



Chapter 3. Economic Development Element

3.1. PURPOSE

This Economic Development Element provides guidance and direction regarding future economic efforts in Orange County. The goals and objectives identified within this Element serve as the foundation for establishing future economic development policies and action strategies undertaken by Orange County, its advisory boards, and staff. The specific process for developing an economic development implementation strategy is outlined in *Section 1.4: Administration and Implementation Guidelines*.

3.2. OVERVIEW

Orange County has a vigorous economy, currently anchored by activity related to institutional uses, private employers, and the nearby Research Triangle Park. Demands for services outpace revenue sources, which are overly dependent on residential property taxes. The need is to encourage strategically targeted economic development opportunities.

BACKGROUND

Orange County's economic history is uniquely based in its natural and agricultural resources, the establishment of the first public university to accept students in the United States, The University of North Carolina at Chapel Hill, and medical facilities within its borders, its proximity to the Research Triangle Park, Duke University, and the high quality of life valued by its residents. These assets continue to this day to be the foundations for our community's economy. Historically, the shifting of Orange County's political boundaries have resulted in losses to its manufacturing base. Although difficult to quantify, the most significant loss may have occurred between the years 1849 and 1881 when portions of Orange County were taken to create Alamance and Durham Counties. Changes to Orange County's boundaries also occurred in 1771 when Guilford, Wake, and Chatham Counties were formed and again in 1777 with the formation of Caswell County.

Recent years have seen changes in our local agricultural economy. Farmers who once grew traditional crops, like tobacco, have had to respond to economic changes and find alternative products to grow. The demand for goods produced using sustainable practices has resulted in an increase in locally produced, environmentally sustainable items. The expansion of UNC-Chapel Hill's campus has provided construction and other forms of new employment. The State's decision to locate the new Carolina North campus in north Chapel Hill will mean a new northern campus that fosters public-private partnerships, public engagement and flexible new spaces for research and education. Advances in technology have changed the way companies do business and fostered development of new high tech industries in the region.

Strategic economic development efforts are needed in the County. Competition with neighboring jurisdictions to attract new businesses necessitates a strong economic development effort to ensure that future populations will have a full range of job opportunities in the County. Orange County is in a position to define its economic future.



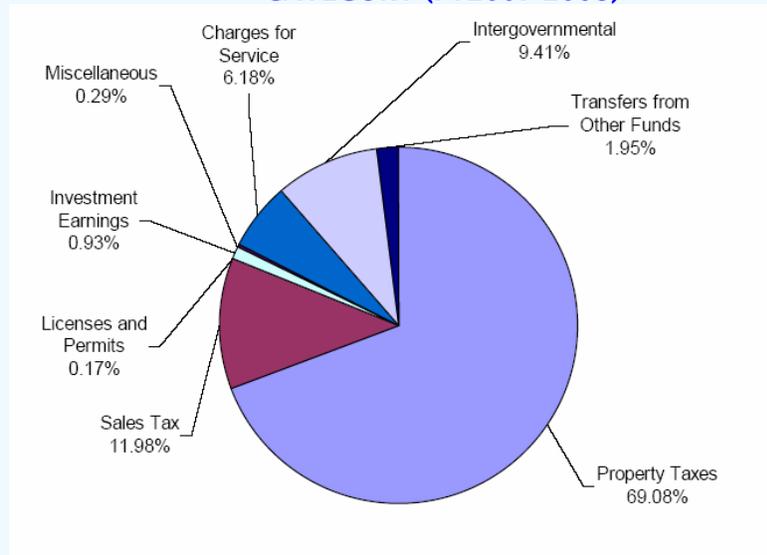
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KEY FACTS

The following snapshot of Orange County's fiscal situation provides a foundation for considering Economic Development issues.

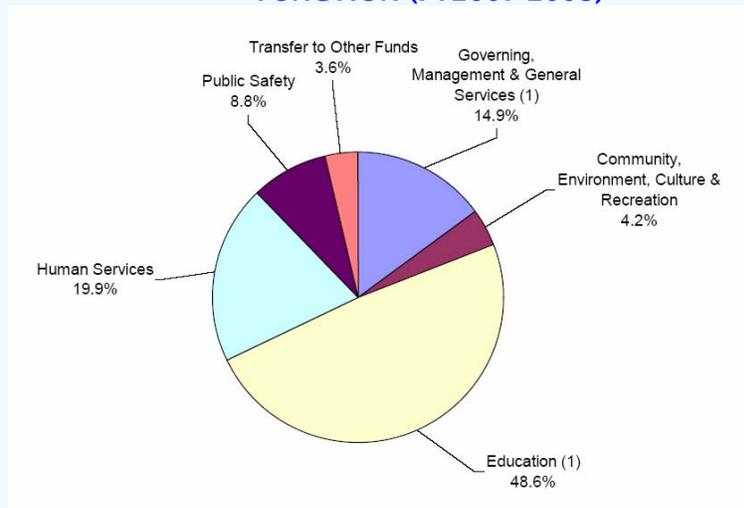
- Sources and uses of County Revenues:

FIGURE 3-1: GENERAL FUND REVENUES BY CATEGORY (FY2007-2008)



Source: Orange County FY2007-2008 Budget

FIGURE 3-2: GENERAL FUND EXPENDITURES BY FUNCTION (FY2007-2008)



Source: Orange County FY2007-2008 Budget



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- 50% of property in Orange County is not taxed at full value (either because it is taxed at its use value or is a State-owned or tax-exempt property).
- 86% of the property tax base is residential property.
- The current annual population growth rate (2000-2005) is 1.09%.
- The current annual growth in County revenues (FY04/05-FY05/06) is 13%.
- The number of jobs per 100 workers in the County (2006) is 88.4. In other words, the ratio of Orange County's labor force to jobs is 1 : 0.884. There are fewer jobs than there are employees in Orange County, forcing some of the County's workforce to seek employment outside of the County.

RECENT ECONOMIC DEVELOPMENT EFFORTS AND STUDIES

Orange County has engaged in several economic planning and development efforts over recent years that were aimed at both regional and local scales. Summaries of these reports are provided here.

STAYING ON TOP: WINNING THE JOB WARS OF THE FUTURE (A COMPETITIVENESS PLAN FOR THE RESEARCH TRIANGLE REGION)

In 2004, economic realities such as the decline of traditional industries, layoffs from leading businesses, and the advent of global white-collar outsourcing sparked concerns for the future of the Research Triangle region and the need for a long-term plan. A consortium of business and higher education representatives, including representatives from Orange County and UNC-Chapel Hill, formed to address these changes in the regional economy through development of a regional economic strategy. Using the guidance of Dr. Michael Porter, Harvard University regional competitiveness expert, the group developed an economic plan to advance the foundation laid by the Research Triangle Park to build and attract emerging industry clusters to the region. A 37-member task force of business and higher education leaders, the Futures Clusters Competitiveness Task Force, developed an action blueprint for the region. The goals of the blueprint are to:

- Strengthen the region's existing clusters by improving collaboration among companies and organizations;
- Diversify the economy by recruiting a wider array of clusters and focusing on opportunities at the intersection of our strongest clusters;
- Spark creation of more homegrown businesses;
- Identify regional investments needed for competitive advantage;
- Invigorate the economy across a broader geographic area; and
- Develop the region's capacity to meet its goals.



