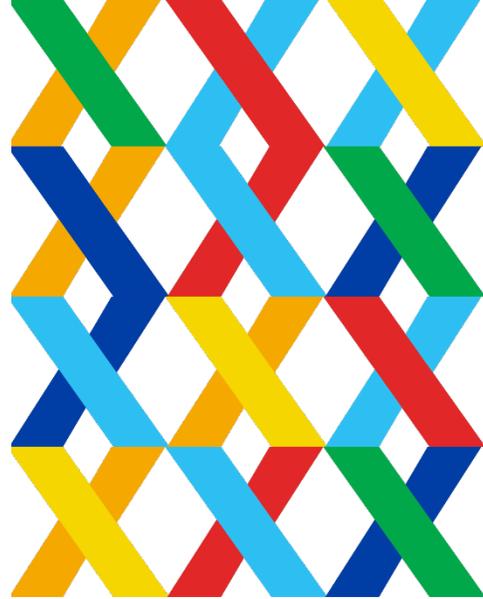




**FREDERICKSBURG
ECONOMIC
DEVELOPMENT
STRATEGIC PLAN**



The Fredericksburg Economic Development Strategic Plan was last adopted in 2017. This is an updated plan that takes into consideration changes over the past six years. It is intended that this plan will be updated every five years – so again in 2028.



This plan is guided in large part by the City Council

2036 Vision Statement:

The people of Fredericksburg are building a 21st-century urban center on the foundation of this historic city at the fall line of the Rappahannock River. Fredericksburg is the hub of regional economic activity, a city with a multicultural population and thriving cultural scene, a place that works for everyone, a community where the people are writing the next chapters of Fredericksburg's history.

Table of Contents

Part One: Review of accomplishments since last Economic Development Strategic Plan

Part Two: Review of Chmura work

Part Three: Strategic Goals

- Goal #1: Recruit new businesses to the City
- Goal #2: Develop pro-business policies
- Goal #3: Enhance the City's tourism operation, with a focus on sports tourism
- Goal #4: Enhance public infrastructure that will drive tourism and business growth
- Goal #5: Redevelop areas of City consistent with Small Area Plans
- Goal #6: Maximize the potential of the City's few remaining greenfield sites
- Goal #7: Help create a competitive workforce
- Goal #8: Enhance the City's marketing strategy
- Goal #9: Help develop an entrepreneurial ecosystem
- Goal #10: Analyze City-owned real estate

Appendix One: Chmura presentation to City Council

Appendix Two: Results of Chmura survey

Appendix Three: 2017 Economic Development Strategic Plan

Part 1: Review of accomplishments since last Economic Development Strategic Plan

Much progress has been made on the economic development goals in the 2017 plan.

These include:

- Negotiating an agreement with the owners of the Fredericksburg Nationals that led to a privately financed, 5,000-seat multi-purpose stadium being built next to the Fredericksburg Expo Center that opened for the 2021 Minor League Baseball season.
- Negotiating an agreement with the owners of the Fredericksburg Expo Center and the Fredericksburg Economic Development Authority (EDA) that will lead to substantial capital investments in the facility.
- Facilitating the redevelopment of the former Free Lance-Star headquarters in downtown Fredericksburg into a vibrant mixed-use project with a privately financed, publicly accessible garage. The City has played a substantial role in this project, approving two separate performance agreements for two important parts of the overall project.
- Expanding the City's trails and parks network with the opening and expansion of the Rappahannock River Heritage Trail, VCR Trail and Riverfront Park. Economic Development and Tourism (EDT) staff helped the City win a \$1.2 million federal grant that will lead to restrooms and a covered stage at Riverfront Park.
- Expanding the City's parking inventory by working with the EDA on the acquisition and sale of a surface parking lot at Charles and Amelia streets. This deal also brought a highly regarded professional office user into the downtown and led to the refurbishment of the building on the property.
- Rezoning much of the Princess Anne Street gateway as a creative maker district and helping to recruit several new businesses that are now open along the corridor.
- Working with countless businesses and projects to help navigate the City's permitting process and get open, leading in part to a half-billion dollars in taxable growth. This growth, coupled with prudent fiscal management, has helped the City retain an enviable AA+ bond rating.



- Advancing in our tourism program, including the hiring of an Assistant Director for Tourism as prescribed by the DMO Prox tourism strategic plan. A new tourism website, FXBG.com, was also rolled out, and a new Visitor Center orientation video was produced.
- Helping businesses navigate the challenges of civil unrest and the COVID-19 pandemic and rolling out a number of grant programs to assist.
- Building out a first-class public information strategy with newsletters, blogs, social media sites and weekly videos (almost 300 episodes of “Freehling Finds” have been produced to date).
- Highlighting the diversity of our community through the FXBG Diverse City promotion and numerous wayside panels.
- Making the entire City of Fredericksburg a Technology Zone.
- Entering into a Regional Industrial Facilities Authority for regional projects.
- Assisting with the opening of Germanna Community College’s FredCAT and the library’s MakerSpace.
- Making significant progress on the relocation of the Visitor Center and EDT office, with the sale of the current building to the EDA and subsequent efforts to market the property to the private sector. The new Visitor Center is expected to open in 2024 at 601 Caroline, which will also be home to the EDT office.
- Helping to develop the FXBG brand and beginning the rollout.
- Helping businesses navigate the 18-month closure and eventual reopening of the Chatham Bridge, which now includes greatly improved pedestrian connectivity.
- Working with the University of Mary Washington (UMW) on plans for a new performing arts center along William Street on campus.
- Conducting a Historic Structures Report on the Renwick courthouse, undertaking a visioning plan for how the facility might be reused and beginning the process of working with developers on the next chapter for the complex.
- Facilitating an agreement whereby Washington Heritage Museums (WHM) took ownership of the Mary Washington Lodge and Monument property. WHM will turn it into a tourism asset.



- Attracting new events such as the Babe Ruth World Series and retaining key ones such as the Marine Corps Historic Half.
- Working with the EDA to stand up a new business loan program called InvestFXBG and making loans to several City businesses.
- Advancing efforts to “better tell our story” with significant new historic panels around the City.
- Partnering with Fredericksburg VA Main Street and helping ensure that organization’s success.



Part 2: Review of Chmura work

In 2022, the City of Fredericksburg contracted with highly regarded Richmond-based consulting firm Chmura Economics & Analytics to lay the groundwork for this updated plan. Chmura helped the City with two reports:

1. An economic overview of the U.S., Virginia, region and City of Fredericksburg to establish current macro- and micro-economic trends shaping the economy. Chmura delivered this report to City Council at the biennial retreat October 6, 2022. The presentation can be found in Appendix One.
2. A survey of Fredericksburg business stakeholders on the City's economic development strengths, weaknesses, opportunities and threats. Forty-two members of the business community responded to the survey – including representatives from the City of Fredericksburg, UMW Center for Economic Development, Fredericksburg Regional Alliance at UMW (FRA), Fredericksburg Area Association of Realtors, Fredericksburg Nationals and a variety of local law firms, banks, Realtors, restaurateurs, and small businesses. Chmura published a report based on the survey findings on December 14, 2022, and that report can be found in Appendix Two.

These two reports have formed the foundation of a significant number of the goals laid out in this updated plan.



Part 3: Strategic Goals

Based on the Chmura work, City Council’s Priorities, the Fredericksburg Comprehensive Plan, the Economic Development Authority’s (EDA) goals for the City, and staff input, the following are the strategic economic development goals that the City of Fredericksburg will focus on for the next five years. Action items can be found under each goal.



Goal #1: Recruit new businesses to the City

The City of Fredericksburg strives to build an economy that is heavy in research-and-development and high-tech jobs. These jobs will allow a larger percentage of the region's workforce to find solid employment opportunities closer to home, thereby keeping this talented labor pool at home during the weekdays.

Action Items:

- A. Hire a Business Development Manager to focus 100 percent on business recruitment.
- B. Focus on recruitment in the industry clusters designated by the FRA and Chmura. These include defense contracting, healthcare, education, professional services, technology and hospitality.
- C. Market the City as a good place for remote work and entrepreneurialism.



Goal #2: Develop pro-business policies

Small and large businesses are the lifeblood of the community as well as the City's tax base, and steps must be taken to ensure they feel appreciated and fairly treated. That is accomplished through superior customer service, a reasonable regulatory environment, competitive tax rates, excellent business retention efforts and business-oriented initiatives.

Action Items:

- A. Enact changes to the City's BPOL tax that can make the City regionally competitive for larger, higher-grossing employers while also helping small businesses.
- B. Be an advocate for businesses in the permitting process.
- C. Promote the EDA's InvestFXBG loan program and use it to help businesses locate and expand in Fredericksburg.



Goal #3: Enhance the City’s tourism operation, with a focus on sports tourism

Tourism is a major economic driver for the City, bringing in meals, sales and lodging taxes that support the local budget while creating jobs and revenue for local businesses. A sizable percentage of the City’s annual budget is derived from tourism-related tax revenue.

Action items:

- A. Increase the lodging tax in part to create a funding source to attract events and meetings through a Tourism Opportunity Fund held by the EDA. This fund could help drive sports tourism and other initiatives that will put “heads in beds.”
- B. Relocate the Visitor Center to the Executive Plaza and make it one of the best in the Mid-Atlantic.
- C. Bring in sought-after hospitality-related businesses that aren’t currently in the market and that will drive meals, lodging and sales-tax revenue.



Goal #4: Enhance public infrastructure that will drive tourism and business growth

The City of Fredericksburg, working with its private sector partners, has made great progress over the past five years in building up tourism-related assets. More progress should occur over the next five years.

Action items:

- A. Build upon and enhance the City's walkability and trails network, including an eventual uninterrupted connection between Dixon Park and Motts Run Reservoir. Build sports tourism assets at existing facilities, both City-owned and non-City-owned. Continue to add to the City's tree canopy.
- B. Complete the planned improvements to Riverfront Park – including adding restrooms and a covered stage, and finishing the Meadows section of the park.
- C. Create additional parking and electric-vehicle charging stations where feasible – including downtown and around the stadium. Continue to make improvements to the downtown train station and promote Fredericksburg as a rail destination.



Goal #5: Redevelop City consistently with Small Area Plans

Fredericksburg is a small City with limited “greenfield” sites, so a focus of economic development efforts will be redeveloping older sites consistent with our Small Area Plans. Efforts should always be made to enhance the tree canopy and walkability as part of the re-development process.

Action items:

- A. Work with developers to replace older strip shopping centers along U.S. 1 and State Route 3 with mixed-use centers such as Eagle Village. This has the opportunity to bring a mix of newer residential and commercial projects to the City. Also included in this goal will be to ensure Central Park remains relevant and vibrant.
- B. Drive improvement to the City’s downtown gateway corridors along Lafayette Boulevard, William Street and Princess Anne Street, including adding FXBG branding and bringing “Creative Maker” businesses to these areas.
- C. Work with developers to re-imagine some of the City’s prime redevelopment sites – including the downtown Post Office, the area around the train station, the former hospital and PNC building on Fall Hill Avenue, and the former Roxbury Mills site. Always be mindful of historic preservation in these pursuits to attractively blend the new with the old.



Goal #6: Maximize the potential of the City's few remaining greenfield sites

The City of Fredericksburg has precious few large-scale development opportunities, making it important to maximize the potential of each.

Action items:

- A. Work with developers to plan the improvements to the Hylton site, ensuring a four-lane connection between State Route 3 and Cowan Boulevard and a vibrant mix of uses.
- B. Complete the initial vision of Celebrate Virginia by bringing attractive commercial and residential development to the remaining undeveloped land along Gordon Shelton Boulevard, Fall Hill Avenue and Carl D. Silver Parkway.
- C. Look to enhance FXBG branding opportunities for the City along these key gateway properties.



Goal #7: Help create a competitive workforce

Having access to a prepared workforce is one of the key things businesses look for when making location decisions. The City should work with its community partners to do everything possible to ensure the workforce is prepared.

Action items:

- A. Help Germanna Community College expand the Fredericksburg Center for Advanced Technology (FredCAT) in the City.
- B. Partner with UMW on both educational programming and cultural amenities (e.g. new performing arts center) that will attract highly skilled workers to Fredericksburg.
- C. Work with Fredericksburg City Public Schools on internship opportunities and other programs to enhance the education offered to City children.



Goal #8: Enhance the City's marketing strategy

The City of Fredericksburg is a wonderful place to start a business, raise a family and visit, and a significant part of EDT's work will focus on letting people know that.

Action items:

- A. Make continual improvements to EDT's suite of products: Fred Focus, Freehling Finds, social media, FXBG.com, FredericksburgVA.com and more.
- B. Ensure that the City is reflecting its rich history and diversity in marketing efforts.
- C. Build up the economic development marketing strategy alongside the existing tourism marketing strategy.



Goal #9: Help develop an entrepreneurial ecosystem

A large percentage of the City's job growth in the decades to come will likely come from entrepreneurs. As such, the City will support this community.

Action items:

- A. Facilitate co-working spaces to create flexible work environments for entrepreneurs.
- B. Gradually raise the revenue threshold for the business license tax to help small businesses.
- C. Invest in and support the Fredericksburg Regional Alliance's efforts to create an angel fund network.



Goal #10: Analyze City-owned real estate

The City of Fredericksburg has a number of under-utilized buildings that could be the subject of either outright sales or partnerships to enhance tax revenue and economic development.

Action items:

- A. Partner with Washington Heritage Museums on the exciting plans for converting the Mary Washington Lodge and Monument into a tourism asset.
- B. Work through a public process for the Renwick and Old Stone Warehouse properties to evaluate potential future uses.
- C. Ensure the success of the purchaser of the current Visitor Center property at 706 Caroline Street.



For more information

People wishing to contact the Fredericksburg Department of Economic Development and Tourism can do so through the following EDT staff members, each of whom can also be reached by calling 540-372-1216:

Bill Freehling, Director of Economic Development and Tourism

bfreehling@fredericksburgva.gov

Amy Peregoy, Economic Development Specialist

aperegoy@fredericksburgva.gov

**APPENDIX ONE:
CHMURA
PRESENTATION TO
CITY COUNCIL**





CHMURA

Economic Update and Overview: U.S. and City of Fredericksburg

October 6, 2022

Overview

- National Economy
 - Labor market is tight
 - Inflation is high and driving Fed behavior
 - Recession is likely
 - City of Fredericksburg
 - Employment growing slightly slower than nation
 - Tight labor market
 - Now more than ever, economic developers need to work with educators
 - Population growth has slowed
-

Two General Measures Show Inflation is Near a 40-Yr High: Personal Consumption Expenditure Price (PCE) Index and Consumer Price Index (CPI)

PCE Chain Type Index and CPI
Percent Change, Year-Over-Year



Sources: BEA and BLS.
Data through July 2022.

Lockdown Shifted Demand to Goods and Away From Services

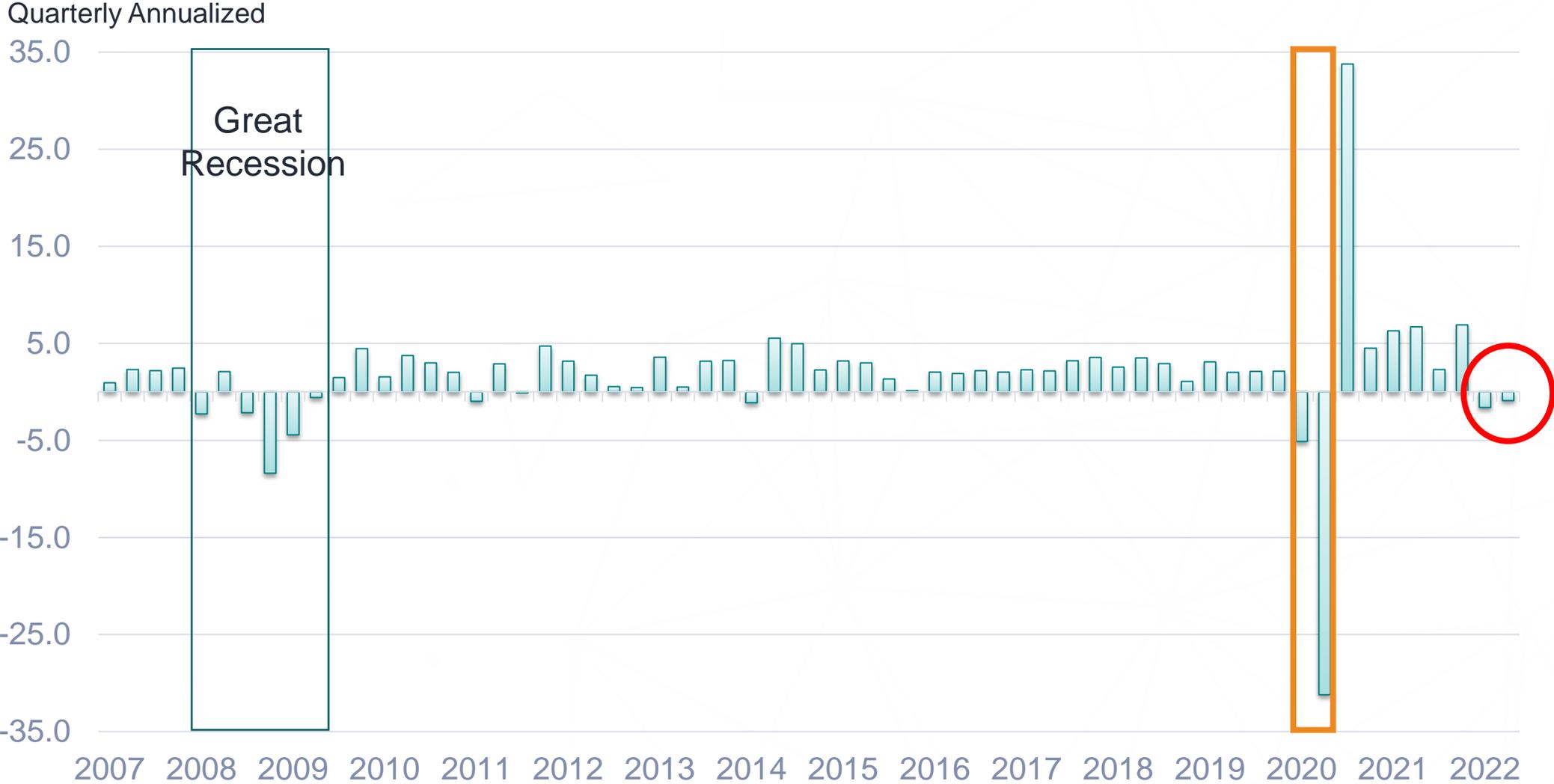
Consumer Price Index
Percent Change, Year-Over-Year



Inflation Is Not Good For Long-Term Economic Growth

- It is a regressive tax
- It distorts decision making
 - Inventory accumulation
 - Can lead to deeper recessions
- It can spiral upward with wages rising and inflation expectations 'unanchored'
- It can lead to recession if Fed continues to raise rates

Doesn't Two Consecutive Declines in Real GDP Qualify As Recession?

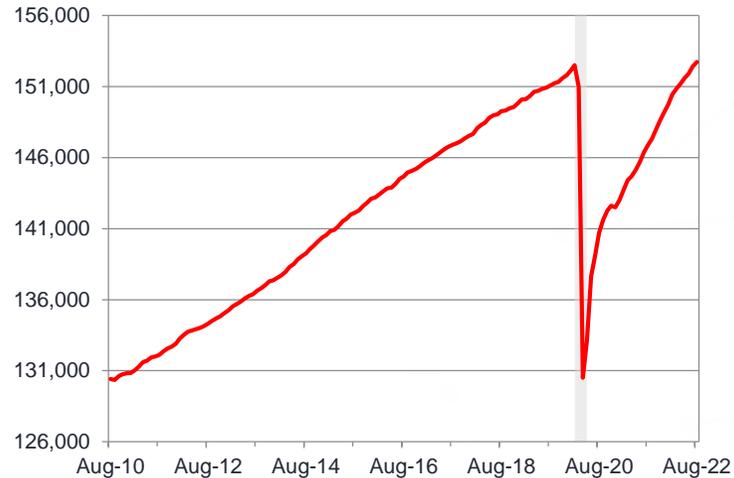


Source: BEA and Chmura

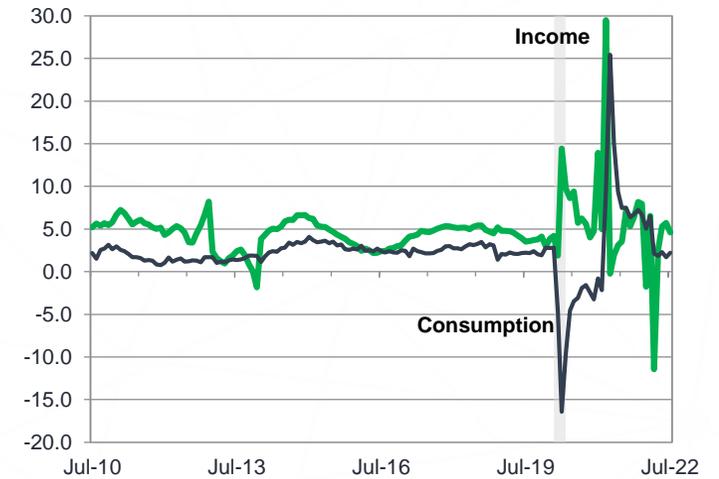
No, Not 2 Straight Declines in GDP

NBER is the Arbiter of Recession in U.S.

