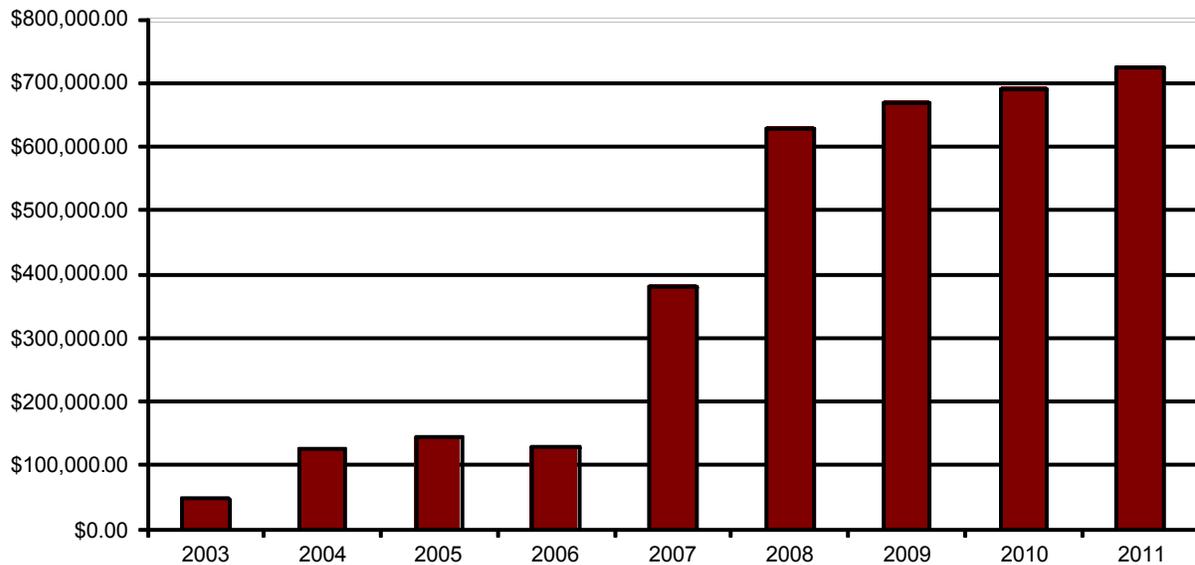
Chart 6.5 Retail Sales Tax Collected



Food Sales

Between 2006 and 2007 the County saw a large increase in meals tax revenue. The County’s meals tax revenue has been increasing since 2006. This is mostly due to the commercial growth in the Route 340/522 North Corridor. **Chart 6.6** shows the meals taxes collected since fiscal year 2003-2004.

Chart 6.6 Meals Tax Collected



Commuting Patterns

According to the US Census American Community Survey (ACS) from 2006-2010, 10,158 (55.6%) of Warren County's 18,473 workers, 16 years and older, were commuting out of Warren County to work. In 2000, 8,528 (55.4%) of the 15,372 workers, 16 years and older, who specified their work locations, were commuting.

The 2009 out-commuter data shows 5,579 (54.9%) of workers commuted to the Washington-Arlington-Alexandria DC-VA-MD-WV Metropolitan Statistical Area (MSA) out of a total of 10,158. An analysis of the ACS 2006-2008, 3 year estimate (**Table 6.7**) shows that almost 2,395 of the 9,900 out-commuters were going to Fairfax County and Fairfax City which equates to 24.2%. Frederick, Loudoun and Prince William counties followed with an accumulative total of 3,455 commuters, representing 34.9% of out-commuters.

According to the 2006-2010 ACS data 14,195 (74.8%) of Warren County residents commuted to work alone, while 2,593 (14.4%) carpooled, 324 (3%) walked, 125 (1%) took public transportation, 1,016 (6.1%) worked from home and 220 (0.8%) took other means. Also based on this data the mean travel time to work took 37.4 minutes with 28.2% of workers commuting 60 minutes or more to their jobs. This percentage represented the longest commute and highest estimate of workers of their travel time to work.