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The report identifies specific industry clusters, an action agenda, and specific roles and responsibilities to implement the plan.

INVESTING IN INNOVATION: THE ORANGE COUNTY ECONOMIC DEVELOPMENT COMMISSION'S FIVE YEAR STRATEGIC PLAN (2005-2010)

The Orange County Economic Development Commission commenced a strategic planning process in 2002 to guide future efforts of the organization. The result of this multi-year planning effort is a five year strategic plan with the overarching goal to “create 5,000 new private sector jobs in Orange County and add \$125,000,000 in new commercial property by June 2010.” Four key areas for improvement were identified:

- Improved Business Climate to enable businesses to create the needed jobs;
- Infrastructure to enable the businesses to flourish;
- Workforce Development to make sure workers have the skills needed to assume the new jobs; and
- Quality of Place to ensure that Orange County remains a great place to live and work.

Specific action steps were identified for each of these four areas of improvement. The objectives of this element were derived from the key goals identified in this plan.

2007 STATE OF THE LOCAL ECONOMY

The Orange County Economic Development Commission published a report entitled State of the Local Economy in March, 2007. The report provides key economic and demographic statistics for Orange County.

Key conclusions from the data analysis show improvement in some aspects of the County’s economy, including decreasing commercial vacancy rates, increases in retail sales tax collections, maintenance of the lowest unemployment rate in the state, and increases in weekly wages. The report also highlights that the County’s tax base continues to remain unbalanced at 86% residential and 14% non-residential, retail sales per capita were well below the state average, the cost of living in the area is still high, and the number of families on food stamps has increased since 2000.

ESTABLISHMENT OF ECONOMIC DEVELOPMENT DISTRICTS

Orange County has designated more than 2,450 acres in three strategically placed areas along Interstates 85 and 40 as Economic Development Districts. The purpose of these districts is to promote development of properties located along key transportation corridors and near urban areas for commercial or industrial development. These sites were selected because of their adjacency to the interstates, their proximity to rail facilities for the movement of goods and potential for future transit service, access to public water and sewer service, and the potential to divide large tracts in these districts into a range of building site sizes. Orange County’s location, midway between the Piedmont Triad and Research Triangle metropolitan areas, makes these sites highly marketable.



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The districts offer development potential for light industrial, warehouse/flex space, office, retail, and business service. The specific types of developments that can be constructed within these districts are explained in the Orange County Economic Development Districts Design Manual, available through the Orange County Planning office. The manual provides schematic plans for each district that illustrate the desired balance of economic development and environmental and neighborhood protection. The schematics identify three main areas: 1) primary development areas intended to accommodate the full range of light industrial, distribution, retail, office, and service uses; 2) secondary development areas that provide opportunities for less intense development including limited office and residential uses; and 3) open space areas that include environmental features such as steep slopes and floodplains that should not be developed.

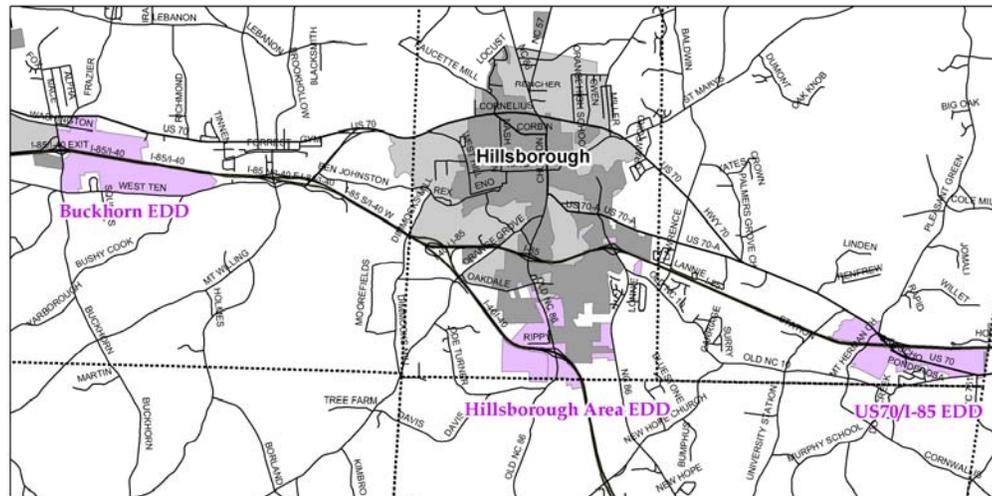
The three Economic Development Districts include:

- I-85 Buckhorn Road District - This district is comprised of 845 acres located on the northeast and southeast quadrants of an I-85 interchange at Buckhorn Road. Because the district is served by transportation and utility systems, the entire developable portion of the district has been designated as a primary development area;
- I-40/Old NC 86 District - This district encompasses all four corners of a major interstate exchange south of Hillsborough. It includes 724 acres. This area includes a mix of residential land uses and will require design solutions to buffer neighborhoods from future development;
- I-85/U.S. Highway 70 District - This district extends almost two miles along either side of I-85. The district includes many land uses, including single-family homes, Manufactured Housing District developments, and small-scale service and commercial operations. Almost half of the district is designated as a primary development area. Design solutions will be needed in this district to transition from residential uses to more intense commercial and industrial uses.

Map 3-1 below illustrates the locations of the Buckhorn, Hillsborough Area, and US70/I-85 Eno Economic Development Districts.



Orange County Economic Development Districts



Legend

- Economic Development Districts
- City Limits
- Extra-Territorial Jurisdiction
- Township Boundaries



GIS Map Prepared by Miriam Coleman, Orange County Planning Department, December 14, 2007

MAP 3-1: ECONOMIC DEVELOPMENT DISTRICTS

KEY ISSUES

Previous economic development efforts and studies have identified several key economic development issues that Orange County now faces and will need to address to maintain its economic position. These issues include:

- The need to diversify the County’s tax base from one primarily composed of residential property (86.4% in 2005) to a more balanced tax base that includes a diversity of businesses and services.
- Defining the economic strategy for Orange County, and specifically determining the types of businesses and employment that are preferable for Orange County.
- Ensuring that land and public services are in place to support desired economic development.
- Overcoming the perception that Orange County is not a business friendly community.