Nonfarm Employment, in Thousands

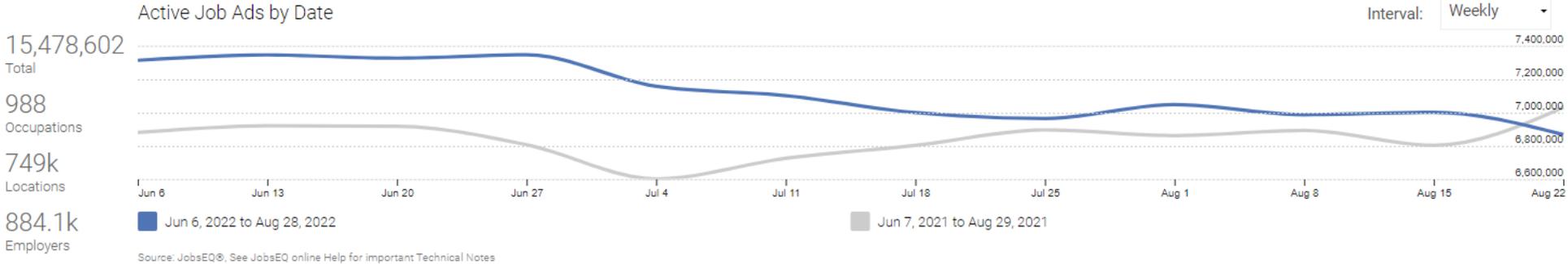


Personal Income and Consumption
Percent Change, Year-Over-Year



Industrial Production
Percent Change, Year-Over-Year





The Economy is Slowing: Job Ads -6.5% Since June 27

Occupations

Display Level: O*NET Occupation: 8-digit SOC

<input type="checkbox"/>	soc	Occupation	Active Job Ads
<input type="checkbox"/>	29-1141.00	Registered Nurses	729,855
<input type="checkbox"/>	41-2031.00	Retail Salespersons	490,752
<input type="checkbox"/>	41-1011.00	First-Line Supervisors of Retail Sales Workers	483,778
<input type="checkbox"/>	53-7065.00	Stockers and Order Fillers	425,539
<input type="checkbox"/>	11-3021.00	Computer and Information Systems Managers	370,568
<input type="checkbox"/>	53-3032.00	Heavy and Tractor-Trailer Truck Drivers	344,882
<input type="checkbox"/>	15-1252.00	Software Developers	320,766
<input type="checkbox"/>	35-3023.00	Fast Food and Counter Workers	293,655
<input type="checkbox"/>	11-9111.00	Medical and Health Services Managers	262,536
<input type="checkbox"/>	35-1012.00	First-Line Supervisors of Food Preparation and Serving Workers	249,518

Source: JobsEQ®
 Data reflect online job postings that were active from 6/05/2022 to 9/05/2022
 See JobsEQ online Help for important Technical Notes

Max Rows: 10

2,371,080

Total

942

Occupations

172.4k

Locations

3.7k

Employers

1.3k

Certifications

2.8k

Hard Skills

109

Soft Skills

688.8k

Job Titles

6

Education Levels

616

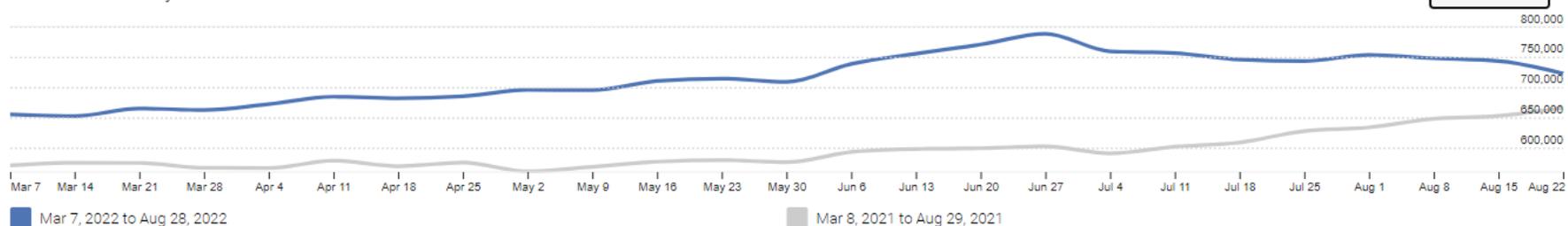
Programs

9

Job Types

Active Job Ads by Date

Interval: Weekly



Occupations

Display Level: O*NET Occupation: 8-digit SOC

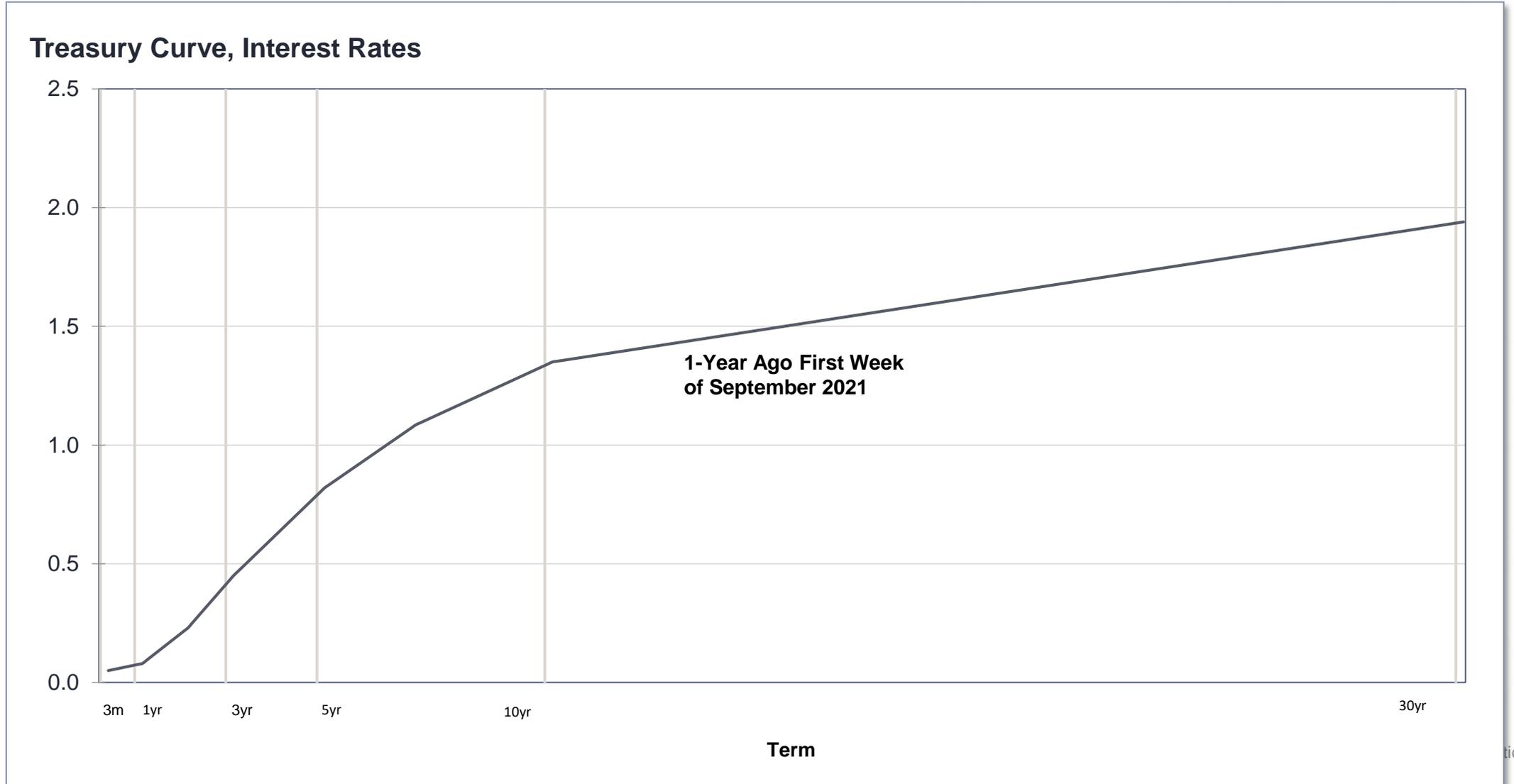
<input type="checkbox"/>	soc	Occupation	Active Job Ads
<input type="checkbox"/>	29-1141.00	Registered Nurses	235,998
<input type="checkbox"/>	15-1252.00	Software Developers	96,008
<input type="checkbox"/>	53-7065.00	Stockers and Order Fillers	68,798
<input type="checkbox"/>	11-3021.00	Computer and Information Systems Managers	63,394
<input type="checkbox"/>	53-7062.00	Laborers and Freight, Stock, and Material Movers, Hand	58,163
<input type="checkbox"/>	51-9199.00	Production Workers, All Other	53,982
<input type="checkbox"/>	15-1232.00	Computer User Support Specialists	52,588
<input type="checkbox"/>	13-2011.00	Accountants and Auditors	49,076
<input type="checkbox"/>	43-6014.00	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	46,115
<input type="checkbox"/>	29-1127.00	Speech-Language Pathologists	44,937

Source: JobsEQ®
 Data reflect online job postings that were active from 3/05/2022 to 9/05/2022
 See JobsEQ online Help for important Technical Notes

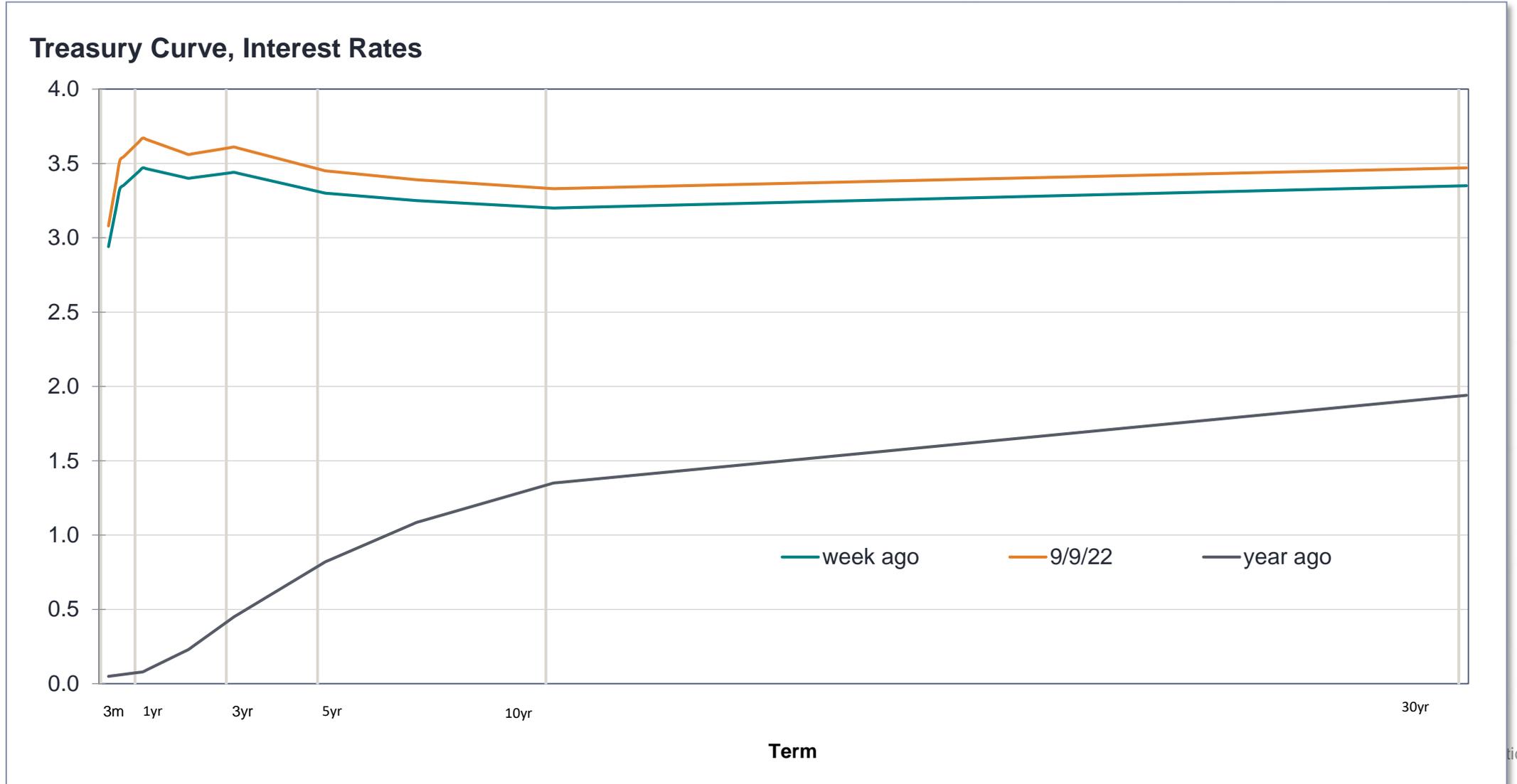
Max Rows: 10

Job Ads for Staffing Firms -8.3% Since June 27

Raising Federal Funds Rate Target Too Much Will Invert the Yield Curve



An Inverted Yield Curve Typically Precedes a Recession (3-Month Bill vs. 10-Yr Note)



Latest Thoughts From Fed Officials Point to Further Increases in Federal Funds Rate Target

- Federal Reserve Bank of Cleveland President and CEO Loretta Mester, WSJ, September 10, 2022
 - “...elevated inflation was leading her to conclude the central bank would need to raise the central bank’s benchmark federal-funds rate to around 4% somewhat sooner than she had anticipated.”
- Fed Governor Christopher Waller, WSJ, September 10, 2022
 - “...the Fed would need to lift the rate well above 4% if inflation accelerates in the coming months, and officials might be able to stop raising it shy of 4% if inflation suddenly decelerates, he said.”
- Chair Jerome H. Powell, Jackson Hole, Wyoming
 - “We are moving our policy stance purposefully to a level that will be sufficiently restrictive to return inflation to 2 percent.”
 - “Our monetary policy deliberations and decisions build on what we have learned about inflation dynamics both from the high and volatile inflation of the 1970s and 1980s, and from the low and stable inflation of the past quarter-century.”

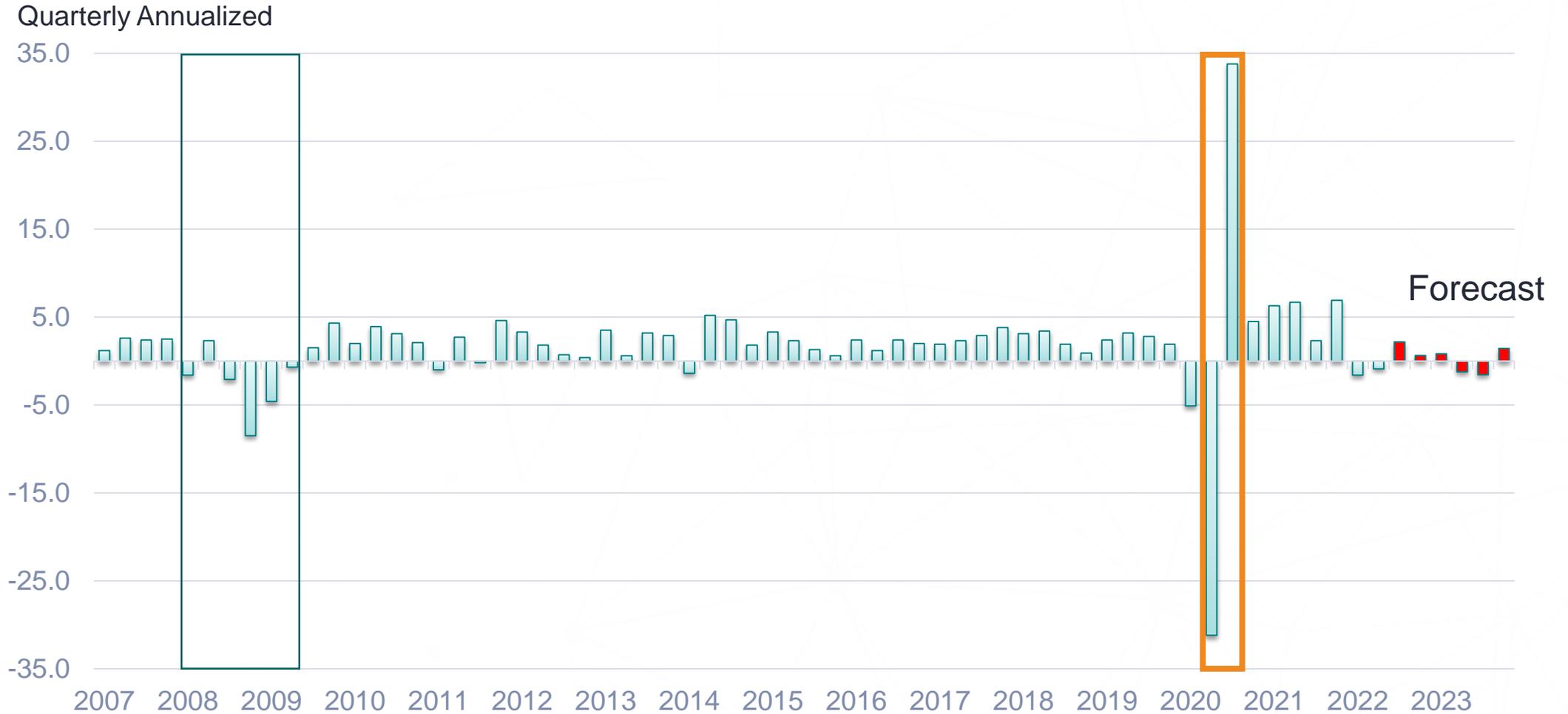
Federal Reserve Chair Jerome Powell, August 19, 2022 (quote, emphasis mine)

- *Restoring price stability will take some time and **requires using our tools forcefully** to bring demand and supply into better balance. Reducing inflation is likely to **require a sustained period of below-trend growth**.*
- *Moreover, there will very likely be some **softening of labor market conditions**.*
- *While higher interest rates, slower growth, and softer labor market conditions will bring down inflation, they will also **bring some pain to households and businesses**.*
- *These are the unfortunate costs of reducing inflation. But a **failure to restore price stability would mean far greater pain***
- *“To bring price increases down to 2%, we may need to tolerate unemployment of 6.5% for two years.” Jason Furman, WSJ, 9-8-22*



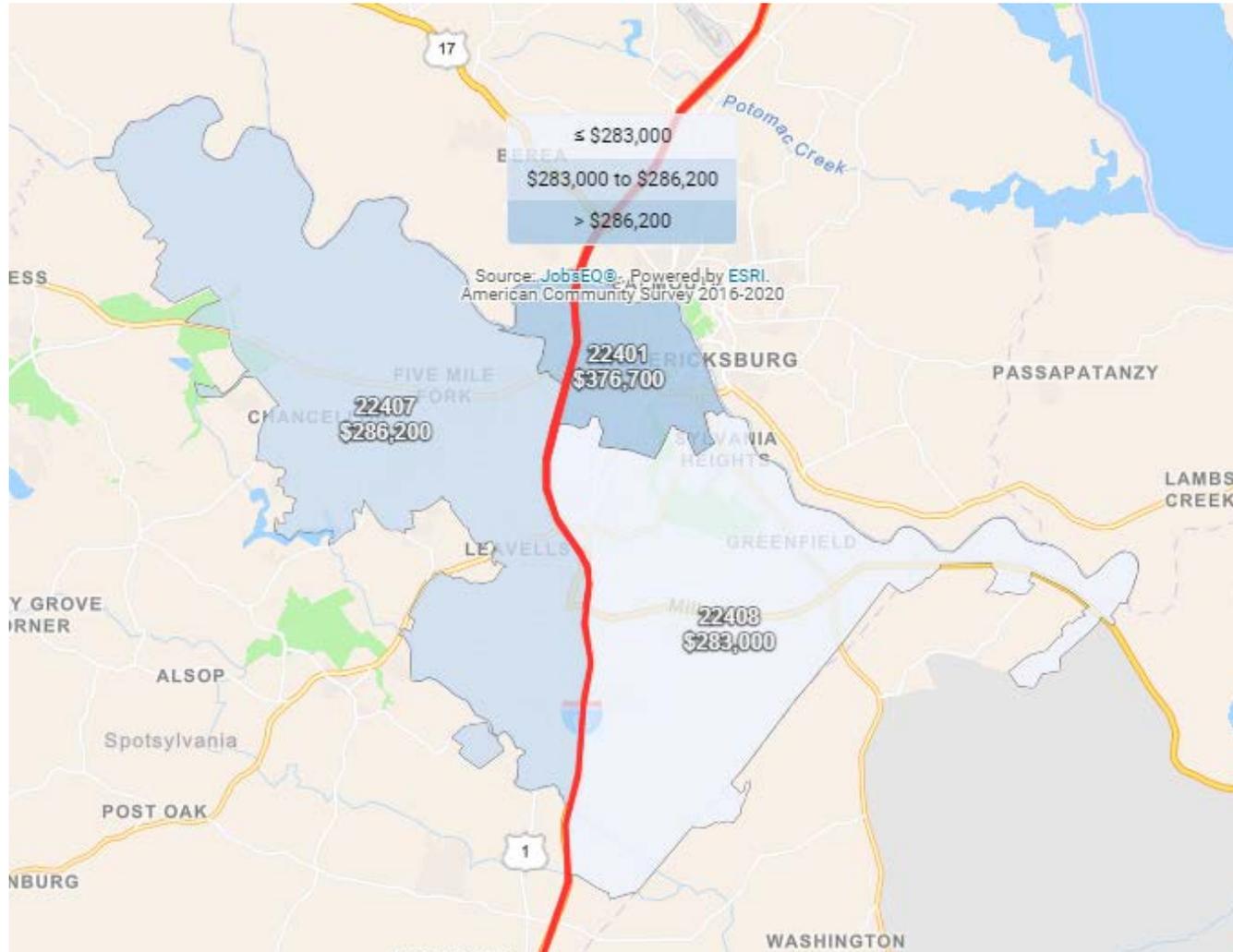
SOFT LANDING?