As of August 2012 the Northern Shenandoah Valley Regional Commission reports that over 200 local commuters use their car-pool/van-pool services and local residents have access to the Front Royal Area Transit (FRAT), Well-Tran (SAAA), churches, service organizations (VFW & DAV) and local commercial taxi services for commuting options.

Table 6.7 County to County Commuting 2006-2008

Jurisdiction	In-commuters from	Out-commuters to	Net
Clarke County	Not Available	N/A	N/A
Frederick County	1,200	1,175	+25
Winchester City	950	275	+675
Page County	570	120	+450
Shenandoah County	1,160	320	+840
Total - within NSVRC	4,075	1,890	+1,990
Arlington County	N/A	175	
Fauquier County	N/A	940	
Fairfax City	N/A	170	
Fairfax County	N/A	2,225	
Loudoun County	N/A	1,170	
Manassas City	N/A	455	
Prince William County	N/A	1,110	
Rappahannock County	N/A	N/A	
Rockingham County	N/A	30	
Other in Virginia	N/A	195	
Washington, D.C.	N/A	240	
Maryland	N/A	390	
West Virginia	N/A	125	
Other States, Countries	N/A	85	
Total - Outside NSVRC		7,310	
Total	4,075	9,200	+1,990

Source: U.S. Bureau of the Census, ACS 2006-2008 3 year estimates

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Income Analysis

Income and Wages

According to the 2010 Census, (**Table 6.8**) the median 2009 household income for Warren County residents was \$59,630. The corresponding State median income was higher at \$60,316. Warren County's median household income is the third highest in the Northern Shenandoah Valley Region.

Table 6.8 Median Household Income (1999-2009)

Jurisdiction	1999	Percent of State	2009	Percent of State	Percent Change 1999 to 2009
Warren County	\$42,422	91.0%	\$59,630	98.9%	+40.6%
Clarke County	\$51,601	110.5%	\$68,768	114.1%	+33.2%
Frederick County	\$46,941	100.6%	\$62,291	103.2%	+32.7%
Page County	\$33,359	71.5%	\$42,359	70.2%	+27.0%
Shenandoah County	\$39,173	83.9%	\$50,436	83.6%	+28.8%
Winchester City	\$34,335	73.6%	\$44,708	74.1%	+30.2%
State	\$46,677	100%	\$60,316	100%	+29.2%

Source: Summary File 3, U.S. Bureau of Census, 2000 & 2010.

In **Table 6.9**, 5.6% of Warren County's households had incomes below \$10,000, while the State's was 6.0% for a difference of 0.4%. In Warren County, 16.6% of the households had incomes of \$50,000 or more and the State's percentage of households with incomes greater than \$50,000 was 18.6% for a difference of 2.0% in 2010.

Table 6.9 Warren County Household Income (2009)

Income Range	Households	Percentage
Less than \$10,000	764	5.6%
\$10,000 to \$14,999	986	7.2%
\$15,000 to \$24,999	1,053	7.7%
\$25,000 to \$34,999	1,065	7.8%
\$35,000 to \$49,999	1,960	14.3%
\$50,000 to \$74,999	2,264	16.6%
\$75,000 to \$99,999	2,390	17.5%
\$100,000 to \$149,999	2,047	15%
\$150,000 to \$199,999	727	5.3%
\$200,000 or more	382	2.8%
Total	13,638	100%

Source: Summary File 3, U.S. Bureau of Census, 2010.