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- Working with and supporting the Town of Chapel Hill and the State of North Carolina as they move forward with development of Carolina North to ensure that a balance between maximizing economic development potential and maintaining a high quality of life is achieved.
- Providing employment opportunities for the underemployed, unemployed and the aging workforce.

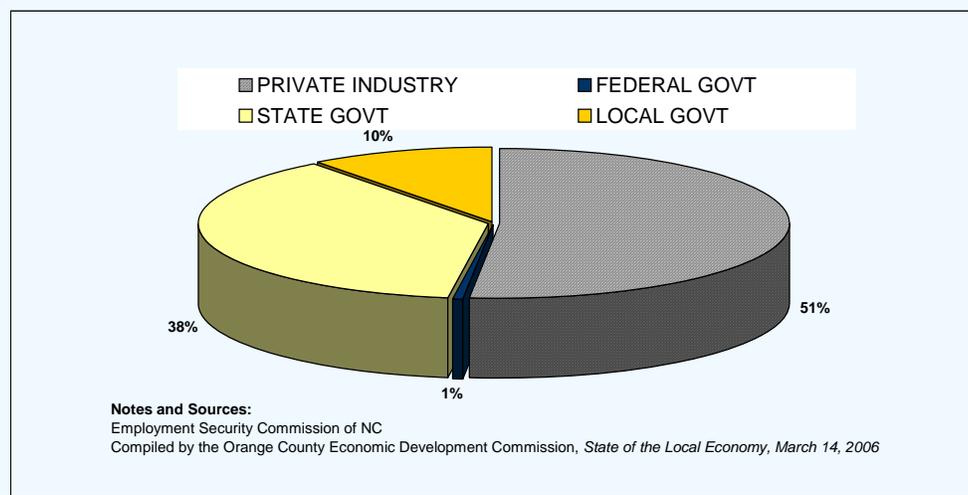
3.3. HISTORIC DATA, CURRENT DATA, EVALUATION OF TRENDS

The following data provide background information on the historical and current economic conditions in Orange County. Additional data on this topic can be found in *Appendix A: County Profile (Data) Element*.

EMPLOYMENT TRENDS BY INDUSTRY

As shown in Figure 3-3, in 2005, approximately 51% of Orange County workers were employed in the private sector, followed by 38% in state government, 10% in local government, and 1% in federal government.

FIGURE 3-3: ORANGE COUNTY EMPLOYMENT BY SECTORS (2005)

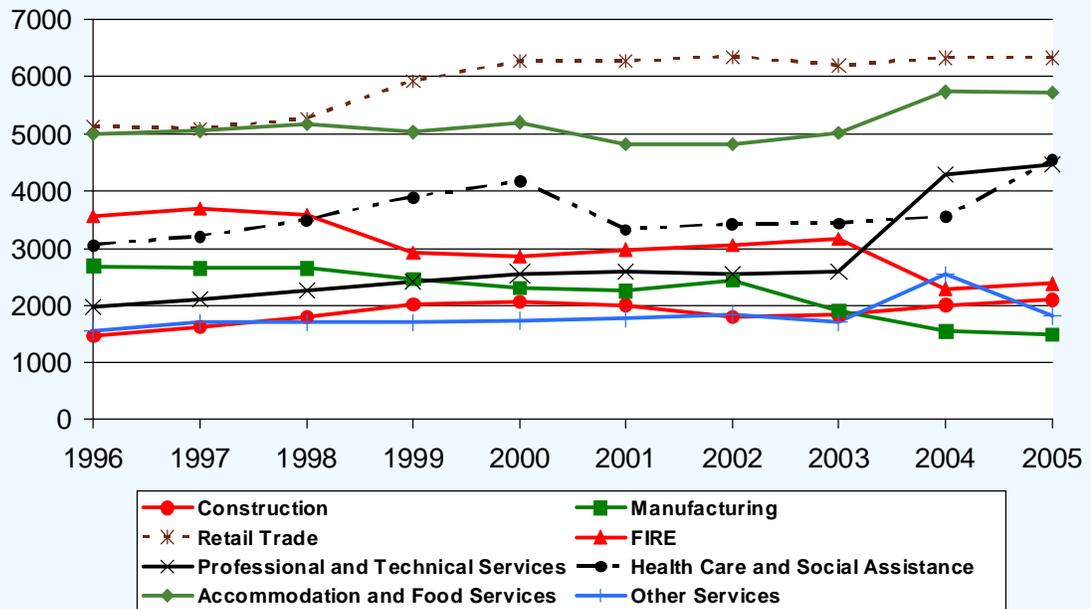


There was fairly stable private sector employment across industries between 1996 and 2005. Industries that grew in employment included professional and technical services, health care and social assistance, and accommodation and food services. Finance, investment and real estate (FIRE) and manufacturing sectors lost jobs during this period. Construction, retail trade and other services maintained fairly stable employment levels between 1996 - 2005. See Figure 3-4.



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FIGURE 3-4: PRIVATE SECTOR JOB TRENDS (1996-2005)



Source: Employment Security Commission of North Carolina

In the third quarter of 2006, there were 3,467 businesses in Orange County that employed 59,871 workers. Because of UNC-Chapel Hill, the education and health services sector was the largest employer, with an average of 30,241 employees. The trade, transportation, and utilities sector was the next largest employer with an average of 8,062 employees. Service employees (both professional and personal services) had a combined employment total of more than 10,000 jobs in the County. Manufacturing, information, and natural resources, and mining employed few workers in 2005. See Figure 3-5.



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**FIGURE 3-5: EMPLOYMENT BY INDUSTRY
(3RD QUARTER, 2006)**

Employment Sector	Number of Business Units	Average# of Employees
Total, All Industries	3,467	59,871
Education and Health Services	393	30,241
Trade, Transportation, and Utilities	558	8,062
Leisure and Hospitality	314	5,850
Professional and Business Services	740	4,921
Public Administration	39	2,558
Construction	357	2,140
Financial Activities	310	1,950
Construction	357	2,140
Other Services	399	1,650
Manufacturing	74	1,496
Information	63	578
Unclassified	196	239
Natural Resources and Mining	24	186

Source: NAICS Employment and Wages, Quarterly Census of Employment and Wages (QCEW) Unit, ESC/LMI Division

Even though the majority of jobs in 2005 were in the private sector, data show that six of the top ten employers, including the top three employers, were public agencies in 2007. The top three employers were UNC Chapel Hill, UNC Hospitals, and Chapel Hill-Carrboro City Schools, respectively. The largest private sector employer in Orange County is Blue Cross and Blue Shield with 1,612 employees, followed by General Electric and A Southern Season, each with 501 employees. See Figure 3-6.