Real GDP Has Slowed—'Official' Recession in Our Forecast

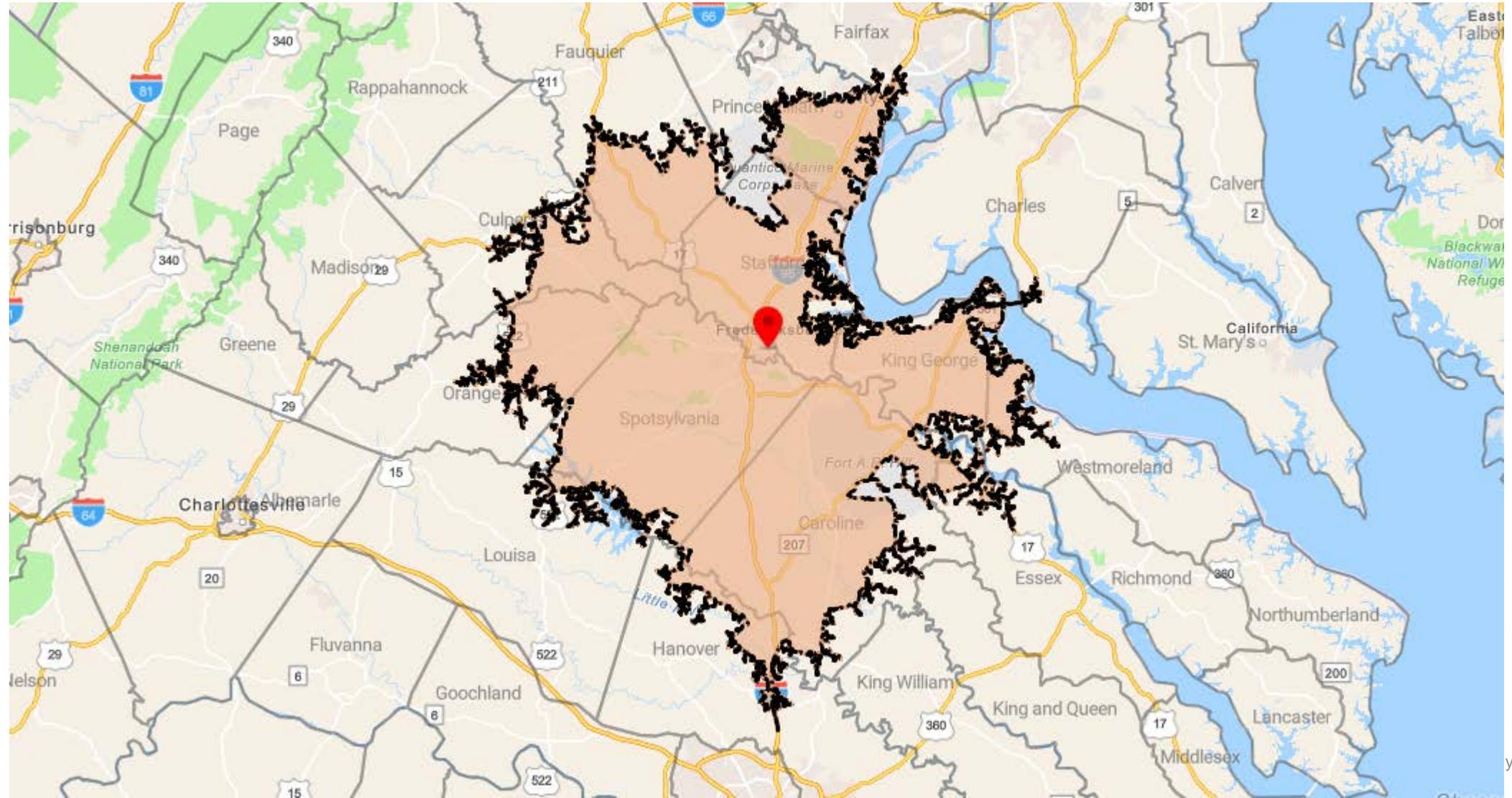


Source: BEA and Chmura

Median House Value of Owner-occupied Units

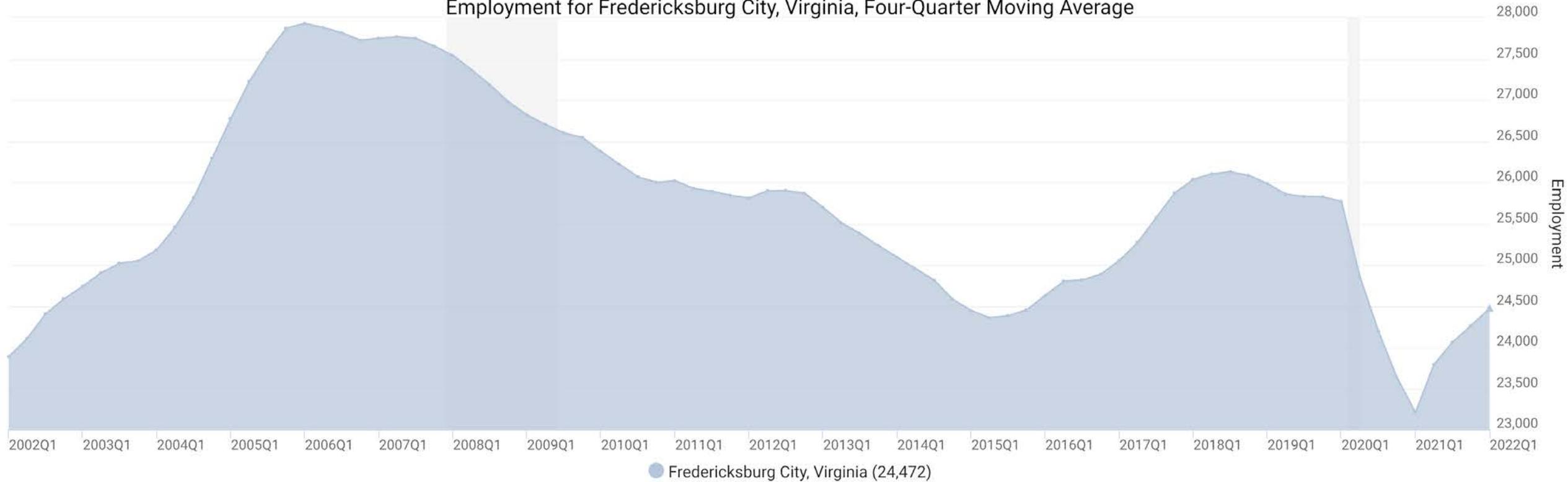


Fredericksburg Labor Shed Extends Beyond City Limits (1013 Lafayette Blvd; Fredericksburg Battlefield Visitor Center) 45-Minute Drivetime



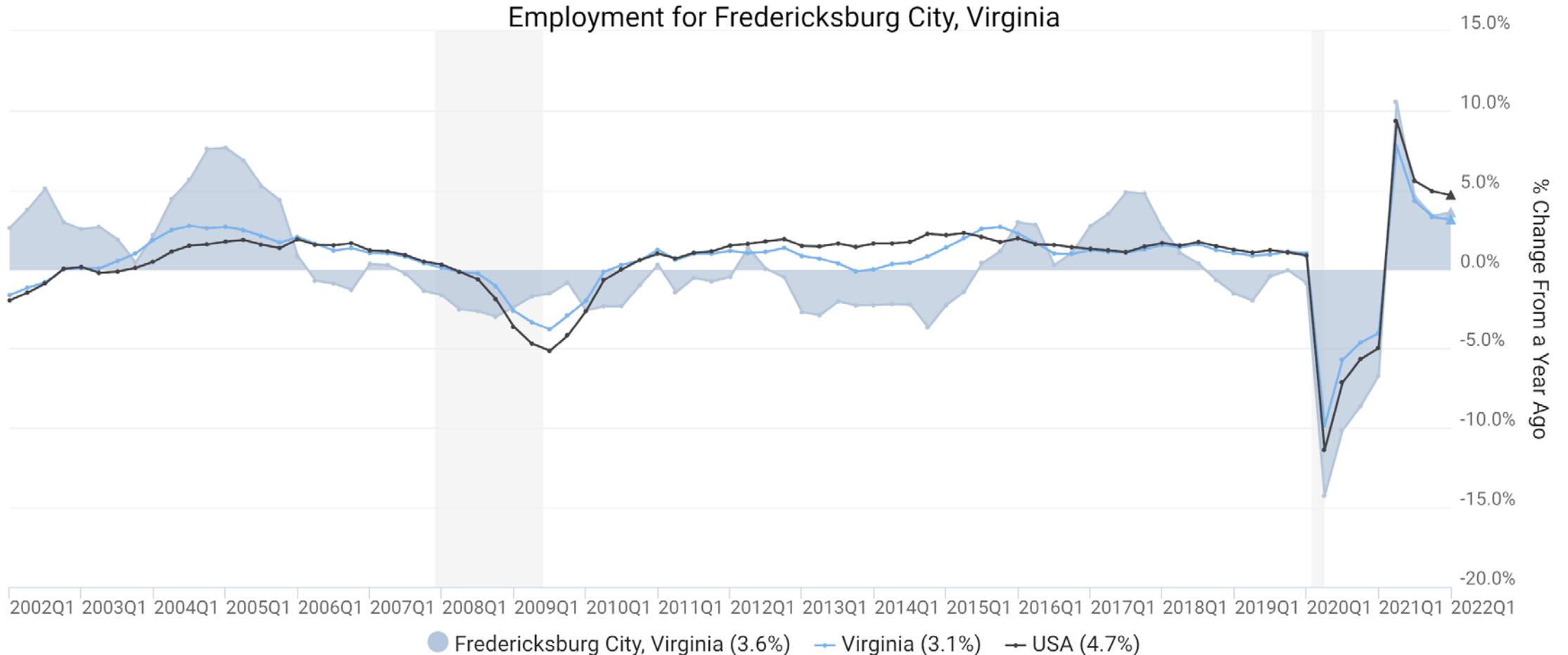
Fredericksburg Employment is 1,299 Jobs Below Pre-Covid Peak, 2022Q1

Employment for Fredericksburg City, Virginia, Four-Quarter Moving Average



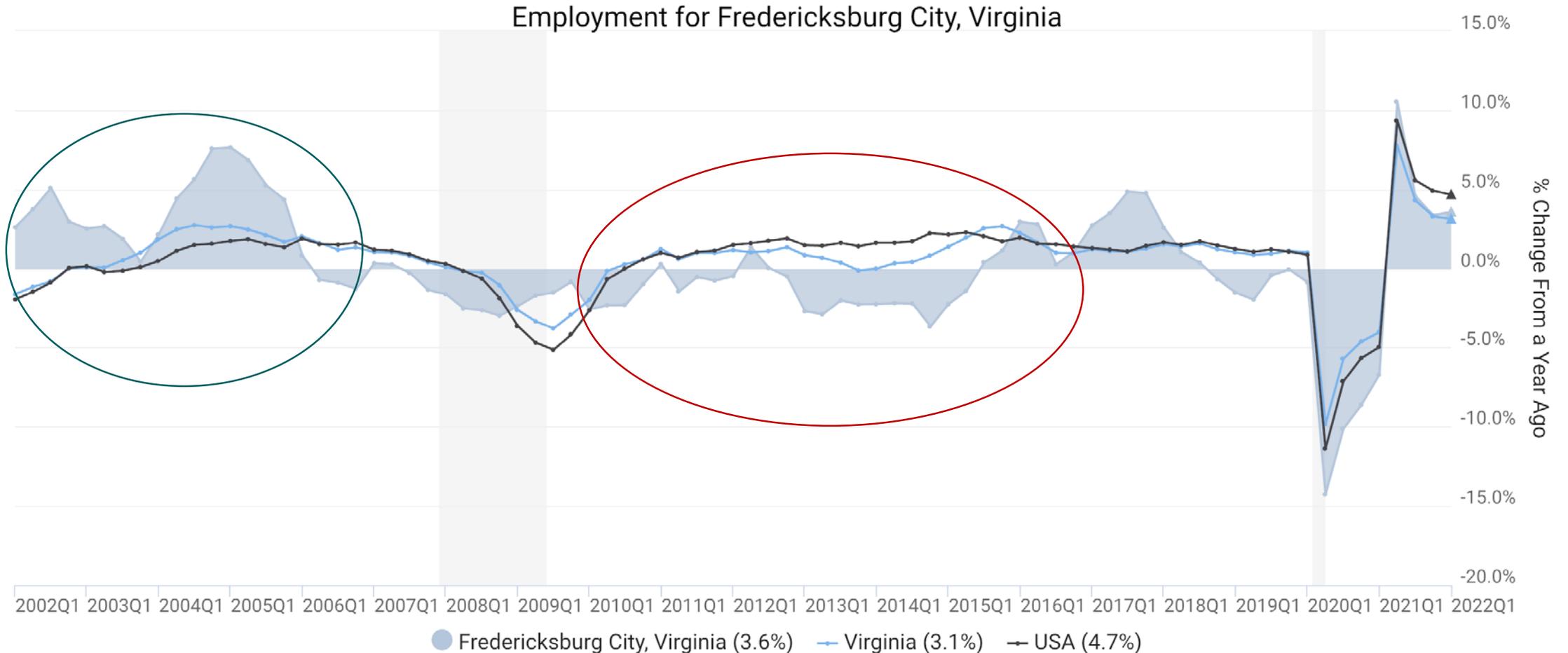
Source: JobsEQ®. Data as of 2022Q1. The shaded areas of the graph represent national recessions.

Employment More Volatile, Partly Because of Relatively Small Employment Base



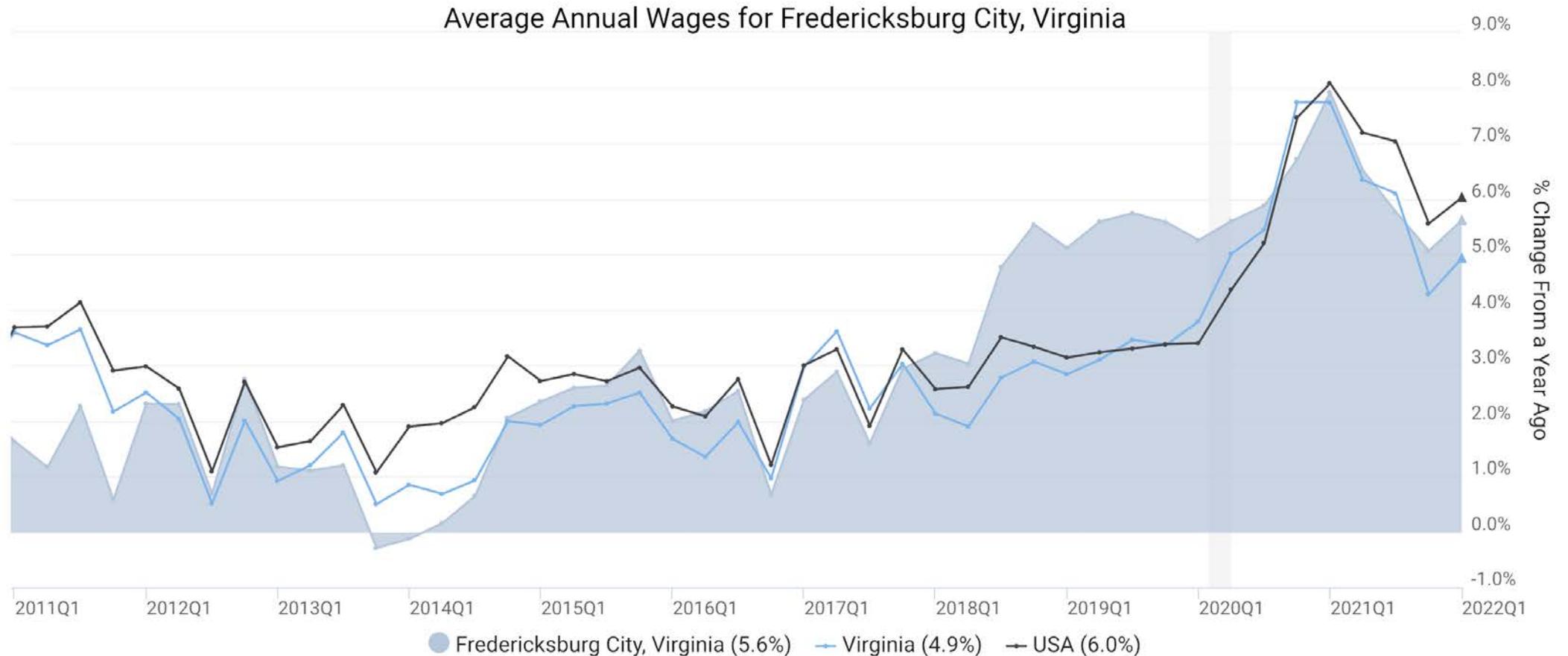
Source: JobsEQ®. Data as of 2022Q1. The shaded areas of the graph represent national recessions.

Employment More Volatile, Partly Because of Relatively Small Employment Base



Source: JobsEQ®. Data as of 2022Q1. The shaded areas of the graph represent national recessions.

Changing Mix of Jobs Favor Higher Wages

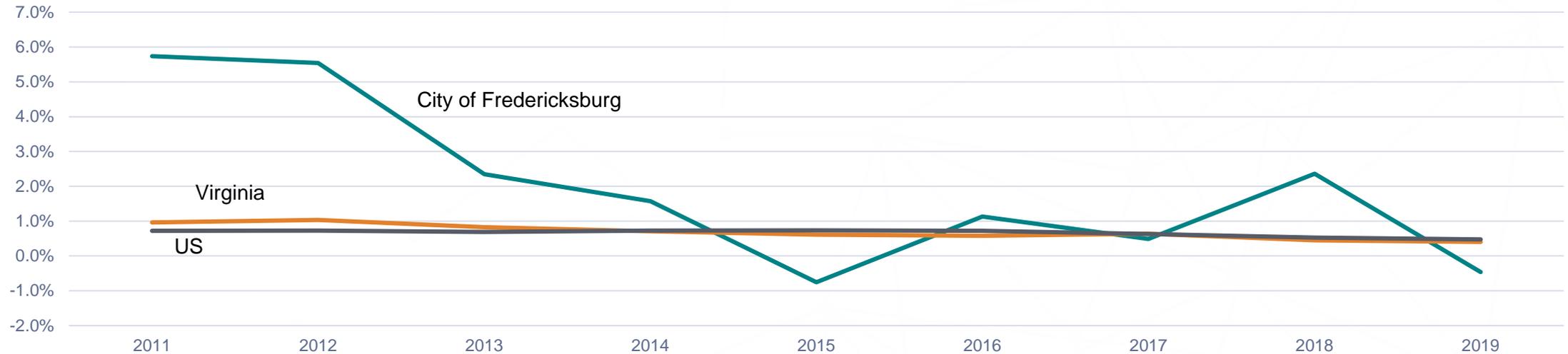


Source: JobsEQ®. Data as of 2022Q1. The shaded areas of the graph represent national recessions.

Population Growth Has Slowed in Fredericksburg

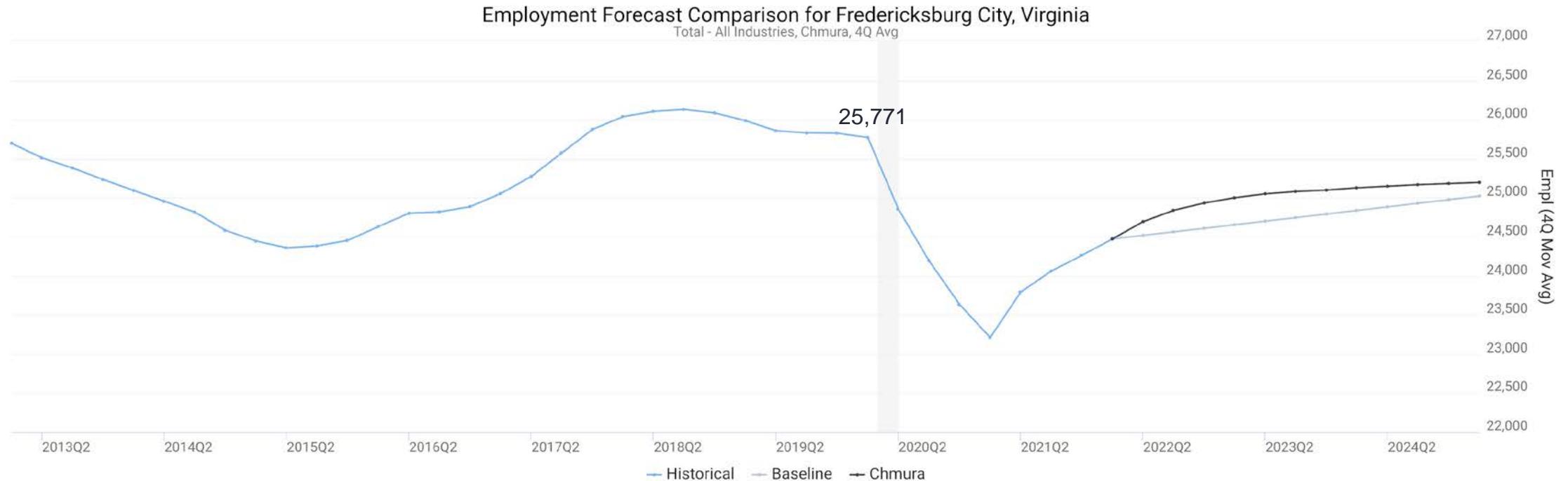


Population Growth Has Slowed in Fredericksburg



- City of Fredericksburg
 - Estimated 28,367 in 2021 by Census
 - Annual average growth rate 0.3% over next 8 years
- Average annual growth rate is slower than state and nation
 - Virginia: Annual average growth rate slows from 0.5%
 - U.S.: Annual average growth rate slows to 0.6%

Economic Development Success Will Be Important to Employment Growth



Source: JobsEQ® Data as of 2022Q1

800 Jobs at VA Fredericksburg Health Care Center in Late 2024 Will Take Employment to Pre-Covid Level

Multipliers for Ambulatory Health Care Services

	Direct	Indirect	Induced	Total
Employment	1.00	0.09	0.34	1.43
Sales/Output	1.00	0.09	0.35	1.44
Compensation	1.00	0.07	0.21	1.28

Source: JobsEQ®
Data as of 2022Q1
Note: Figures may not sum due to rounding.

800 Jobs at Virginia Fredericksburg Health Care Center in Late 2024 Will Multiply Into 1,141 Jobs

Multipliers for Ambulatory Health Care Services

	Direct	Indirect	Induced	Total
Employment	1.00	0.09	0.34	1.43
Sales/Output	1.00	0.09	0.35	1.44
Compensation	1.00	0.07	0.21	1.28

Source: JobsEQ®
Data as of 2022Q1
Note: Figures may not sum due to rounding.

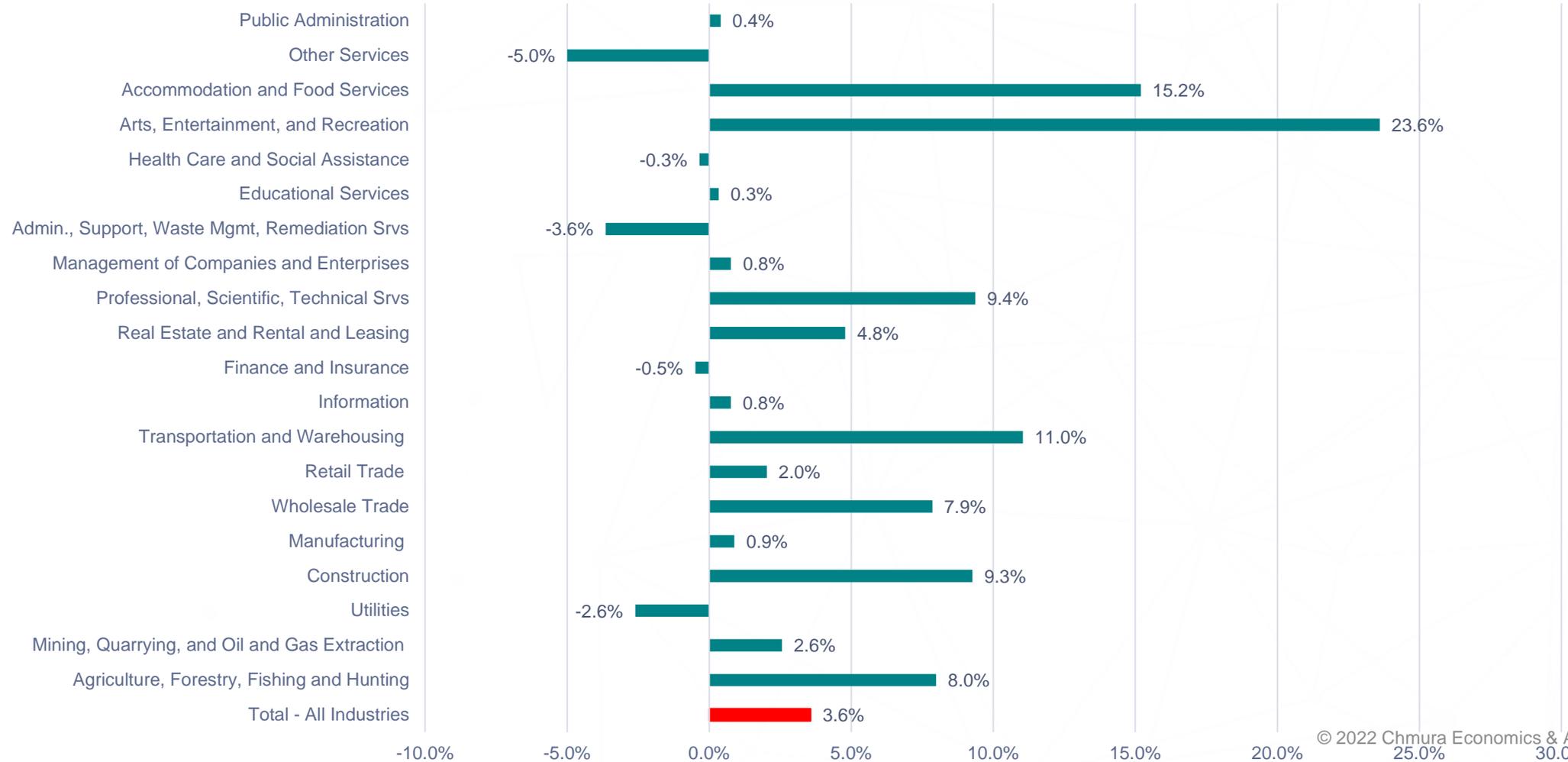
Fredericksburg City, Virginia Annual Impact of Ambulatory Health Care Services (Event Size = 800)

	Direct	Indirect	Induced	Total
Employment	800	73	268	1,141
Sales/Output	\$131,652,873	\$11,410,313	\$45,947,546	\$189,010,732
Compensation	\$64,745,246	\$4,636,115	\$13,738,325	\$83,119,686

Source: JobsEQ®
Data as of 2022Q1

Employment Growing Slower Than National Average of 4.7%

Fredericksburg, 2021Q1-2022Q1



Tight Labor Market: July 2022 Unemployment Rate Has Fallen to 3.5% in July Compared to 3.6% in the U.S.