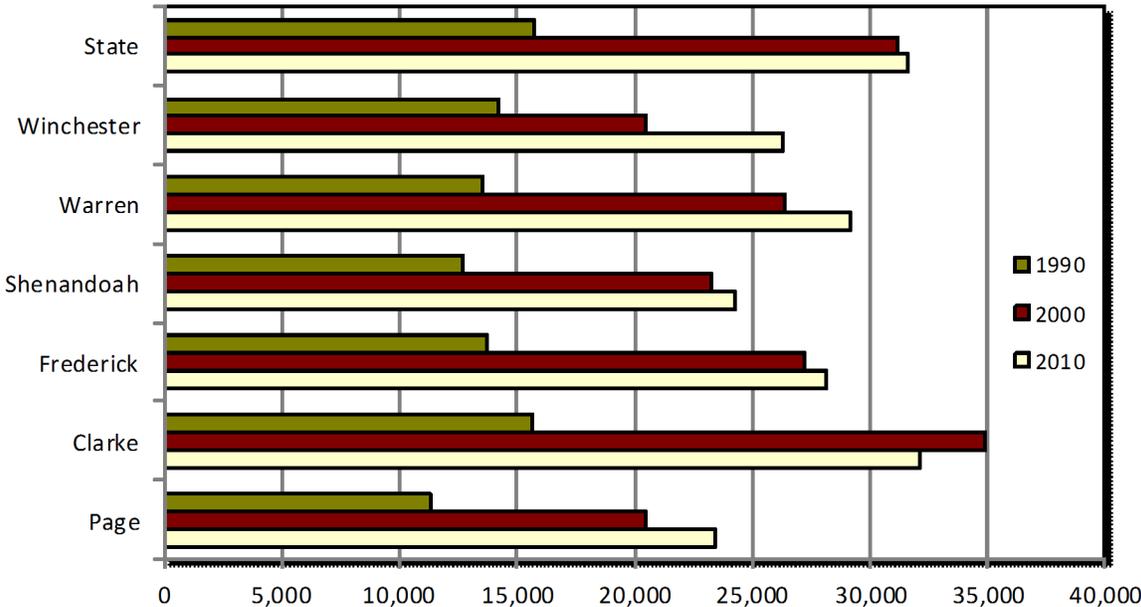
As reported by the Bureau of Census, the 2010 per capita personal income in Warren County was \$29,150 (Table 6.10 and Chart 6.4). That is 7.8% lower than the State's 2010 per capita income of \$31,606. The County's per capita income increased 10.6% between, 2000 and 2010 while the State's increased 1.3%.

Table 6.10 Per Capita Personal Income (1990-2010)

Jurisdiction	1990	2000	2010
Page	\$11,304	\$20,452	\$23,399
Clarke	\$15,657	\$34,886	\$32,083
Frederick	\$13,671	\$27,251	\$28,182
Shenandoah	\$12,686	\$23,223	\$24,245
Warren	\$13,580	\$26,338	\$29,150
Winchester	\$14,214	\$20,500	\$26,310
State	\$15,713	\$31,210	\$31,606

Source: Census of Population 1990, 2000 & 2010. General Social and Economic Characteristics.

Chart 6.6 Per Capita Personal Income (1990-2010)



**Table 6.11 Average Weekly Wages Paid in Warren County
(1995 to 2010)**

Industry	1995	2000	2010
Agriculture, Forestry, Fishing & Hunting	\$286	\$270	\$450
Construction	\$397	\$509	\$671
Manufacturing	\$549	\$767	\$969
Transportation & Warehousing	\$556	\$599	\$721
Wholesale Trade	\$367	\$536	\$683
Retail Trade	\$231	\$316	\$419
Information	N/A	N/A	\$505
Professional, Scientific and Technical Services	N/A	N/A	\$873
Finance & Insurance	\$389	\$489	\$753
Other Services	\$323	\$415	\$567
Local Government	\$369	\$535	\$652
Total	\$360	\$475	\$617

Source: Average Annual Average Weekly Wage, 1995, 2000, 2010. Virginia Employment Commission. N/A= Data Not Available

According to the Virginia Employment Commission, the average weekly wage paid to workers by Warren County industries during the year 2010 was \$617. (Table 6.11). That represents a 29.9% increase since 2000. The sectors paying the highest wages included the Federal Government (\$1,315) and manufacturing firms, which paid a weekly average of \$969. Government wages averaged \$871 and varied between Federal jobs at \$1,315, State at \$647 and local at \$652. Professional, Scientific and Technical Service fields paid an average of \$873 per week followed up by the Finance and Insurance industry at \$753.