FIGURE 3-6: TOP TEN EMPLOYERS (2007)

Top Ten Employers	Number of Employees
1. UNC Chapel Hill	11,000
2. UNC Hospitals	6956
3. Chapel Hill-Carrboro City Schools	1573
4. Blue Cross and Blue Shield	1612
5. Orange County Schools	1031
6. Orange County Government	963
7. Town of Chapel Hill	678
8. General Electric	501
9. A Southern Season	501
10. Sports Endeavors	387

Source: Orange County EDC, State of the Economy, 2007

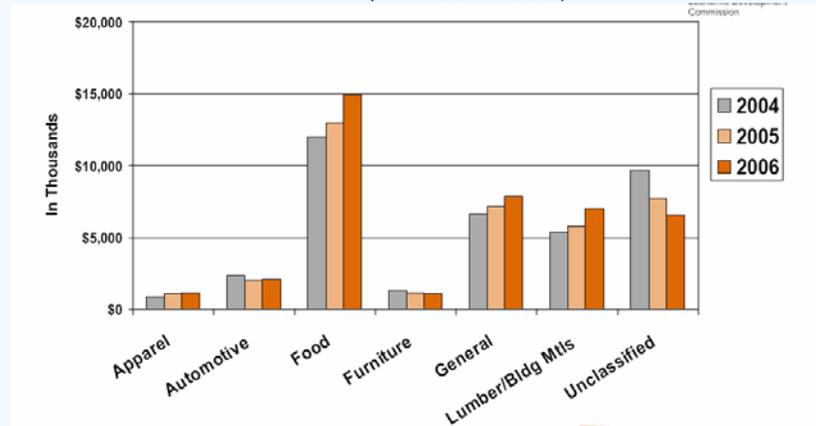


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RETAIL SALES TRENDS

The Orange County Economic Development Commission reported in 2007 that in FY2004-2006, retail sales taxes represented 14% of Orange County's general fund revenues, totaling \$907.56 million. Figure 3-7 illustrates that a large portion of these sales are in retail food establishments. The remainder are either unclassified sales, general retail sales, or lumber/building material sales.

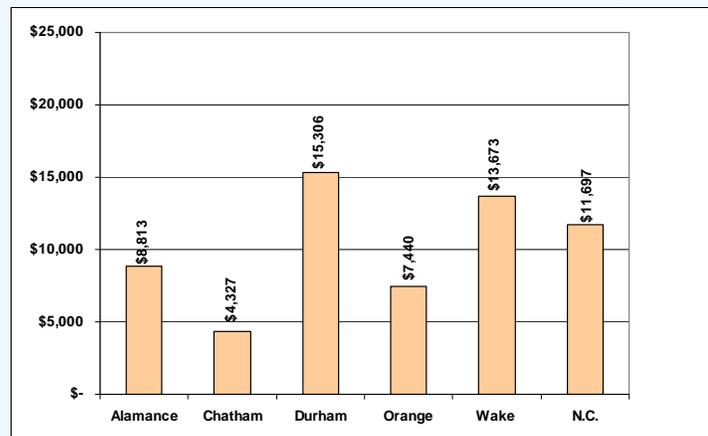
FIGURE 3-7: GROSS RETAIL COLLECTIONS BY CATEGORY (FY 2004-2006)



Source: 2007 State of the Economy Report, Economic Development Commission

In FY2006, Orange County experienced \$7,440 in retail sales per capita. Per capita sales for the County were \$4,257 lower than the state per capita average. The following chart shows that there was significant retail sales leakage to Durham, Wake, and Alamance Counties from Orange County in 2006. See Figure 3-8.

FIGURE 3-8: PER CAPITA RETAIL SALES (FY 2006)



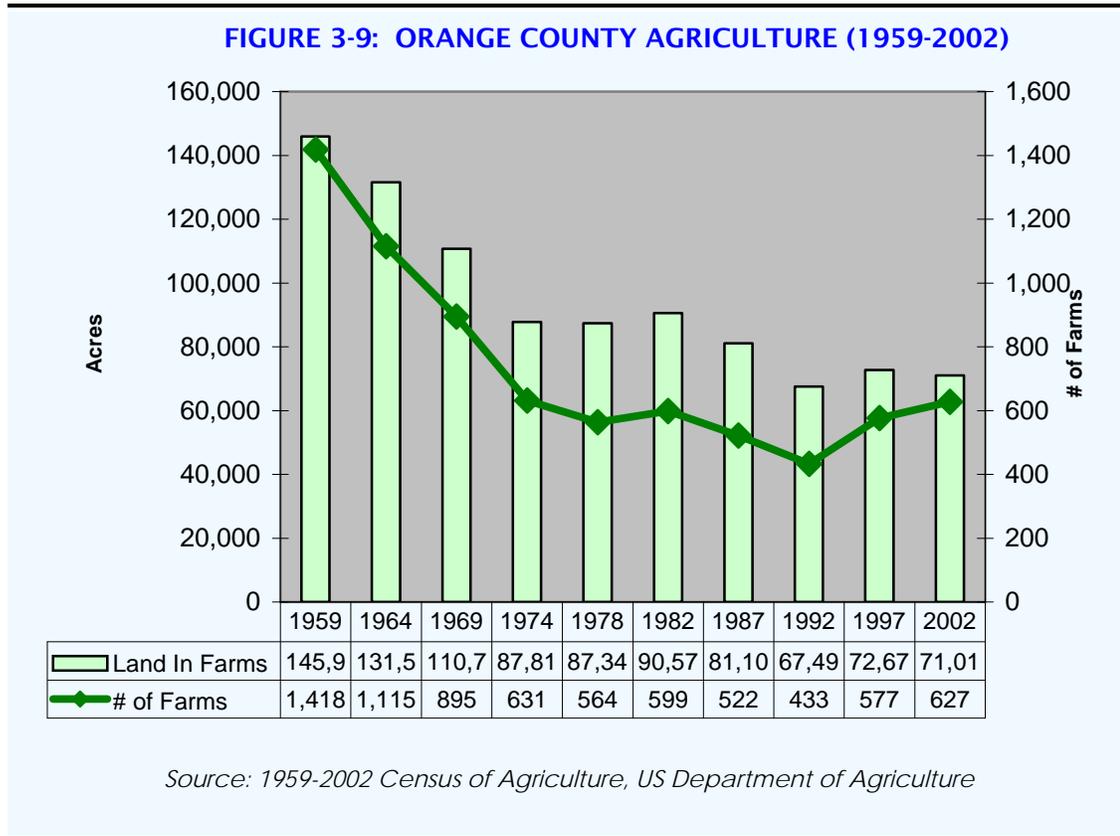
Source: 2007 State of the Economy Report, Economic Development Commission



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AGRICULTURAL TRENDS

Looking at the major trends from 1959-2002, farmland and the number of farms in Orange County decreased. However, between 1992 and 2002 the number of farms increased by 194, and acres in farm use were fairly stable.