Fredericksburg Employment Expected To Grow 2.2% Next Year Compared with 2.4% in U.S.

(10-Year Annual Average Growth Expected at 0.4% compared with 0.5% in Nation)

Industry	Current, 2022Q1			2-Year History		1-Year Forecast				
	Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
Accommodation and Food Services	3,686	\$24,033	1.83	-490	-6.0%	843	271	370	202	5.5%
Educational Services	1,600	\$46,571	0.82	-253	-7.1%	206	68	85	52	3.3%
Public Administration	1,122	\$70,164	0.97	-174	-7.0%	98	40	64	-7	-0.6%
Other Services (except Public Administration)	1,101	\$36,700	1.04	-157	-6.5%	148	51	73	24	2.2%
Retail Trade	3,533	\$33,789	1.39	-143	-2.0%	504	193	285	26	0.7%
Finance and Insurance	624	\$105,261	0.62	-105	-7.5%	53	19	37	-3	-0.4%
Information	256	\$58,538	0.52	-102	-15.5%	29	8	16	5	1.8%
Manufacturing	358	\$50,425	0.18	-100	-11.6%	43	13	25	5	1.5%
Administrative and Support and Waste Management and Remediation Services	691	\$40,379	0.44	-46	-3.2%	105	31	51	23	3.3%
Arts, Entertainment, and Recreation	458	\$22,450	1.04	-41	-4.2%	112	27	39	45	9.9%
Wholesale Trade	352	\$65,731	0.38	-23	-3.2%	45	13	25	8	2.2%
Transportation and Warehousing	391	\$49,627	0.32	-17	-2.1%	48	17	27	4	1.1%
Construction	762	\$64,935	0.53	-15	-0.9%	87	24	51	12	1.6%
Agriculture, Forestry, Fishing and Hunting	7	\$16,742	0.02	-12	-39.8%	1	0	1	0	-0.1%
Utilities	93	\$76,328	0.74	0	0.2%	8	3	6	-1	-0.8%
Real Estate and Rental and Leasing	449	\$63,968	1.05	12	1.4%	52	19	26	7	1.5%
Health Care and Social Assistance	6,224	\$68,174	1.76	52	0.4%	648	269	326	53	0.9%
Management of Companies and Enterprises	942	\$114,677	2.57	130	7.7%	106	29	56	21	2.2%
Professional, Scientific, Technical Services	1,743	\$108,677	0.99	169	5.2%	195	53	101	41	2.4%
Total - All Industries	24,472	\$55,261	1.00	-1,299	-2.6%	3,237	1,067	1,643	527	2.2%

Some Industries Still Shy of Covid Peak Employment

Industry	Current, 2022Q1			2-Year History		1-Year Forecast				
	Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
Accommodation and Food Services	3,686	\$24,033	1.83	-490	-6.0%	843	271	370	202	5.5%
Educational Services	1,600	\$46,571	0.82	-253	-7.1%	206	68	85	52	3.3%
Public Administration	1,122	\$70,164	0.97	-174	-7.0%	98	40	64	-7	-0.6%
Other Services (except Public Administration)	1,101	\$36,700	1.04	-157	-6.5%	148	51	73	24	2.2%
Retail Trade	3,533	\$33,789	1.39	-143	-2.0%	504	193	285	26	0.7%
Finance and Insurance	624	\$105,261	0.62	-105	-7.5%	53	19	37	-3	-0.4%
Information	256	\$58,538	0.52	-102	-15.5%	29	8	16	5	1.8%
Manufacturing	358	\$50,425	0.18	-100	-11.6%	43	13	25	5	1.5%
Administrative and Support and Waste Management and Remediation Services	691	\$40,379	0.44	-46	-3.2%	105	31	51	23	3.3%
Arts, Entertainment, and Recreation	458	\$22,450	1.04	-41	-4.2%	112	27	39	45	9.9%
Wholesale Trade	352	\$65,731	0.38	-23	-3.2%	45	13	25	8	2.2%
Transportation and Warehousing	391	\$49,627	0.32	-17	-2.1%	48	17	27	4	1.1%
Construction	762	\$64,935	0.53	-15	-0.9%	87	24	51	12	1.6%
Agriculture, Forestry, Fishing and Hunting	7	\$16,742	0.02	-12	-39.8%	1	0	1	0	-0.1%
Utilities	93	\$76,328	0.74	0	0.2%	8	3	6	-1	-0.8%
Real Estate and Rental and Leasing	449	\$63,968	1.05	12	1.4%	52	19	26	7	1.5%
Health Care and Social Assistance	6,224	\$68,174	1.76	52	0.4%	648	269	326	53	0.9%
Management of Companies and Enterprises	942	\$114,677	2.57	130	7.7%	106	29	56	21	2.2%
Professional, Scientific, Technical Services	1,743	\$108,677	0.99	169	5.2%	195	53	101	41	2.4%
Total - All Industries	24,472	\$55,261	1.00	-1,299	-2.6%	3,237	1,067	1,643	527	2.2%

Competitive Advantage in 4 Major Sectors

Industry	Current, 2022Q1			2-Year History		1-Year Forecast			Empl Growth	Ann % Growth
	Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers		
Accommodation and Food Services	3,686	\$24,033	1.83	-490	-6.0%	843	271	370	202	5.5%
Educational Services	1,600	\$46,571	0.82	-253	-7.1%	206	68	85	52	3.3%
Public Administration	1,122	\$70,164	0.97	-174	-7.0%	98	40	64	-7	-0.6%
Other Services (except Public Administration)	1,101	\$36,700	1.04	-157	-6.5%	148	51	73	24	2.2%
Retail Trade	3,533	\$33,789	1.39	-143	-2.0%	504	193	285	26	0.7%
Finance and Insurance	624	\$105,261	0.62	-105	-7.5%	53	19	37	-3	-0.4%
Information	256	\$58,538	0.52	-102	-15.5%	29	8	16	5	1.8%
Manufacturing	358	\$50,425	0.18	-100	-11.6%	43	13	25	5	1.5%
Administrative and Support and Waste Management and Remediation Services	691	\$40,379	0.44	-46	-3.2%	105	31	51	23	3.3%
Arts, Entertainment, and Recreation	458	\$22,450	1.04	-41	-4.2%	112	27	39	45	9.9%
Wholesale Trade	352	\$65,731	0.38	-23	-3.2%	45	13	25	8	2.2%
Transportation and Warehousing	391	\$49,627	0.32	-17	-2.1%	48	17	27	4	1.1%
Construction	762	\$64,935	0.53	-15	-0.9%	87	24	51	12	1.6%
Agriculture, Forestry, Fishing and Hunting	7	\$16,742	0.02	-12	-39.8%	1	0	1	0	-0.1%
Utilities	93	\$76,328	0.74	0	0.2%	8	3	6	-1	-0.8%
Real Estate and Rental and Leasing	449	\$63,968	1.05	12	1.4%	52	19	26	7	1.5%
Health Care and Social Assistance	6,224	\$68,174	1.76	52	0.4%	648	269	326	53	0.9%
Management of Companies and Enterprises	942	\$114,677	2.57	130	7.7%	106	29	56	21	2.2%
Professional, Scientific, Technical Services	1,743	\$108,677	0.99	169	5.2%	195	53	101	41	2.4%
Total - All Industries	24,472	\$55,261	1.00	-1,299	-2.6%	3,237	1,067	1,643	527	2.2%

10 of 20 Major Sectors Pay Better Than Average Wages

Industry	Current, 2022Q1			2-Year History		1-Year Forecast			Empl Growth	Ann % Growth
	Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers		
Accommodation and Food Services	3,686	\$24,033	1.83	-490	-6.0%	843	271	370	202	5.5%
Educational Services	1,600	\$46,571	0.82	-253	-7.1%	206	68	85	52	3.3%
Public Administration	1,122	\$70,164	0.97	-174	-7.0%	98	40	64	-7	-0.6%
Other Services (except Public Administration)	1,101	\$36,700	1.04	-157	-6.5%	148	51	73	24	2.2%
Retail Trade	3,533	\$33,789	1.39	-143	-2.0%	504	193	285	26	0.7%
Finance and Insurance	624	\$105,261	0.62	-105	-7.5%	53	19	37	-3	-0.4%
Information	256	\$58,538	0.52	-102	-15.5%	29	8	16	5	1.8%
Manufacturing	358	\$50,425	0.18	-100	-11.6%	43	13	25	5	1.5%
Administrative and Support and Waste Management and Remediation Services	691	\$40,379	0.44	-46	-3.2%	105	31	51	23	3.3%
Arts, Entertainment, and Recreation	458	\$22,450	1.04	-41	-4.2%	112	27	39	45	9.9%
Wholesale Trade	352	\$65,731	0.38	-23	-3.2%	45	13	25	8	2.2%
Transportation and Warehousing	391	\$49,627	0.32	-17	-2.1%	48	17	27	4	1.1%
Construction	762	\$64,935	0.53	-15	-0.9%	87	24	51	12	1.6%
Agriculture, Forestry, Fishing and Hunting	7	\$16,742	0.02	-12	-39.8%	1	0	1	0	-0.1%
Utilities	93	\$76,328	0.74	0	0.2%	8	3	6	-1	-0.8%
Real Estate and Rental and Leasing	449	\$63,968	1.05	12	1.4%	52	19	26	7	1.5%
Health Care and Social Assistance	6,224	\$68,174	1.76	52	0.4%	648	269	326	53	0.9%
Management of Companies and Enterprises	942	\$114,677	2.57	130	7.7%	106	29	56	21	2.2%
Professional, Scientific, Technical Services	1,743	\$108,677	0.99	169	5.2%	195	53	101	41	2.4%
Total - All Industries	24,472	\$55,261	1.00	-1,299	-2.6%	3,237	1,067	1,643	527	2.2%

Employment in Most Industries Expected to Grow

Industry	Current, 2022Q1			2-Year History		1-Year Forecast			Empl Growth	Ann % Growth
	Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers		
Accommodation and Food Services	3,686	\$24,033	1.83	-490	-6.0%	843	271	370	202	5.5%
Educational Services	1,600	\$46,571	0.82	-253	-7.1%	206	68	85	52	3.3%
Public Administration	1,122	\$70,164	0.97	-174	-7.0%	98	40	64	-7	-0.6%
Other Services (except Public Administration)	1,101	\$36,700	1.04	-157	-6.5%	148	51	73	24	2.2%
Retail Trade	3,533	\$33,789	1.39	-143	-2.0%	504	193	285	26	0.7%
Finance and Insurance	624	\$105,261	0.62	-105	-7.5%	53	19	37	-3	-0.4%
Information	256	\$58,538	0.52	-102	-15.5%	29	8	16	5	1.8%
Manufacturing	358	\$50,425	0.18	-100	-11.6%	43	13	25	5	1.5%
Administrative and Support and Waste Management and Remediation Services	691	\$40,379	0.44	-46	-3.2%	105	31	51	23	3.3%
Arts, Entertainment, and Recreation	458	\$22,450	1.04	-41	-4.2%	112	27	39	45	9.9%
Wholesale Trade	352	\$65,731	0.38	-23	-3.2%	45	13	25	8	2.2%
Transportation and Warehousing	391	\$49,627	0.32	-17	-2.1%	48	17	27	4	1.1%
Construction	762	\$64,935	0.53	-15	-0.9%	87	24	51	12	1.6%
Agriculture, Forestry, Fishing and Hunting	7	\$16,742	0.02	-12	-39.8%	1	0	1	0	-0.1%
Utilities	93	\$76,328	0.74	0	0.2%	8	3	6	-1	-0.8%
Real Estate and Rental and Leasing	449	\$63,968	1.05	12	1.4%	52	19	26	7	1.5%
Health Care and Social Assistance	6,224	\$68,174	1.76	52	0.4%	648	269	326	53	0.9%
Management of Companies and Enterprises	942	\$114,677	2.57	130	7.7%	106	29	56	21	2.2%
Professional, Scientific, Technical Services	1,743	\$108,677	0.99	169	5.2%	195	53	101	41	2.4%
Total - All Industries	24,472	\$55,261	1.00	-1,299	-2.6%	3,237	1,067	1,643	527	2.2%

People Transferring Out of Industries Created Many Job Openings

Industry	Current, 2022Q1			2-Year History		1-Year Forecast				
	Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
Accommodation and Food Services	3,686	\$24,033	1.83	-490	-6.0%	843	271	370	202	5.5%
Educational Services	1,600	\$46,571	0.82	-253	-7.1%	206	68	85	52	3.3%
Public Administration	1,122	\$70,164	0.97	-174	-7.0%	98	40	64	-7	-0.6%
Other Services (except Public Administration)	1,101	\$36,700	1.04	-157	-6.5%	148	51	73	24	2.2%
Retail Trade	3,533	\$33,789	1.39	-143	-2.0%	504	193	285	26	0.7%
Finance and Insurance	624	\$105,261	0.62	-105	-7.5%	53	19	37	-3	-0.4%
Information	256	\$58,538	0.52	-102	-15.5%	29	8	16	5	1.8%
Manufacturing	358	\$50,425	0.18	-100	-11.6%	43	13	25	5	1.5%
Administrative and Support and Waste Management and Remediation Services	691	\$40,379	0.44	-46	-3.2%	105	31	51	23	3.3%
Arts, Entertainment, and Recreation	458	\$22,450	1.04	-41	-4.2%	112	27	39	45	9.9%
Wholesale Trade	352	\$65,731	0.38	-23	-3.2%	45	13	25	8	2.2%
Transportation and Warehousing	391	\$49,627	0.32	-17	-2.1%	48	17	27	4	1.1%
Construction	762	\$64,935	0.53	-15	-0.9%	87	24	51	12	1.6%
Agriculture, Forestry, Fishing and Hunting	7	\$16,742	0.02	-12	-39.8%	1	0	1	0	-0.1%
Utilities	93	\$76,328	0.74	0	0.2%	8	3	6	-1	-0.8%
Real Estate and Rental and Leasing	449	\$63,968	1.05	12	1.4%	52	19	26	7	1.5%
Health Care and Social Assistance	6,224	\$68,174	1.76	52	0.4%	648	269	326	53	0.9%
Management of Companies and Enterprises	942	\$114,677	2.57	130	7.7%	106	29	56	21	2.2%
Professional, Scientific, Technical Services	1,743	\$108,677	0.99	169	5.2%	195	53	101	41	2.4%
Total - All Industries	24,472	\$55,261	1.00	-1,299	-2.6%	3,237	1,067	1,643	527	2.2%

People Exiting the Industry (Mainly Retiring) Create Many Openings Each Year

Industry	Current, 2022Q1			2-Year History		Total Demand	1-Year Forecast			
	Empl	Avg Ann Wages	LQ	Empl Change	Ann %		Exits	Transfers	Empl Growth	Ann % Growth
Accommodation and Food Services	3,686	\$24,033	1.83	-490	-6.0%	843	271	370	202	5.5%
Educational Services	1,600	\$46,571	0.82	-253	-7.1%	206	68	85	52	3.3%
Public Administration	1,122	\$70,164	0.97	-174	-7.0%	98	40	64	-7	-0.6%
Other Services (except Public Administration)	1,101	\$36,700	1.04	-157	-6.5%	148	51	73	24	2.2%
Retail Trade	3,533	\$33,789	1.39	-143	-2.0%	504	193	285	26	0.7%
Finance and Insurance	624	\$105,261	0.62	-105	-7.5%	53	19	37	-3	-0.4%
Information	256	\$58,538	0.52	-102	-15.5%	29	8	16	5	1.8%
Manufacturing	358	\$50,425	0.18	-100	-11.6%	43	13	25	5	1.5%
Administrative and Support and Waste Management and Remediation Services	691	\$40,379	0.44	-46	-3.2%	105	31	51	23	3.3%
Arts, Entertainment, and Recreation	458	\$22,450	1.04	-41	-4.2%	112	27	39	45	9.9%
Wholesale Trade	352	\$65,731	0.38	-23	-3.2%	45	13	25	8	2.2%
Transportation and Warehousing	391	\$49,627	0.32	-17	-2.1%	48	17	27	4	1.1%
Construction	762	\$64,935	0.53	-15	-0.9%	87	24	51	12	1.6%
Agriculture, Forestry, Fishing and Hunting	7	\$16,742	0.02	-12	-39.8%	1	0	1	0	-0.1%
Utilities	93	\$76,328	0.74	0	0.2%	8	3	6	-1	-0.8%
Real Estate and Rental and Leasing	449	\$63,968	1.05	12	1.4%	52	19	26	7	1.5%
Health Care and Social Assistance	6,224	\$68,174	1.76	52	0.4%	648	269	326	53	0.9%
Management of Companies and Enterprises	942	\$114,677	2.57	130	7.7%	106	29	56	21	2.2%
Professional, Scientific, Technical Services	1,743	\$108,677	0.99	169	5.2%	195	53	101	41	2.4%
Total - All Industries	24,472	\$55,261	1.00	-1,299	-2.6%	3,237	1,067	1,643	527	2.2%

Fredericksburg Expected to Need an Average 3,237 Workers over the Next 10 Years

Industry	Current, 2022Q1			2-Year History		Total Demand	1-Year Forecast			
	Empl	Avg Ann Wages	LQ	Empl Change	Ann %		Exits	Transfers	Empl Growth	Ann % Growth
Accommodation and Food Services	3,686	\$24,033	1.83	-490	-6.0%	843	271	370	202	5.5%
Educational Services	1,600	\$46,571	0.82	-253	-7.1%	206	68	85	52	3.3%
Public Administration	1,122	\$70,164	0.97	-174	-7.0%	98	40	64	-7	-0.6%
Other Services (except Public Administration)	1,101	\$36,700	1.04	-157	-6.5%	148	51	73	24	2.2%
Retail Trade	3,533	\$33,789	1.39	-143	-2.0%	504	193	285	26	0.7%
Finance and Insurance	624	\$105,261	0.62	-105	-7.5%	53	19	37	-3	-0.4%
Information	256	\$58,538	0.52	-102	-15.5%	29	8	16	5	1.8%
Manufacturing	358	\$50,425	0.18	-100	-11.6%	43	13	25	5	1.5%
Administrative and Support and Waste Management and Remediation Services	691	\$40,379	0.44	-46	-3.2%	105	31	51	23	3.3%
Arts, Entertainment, and Recreation	458	\$22,450	1.04	-41	-4.2%	112	27	39	45	9.9%
Wholesale Trade	352	\$65,731	0.38	-23	-3.2%	45	13	25	8	2.2%
Transportation and Warehousing	391	\$49,627	0.32	-17	-2.1%	48	17	27	4	1.1%
Construction	762	\$64,935	0.53	-15	-0.9%	87	24	51	12	1.6%
Agriculture, Forestry, Fishing and Hunting	7	\$16,742	0.02	-12	-39.8%	1	0	1	0	-0.1%
Utilities	93	\$76,328	0.74	0	0.2%	8	3	6	-1	-0.8%
Real Estate and Rental and Leasing	449	\$63,968	1.05	12	1.4%	52	19	26	7	1.5%
Health Care and Social Assistance	6,224	\$68,174	1.76	52	0.4%	648	269	326	53	0.9%
Management of Companies and Enterprises	942	\$114,677	2.57	130	7.7%	106	29	56	21	2.2%
Professional, Scientific, Technical Services	1,743	\$108,677	0.99	169	5.2%	195	53	101	41	2.4%
Total - All Industries	24,472	\$55,261	1.00	-1,299	-2.6%	3,237	1,067	1,643	527	2.2%

DoD Spending Supports Businesses in City of Fredericksburg



Top 10 DoD Contract Recipients in Fredericksburg

Company Name	
Seneca Global Services LLC	\$ 8,291,575
Ist Research Corp.	\$ 3,628,410
Zenith Aviation, Inc.	\$ 2,602,524
Obsidian Solutions Group LLC	\$ 1,743,689
Techint Solutions Group LLC	\$ 937,276
Marstel-Day, LLC	\$ 923,887
Qrc Technologies	\$ 849,553
Sr Technologies, Inc.	\$ 804,800
Charles F. Day Associates, LLC	\$ 790,091
Black Knight Technology Inc	\$ 244,056

4 of Top 20 Occupations Pay Better Than Average Wage

Occupation	Current, 2022Q1		5-Year History		1-Year Forecast				
	Empl	Mean Ann Wages ²	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
1 Retail Salespersons	987	\$30,700	-202	-3.7%	129	54	80	-6	-0.6%
2 Registered Nurses	894	\$77,200	23	0.5%	54	25	23	7	0.8%
3 Fast Food and Counter Workers	827	\$26,100	-178	-3.8%	191	85	93	13	1.6%
4 Cashiers	727	\$26,600	-92	-2.4%	116	59	67	-10	-1.3%
5 Waiters and Waitresses	717	\$31,400	-165	-4.1%	156	55	90	11	1.5%
6 Cooks, Restaurant	453	\$30,700	-3	-0.1%	90	30	44	16	3.6%
7 General and Operations Managers	451	\$127,500	60	2.9%	42	9	29	4	0.8%
8 Stockers and Order Fillers	444	\$31,500	-15	-0.7%	69	25	43	0	0.0%
9 Office Clerks, General	414	\$40,100	-42	-1.9%	45	22	24	-2	-0.4%
10 Personal Care Aides	405	\$26,800	142	9.0%	70	32	28	9	2.3%
11 Customer Service Representatives	372	\$38,500	29	1.6%	43	17	29	-3	-0.7%
12 First-Line Supervisors of Food Preparation and Serving Workers	319	\$40,000	-15	-0.9%	57	15	35	7	2.1%
13 Janitors and Cleaners, Except Maids and Housekeeping Cleaners	319	\$29,800	-50	-2.9%	44	20	23	1	0.5%
14 1st-Line Supervisors of Retail Sales Workers	313	\$49,600	-34	-2.0%	29	11	21	-3	-0.9%
15 Receptionists and Information Clerks	296	\$32,900	-22	-1.4%	39	17	21	1	0.4%
16 Nursing Assistants	284	\$31,200	-15	-1.0%	39	19	17	3	1.0%
17 Medical Assistants	273	\$37,500	15	1.1%	37	12	21	4	1.4%
18 First-Line Supervisors of Office and Administrative Support Workers	265	\$64,600	-11	-0.8%	25	10	16	-1	-0.3%
19 Software Developers	258	\$115,300	155	20.3%	26	6	14	6	2.2%
20 Bookkeeping, Accounting, Auditing Clerks	241	\$46,700	-24	-1.9%	25	14	12	-1	-0.5%