Roanoke Cement and Titan America

Components of Income

The income of Warren's residents has been increasing in recent years. Between 1990 and 2000 and 2008, total personal income in the County increased by 66.4%. Warren County's income increase



Interchange

has been due primarily to an increase in net labor and proprietors' income by place of residence, which includes total earnings by place of work, less personal contributions for social security, with an adjustment for place of residence to account for commuting wage earners. This category grew by 107.6% between 1990 and 2000 and 2008 accounting for 3.61% of the 2008 total personal income.

The other components of total personal income are 1) income from dividends, interest, and rent, and 2) transfer payments, which include:

retirement and disability benefits, unemployment insurance benefits, and medical, educational, and public assistance benefits. Retirement benefits are the largest source of transfer payments. Both categories grew substantially, but transfer payments decreased in ratio to the total personal income. This is a positive indication of economic growth.

Summary

Located 70 miles west of Washington D.C., 50 miles from Dulles International Airport, 133 miles northwest of Richmond, Virginia, and situated at the crossroads of Interstates I-66 and I-81, Warren County is an ideal business location. Warren County is the home to the Virginia Inland Port, a modern truck and train intermodal terminal with international traffic that moves to and from the Norfolk International Ports via the Norfolk-Southern Railway system capable of transporting containers at full double stack height.

Warren County's economic base has diversified in recent years. During the 80's the tourism industry emerged to play a larger role in the economy. The two industry sectors most affected by tourism are services and wholesale and retail trade. By 1990, these industries were the second and third largest employers, respectively. As of 2010 the service sector is now the largest employer in the County with more than 40% of all business with government ranking second.

Since 1995, the Economic Development Authority of the Town of Front Royal and the County of Warren (EDA) attracted 14 firms to locate operations within the County. These firms represent approximately 1,900 new jobs, 3,916,000 square feet in new buildings, and over \$553 million dollars of private investment. The major employers within Warren County and

"The Economic Development Authority continues to research and pursue opportunities for job creation, educational centers, small business assistance, and infrastructure needs that will make Warren County a desirable location for all business sectors. It is the goal of the EDA to create and maintain living wage job opportunities for the citizens of our community."

**-Jennifer McDonald,
Executive Director, WCEDA**

Chapter 6

Front Royal are illustrated in Figure 6.1 as of 4th quarter 2010. The Economic Development Authority has seen many successes over the years, including the recruitment of five large industries (Toray Plastics, Family Dollar, Ferguson Enterprises, Baugh NE Cooperative and Interbake Foods).

In 2012, Dominion Virginia Power Company intends to begin construction of its 1,500 megawatt gas fired power plant in Warren Industrial Park. At the peak of construction, Dominion Virginia will employ between 600-800 people. Once the power plant is complete and online, projected for 2014-2015, they will employ approximately 30 full-time staff members. The total investment is estimated at \$1.3 billion. This project will be a considerable boost to the local economy during construction and as it comes on-line.

The Route 340/522 North Corridor has become a thriving commercial sector that includes two shopping centers. Crooked Run Center began construction in 2005 and includes Target, Petco, Staples and many more shops and eateries. Riverton Commons Shopping Center began construction in 2008 and includes Wal-Mart, Lowe's, Cracker Barrel, Applebees, Starbucks, Roy Rogers, and many other retail establishments and eateries. The County is proud the shopping center received the Best Shopping Center Design award from the Valley Conservation Council in 2009 for the architectural design, lighting, signs, screening, pedestrian convenience, traffic safety, and low impact development principles. The County also has two additional large scale shopping centers proposed for the Corridor, including Cedarville Center and Crooked Run West. The properties have been rezoned commercial and issued conditional use permits.

The County has three industrial parks located north along Route 340/522. The area houses DuPont, Toray Plastics America, Interbake Foods, Atlantic Skyline, Baugh NE Cooperative, Family Dollar Services, Roanoke Cement, Rappahannock Electric Company, among other industries. The Virginia Inland Port is also located in this area. Also, located in this area is the Blue Ridge Shadows Golf Course with a Holiday Inn hotel/conference facility.

Net employees in manufacturing decreased during the 1980's and also decreased as a percentage of Warren County's total employment. Farming's percentage of the economic base has also decreased. In 1990, 6.8% of the work force was employed in the farm sector. By 2000, this had declined to 1.1% and by 2008 it had increased slightly to 2.1%.