See Figure 3-9.

Looking at 2002 Census of Agriculture data, Orange County had fewer farms than most other counties in the region (Alamance, Chatham, Durham and Wake Counties). Orange County's farms were slightly larger, on average, and took up a greater percentage of all County lands than farms in other counties. 27% of the land in Orange County farms is devoted to active crop production. See Figure 3-10.



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FIGURE 3-9: AGRICULTURAL CENSUS COMPARISONS BY COUNTY (2002)

Location	Number of Farms	Total Land in Farms, Acres	Est % of County Acreage in Farms	Avg Farm Size, Acres	Harvested Cropland, Acres
Orange	627	71,010	27.8%	113	19,405
Alamance	831	97,793	35.5%	118	23,423
Chatham	1,128	118,752	27.2%	105	24,590
Durham	238	26,074	14.0%	110	4,510
Wake	846	92,803	17.4%	110	27,305
North Carolina	53,930	9,079,001	29.1%	168	4,308,209

Source: 2002 Census of Agriculture, US Department of Agriculture

Between 1996 and 2005, there were significant income changes for major agricultural products. Nursery and greenhouse income increased by 122% between 1996 and 2005, and 7% between 2004 and 2005. Livestock and Forestry also had major income increases between 1996 and 2005; however, forestry experienced a slight decline in 2005. The products with the largest drop in income were tobacco and field crops, losing 83% between 1996 and 2005 and 65% between 2004 and 2005. Milk and eggs also saw losses in income over these two periods. It is important to keep in mind that even though income has increased for some farm products, the scale of farming operations in Orange County requires most farmers to secure other sources of income to make a living. See Figure 3-11.

FIGURE 3-10: INCOME CHANGE FOR MAJOR AGRICULTURAL PRODUCTS (1996-2005)

	2005 vs 1996	2005 vs 2004
Milk	- 32%	- 5%
Tobacco & Field Crops	- 83%	- 65%
Eggs	- 5%	- 20%
Nursery & Greenhouse	+ 122%	+ 7%
Livestock	+ 93%	+ 24%
Fruits & Vegetables	na	+ 46%
Forestry	+ 62%	- 4%

Source: 2007 State of the Economy Report, Economic Development Commission

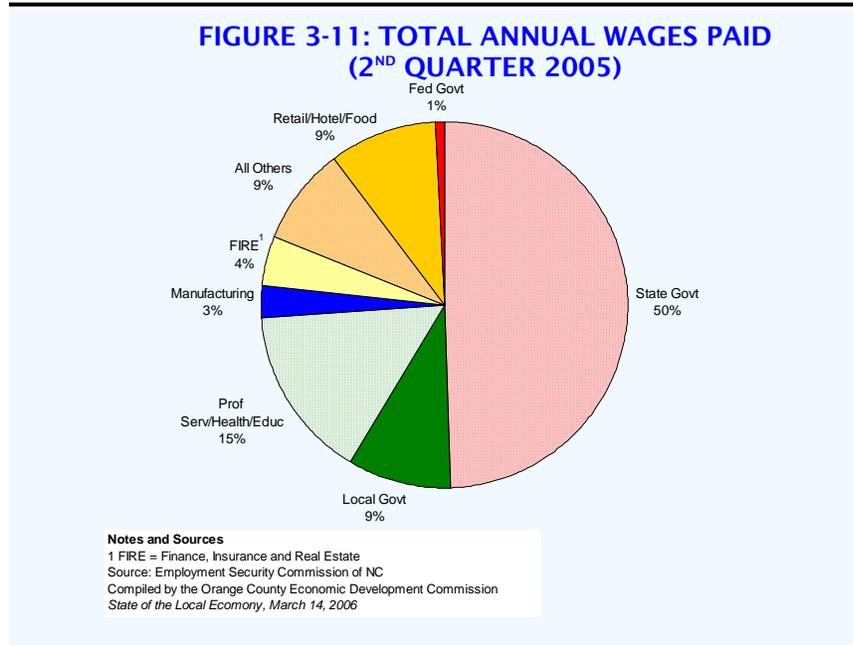
WAGE AND UNEMPLOYMENT TRENDS

While state employees were only 38% of total employment in Orange County in 2005, 50% of the wages paid in the 2nd quarter of 2005 were paid to state employees. Professional services, health, and education employees received



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15% of the total County wages earned; and local government, retail/hotel/food, and “all other” categories each earned 9%. Finance, investment, and real estate (FIRE), manufacturing, and federal government employees comprise only a small percentage of total County wages earned. See Figure 3-12.



In the 3rd quarter of 2006, Orange County’s weekly wages were 112.2% of the average North Carolina weekly wage, and higher than Alamance, Chatham and Wake Counties. Only Durham County had a higher average weekly wage, largely due to the wages earned from employers located in the Research Triangle Park and Duke University. See Figure 3-13.

**FIGURE 3-12: AVERAGE WEEKLY WAGES COMPARISON
(3RD QUARTER, 2005)**

Location	Average Wkly Wage	% of NC Wages
Orange County	\$781	112.2
Alamance County	\$599	86.1
Chatham County	\$555	79.7
Durham County	\$1,039	149.3
Wake County	\$781	112.2
North Carolina	\$696	--

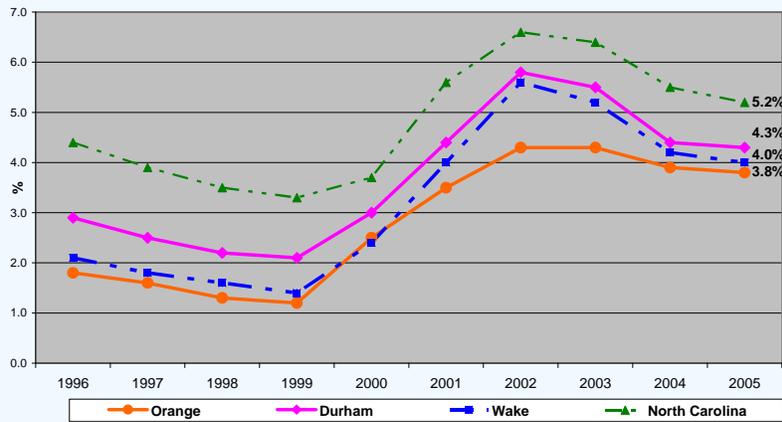
Notes and Sources:
 NAICS Employment and Wages, ESC/LMI Division
 Quarterly Census of Employment and Wages (QCEW) Unit



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Orange County unemployment rates tracked consistently with state trends and other Counties in the Triangle between 1996 and 2005. Among this group, Orange County had the lowest unemployment rates. See Figure 3-14.