Office & Medical Presence Clear in Top 20 Occupations

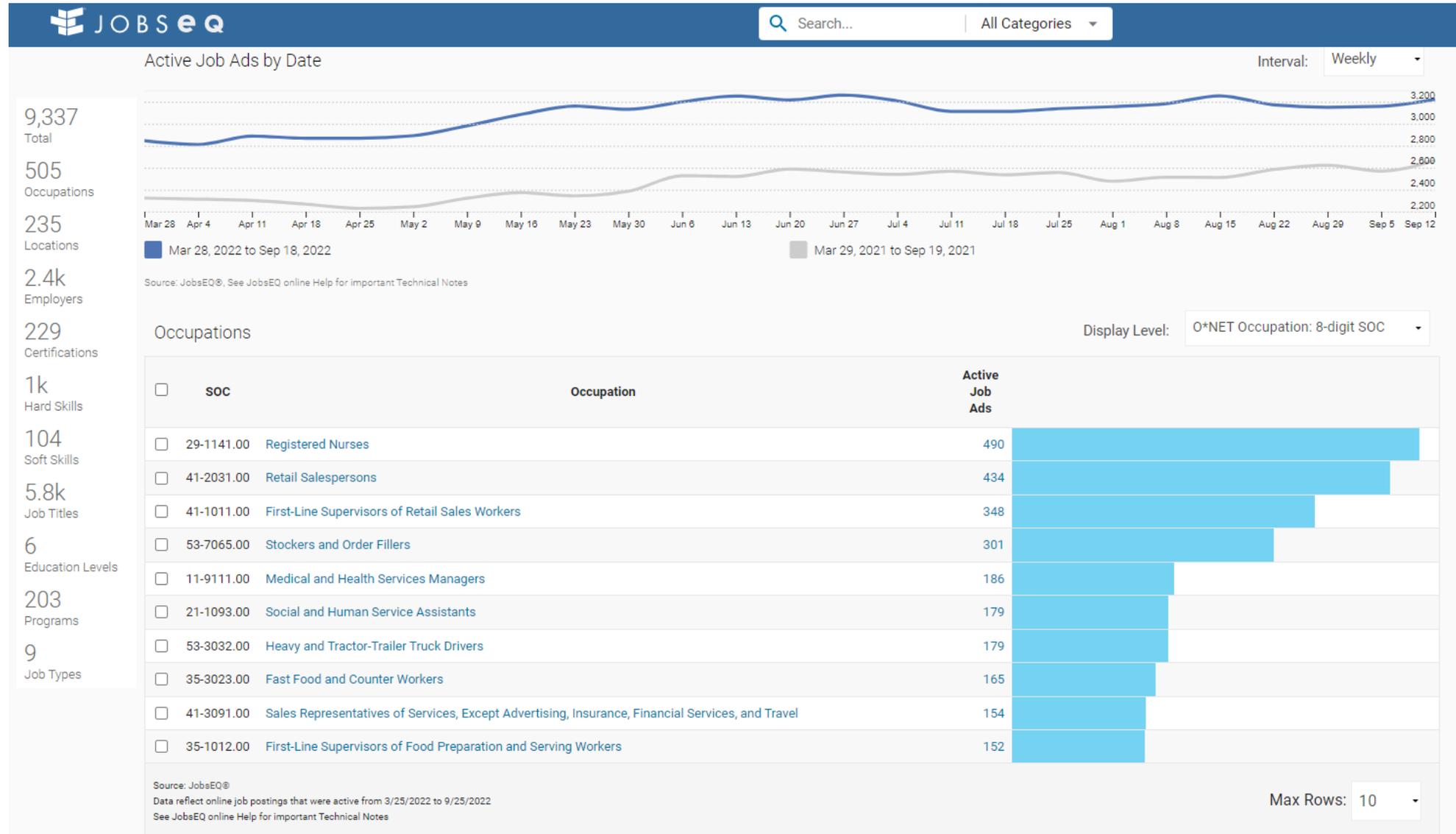
Occupation	Current, 2022Q1		5-Year History		1-Year Forecast				
	Empl	Mean Ann Wages ²	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
1 Retail Salespersons	987	\$30,700	-202	-3.7%	129	54	80	-6	-0.6%
2 Registered Nurses	894	\$77,200	23	0.5%	54	25	23	7	0.8%
3 Fast Food and Counter Workers	827	\$26,100	-178	-3.8%	191	85	93	13	1.6%
4 Cashiers	727	\$26,600	-92	-2.4%	116	59	67	-10	-1.3%
5 Waiters and Waitresses	717	\$31,400	-165	-4.1%	156	55	90	11	1.5%
6 Cooks, Restaurant	453	\$30,700	-3	-0.1%	90	30	44	16	3.6%
7 General and Operations Managers	451	\$127,500	60	2.9%	42	9	29	4	0.8%
8 Stockers and Order Fillers	444	\$31,500	-15	-0.7%	69	25	43	0	0.0%
9 Office Clerks, General	414	\$40,100	-42	-1.9%	45	22	24	-2	-0.4%
10 Personal Care Aides	405	\$26,800	142	9.0%	70	32	28	9	2.3%
11 Customer Service Representatives	372	\$38,500	29	1.6%	43	17	29	-3	-0.7%
12 First-Line Supervisors of Food Preparation and Serving Workers	319	\$40,000	-15	-0.9%	57	15	35	7	2.1%
13 Janitors and Cleaners, Except Maids and Housekeeping Cleaners	319	\$29,800	-50	-2.9%	44	20	23	1	0.5%
14 1st-Line Supervisors of Retail Sales Workers	313	\$49,600	-34	-2.0%	29	11	21	-3	-0.9%
15 Receptionists and Information Clerks	296	\$32,900	-22	-1.4%	39	17	21	1	0.4%
16 Nursing Assistants	284	\$31,200	-15	-1.0%	39	19	17	3	1.0%
17 Medical Assistants	273	\$37,500	15	1.1%	37	12	21	4	1.4%
18 First-Line Supervisors of Office and Administrative Support Workers	265	\$64,600	-11	-0.8%	25	10	16	-1	-0.3%
19 Software Developers	258	\$115,300	155	20.3%	26	6	14	6	2.2%
20 Bookkeeping, Accounting, Auditing Clerks	241	\$46,700	-24	-1.9%	25	14	12	-1	-0.5%

Skills in 45-Minute Drivetime of Fredericksburg Shift Toward Office/Headquarters

Occupation	Current, 2022Q1		5-Year History		1-Year Forecast				
	Empl	Mean Ann Wages ²	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
1 Software Developers	30,561	\$132,300	16,196	16.3%	3,083	761	1,621	701	2.3%
2 Retail Salespersons	29,630	\$33,100	-4,846	-3.0%	4,074	1,654	2,451	-31	-0.1%
3 General and Operations Managers	24,932	\$140,200	3,623	3.2%	2,357	516	1,598	243	1.0%
4 Fast Food and Counter Workers	24,755	\$28,000	-2,151	-1.7%	5,794	2,557	2,794	443	1.8%
5 Cashiers	23,880	\$28,200	-1,669	-1.3%	3,933	1,962	2,216	-245	-1.0%
6 Management Analysts	21,352	\$110,000	77	0.1%	2,281	714	1,294	273	1.3%
7 Office Clerks, General	19,680	\$43,900	-1,422	-1.4%	2,182	1,074	1,152	-44	-0.2%
8 Janitors and Cleaners, Except Maids and Housekeeping Cleaners	19,224	\$33,100	-49	-0.1%	2,666	1,210	1,367	89	0.5%
9 Customer Service Representatives	18,747	\$42,600	657	0.7%	2,275	871	1,464	-60	-0.3%
10 Stockers and Order Fillers	17,250	\$34,000	1,299	1.6%	2,778	997	1,713	68	0.4%
11 Accountants and Auditors	15,529	\$96,800	-558	-0.7%	1,447	442	931	75	0.5%
12 Registered Nurses	14,475	\$84,800	1,095	1.6%	876	400	371	105	0.7%
13 Bookkeeping, Accounting, Auditing Clerks	13,429	\$51,700	-1,360	-1.9%	1,413	783	677	-47	-0.3%
14 Personal Care Aides	13,353	\$28,900	3,540	6.4%	2,377	1,079	948	350	2.6%
15 Waiters and Waitresses	12,936	\$34,000	-3,231	-4.4%	2,862	1,002	1,634	226	1.7%
16 Business Operations Specialists, All Other	12,614	\$95,700	4,754	9.9%	987	295	629	64	0.5%
17 Sales Reps of Services, Ex Advertising, Insurance, Financial Services, and Travel	12,215	\$88,700	1,431	2.5%	1,524	314	1,106	104	0.8%
18 Elementary School Teachers, Ex Special Ed.	12,090	\$81,600	-62	-0.1%	964	384	495	85	0.7%
19 Laborers and Freight, Stock, and Material Movers, Hand	11,181	\$36,500	2,223	4.5%	1,609	507	1,003	99	0.9%
20 1 st -Line Supervisors of Retail Sales Workers	11,078	\$52,900	-919	-1.6%	1,058	380	749	-70	-0.6%

Source: Chmura's JobsEQ.

Job Posts in Fredericksburg are Flat Over Last Few Weeks



Healthcare and Education Institutions Top the List of Job Posts

Employers

<input type="checkbox"/>	Employer Name	Active Job Ads
<input type="checkbox"/>	University of Mary Washington	274
<input type="checkbox"/>	Rappahannock Area Community Services Board	248
<input type="checkbox"/>	Mary Washington Healthcare	206
<input type="checkbox"/>	Fusion Medical Staffing	125
<input type="checkbox"/>	City of Fredericksburg	116
<input type="checkbox"/>	Kaeser Compressors, Inc.	108
<input type="checkbox"/>	Spotsylvania County Public Schools	108
<input type="checkbox"/>	Germanna Community College	94
<input type="checkbox"/>	CAPITAL ONE	70
<input type="checkbox"/>	Genesis Healthcare	60

Source: JobsEQ®
 Data reflect online job postings that were active from 3/25/2022 to 9/25/2022
 See JobsEQ online Help for important Technical Notes

Max Rows: 10

5% of Ads in Fredericksburg Promote Remote Work

Job Types		
<input type="checkbox"/>	Type	Active Job Ads
<input type="checkbox"/>	Full-Time	4,508
<input type="checkbox"/>	Part-Time	1,810
<input type="checkbox"/>	Permanent	994
<input type="checkbox"/>	Remote	469
<input type="checkbox"/>	Temporary (unspecified)	350
<input type="checkbox"/>	Temporary (long-term)	49
<input type="checkbox"/>	Temp-to-Hire	38
<input type="checkbox"/>	Temporary (short-term)	22
<input type="checkbox"/>	Remote Not Indicated	8,868

Source: JobsEQ®
Data reflect online job postings that were active from 3/25/2022 to 9/25/2022
See JobsEQ online Help for important Technical Notes

Max Rows: 10

7.8% of Ads in Fredericksburg 45-Minute Drivetime Promote Remote Work

Job Types

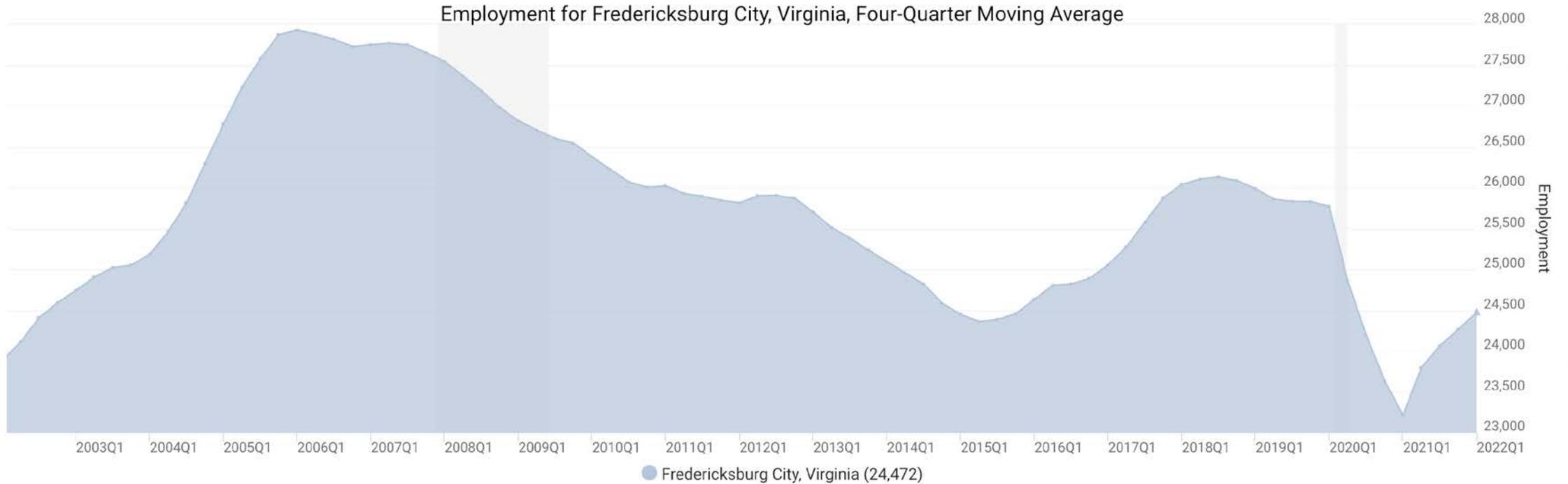
<input type="checkbox"/>	Type	Active Job Ads
<input type="checkbox"/>	Full-Time	138,178
<input type="checkbox"/>	Part-Time	39,206
<input type="checkbox"/>	Permanent	26,688
<input type="checkbox"/>	Remote	21,206
<input type="checkbox"/>	Temporary (unspecified)	12,831
<input type="checkbox"/>	Temporary (long-term)	1,489
<input type="checkbox"/>	Temp-to-Hire	1,273
<input type="checkbox"/>	Temporary (short-term)	942
<input type="checkbox"/>	Remote Not Indicated	250,317

Source: JobsEQ®
Data reflect online job postings that were active from 3/25/2022 to 9/25/2022
See JobsEQ online Help for important Technical Notes

Max Rows: 10

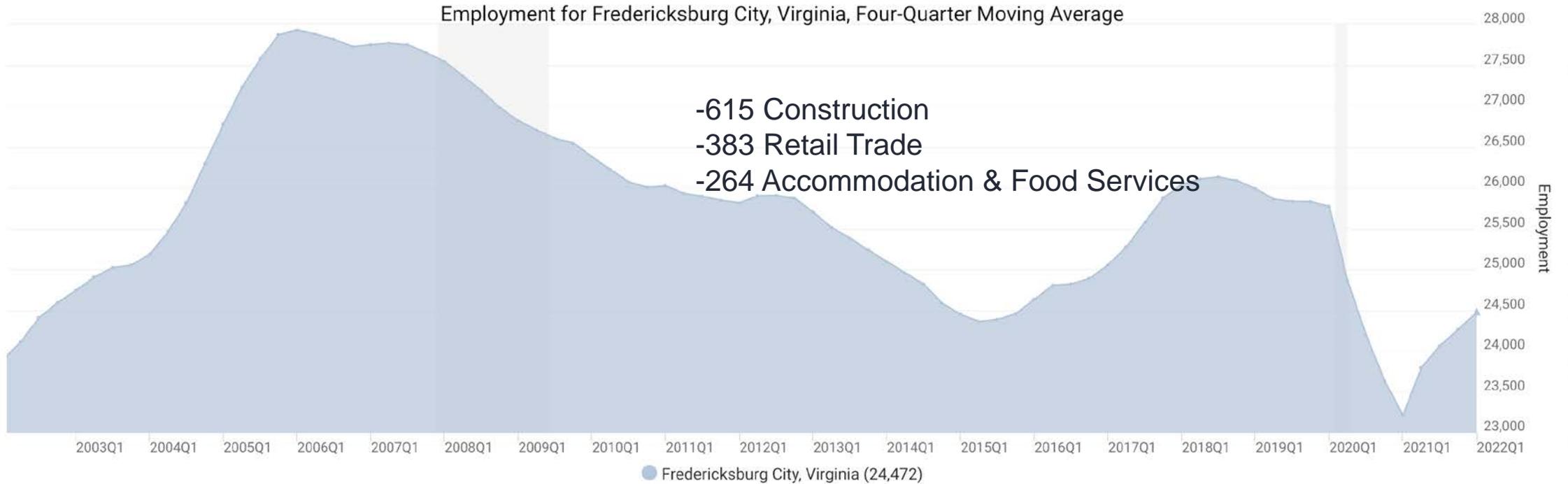
How Will Fredericksburg Fair During a Recession?

-3,000 Jobs Peak to Low Point in 2008 Recession



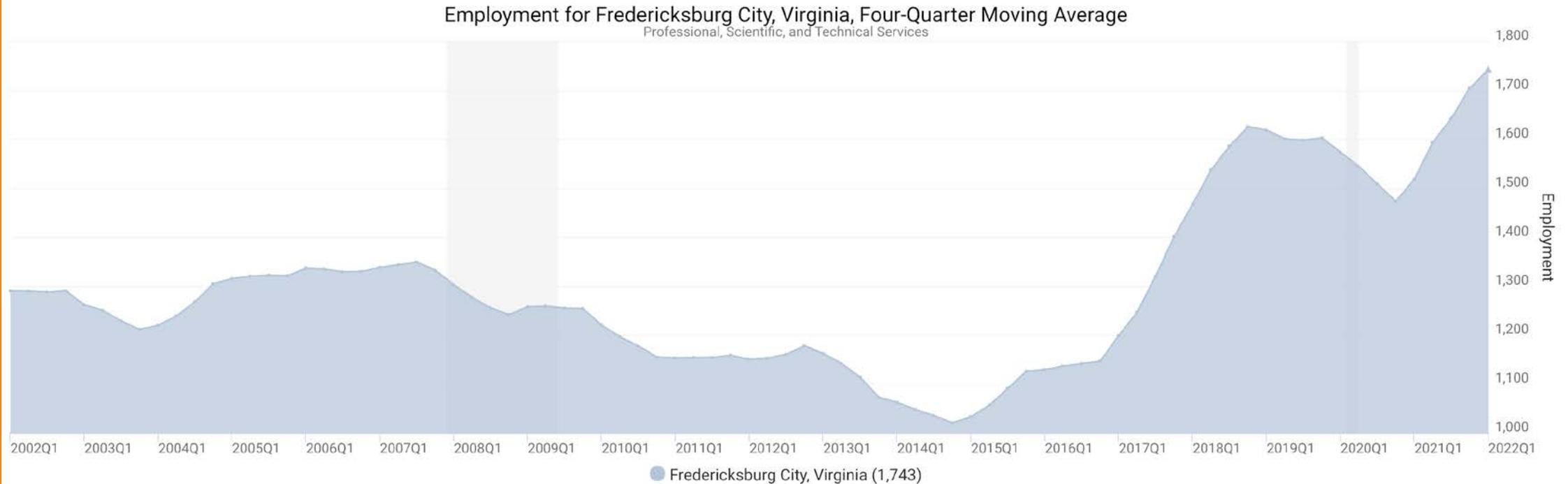
Source: JobsEQ®. Data as of 2022Q1. The shaded areas of the graph represent national recessions.

How Will Fredericksburg Fair During a Recession? -3,000 Jobs Peak to Low Point in 2008 Recession



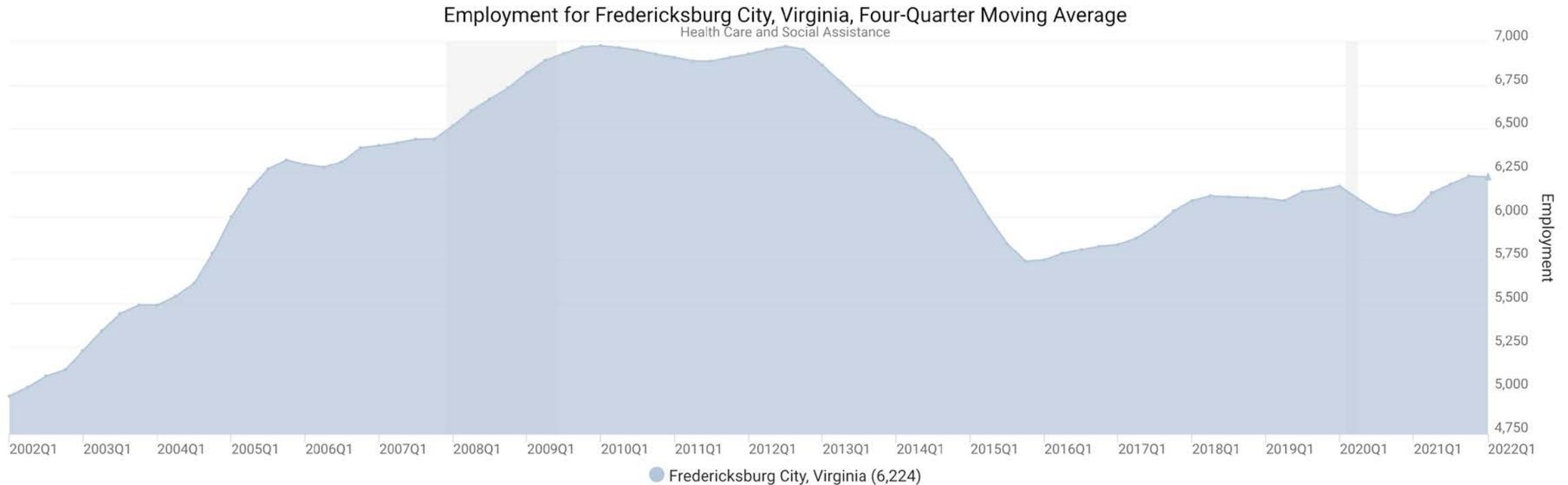
Source: JobsEQ®. Data as of 2022Q1. The shaded areas of the graph represent national recessions.

Professional, Scientific, and Technical Services -282 Jobs Peak to Low Point in 2008 Recession



Source: JobsEQ®. Data as of 2022Q1. The shaded areas of the graph represent national recessions.

Health Care Typically Grows Through Recessions



Source: JobsEQ®. Data as of 2022Q1. The shaded areas of the graph represent national recessions.