Changes in the occupational distribution of the County's residents indicate a shift from blue collar to white collar jobs. This trend might be due to the shift toward service and trade jobs and the occupations of people who have recently moved into the County, particularly those who moved from the Washington, D.C./Northern Virginia metropolitan area, but still commute back to highly-skilled, highly-paid jobs. The income of Warren's residents has increased steadily during the past few years as compared to the rest of the Planning District and the State; this increase is expected to continue.

Recommendations

The local economy's health is determined in part from factors or events occurring outside the region. For a local economy to flourish and to prevent one event from crippling an area, employment and tax base must be diversified. The analysis of basic, compared to supporting industry employment, emphasizes that basic employment provides a foundation for supporting industry employment.

The basic employment in Warren County has diversified significantly over the past 15 years, and there has been an increase in the manufacturing employment which is the heart of an area's basic

employment. This is due to the continued recruitment of industrial prospects and support for existing Warren County industries.

The tourism industry emerged during the 1980's and plays a major role in Warren County. There are many County tourist attractions including Shenandoah National Park, the Shenandoah River, Andy Guest State Park, Skyline Caverns, etc. The area's natural resources and attractions should be protected and efforts should be made to expand tourism. These measures would ensure continued visitors to Warren County.

The recommended goals and objectives of Warren County's economic development program are based on several important County needs. The County must diversify its economic base and it must expand its non-residential tax base. This would keep local residential property taxes down as demand for additional and improved public services and facilities continue to rise. Local jobs with competitive wages must be provided, thereby providing employment for young people entering the work force.

Table 6.12 Warren County / Front Royal Major Employers

Warren County Schools	809
Valley Health System- WMH	503
Family Dollar Services	400
DuPont	400
Warren County Government	326
Baugh Northeast	317
Wal-Mart	313
Ferguson Enterprises	234
Interbake Foods LLC	222
United Parcel Service	171
Town of Front Royal	164
Martin's Grocery Store	160
Via Satellite	153
Randolph Macon Academy	151
Christendom College	85

Goals & Objectives

Goal I: Achieve a commercial / industrial tax base of 30 - 35%, within boundaries of land as zoned.

Objectives:

- A. Continue to assist with regulatory requirements and help reduce business costs in order to increase profits and promote growth.
- B. Work with the EDA and with existing businesses and industry to evaluate and improve economic development strategies.
- C. Provide appropriately zoned land areas suitable for future industrial and commercial growth within areas defined on the future land use map.

Goal II: Develop a coordinated program to target and attract business and industry to develop a diverse tax base.

Objectives:

- A. Actively market the County's Industrial Parks.
- B. Support the establishment of one or more research and technology zones in the County to foster high quality job creation and investment by technology related businesses.

Goal III: Maintain an effective business environment which fosters the growth and prosperity of existing industries.

Objectives:

- A. Support businesses that provide services and employment opportunities for local residents.
- B. Install new coordinated signage for the Industrial Parks.
- C. Landscape the entrances to the Industrial Parks.

Goal IV: Provide an educational system to support industry.

- A. Encourage industries which provide competitive pay.
- B. Provide adequate facilities to provide educational programs which support the local industries.

Goal V: Work with the Town's tourism department to develop a comprehensive plan to attract tourists.

Objectives:

- A. Coordinate the Town and County's marketing efforts.
- B. Increase the number of group tours and festivals in the community.
- C. Attract the individual leisure traveler.
- D. Attract Shenandoah National Park visitors.

- E. Continue to protect the Appalachian Trail by preserving the adjacent natural environment and reviewing land use policies to ensure the trail is protected and buffered by activities that are not compatible with the rural areas surrounding the trail.

Goal VI: Provide infrastructure to support industrial / commercial development.

Objectives:

- A. Provide business and industry with the infrastructure required for future development and expansion.

Goal VII: Continue to support the regional and local effort for Agricultural tourism and development.