FIGURE 3-13: UNEMPLOYMENT RATE COMPARISONS (1996-2005)



Source: Employment Security Commission of North Carolina

DEVELOPMENT AND TAX VALUE TRENDS

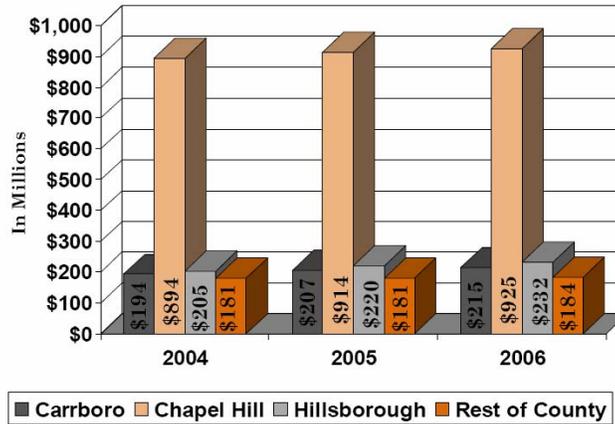
The Economic Development Commission reports that property taxes in FY2006 represented 66.03% of general fund revenues for the County. Approximately 50% of lands in the County are taxed at either a reduced rate or not taxed at all. This is because 41% of all land in Orange County (highest in the region) participates in the use value program that taxes lands used for agriculture and forestry purposes at a reduced rate. Another 9.6% of land in the County is exempt from ad valorem taxes because parcels are publicly owned properties or exempt from property taxes.

In terms of dollar value, the County's non-residential tax base is largely located in Chapel Hill, with Hillsborough, Carrboro, and the rest of the County following. The value of non-residential tax base for these communities was consistent between 2004 and 2006. See Figure 3-15.



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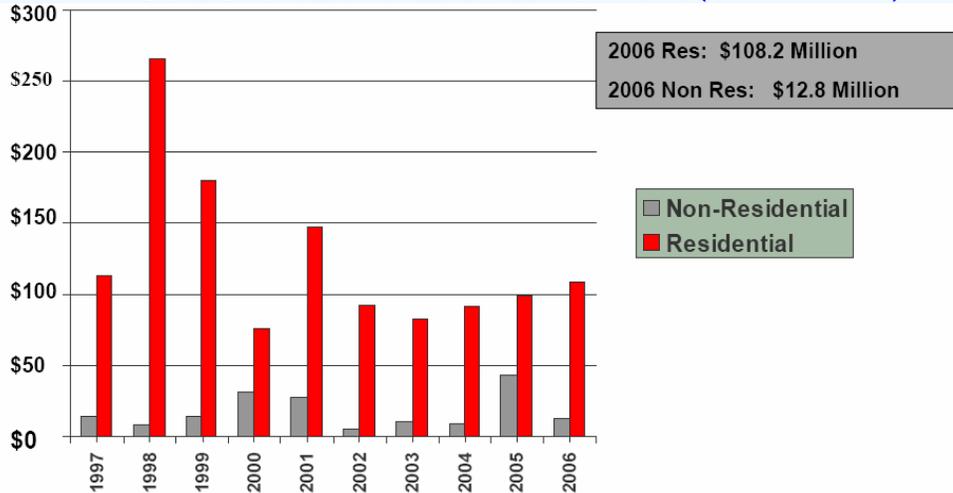
FIGURE 3-14: NON-RESIDENTIAL TAX BASE BY LOCALITY (2004-2006)



Source: 2007 State of the Economy Report, Economic Development Commission

Historically, permitted building value in Orange County is largely comprised of residential development. The 2006 permitted building value for residential construction was almost 10 times the value of non-residential construction. See Figure 3-16.

FIGURE 3-15: PERMITTED BUILDING VALUE (FY 1997-2006)



Source: 2007 State of the Economy Report, Economic Development Commission



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3.4. ORANGE COUNTY ECONOMIC DEVELOPMENT NEEDS

Residents have found this a desirable place to live and prosper. Business, agriculture, and services have provided for the needs and employment of residents. The presence of the nation's first public university has been an engine for growth and vitality. Merchants, homebuilders, farmers, and entrepreneurs have all found success here.

The major influence over the last 50 years has been the emergence of the Research Triangle Park and its ability to replace disappearing tobacco and textile jobs with high technology employment. Although the majority of those technology-driven jobs have located in Durham and Wake Counties, many Orange County residents work in the Research Triangle Park.

Orange County is distinctive in that a substantial proportion of its citizens work in the Research Triangle, Durham and Duke University but prefer to live in the County because of the high quality of life. Public policies designed to increase jobs within Orange County should not reduce this appeal to commuters.

Another key trend has been a set of changes in the agricultural industry: first with the emergence of agri-business making it increasingly difficult for local farms to compete in national markets; and second, a growing interest in Orange County in consuming locally grown products that can offer strategic opportunities for local agriculture.

What's in store for the next 20 years? This Comprehensive Plan lays the groundwork for forward-looking strategies with population projections, employment projections, and articulation of a set of Guiding Principles for managing growth. Here is a summary of the key community needs regarding Economic Development:

1. There is a need to seek a stable property tax rate that is balanced between residential and non-residential properties, to sustain an affordable living environment. It is the task of Economic Development strategies to promote a vibrant and sustainable non-residential set of land uses to keep this balance intact.
2. There is a need to provide employment opportunities close to the areas where people live in Orange County, to help achieve a sustainable transportation system and sense of community. It is the task of Economic Development strategies to attract and keep those local job opportunities.
3. Tourism is another significant component of Orange County's economy. According to the 2006 Economic Impact of Travel on North Carolina, a study conducted by the Travel Industry Association of America, more than 1,710 jobs in Orange County were directly attributable to travel and tourism, creating \$27.62 million payroll. This industry is continuing to flourish and increased 8.2 percent between 2004 and 2006, generating an economic impact of \$127.6 million. Tax revenues the county receives from travel and tourism represents an \$85 tax saving for each resident of the County.