SWOT Analysis



Implications of Recession

- Housing is already slowing
 - Slower price appreciation impact revenues from assessments
 - Slower housing sales impact recordation taxes
- Slower retail sales impact growth of local 1%
- Layoffs increase need for social assistance

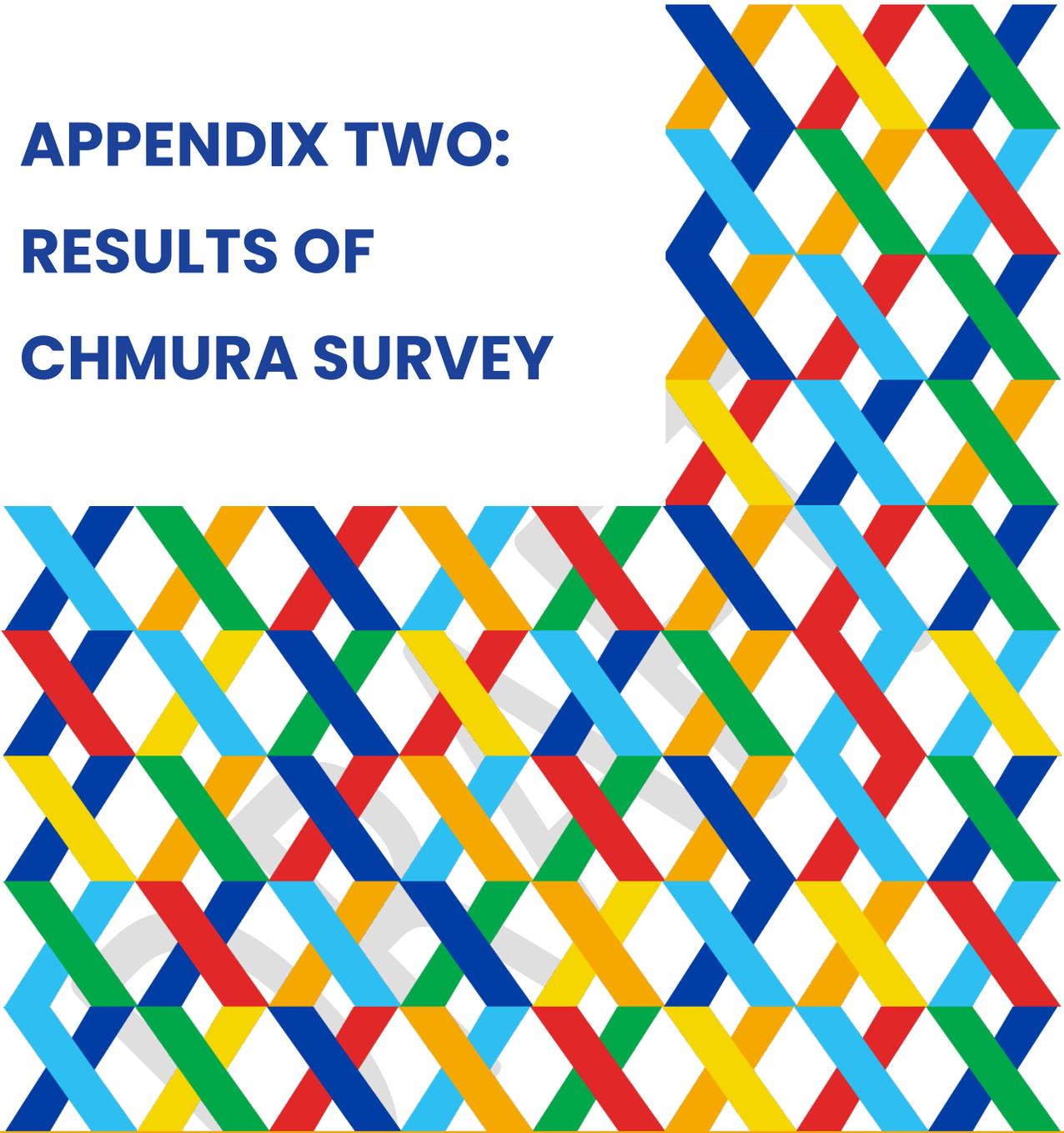
Conclusions

- National Economy is Slowing
 - Recession is highly likely
 - Unemployment rate will rise and ease tight labor market
 - Sub-par growth will last for more than one year
 - City of Fredericksburg
 - Employment slightly slower than the nation
 - Will also see slower growth due to recession
 - Population growth expected to be slower than state and nation
 - Working with educators is critical in this tight labor market
-



CHMURA

APPENDIX TWO: RESULTS OF CHMURA SURVEY





PREPARED FOR
City of Fredericksburg Economic Development and Tourism Department



December 14, 2022

Fredericksburg Economic Development Strategic Plan Survey Report

Background

The City of Fredericksburg's Economic Development and Tourism Department (City of Fredericksburg) worked with Chmura Economics & Analytics (Chmura) to conduct a survey on economic development strategic priorities for residents and organizations in Fredericksburg. Respondents were asked several questions about the City of Fredericksburg specifically related to the economic development factors which they find most important as well as the current status of economic development in the City of Fredericksburg.

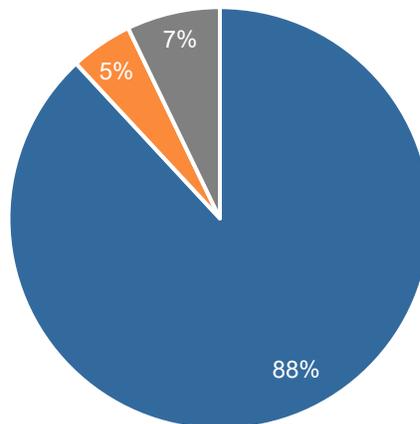
Chmura distributed the online survey via email and collected responses in November 2022, and City of Fredericksburg conducted outreach to encourage survey completion. Chmura sent 127 invitations to the survey and received 42 completions for a response rate of 33%. All individual survey responses are kept confidential by Chmura, and are only included in aggregate or anonymized in this report.

Respondent Profile

The respondents are a mix of local business owners, community leaders, and significant members of the public. Organizations represented include the City of Fredericksburg, University of Mary Washington Center for Economic Development, Fredericksburg Regional Alliance at UMW, Fredericksburg Area Association of Realtors, Fredericksburg Nationals and a variety of local law firms, banks, realtors, restaurateurs, and small businesses.

The respondents' places of employment are broken down into three categories: private enterprise, educational institutions, and public employment (government and government agencies). The vast majority of the respondents work in private businesses in Fredericksburg, accounting for 88% of respondents. Another 7% of respondents work in education (specifically through the University of Mary Washington) and 5% are from government agencies such as the Economic Development Authority.

Respondent Organizations Are Primarily Fredericksburg Businesses



■ Private ■ Public ■ Education

n = 42

Source: Chmura

Major Strengths for Economic Development

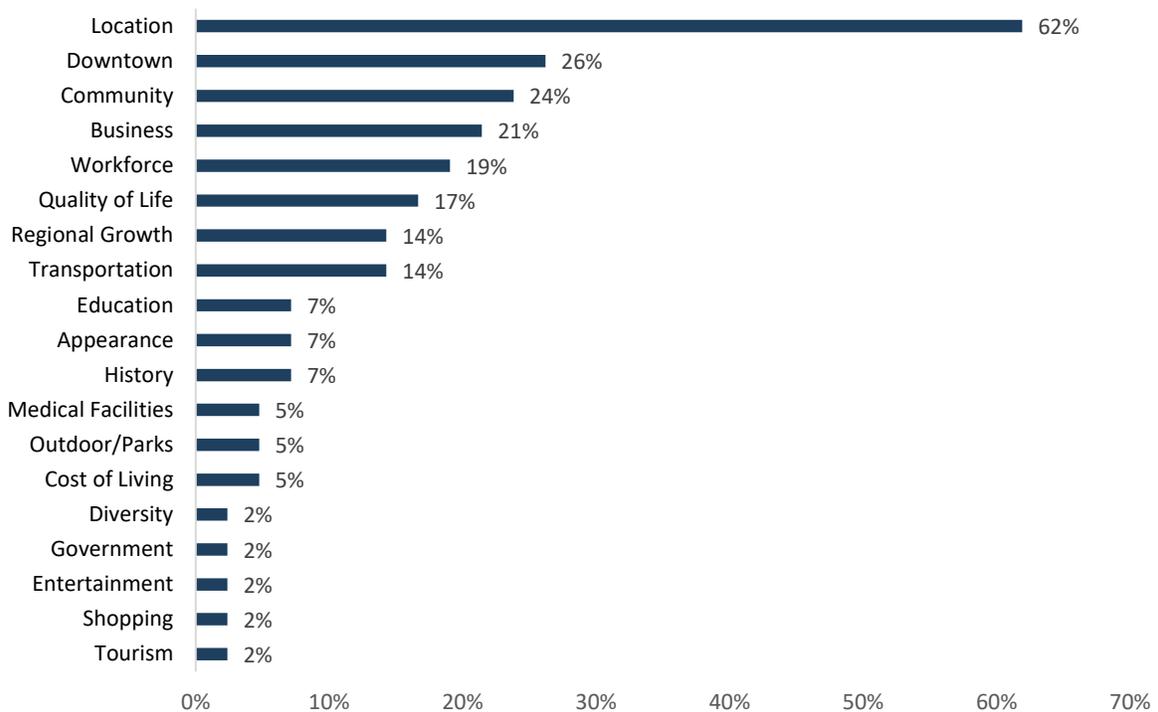
Respondents were asked “Thinking about the City of Fredericksburg, what are the major strengths for economic development?” and given the option for open-ended responses. Answers were grouped into similar themes for analysis.

The location of the City of Fredericksburg was the most frequently mentioned major strength for the area’s economic development. Specifically, many respondents mentioned the City’s proximity to DC, Richmond, and I-95. Another respondent focused on nearby recreational areas such as the Rappahannock River, Shenandoah National Park, and Chesapeake Bay.

Downtown Fredericksburg was also frequently cited as a major strength, with specific strengths noted such as the area’s events, shopping, entertainment, and history. In particular, the recent growth and success of Downtown was mentioned. A strong, vibrant, and ambitious community was also recorded as a strength by many respondents.

Fredericksburg’s business community and the skilled local workforce rounded out the top five strengths mentioned in this question. One respondent specifically mentioned local initiatives such as the Jump Start Program, EDA grants, and HUBZone while citing the region’s “good professional community of accountants, lawyers and financial planners.”

Location of City of Fredericksburg Seen as Greatest Strength



n = 42
 Source: Chmura

Greatest Threats and Weaknesses

Respondents were asked “What are the City of Fredericksburg’s greatest threats and weaknesses in terms of economic development activity?” and provided open-ended responses. Answers were grouped into similar themes for analysis.

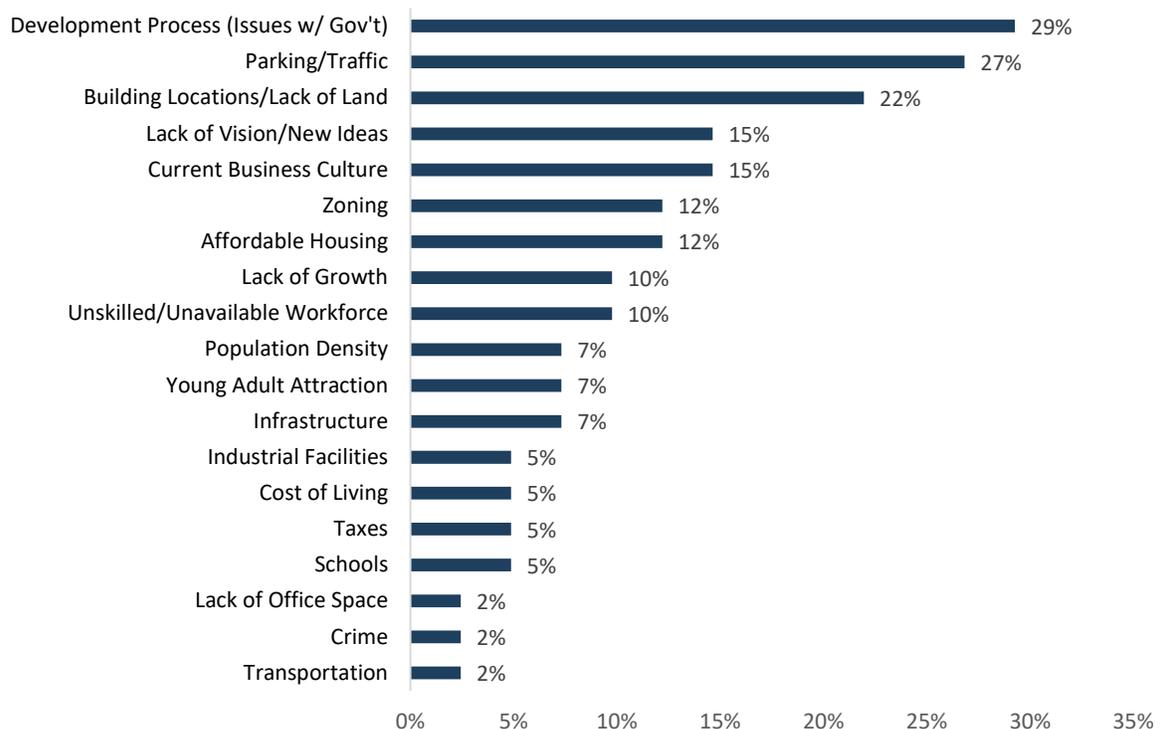
Issues regarding the development process in the City of Fredericksburg ranked as the respondents’ greatest threat and/or weakness. Responses regarding the development process varied, but generally referred to interactions with the local government offices in regard to acquiring applications, permits, and other procedural steps. Some respondents raised concerns about the “length and difficulty” of the process in the City, struggles with following a “timely and responsible” schedule during the process, and “inertia” in the development process. Zoning practices in the City were also mentioned as a weakness. One respondent described the City’s “current trend to take commercial and industrially zoned property and zone it for housing” as a weakness. Another noted that the “planning and zoning department has been and continues to be a major weakness in terms of economic development.” On a similar note, the inadequate status or location of buildings, a lack of land, and poor infrastructure were all concerns voiced by respondents.

Parking and traffic concerns ranked second amongst the area’s weaknesses. One respondent noted that “traffic congestion is a huge problem in Fredericksburg... particularly in the downtown areas” and suggested the City look into “efficient (and mandated) public transportation.”

Other issues concerned the ability of the City of Fredericksburg to draw both businesses and people into the community. Affordable housing, a struggling workforce (in terms of both skills and number of available workers, with a respondent noting a “limited workforce and talent pool”), the current business culture, a lack of young adults, public schools that underperform compared to nearby peer regions, and inefficient tax usage were each recurrent references throughout this question.

Another respondent suggested that the struggles with the workforce resulted from an inability to keep workers and advance their careers, not a failure to attract them: “The City has a robust population of young professionals due to proximity of federal employment and availability of remote work. Attracting more young professionals is fine, but we need to nurture homegrown upward mobility. In that vein, there are many small projects with that focus, but there seems to be little cohesive planning pulling it all together.”

Issues with the Development Process Tops List of Fredericksburg's Weaknesses



n = 41
 Source: Chmura

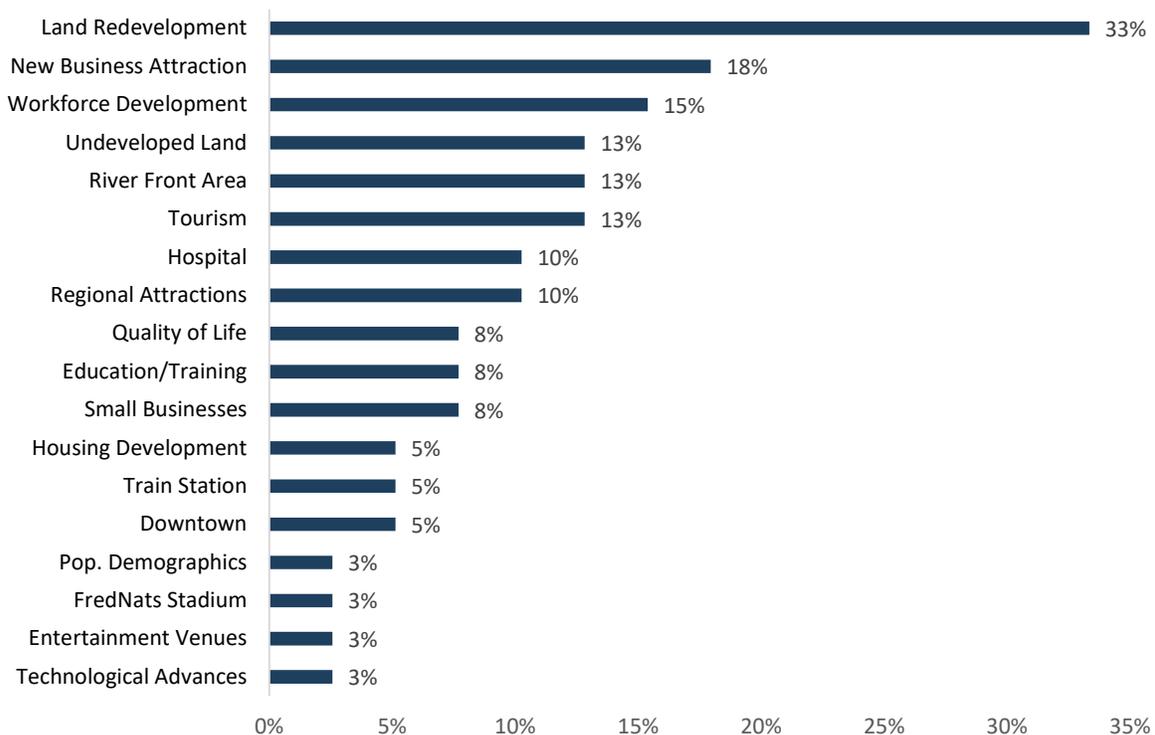
Greatest Economic Development Opportunities

Respondents were asked “What are the City of Fredericksburg’s greatest economic development opportunities?” and given the option for open-ended responses. Answers were grouped into similar themes for analysis. Three respondents did not provide an answer.

The redevelopment of current land and buildings was seen as the greatest opportunity for economic development in the City of Fredericksburg. One respondent noted that land usage throughout the City was “underproducing” and another described it as “underperforming.” Both commercial property and housing redevelopment opportunities were mentioned. Undeveloped land also ranked highly on the list of economic development opportunities. Certain areas of Fredericksburg stuck out to respondents as key target opportunities for economic development and growth; specifically, Downtown, the riverfront, hospital, train station, Old Town, and the FredNats Stadium were each singled out as key areas for improved future performance. One respondent called for “more housing downtown... to enhance the retail and restaurants.” Other respondents suggested “family friendly” and “sports related” venues and activities throughout the City.

Attracting new businesses and new workers was also seen as a key opportunity for economic development in the City of Fredericksburg. One respondent emphasized the opportunity for economic growth in Fredericksburg if the workforce is properly trained to fill current employment gaps: “Vocational training in multiple areas of study are desperately needed... to secure good paying jobs that are already here! There should be a place for everyone.” Another respondent held a similar sentiment, although raised concerns about the City’s ability to expand current programs: “Workforce development programs that currently exist in partnership with UMW and GCC do well, but I don’t believe the City has capacity to expand offerings much more than their current operation.”

Land and Property Redevelopment Seen as Fredericksburg's Best Opportunity



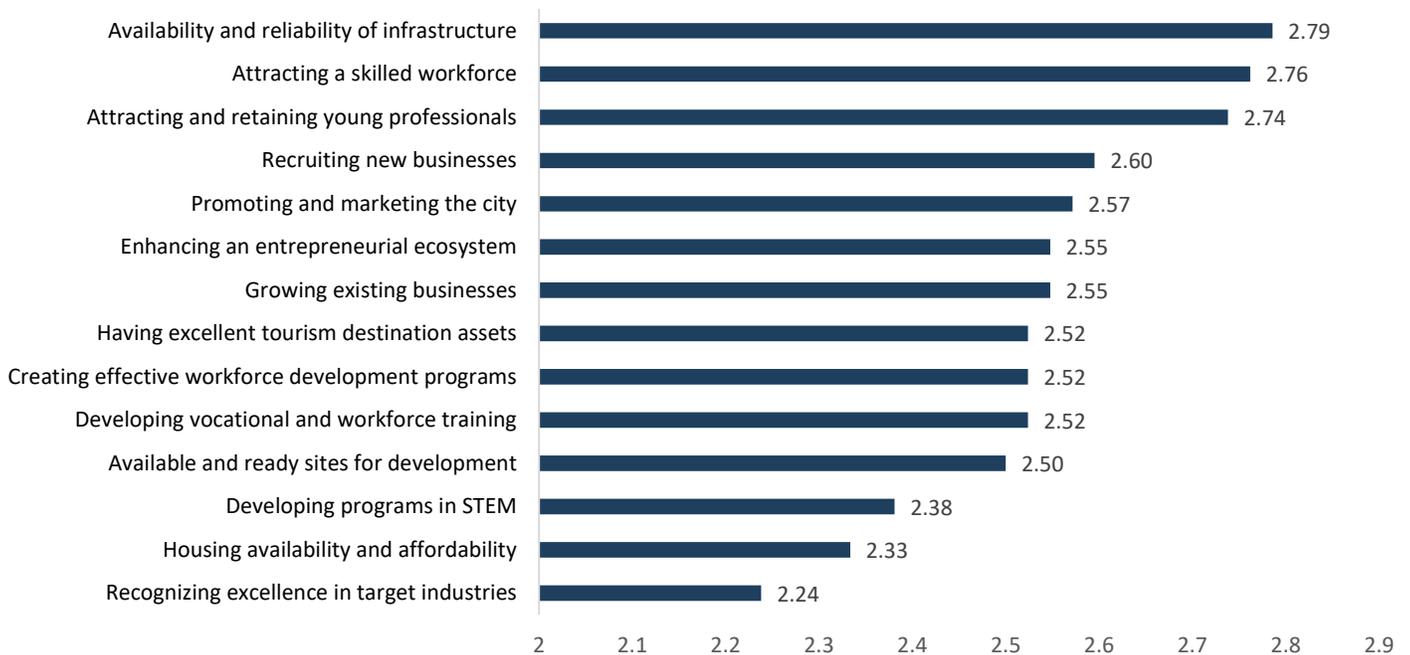
n = 39
 Source: Chmura

Importance of Fredericksburg’s Economic Development Actions

Respondents were asked several questions about the importance of economic development factors such as business, economic growth, developmental programs, workforce, property and infrastructure, and tourism attractions in the City of Fredericksburg. Responses were graded on a scale of 1 (“Not Important”), 2 (“Somewhat Important”), and 3 (“Very Important”). On average, the respondents ranked “availability and reliability of infrastructure” as the highest importance for the City of Fredericksburg’s economic development with a score of 2.79. “Attracting a skilled workforce” (2.76) and “attracting and retaining young professionals” (2.74) followed closely behind, showing the perceived importance of recruiting talented members of the labor force for the City’s economic development. Finishing last in ranked average importance was “recognizing excellence in target industries” (2.24).

Respondents were given the opportunity to add additional context to their selections, and thirteen respondents added additional remarks. Three responses underscored the importance of having sites available and ready for development, particularly given the limited space the City has for industrial properties. Four respondents provided clarification for their ratings for workforce development and attracting and retaining workers, specifically that training ultimately benefits other municipalities when workers cannot find opportunities in the City and leave, and that attracting workers can be seen as an outcome following success in other categories. One respondent added affordable housing for young professionals as an important factor for consideration.