Objectives:

- A. Help to centralize agriculture information for easy distribution to the public by compiling all available community products and where to get the products into one directory.
- B. Help to market and promote local agricultural products and “niche” markets locally.
- C. Increase public awareness of the economic impact of buying locally.

Implementation

Adequate Public Facilities Standards - From the County's Comprehensive Plan a Level of Service Policies (LOS) must be developed. LOS policies provide the basis and criteria on which to evaluate alternatives and to determine capital requirements. With the establishment of LOS policies, the County would make a clear statement to developers which would reflect the public's expectations for County services. By establishing LOS policies and standards for public services, this would ensure that sufficient services are in place or will be provided as development occurs. LOS standards can ensure that service expansion coincides with new development.

Business Attraction - Aggressively market Warren County to industrial and commercial prospects. Emphasize the attraction and growth of businesses that maintain and enhance the County's quality of life.

Capital Improvements Program - Maintenance of a CIP is important to meet future needs.

Citizen Participation - Include County residents on committees and advisory boards that provide additional input and comment to the Planning Commission and/or Board of Supervisors.

Education - Provide students with basic skills to be able to compete for jobs within the local economy and work with Lord Fairfax Community College on providing students with post-graduate opportunities.

Enterprise Zone - Expand and extend the County's enterprise zones to permit state and local tax incentives to new businesses.

Fiscal Impact Analysis - Maintain a per-unit fiscal impact of residential and commercial development would provide a rational basis on which to accept developer's proffers. Such fiscal impacts must be calculated for schools as well as for other community facility needs.

Free Trade Zone - Maintain designation as a free trade zone, especially for areas in and around the Inland Port facility.

Increase Capital - Work with the local finance and banking community to increase the availability of seed and start-up capital for new and small businesses.

Job Opportunities - Provide job opportunities that pay a living wage, provide health and retirement benefits and demonstrate a positive interest in existing and new industries. Increase variety of job opportunities for unemployed and underemployed citizens.

Management Guidance - Work through the Economic Development Authority to provide small and new businesses with the necessary management and marketing skills to facilitate success.

Public/Private Partnerships - Encourage public/private partnerships that will provide well serviced and properly located industrial sites which can be developed quickly.

Research and Technology Zones - Encourage the establishment of one or more research and technology zones in the County to encourage growth in these targeted industries.

Shell Building Program - Invest in a shell building program that will provide available space as well as incubator facilities for new and small businesses.

Site Identification - Identify potential sites compatible with the Future Land Use map for industrial, commercial, and office development, based on the following locational and market criteria:

- Availability of infrastructure.
- Commercial/Community Center location.
- Access to major transportation routes.
- Compatibility with surrounding development.

Small Business Assistance - Develop programs which would assist small business with marketing of products and services. Assist local entrepreneurs to locate and acquire new business financing.

Training Programs - As identified in the Warren County Strategic Plan, implement an ambassador training program. Approximately 17% of the community's jobs are in service related positions. These are the people that tourists most often meet; therefore, it is these individuals who often will have the greatest impact on a visitor's impression of our community. It is imperative that service personnel be trained as community representatives.

Tourism - Continue to emphasize and promote tourism as an industry. This should be accomplished through coordination with local, regional, and State tourism development Boards and agencies.

Water/Sewer Service - Examine alternative means of providing solutions for servicing the County's water and sewer needs, including State and Federal agency grant funds. Ultimately, a regional water/sewer authority should be developed. Currently, the County does not have a water or a sewer system.

Voluntary Proffers - Maintain a proffer system associated with the CIP.

Chapter Summary

Preserving the beauty of Warren County and maintaining the quality of life for its residents should be the prevailing goal of the County's economic development program. The welfare of Warren County's residents, as measured by improved welfare, reductions in unemployment and underemployment, increase in real incomes, improvements in living standards and consideration for environmental quality should be the primary objectives to this end.

Implicit in this goal is the premise that neither economic growth, nor industrial development is always desirable. Simple aggregate growth or industrial expansion is acceptable only when consistent with these goals and objectives. The location, type, and quality of future commercial and residential development should be carefully managed to ensure that economic development occurs in a manner beneficial to all County residents.