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4. There is a need to achieve regular increases in local government revenues. Demands continue to increase for services in Orange County, in amount of offerings, quality of offerings, and variety of offerings. In order to sustain and improve the high quality of life that has been achieved here, every chapter of this Plan includes goals to continue to improve services. Maintaining this quality of life will require enhanced revenue streams to cover the costs of new or expanded services. It is the task of Economic Development strategies to enhance the County's economic well-being so that these higher levels of services can be provided.
5. There is a need to support local agriculture and maintain the viability of local farms, for reasons of sustainable living patterns and to help preserve this key component of Orange County's historical culture. It is the task of Economic Development strategies to include components that help support local farms.
6. There is a need to conduct a cost-benefit analysis for economic development projects to assess the potential benefits to the community and whether they outweigh the costs of the efforts.
7. With these needs in mind, and a set of community goals for the future in hand, objectives and strategies can be designed to meet those goals. Initial steps that would be helpful to take include:
 - The development of criteria that would define the type of businesses that the County would prefer to attract. Specific strategies to foster and encourage businesses to the local area require further definition of the types of business that are appropriate for Orange County.
 - Evaluation of the job training, housing, childcare assistance, and commercial needs of future populations. Depending upon the types of business that the County would like to attract in the future, workers will need to have adequate skill sets to compete for these jobs. Many of those employees will have childcare, housing, and other social service needs that will need to be met. Commercial and recreational needs of future populations should be determined to inform future decisions regarding approval and provision of these types of services.

3.5. GOALS

The following economic development goals will guide future policy and implementation strategies for the County.

Economic Development Overarching Goal: Viable and sustainable economic development that contributes to both property and sales tax revenues, and enhances high-quality employment opportunities for County residents.



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**Economic Development Goal 1:
Public-private sector partnerships that create a stronger business climate.**

**Economic Development Goal 2:
Infrastructure that supports desired development.**

**Economic Development Goal 3:
Effective systems to train and support residents and those who work in Orange County.**

**Economic Development Goal 4:
Partnerships that ensure the County remains a great place in which to live and work.**

3.6. OBJECTIVES

The intent of this Plan is that the following list of objectives will help guide regular and ongoing decision-making by the County related to economic development initiatives.

Economic Development Goal 1: Public-private sector partnerships that create a stronger business climate.

Objective ED-1.1:

Focus public education efforts on sustainability issues, looking at the social, economic and environmental contributions of local businesses. (See also Agricultural Objective AG-6.)

Objective ED-1.2:

Form partnerships both within and outside the County to create a stronger business climate and market the changes to existing and potential employers.

Objective ED-1.3:

Develop clear criteria defining desirable businesses for the next five years.

Objective ED-1.4:

Achieve the objective of adding 5,000 new private sector jobs in the County and \$125,000,000 in new commercial property by June 2010, with the goal of 75% of the new jobs being filled by County residents.

Objective ED-1.5:

Identify barriers to development of desirable businesses and local businesses, and mitigate these barriers.

Objective ED-1.6:

Provide outreach, recognition and/or expedited service to new and existing businesses that meet development criteria.

Objective ED-1.7:



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Enhance Orange County's tourist industry. (See also Cultural Resources Objective CR-8.)

Objective ED-1.8:

Explore policies to use in attracting and encouraging development of companies and enterprises that will build and expand upon the County's economic base.

Economic Development Goal 2: Infrastructure that supports desired development.

Objective ED-2.1:

Encourage compact and higher density development in areas served by water and sewer. (See also Land Use Objective LU-1.1 and Water and Wastewater Objective WW-5.)

Objective ED-2.2:

Encourage mixed use projects that support walkable communities.

Objective ED-2.3:

Promote public transportation, alternative modes of transportation, and encourage carpooling and park-and-ride participation. (See also Land Use Objectives LU-1.1, LU-3.2 and Transportation Objective T-1.1.)

Objective ED-2.4:

Support the County's "Schools Adequate Public Facilities Ordinance."

Objective ED-2.5:

Identify lands suitable to accommodate the expansion and growth of commercial and industrial uses in the County.

Objective ED-2.6:

Identify areas that are desirable and attractive to major corporate users with access to public transportation networks and possibly rail.

Objective ED-2.7:

Select industrial sites in Economic Development Areas based on present and planned supporting systems, such as public water and sewer, access to adequate highway, rail, or public transportation infrastructures, and minimize detrimental environmental or negative social outcomes. (See also Water and Wastewater Objective WW-15.)

Objective ED-2.8:

Adjust ongoing designation and zoning of Economic Development Districts to avoid the area designated as the Rural Buffer. (See also Land Use Objectives LU-3.1 and LU-3.3.)

Objective ED-2.9:

Consider industrial sites in Agricultural-Residential areas along the U.S. 70/I-85 highway and rail corridor to take advantage of the corridor's locational attributes. A limited number of small scale Rural Industrial Nodes, not requiring urban type services,



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may be appropriate elsewhere in the County where good access exists. (See also Land Use Objective LU-3.5.)

Objective ED-2.10:

Extend public water and sewer into all three Economic Development Districts. (See also Land Use Objective LU-1.1 and Water and Wastewater Objective WW-2.)

Objective ED-2.11:

Establish adequate information networks throughout the towns and County.

Objective ED-2.12:

Work with all area universities to identify space needed for businesses created through university research, promote development of such space within the County, and encourage such businesses to stay in Orange County.

Economic Development Goal 3: Effective systems to train and support residents and those who work in Orange County.

Objective ED-3.1:

Develop and nurture partnerships that support workers and their families at all stages of their lives and provide opportunities for lifelong learning and retraining in response to changing economic conditions.

Objective ED-3.2:

Promote access to living wage jobs that offer benefits and career advancement potential.

Objective ED-3.3:

Form partnerships with Durham Technical Community College, UNC-Chapel Hill, Chapel Hill/Carrboro Schools, Orange County Schools, and others to provide adequate training and education to enable workers in Orange County to obtain high quality jobs.

Objective ED-3.4:

In coordination with the Business Climate working group, help communicate the types of jobs the County wants and expects to create so that workers can develop realistic career expectations and obtain appropriate training.

Objective ED-3.5:

Ensure that County workers and those preparing for the workforce have access to transportation, child care, elder care, and affordable housing. (See also Housing Objective H-1.5.)

Economic Development Goal 4: Partnerships that ensure the County remains a great place in which to live and work.

Objective ED-4.1:

Enhance historic character by supporting organizations' efforts to preserve, promote, and maintain historic structures, and identify Orange County policies that may be in conflict with these



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efforts. (See also Cultural Resources Objective CR-2, CR-3, and CR-5, and Housing Objective 3.6.)

Objective ED-4.2:

Provide lifelong learning opportunities, from early childhood through senior citizens.

Objective ED-4.3:

Welcome and promote greater inclusiveness and diversity.

Objective ED-4.4:

Enhance rural and agricultural community character by supporting local agriculture markets, supporting complementary conservation and management tools, and considering tools to make farming more profitable. (See also Agriculture Objective AG-2 and AG-3.)

Objective ED-4.5:

Enhance urban character by connecting and supporting existing plans for increasing the commercial tax base and for revitalizing the downtown areas of Carrboro, Chapel Hill, and Hillsborough.