Importance of Fredericksburg's Economic Development Actions



n = 42
 Source: Chmura

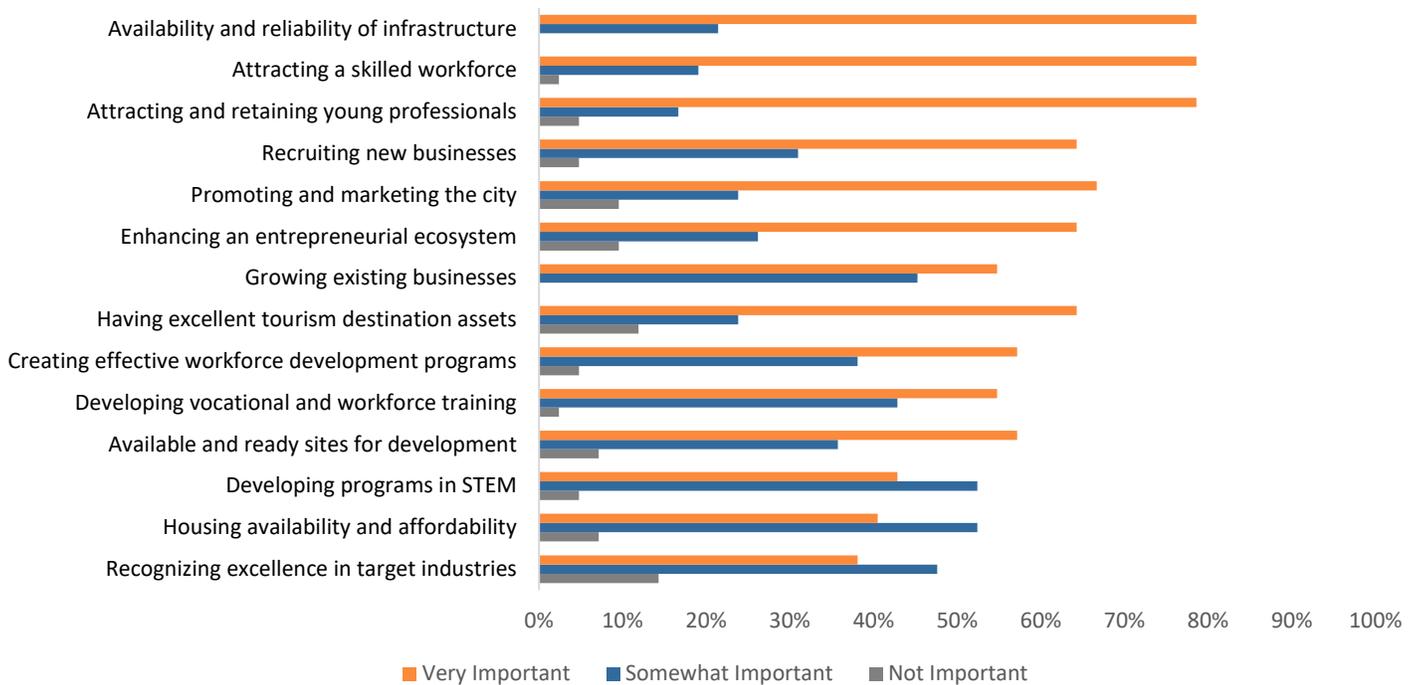
The distribution of responses for each individual question can provide some additional insight into the perceived importance of each economic development factor in the City of Fredericksburg.

“Availability and reliability of infrastructure” scored the highest amongst all 14 factors from the survey with an average score of 2.79. Notably, this question was one of only two that did not receive a single response of “Not Important.”

Although “availability and reliability of infrastructure” scored above “attracting a skilled workforce” and “attracting and retaining young professionals”, an equal number of respondents (79%) ranked those three factors as “Very Important.”

“Having excellent tourism destination assets” and “recognizing excellence in target industries” led the “Not Important” response category, with 14% of respondents ranking them accordingly in regard to economic development.

Distribution of Responses for Importance of Economic Development Actions



n = 42
 Source: Chmura

City of Fredericksburg’s Current Performance

Respondents were asked several questions about how the City of Fredericksburg is currently performing on key economic development factors. Responses were graded on a scale of 1 (“Poor”), 2 (“Good”), and 3 (“Excellent”). On average, respondents ranked “having excellent tourism destination assets” (2.38) as the best current performance factor for the City of Fredericksburg. “Promoting and marketing the city” (2.05) was the only other factor to score above an average score of 2.0, or “Good.” Questions regarding workforce attraction and training scored consistently below an average of 1.75. Finishing at the bottom of the list is “housing availability and affordability” with an average score of 1.50. This is consistent with the national affordable housing crunch as well as a high Cost of Living Index in the City of Fredericksburg. The cost of living in the City of Fredericksburg is about 47% higher than the U.S. average.¹

Respondents were asked a follow up question to provide any additional clarification about their ratings, and eleven respondents answered. Three respondents clarified they marked some performance as “poor” if they were unfamiliar with existing activities, or if they wanted the City to spend less energy on low priority actions. One respondent mentioned that the City should be taking more steps to reduce traffic congestion, including more efficient public transportation, while one suggested raising taxes and focusing on education quality to improve schools. Three respondents mentioned specific successes, including programs offered through Germanna Community College and University of Mary Washington and helping developers create housing. One respondents suggested “improving existing entrepreneurial ecosystem resources rather than creating any new systems, programs or organizations.”

Current Performance of Fredericksburg's Economic Development Actions

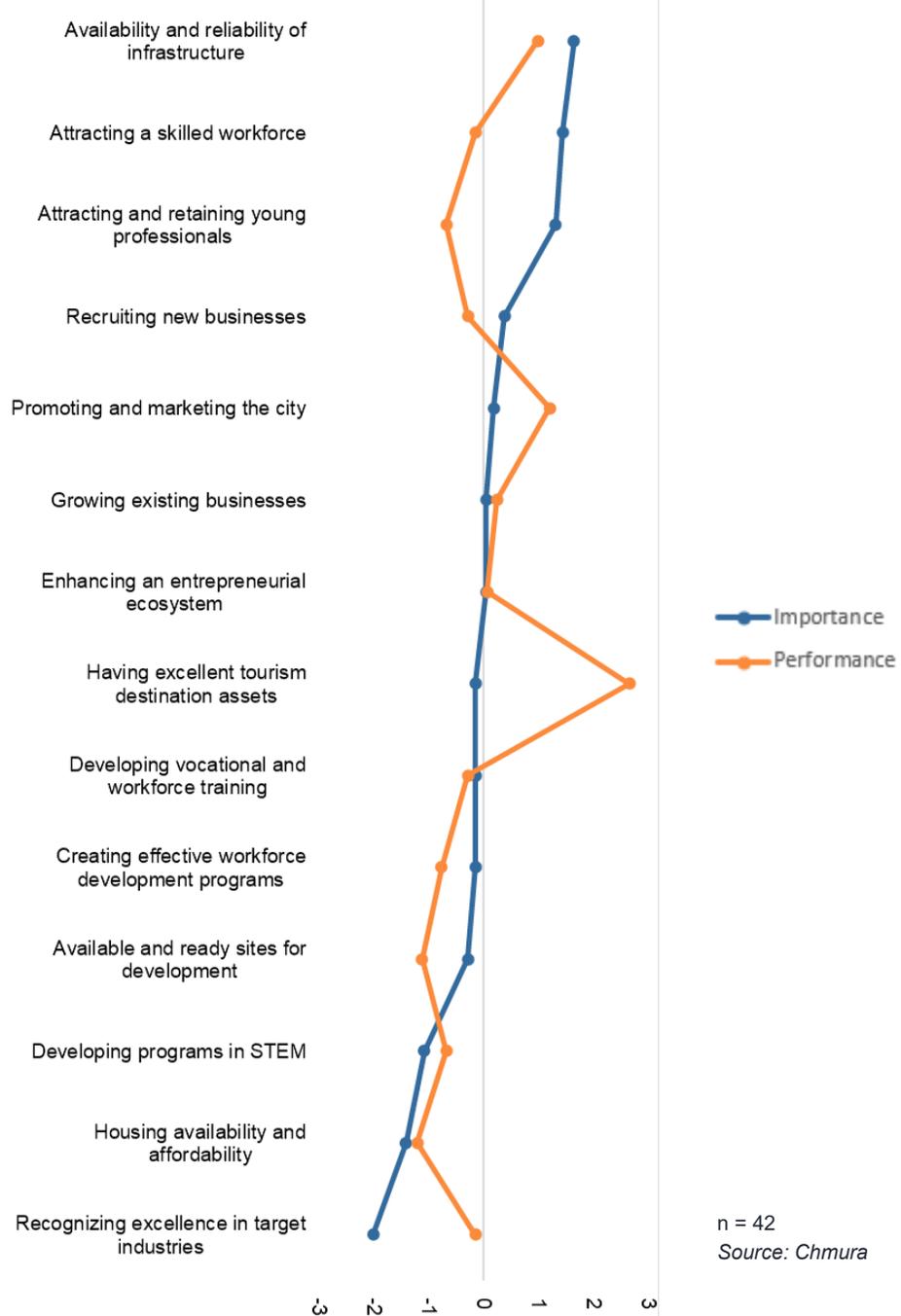


n = 42
 Source: Chmura

¹ Source: JobsEQ® by Chmura

Responses for importance of factors were generally higher than for the City's performance, which is not uncommon with these types of survey questions. The average response score for importance was 2.54, compared with 1.77 for performance. Chmura standardized the scores to evaluate the distribution of responses around those averages and compare importance and performance on these factors. These standardized scores are compared in the chart below. The City's performance is well aligned with respondent's scores on importance on factors such as growing existing businesses, enhancing an entrepreneurial ecosystem, and developing an entrepreneurial ecosystem, and developing vocational and workforce training. The City outperforms on promoting and marketing the city and having excellent tourism destination assets but underperforms on attracting and retaining young professionals and other skilled workers. Responses indicate the City slightly underperforms on recruiting new businesses and availability and reliability of infrastructure.

Fredericksburg City Performance is Well Aligned and Outperforms on Several Factors, But Underperforms on Top Factors



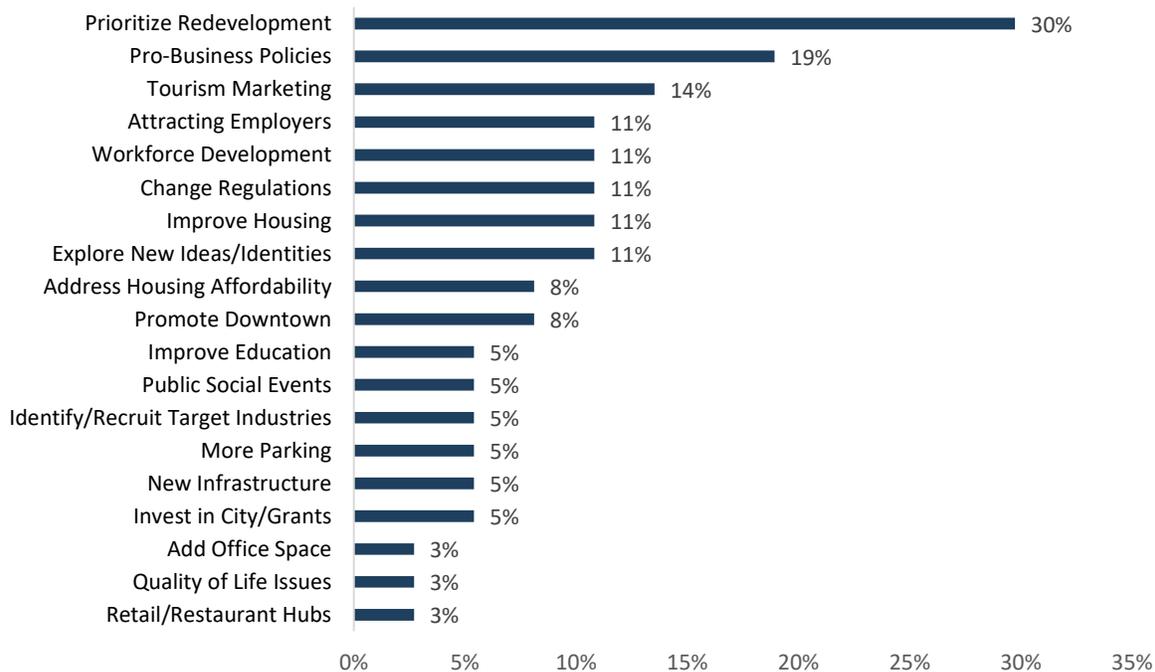
City of Fredericksburg’s Future Steps

Respondents were asked “In your opinion, what are the one or two most important steps the City of Fredericksburg’s Economic Development and Tourism Department can take over the next five years?” and given the option for open-ended responses. Answers were grouped into similar themes for analysis. Five respondents did not provide an answer.

Consistent with the responses in earlier questions, respondents suggested prioritizing redevelopment of land and buildings throughout the City of Fredericksburg is the most important step that the Economic Development and Tourism Department could focus on over the next five years. Changes to economic development regulations were a specific request, with one respondent calling for “getting rid of onerous regulations and enforcement” and another pushing for “incentivizing redevelopment of underperforming commercial” areas. Pro-business policies, attracting employers, and developing the workforce also remained top priorities according to respondents. Pro-business policy suggestions included increased marketing and promotion of the City to businesses, engaging in discussions with local businesses, and increasing outreach to potential developers and entrepreneurs interested in the City. Investment in infrastructure, parking, and spaces throughout Fredericksburg was also frequently suggested. To fund some of these priorities, one respondent noted that the City “needs to invest in proven grant writers and to make pursuing grant-funding a priority.”

Tourism marketing ranked high amongst the suggested steps as business owners and community members seek to attract visitors to the City of Fredericksburg. One respondent suggested investing resources to make Fredericksburg more akin to nearby tourism spots such as Williamsburg and Jamestown. On a similar note, a respondent advised making Fredericksburg “competitive for conventions, conferences, and sports tourism.” Although many respondents pushed for growth in order to attract new visitors, they also emphasized the importance to “preserve the character of our city” and the aspects that have made it attractive to visitors such as historic sites and interactive tourism destinations.

Redevelopment and Pro-Business Policies Seen as Most Important Next Steps for Fredericksburg



n = 37
 Source: Chmura

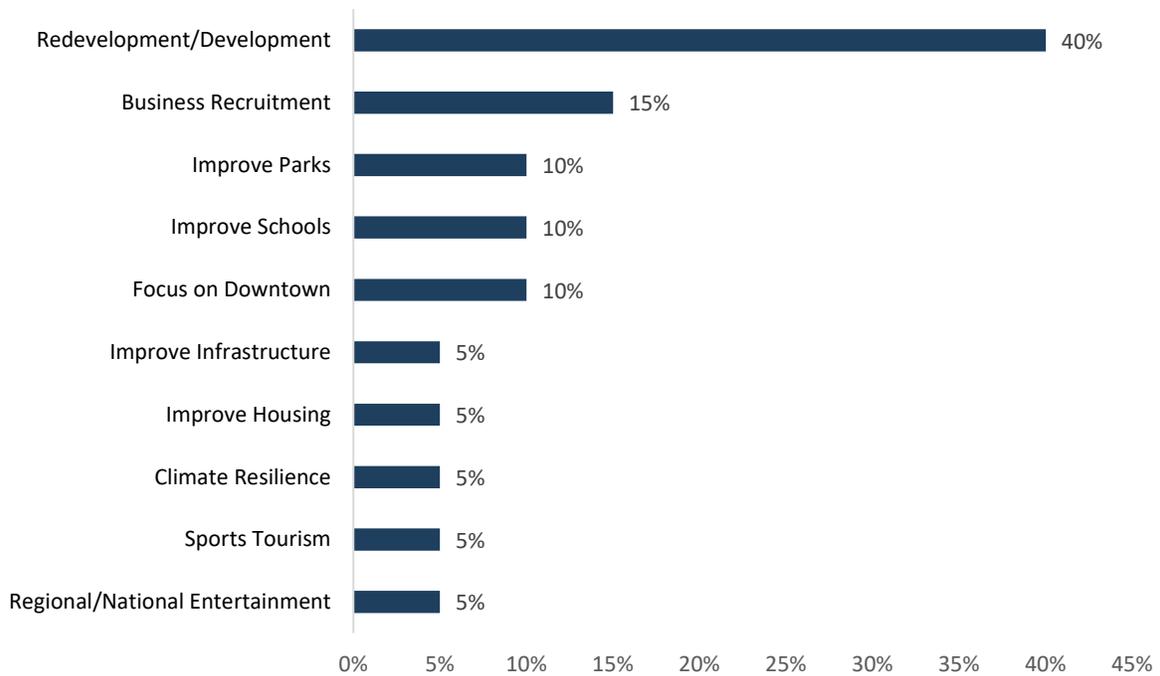
Respondents were also asked “Is there anything else the City should consider in developing its Five-Year Strategic Plan?” and given the option for open-ended responses. Answers were grouped into similar themes for analysis.

This final question of the survey allowed respondents one more opportunity to express concerns and opinions regarding economic development in the City of Fredericksburg and its Five-Year Strategic Plan. Most respondents did not provide an answer, having already voiced their opinions in previous questions. Respondents repeated their concerns regarding land and building development (and redevelopment). A respondent encouraged “finding a way to engage absentee building owners” due to a high amount of “vacant buildings with... high rent.”

New business recruitment ranked as a high priority as well. Specifically, one respondent suggested “financial assistance for regional and national music events and sports tourism.”

Additionally, various aspects of the City of Fredericksburg’s infrastructure were suggested as potential areas of improvement moving forward. The City’s public schools, parks, housing, and traffic were each cited by separate respondents as key aspects to focus upon in the Five-Year Strategic Plan. One respondent noted that the City “does not have a lot of high tech jobs or infrastructure for them.” Another respondent emphasized the City’s need for climate resilience and that “the ability to cope with environmental hazards needs to be a focus of all new construction and rehabilitation of older structures.”

Redevelopment/Development Repeated as Primary Additional Concern for Five-Year Strategic Plan



n = 20
 Source: Chmura

**APPENDIX THREE:
2017 ECONOMIC
DEVELOPMENT
STRATEGIC PLAN**





FREDERICKSBURG
ECONOMIC
DEVELOPMENT
AUTHORITY

Fredericksburg Economic Development Strategic Plan

In early 2016, Atlanta-based Garner Economics produced a strategic economic development plan for the City of Fredericksburg titled “Embracing History and Progress.” The plan included 20 recommendations for the City of Fredericksburg to pursue to achieve its economic development potential. During that same time frame, the Fredericksburg Economic Development Authority developed a draft strategic plan. In October 2016, Fredericksburg City Council set out a vision for the City that included many economic development goals and initiatives. During the second half of 2016, the newly hired City Manager and Director of Economic Development and Tourism discussed many new economic development and tourism initiatives that the City should pursue.

City Council, the EDA, and the City Manager and EDT Director now seek to come together to endorse one single Economic Development Strategic Plan that pulls from all existing visions/plans and encapsulates the most important elements of each. Below is a consolidated 10-point economic development plan that encapsulates elements from each of the visions (goals are not listed in any specific order). This consolidated Economic Development Strategic Plan incorporates unresolved recommendations of all previous plans, including the Garner and JumpStart! plans, but effectively upon adoption supersedes them. City Council may determine to adopt this Economic Development Strategic Plan as part of the City’s Comprehensive Plan. To accomplish these goals, the City will need to be willing to invest in economic development and tourism and pursue innovative public-private partnerships.

This proposal is guided in large part by the City Council draft **2036 Vision** Statement:

The people of Fredericksburg are building a 21st-century urban center on the foundation of this historic city at the fall line of the Rappahannock River. Fredericksburg is the hub of regional economic activity, a city with a multicultural population and thriving cultural scene, a place that works for everyone, a community where the people are writing the next chapters of Fredericksburg’s history.

Goal #1: Become an employment epicenter

The City of Fredericksburg strives to build an economy that is heavy in research-and-development, high-tech-focused jobs delivering solutions in healthcare, national security and innovative technology. These jobs will allow a larger percentage of the region's workforce to find solid employment opportunities closer to home, thereby keeping this talented labor pool at home during the weekdays, generating increased tax revenue and improving local quality of life. The City also strives to improve upon its status as an authentic historic experience and a tourist destination with diverse opportunities in eco-tourism, sports, cultural, and entertainment venues of statewide significance. The City also strives to facilitate and build upon the entrepreneurial spirit that already exists locally.

Objectives:

A. Make the attraction of new businesses to the City a main focus of economic development along with business retention and expansion (Immediate)

The Garner report identified four core industry targets for Fredericksburg:

1. Tourism, hospitality, and specialty retail
2. Science and technology, R&D, contracting and consulting
3. Professional and corporate office users
4. Education and health services

Under this objective, a main focus of the Department of Economic Development and Tourism will be to attract and retain businesses in these four core industries. This effort will include the development and execution of a process for lead generation and business target profiling. EDT staff will actively solicit and provide information to site-location consultants, and it will cooperate with the Fredericksburg Regional Alliance to develop familiarization events for consultants and companies – achieving the goal of significantly enhancing relationships with corporate decision-makers in the greater Washington, D.C., Metropolitan Area. The Department of Economic Development and Tourism will also enhance its website as part of its business attraction strategy, adding a blog with regular content that will promote the City. Networking events put on by groups such as the International Economic Development Council, Virginia Economic Developers Association, Greater Washington Board of Trade, Fredericksburg Regional Chamber of Commerce, International Council of Shopping Centers and Greater Richmond Association for Commercial Real Estate will be attended. EDT staff will work closely with local brokers and developers to assist with tenant development, and will reach out directly to attract targeted businesses and national associations that complement the four targeted industries. Close collaborations between Germanna Community College, the University of Mary Washington, the Fredericksburg Regional Chamber of Commerce, Fredericksburg VA Main Street Inc., the UMW Center for Economic Development and the UMW Center for Historic Preservation will continue and be enhanced.

Along with this focus on business attraction, EDT should place a top priority on business retention and expansion. That means making frequent visits to City businesses, promoting successes on the ED website and social media, holding assistance events in collaboration with other organizations, responding quickly and effectively to requests for assistance, and consistently showing appreciation. The

City should also help facilitate a culture of entrepreneurialism that encourages area residents to start new businesses that can grow into significant employers.

B. Update the existing economic incentives program structure and funding levels, and adjust as needed to optimize the City’s competitiveness with respect to attracting the four core industry targets (2017)

The Garner report identified the low level of funding for the local economic development program as a “weakness” in its assessment of the City. Under this objective, the Director of Economic Development and Tourism will lead efforts to update the existing incentives program. Strong efforts will be made to make the program more flexible, and staff will work with Council to make the entire City eligible for the incentive program. Creating a City economic development and tourism opportunity fund (a ready resource for potential top-tier prospects and events) will also be prioritized. Recent work to bring together the City and its Economic Development Authority will be continued, and additional funding streams for the EDA will be explored. The City should also be constantly on the lookout for state and federal incentive programs that local matching funds can leverage, and be willing to commit financial resources to help land highly attractive projects and businesses.

C. Move EDT office to a more corporate environment (Late 2017/Early 2018)

The offices of the Department of Economic Development and Tourism should be relocated to a more corporate environment. The current offices are on the second and third floors of the Fredericksburg Visitor Center at 706 Caroline St. Guests pass through the Visitor Center, and access the offices using a narrow staircase. The conference room is currently on the second floor of this facility. New office and meeting space would enhance the experience of business prospects, demonstrate a more serious economic development effort, and provide a more professional environment for this work. Importantly, new space should also function more efficiently, with integrated or coordinated space for offices, meeting rooms, bathrooms, ADA access, storage and other supportive spaces. The new office space would also incorporate useful improvements in technological infrastructure and audio/visual meeting and presentation equipment. The new space should have convenient parking, with good access to all areas of the City.