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TABLE 3-1: GOALS AND OBJECTIVES LINKS TO PLANNING PRINCIPLES

GOAL/ OBJECTIVE	BOARD OF COUNTY COMMISSIONERS' PLANNING PRINCIPLES									
	<ol style="list-style-type: none"> 1. Efficient and Fiscally Responsible Provision of Public Facilities and Services 2. Sustainable Growth and Development 3. A. Encouragement of Energy Efficiency, Lower Energy Consumption, and the Use of Non-Polluting Renewable Energy Resources B. Promotion of Both Air Quality Protection and the Development of an Effective Transportation System 4. Natural Area Resource Preservation 5. Preservation of Rural Land Use Pattern 6. Water Resources Preservation 7. Promotion of Economic Prosperity and Diversity 8. Preservation of Community Character 									
	1	2	3A	3B	4	5	6	7	8	
Goal 1 and Objectives ED-1.1 – ED-1.8	✓	✓				✓		✓		
Goal 2 and Objectives ED-2.1 – ED-2.12	✓	✓	✓	✓				✓	✓	
Goal 3 and Objectives ED-3.1 – ED-3.5	✓	✓						✓	✓	
Goal 4 and Objectives ED-4.1 – ED-4.5	✓	✓	✓					✓	✓	

3.7. LINKS TO OTHER ELEMENTS

Planning for Orange County’s economic development future involves more than just creating new jobs. The success of future economic efforts is linked to other community needs such as housing, transportation, and community services. Linkages between specific economic development goals and objectives have been identified in this element. The following summarizes the objectives from other Elements that are linked with Economic Development objectives.

HOUSING

Objective H-1.5:

Ensure that a variety of housing types can be developed throughout the County in a sustainable manner that locates housing near employment centers and commercial centers and that efficiently uses existing and planned public services.



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Objective H-3.6:

Work within the Orange County government system to identify and resolve existing policies which may be at odds with historic preservation goals, green building approaches, and workforce and affordable housing efforts.

LAND USE

Objective LU-1.1:

Coordinate the location of higher intensity / high density residential and non-residential development with existing or planned locations of public transportation, commercial and community services, and adequate supporting infrastructure (i.e., water and sewer, high-speed internet access, streets, and sidewalks), while avoiding areas with protected natural and cultural resources. This could be achieved by increasing allowable densities and creating new mixed-use zoning districts where adequate public services are available.

Objective LU-3.1:

Discourage urban sprawl, encourage a separation of urban and rural land uses, and direct new development into areas where necessary community facilities and services exist through periodic updates to the Land Use Plan.

Objective LU-3.2:

Coordinate land use patterns to facilitate the expanded use of non-auto modes of travel, the increased occupancy of automobiles, and the development and use of an energy-efficient transportation system.

Objective LU-3.3:

Discourage new intensive non-residential land uses, or the expansion of existing intensive uses, in the area designated Rural Buffer.

Objective LU-3.5:

Encourage energy and water use in an efficient manner by industries and encourage energy efficient industries to locate or expand in the County in Rural Industrial, Commercial/Industrial, and Economic Development Nodes.

NATURAL AND CULTURAL SYSTEMS

Objective AG-2:

Pursue new measures (some of which may require special legislation) to make farming more profitable, such as additional programs for tax assistance.

Objective AG-3:

Develop programs and associated infrastructure facilities to make local farms more economically viable, including local farm product processing, development of a distribution center, and marketing initiatives.

Objective AG-6:

Develop a single-clearing house information source for current agricultural topics, agricultural programs, and events sponsored



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by Orange County and/or for local farmers in conjunction with the Orange County Farms website.

Objective CR-2:

Establish stronger partnerships with neighboring preservation organizations for the dissemination of information on current topics and to provide hands-on training, such as "how to" publications, examples of design guidelines, technical briefs, etc.

Objective CR-3:

Work within the Orange County government system to identify and resolve existing policies which may be in conflict with the preservation mission.

Objective CR-5:

Promote existing programs that offer financial incentives for preservation purposes and pursue new programs to encourage the purchase, preservation, maintenance or adaptive reuse of historic and soon to be historic structures.

Objective CR-8:

Determine the appropriate level of heritage tourism promotion in Orange County based on interests and concerns of residents and coordinate heritage tourism efforts with existing programs in the County.

SERVICES AND FACILITIES

Objective WW-2:

Coordinate the provision of potable water and sanitary sewer services with the County's Land Use Plan and Orange County-Chapel Hill-Carrboro Joint Planning Agreement and Land Use Plan, targeting these services to urban, transitional, and economic development districts in a manner that does not endanger environmental resources.

Objective WW-5:

Maintain a cooperative joint planning process among the County, the municipalities, and water and wastewater providers and guide the extension of service in accordance with the Comprehensive Plan, the Orange county-Chapel Hill-Carrboro Joint Planning Agreement and Land Use Plan, and the policies of the municipalities.

Objective ED-2.7:

Select industrial sites in Economic Development Areas on the basis of the capacity of supporting systems, such as water and sewer lines and good highway or rail access, and the absence of detrimental environmental or social impacts.

TRANSPORTATION

Objective T-1.1:

Increase the occupancy of automobiles through ridesharing and other means; and expand the use of public transit (including bus and rail), walking, and biking as primary modes of travel.



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3.8. OTHER KEY DOCUMENTS

Key documents used to develop this element include the following:

- *Investing in Innovation: The Orange County Economic Development Commission's 2005-2010 Strategic Plan*
- *State of the Local Economy Report*, published by the Orange County Economic Development Commission in March 2007.
- *Staying on Top: Winning the Job Wars of the Future*, published by the Future Clusters Competitiveness Task Force in 2004.

3.9. INTERGOVERNMENTAL COORDINATION

Planning for the County's future economy requires coordination among the many jurisdictions in Orange County. The towns of Chapel Hill and Carrboro have hired economic development staff to assist in business recruitment and other needs. Hillsborough is undergoing major development in its downtown with the new County campus that will have spin-off economic effects. Chapel Hill has developed an aggressive plan for downtown redevelopment – the Downtown Economic Development Initiative – which will likely increase the non-residential tax base for the County. Expansion of the UNC-Chapel Hill main campus and development of the future Carolina North on the Horace Williams property are other key opportunities for the County. The town of Carrboro has been experiencing a wave of redevelopment in its downtown, and is currently planning for development in the new northern areas that were recently annexed. The County is working in partnership with the City of Durham to plan for an area along US-70 in the US-70/I-85 Eno Economic Development District. In 2004, Orange County and the City of Mebane agreed on provisions to extend water and sewer services to the Buckhorn Economic Development District and signed a Utility Service Agreement. The County will continue to pursue coordinated planning with Mebane.

Planning for the economic future of Orange County will require that there is sufficient coordination among the many jurisdictions involved in these efforts. Emphasis is needed in all implementation initiatives to share information with and involve all affected jurisdictions and organizations.