One potential location for this new office is the Executive Plaza in downtown Fredericksburg. Fredericksburg City Schools administrative staff currently occupies the first level of the Caroline Street building, but schools staff will move to the Walker Grant Center in the Fall of 2017. The first level of the Executive Plaza, which was recently renovated during the courts construction project, is likely to be the new home to the Department of Economic Development and Tourism when it comes available. The space is big enough for a co-location with the Fredericksburg Visitor Center and/or another logical City department – and maybe even Fredericksburg VA Main Street Inc. The City already owns the building, so relocation costs should be reasonable. The Fredericksburg Visitor Center could potentially co-locate with EDT at this new facility, as has been done for many years at 706 Caroline St.

Goal #2: Develop the workforce of tomorrow

Workforce development is an important facet of any economic development program. Companies considering a new community look closely at the workforce to ensure that there is a qualified labor pool from which to draw. While Fredericksburg has a well-educated workforce, it is important to take steps to ensure programs are in place to keep the workforce trained for future opportunities.

Objectives:

A. Help create and support incubator spaces for entrepreneurs (2018)

Fredericksburg has an opportunity to help facilitate the “sharing” economy through a variety of business incubators that generate startup activity. One such space, EagleWorks at the UMW Center for Economic Development, already exists, and the City should collaborate with and help expand the center. The City should also collaborate with the Quantico Innovation Center and have a seat on that organization’s Board of Directors. With the growth of Fredericksburg’s restaurant scene, some restaurateurs have said that it has become difficult to find well-trained and qualified kitchen staff. The City could help with this shortage by partnering with Germanna Community College, the Gladys H. Oberle School and others on a culinary training kitchen that could also serve as an incubator space for food-focused entrepreneurs. City staff has identified an unused commercial kitchen in the former hospital at 2300 Fall Hill Avenue that could be refurbished for this use. Preliminary meetings have occurred with property owner Mary Washington Healthcare as well as Germanna. Fredericksburg City Schools might elect to run culinary education classes from this space as well. Meetings have also occurred with leaders of the Oberle School about potential after-hours use of the school’s commercial kitchen.

In addition, anytime Fredericksburg has excess public space, the City should explore providing incubator space for startups through a competitive process.

B. Partner with Germanna and City Schools on vocational, technology and workforce training (2017-2018)

The City should also facilitate vocational and technological training conducted by City Schools, Germanna and private-sector training-oriented firms. One example of this effort that the EDA has supported is Germanna’s Fredericksburg Center for Advanced Technology, which plans to open a vocational-focused training center in Central Park in 2017. The facility will provide training for electricians, plumbers, pipefitters, HVAC technicians and more. It will also have a maker-space where people can experiment with technology such as 3D printers to build prototypes. The EDA and City should continue to support such vocational-focused projects, as many good jobs are available in the 21st-century economy that don’t require four-year degrees. The City should also work with UMW to help keep qualified students in Fredericksburg by connecting them to employers through internship and post-graduate job opportunities.

C. Look for state and federal workforce grant opportunities (Immediate)

Fredericksburg’s Department of Economic Development and Tourism should continue to explore state and national programs that provide tax and other incentives to companies for job creation. One

program offered through VEDP is the Virginia Jobs Investment Program, and there are others. Many of these programs also offer training opportunities. Local organizations such as the Fredericksburg Regional Chamber of Commerce, Fredericksburg VA Main Street Inc. and UMW's Small Business Development Center also offer training opportunities for workforce development. The City should promote, facilitate and partner with these organizations on workforce training.

Goal #3: Be a business-friendly city

Small and large businesses are the lifeblood of the community as well as the City's tax base, and steps must be taken to ensure they feel appreciated and fairly treated. That is accomplished through superior customer service, a reasonable regulatory environment, fair tax rates and excellent business retention efforts.

Objectives:

A. Promote and help facilitate the innovation, growth and excellence of the local business community (Immediate)

The City should promote local entrepreneurship in a number of ways, including:

1. Supporting entrepreneurs through business education events and seminars in conjunction with the UMW Small Business Development Center, Fredericksburg VA Main Street Inc. and the Fredericksburg Regional Chamber of Commerce.
2. Facilitating the creation and expansion of business incubation facilities such as EagleWorks at the UMW Small Business Development Center.
3. Supporting programs such as Startup Weekend Fredericksburg and Made in FredVA.
4. Working with Main Street and the Chamber on encouraging new business creation and collaborating on ribbon-cutting events.
5. Meeting regularly with existing businesses and promoting their success via news releases, blog posts and social media.
6. Pursuit of earned media to better tell our success stories.

B. Streamline, simplify and coordinate the permitting process (Multi-year effort)

The Garner report proposed that the City should staff a business investment and retention ombudsman in the City Manager's Office, and create a one-stop permitting office to streamline the permitting process and create an internal culture of "yes." Starting a new business or expanding an existing business in the City can be a complicated process, involving multiple public offices, including the Commissioner of the Revenue, Building Code Official, Fire Marshal, Development and Zoning Administrators, Stormwater Management Administrator and more. Multiple regulations, including codes governing taxes, building, fire prevention, health, zoning and stormwater management, must be navigated. This can make new business activity complex, time-consuming, and, in some cases, discouraging.

These public offices are implementing regulations that are required by the state and federal governments in many cases, and by City Council in others. They are all bound to implement the law evenly, fairly, efficiently and effectively. With the cooperation of the private sector, there is always a way to search for the “yes” answer within these existing frameworks. And, while the regulatory frameworks will not always bend to local desires, the process for navigating the complex permitting structure lends itself to improvement.

Under this objective, the Director of Economic Development and Tourism and Business Development Manager will lead a team effort to map the current permitting process, to benchmark the City’s process against best practices, and to develop more efficient, coordinated and business-friendly processes that will support and encourage new business activity in the City. A priority will be placed to bring permitting functions more closely together for ease of our customers.

Regarding the ombudsman recommendation, the Director of Economic Development and Tourism and Business Development Manager will function in this role.

C. Review the development standards of the Unified Development Ordinance for any undue obstacles to business development (Multi-year effort)

The Garner report proposed that the City “conduct a third-party, unbiased review of the UDO.” Planning staff is currently engaged in a process of small-area-plan development, reviewing each of the City’s 10 planning areas for long-range planning purposes. The City has engaged, and will continue to engage, private-sector experts to assist in this review. The project includes an economic analysis of business infrastructure, activity and opportunities.

The completion of the small-area-plan project was identified by the City Council as a three-year priority. At the conclusion of that project, the Planning staff proposes to review the City’s existing zoning district classifications, and to propose new, modern zoning district classifications (including form-based code) and regulations, especially with respect to commercial districts such as Commercial/Office Transitional, Commercial Highway, and Commercial Shopping Center. This is a long-range project that will take several years to complete.

In the short term, the City Attorney and Planning staff have reviewed Articles 1 & 2 of the UDO and have brought them to the Council for referral to the Planning Commission. They are also now reviewing development standards in Articles 4 and 5 of the UDO for their effectiveness in balancing competing public and private interests with respect to commercial development. Working with the Economic Development staff, they will work to identify, with developer input, any unreasonable obstacles to new business investment. Third-party assistance has been sought, and will continue to be sought as needed.

Goal #4: Enhance the City as a tourism destination

Tourism is a major economic driver for the City, bringing in meals, sales and lodging taxes that support the local budget while creating jobs and revenue for local businesses. The Virginia Tourism

Corporation estimated in its 2015 report entitled “Economic Impact of Domestic Travel on Virginia” that domestic travelers were responsible in 2015 for \$171.4 million in expenditures and more than 1,600 jobs in the City. Driving more tourists, conventions, meetings and events to the City will significantly boost the local economy. Fredericksburg should also promote and prosper from its status as a Main Street community.

Objectives:

A. Investigate the creation of a regional tourism bureau (2017-2018)

For many years, the Fredericksburg Regional Tourism Partnership has coordinated much of the regional tourism efforts in the City and Stafford and Spotsylvania counties. The FRTP, working with Virginia Beach-based destination marketing organization BCF, has had much success driving visitors to VisitFred.com and to in-person visits. Tourism sales professionals staffed by the City of Fredericksburg and working on behalf of the entire region have recruited reunions, meetings, conventions and events to the City that have grown the regional tax base.

Now, City leadership wishes consideration of the formation of a regional tourism bureau to coordinate tourism marketing and sales efforts. A separate, not-for-profit organization with dedicated office space, staff and a Board of Directors could be formed. The organization could be funded exclusively through lodging tax revenue from each of the three partnering localities. City staff have been studying this model with its partners, while speaking with executive directors of Richmond- and Roanoke-based organizations that follow this regional strategy. A late December 2016 forum was held on these models, and leaders from each of the three partnering localities are evaluating the possibility.

If a regional tourism bureau were created, the City of Fredericksburg would continue with a City-only tourism program as well. The Visitor Center would continue to be a Fredericksburg-managed location in that scenario.

B. Create a Tourism Opportunity Fund to attract events and meetings (2017-2018)

Both the Garner report and draft EDA strategic plan encouraged the formation of an opportunity fund that could help land tax-generating events and conventions in the region. Increasingly, large events and meetings expect some sort of stipend/incentive from the host locality/region. Without such a fund currently, the Fredericksburg region is at a disadvantage when competing with other areas for events.

This Tourism Opportunity Fund could be housed in a newly formed regional tourism bureau. It could also be administered through the Fredericksburg Regional Tourism Partnership. Separately, the Department of Parks and Recreation will be taking an increased focus on event recruitment, support and management. This type of opportunity fund could also assist these enhanced efforts. The City and Region would also benefit from additional marketing dollars for promotions.

C. Develop tourism assets in the City and collaborate with partners (Immediate)

The City should work to attract an upscale, boutique hotel that would complement the downtown Courtyard by Marriott, the Hyatt Place at Eagle Village and other lodging offerings. It would also be helpful to attract a hotel with more meeting space for conventions, conferences and other groups. The

City's Department of Economic Development and Tourism and Parks and Recreation should also attempt to recruit and develop more tourist-friendly amenities such as an ice-skating rink, carousel, permanent outdoor stage, observation deck and enhanced outdoor/river recreation activities that offer more diverse/unique experiences for visitors while differentiating the City from others in the region. The City should collaborate with the National Park Service, George Washington Foundation and Spotsylvania and Stafford counties on tourism-product development including the battlefields and riverfront land. The City should also work with the University of Mary Washington to collaboratively recruit sports groups and events that would compete on UMW's topnotch athletics facilities.

Goal #5: Rebrand the City of Fredericksburg and vigorously defend brand standards

It is vital that the City create a unified brand and vigorously defend its usage for both internal and external communications. This brand would be used for both internal and external communications.

Objectives:

A. Take stock of how City brand is currently used (Early 2017)

The first step toward accomplishing this goal is analyzing how the City is currently portraying itself through websites, business cards, letterheads, signage and more. City staff put together a presentation for City Council in late 2016 that showed the many diverse logos, business cards and websites that are currently being used. The Novak and Garner reports also pointed out this lack of consistency in how the City is portraying itself.

B. Hire branding firm to create new brand and implement it (2017)

The next step is to hire a branding firm to engage the community and create a brand for the City, as well as brand standards for how it should be used. After the brand is created, it should be integrated into all City communications including websites, letterheads, business cards and signage. This will be a multi-year process that will carry significant financial costs. Strong consideration should be given during this process to the recent brand developed for downtown by Fredericksburg VA Main Street Inc.

C. Designate a staff member as "Brand Champion" (Early 2018)

A staff member should be designated as "brand champion" to ensure that the brand is being consistently used as intended across all platforms. This champion could reside within the City Manager's Office. A Public Information Officer, if one is hired, could assist with this effort.

Goal #6: Ensure proper infrastructure is in place to sustain growth

The City of Fredericksburg cannot achieve its community development goals if proper infrastructure is not in place. Much of the City's infrastructure has served citizens for many years, and steps must be taken to ensure it is adequate for both the present and future. Many of City Council's goals and initiatives fall into this category.

Objectives:

A. Create a parking plan of action for the City (Early 2017)

Significant growth in downtown Fredericksburg and at UMW has led to parking challenges in both areas. It can be debated to what extent parking is a current problem, but there is no doubt that the City must take steps to ensure that adequate parking exists for residents, businesses and visitors now and in the future. The parking assets must also be appropriately marked. A first step is to take stock of the City's current parking inventory and policies, as well as analyze where growth is coming. Walker Parking Consultants has been hired to conduct a "Parking Plan of Action" for the City to make recommendations going forward. Future strategies could include experimenting with additional paid parking, changing hourly parking limits, pursuing additional after-hours leases, adding downtown shuttles, improving signage, using more technology (apps) and acquiring an additional surface lot to eventually accommodate another parking deck, among others. Encouraging downtown walkability should also be a focus.

B. Analyze existing infrastructure and make improvements accordingly (Immediate)

The City of Fredericksburg must ensure that it has adequate water and sewer capacity to facilitate its growth. While private developers must pay for the water and sewer lines connecting their projects, it is up to the City to ensure that the main lines can handle the growth. The City has invested considerable funds in recent years replacing aged water and sewer lines, and that effort should continue. In addition, the City should ensure that it has sufficient broadband speeds, as Internet connectivity is increasingly viewed as a required utility by businesses and developers considering the market. The City should also investigate the creation of a free public wireless network and explore ways to ensure additional conduit is laid in the City right-of-way whenever appropriate trenching occurs. Finally, the City should work with its partners at Columbia Gas and Dominion to ensure sufficient natural gas and electrical capacity exists in targeted development areas.

C. Improve transportation assets (Immediate)

The City must constantly seek to maintain and improve its transportation assets of all modes. Much progress has been made on this initiative of late, namely the Fall Hill Avenue/Mary Washington Boulevard project, planned improvements to the Exit 130 interchange and coming Atlantic Gateway project along Interstate 95. The City should also fully engage and cooperate with the widening of the CSX rail lines (if approved) in the City to allow for the creation of a high-speed rail network while working to leverage the opportunity to improve bridges, sound-dampening walls and other enhancements (for example, a new parking garage and a new train station that could be part of a revitalized neighborhood

around the station). The City should also prioritize the creation of an additional north/south road connection from Fall Hill Avenue to State Route 3 just east of Interstate 95. Finally, the City should continue to improve its pedestrian trail system, being sure to integrate planned pedestrian improvements to the Chatham Bridge in Stafford County. The creation of a dedicated Transportation Administrator position is a positive step for these objectives.

Goal #7: Build upon outdoor assets

City Council, the EDA, the Garner plan and City staff have all called for enhancing the City's outdoor recreation assets. The City's location along the Rappahannock River and ownership of easement land along the river provide ample opportunities to develop outdoor amenities that will enhance quality of life for residents, create venues for special events and attract additional visitors.

Objectives:

A. Develop Riverfront Park and clean up areas along the river (2017-2018)

This is a key objective cited by all previous plans, and for good reason. The park promises to become a center of downtown activity for events and recreation. It will greatly enhance the City's use of the river, and should increase direct access to the river. The City is working with Rhodeside & Harwell to finalize a design for Riverfront Park and is also working to replace parking that will be lost as part of the park's development. Concurrently, the City should continue to assist with the "Face the River" campaign to clean up overgrowth along the river to promote better views and activity. The City should also work with the George Washington Foundation on long-term plans for a ferry crossing between Ferry Farm and City Dock. The City should support river-focused events such as cleanup days and "Rock the River."

B. Continue to enhance trails system (Immediate)

The City has received a very positive reaction to its trails system. The VCR Trail and Rappahannock River Heritage Trail are both heavily used and have become wonderful assets for the City and region. There are plans to extend the VCR Trail to Interstate 95 and eventually cross the interstate and continue all the way to Orange County. The City should continue to look for ways to build up its trails system, taking opportunities such as the Fall Hill Avenue widening to improve the network. A future road and sidewalk system through the Hylton property will create important North-South pedestrian connectivity in the City. Connecting the pedestrian trails to southern Stafford County, which has also done a good job building its trails system, would greatly enhance the broader usability. Integrating the trails system with the Chatham Bridge in Stafford will be imperative to accomplishing this connection near term.

C. Attract outdoor recreational venues and companies (2017-2018)

The City should continue to explore ways to attract a multi-purpose outdoor and recreational facility that can be privately financed, with potential City/regional support. This type of facility could provide a venue for travel sports teams, large and small tournaments, concerts and potentially professional baseball. Another opportunity is to develop and facilitate outdoor adventure assets such as dirt-bike trails, ropes courses, rock climbing, paddleboarding, enhanced river rafting/kayaking, and more. The City should also

strengthen outdoor awareness by recruiting outdoor-oriented associations, publications and businesses including those that complement the American Canoe Association. The City should aggressively promote sports tourism opportunities and recruit more events such as the Marine Corps Historic Half.

Goal #8: Build community through cultural vibrancy

The City of Fredericksburg has an active arts and cultural community that enhances the City's quality of life and attracts new residents. All of the previous Economic Development plans have called for arts and cultural enhancements, and this one does too.

Objectives:

A. Identify a venue and funding sources for a performing arts center (2017-2018)

The City of Fredericksburg offers a variety of existing venues for performing arts – including the downtown library auditorium, Picker's Alley, the Renwick courthouse, James Monroe High School and others. The existing facilities, however, are either too small for larger-scale performances or are frequently not available for community groups. The City should therefore continue to explore possibilities for a larger performing arts center that could attract performances of regional significance. This could be done through a public-private partnership, and the facility could also include conference facilities to allow larger meetings. The City should also explore partnerships with UMW for a shared agreement that would allow existing UMW theater assets (including the Klein Theatre and Dodd Auditorium) to be more frequently used by the community.

B. Work with the arts and cultural community on events and programs (Immediate)

The City and EDA should continue to partner with existing arts groups including the Fredericksburg Arts Commission to facilitate art-focused events and programs such as Via Colori, First Fridays, Art Attack!, the outdoor public arts sculpture program and a variety of murals. The City's existing Arts & Cultural District incentives program should continue to be used to encourage art-focused businesses to locate downtown and restaurants to display the works of local artists. Partnerships with UMW and the City's many heritage tourism organizations should also continue to be pursued to offer arts programming and cultural events such as the Great Lives series.

C. Support and encourage indoor and outdoor music venues (Immediate)

This is an important element in the EDA's draft strategic plan. The EDA facilitated a new indoor music venue with grant funding to the Picker's Alley project as well as support of the Spencer Devon Brewing deck project, which could include musical performances. The EDA has also been supportive of the Celebrate Virginia Live/Celebrate Virginia After Hours outdoor concert series, which continues. Riverfront Park is another attractive venue for outdoor music (and its planned build out should include a permanent stage). These efforts should continue.

Goal #9: Maintain historic character as part of economic development and tourism strategy

Fredericksburg's historic character is one of its primary assets in both economic development and tourism. Much of the City's charm and character derive from its authentic historic look and feel, so the City must protect that while pursuing goals that will attract more businesses, residents and visitors to the historic and walkable core. Organizations and boards including Fredericksburg VA Main Street Inc., the Architectural Review Board, Historic Fredericksburg Foundation Inc. and the UMW Center for Historic Preservation will be important partners in this pursuit.

Objectives:

A. Determine what to do with the Renwick Courthouse and Post Office properties (2017-2018)

The Renwick courthouse complex will be entirely empty by the fall of 2017. The complex, particularly the former courthouse building designed by renowned architect James Renwick, needs to find its next use. The City should build on previous work done by an earlier study group. This could include holding a series of public meetings starting with the official unveiling of the Historic Structures Report and announcing that developers are encouraged to submit proposals for reusing the complex. The City can then evaluate the ideas and hold another community meeting to discuss them. Under any reuse scenario, the City should strongly consider retaining the important complex, but should be open minded about what private-sector concepts might arise. The City should also make redevelopment of the Post Office distribution facility a priority while working to keep the retail Post Office downtown.

B. Enhance awareness of historic tax credit programs (Immediate)

The federal and state historic tax credit programs are excellent ways to make sensitive historic rehab projects economically viable. They have been used to great success both locally and throughout the U.S. Statistics indicate that the programs aren't being used as much as desired in Fredericksburg. The City should work to change that trend by partnering with area organizations such as Fredericksburg VA Main Street Inc. and HFFI on workshops regarding the programs. Fredericksburg's Historic Preservation Planner has produced an excellent and informative flier on the tax credit program, and the City should ensure that it gets widely circulated. The City should work closely with UMW's Center for Historic Preservation to raise awareness about historic preservation and to collaborate on Historic District projects.

C. Facilitate conversations between developers, preservationists, city staff and commissions to make it clear about City's vision and priorities (2017-2018)

Developers should have a clear understanding as to what the development process will involve in Fredericksburg's Historic District. The City should facilitate conversations between the development community, Architectural Review Board, Main Street, preservation organizations and other commissions to ensure a clear understanding of the City's vision and priorities. An archaeology ordinance should be developed that lays much of the groundwork for what downtown development projects will entail, as well. Developing and clearly explaining these priorities and regulations will avoid conflict down the road once projects are proposed.

Goal #10: Enhance gateways into the city

Both the EDA and City Council have put ample emphasis on improving Fredericksburg's gateway corridors – including Princess Anne Street, Lafayette Boulevard and the Rappahannock River (the region's "original gateway"). The City requires an extra layer of review for development projects proposed along these two gateways and others. The EDA has facilitated façade improvement grant programs to encourage investments along the City's primary gateways. These corridors are often the first impression that visitors get when entering the City and Historic District, and it's important to improve the look.

Objectives:

A. Develop partnership between City and EDA on strategic acquisition program (2017-2018)

The City and EDA demonstrated the value of working together on strategic property acquisitions through the 2016 purchase of the former StellarOne bank branch at 1016 Charles St. That partnership led to more public parking, a new business coming downtown and additional financial resources that the EDA can use for future economic development projects. The EDA would like to pursue additional acquisitions and could work with the City to develop a program that could make the program more financially feasible. This program could be used to acquire blighted properties along the gateway corridors, prepare them for redevelopment and sell them back to the private sector, potentially using tax incentives to recruit desired businesses and projects. Even if the EDA potentially loses money on these investments, the net result for the City would be positive due to the better appearance of the corridors and the tax revenue derived from new businesses. The City could incentivize the EDA to participate in these deals by agreeing to split some of the incremental tax revenue on targeted properties with the EDA.

B. Adhere to corridor design standards and enforce existing city codes (Immediate)

The EDA has frequently discussed eyesore properties along the gateway corridors, particularly auto mechanic shops along Lafayette Boulevard that keep more vehicles in their lots than what is allowed by city code. The City through code enforcement should ensure that businesses along the corridors are adhering to city code, and continue to review new projects to ensure compliance with the corridor overlay design standards. Improving the look of the corridors should also include the erection of new gateway signs utilizing the City's new branding. Improvements along the river should be made as part of this category, including potentially new trails, bridges and activities.

C. Continue to use EDA grants program to facilitate additional improvements (Immediate)

The EDA has a multi-year track record of success with its Princess Anne Street and Lafayette Boulevard façade improvement grants program. Projects such as the ILM Corp. redevelopment on Lafayette Boulevard, the Red Dragon Brewery project on Princess Anne Street and the future redevelopment of the former Pure gas station on Princess Anne Street are all direct beneficiaries of these programs that have had or will have positive effects on the appearance of these corridors. The EDA should continue to promote this program and might consider giving top priority to façade grants along

these corridors. Having said that, the EDA should be open to, as opportunities arise, prioritizing potential collaborative projects with the City that have significant ROI to our community.