



ECONOMIC DEVELOPMENT

Chatham County's economy has long been dependent on agriculture and manufacturing. The agricultural sector is healthy and expanding, despite pressure to convert farms to residential uses. Manufacturing employment has fallen from 5,294 jobs (37.1% of all jobs) in 2002 to 2,100 jobs (15.1% of all jobs) in 2014, reflective of national trends (Source: Census On the Map).

The County benefits from its proximity to Raleigh, Durham, Chapel Hill, Research Triangle Park, and Guilford County as well as access to major highways and rail. The median income for the County is 45% higher than the rest of NC, but income and poverty rates vary significantly throughout the County. For instance, some census tracts in the northeast have median incomes over \$100,000, but others in the west and southwest have incomes under \$30,000. Lack of jobs is a contributing factor to income disparities.

There are only 14,000 jobs in the County, but there is an adult workforce of 32,000. Many residents have to make long commutes to work each day. 55% of workers commute to jobs outside of the County. Because of this, the County's tax base is heavily dependent on residential properties. Lack of businesses as well as the dispersed nature of residential growth in the County contributes to retail leakage. 58% of potential sales in Chatham "leak" out to other communities. This is a loss of \$207 million in annual retail sales. Creating a more balanced tax base and reducing retail leakage are key issues that are addressed with the recommendations in this section of Plan Chatham.

BIG IDEA

**14,000 new jobs by 2040
(a 100% increase, up from
14,000 jobs today)**

GOALS

PRIMARY GOAL

Diversify the tax base and generate more high quality, in-county jobs to reduce dependence on residential property taxes, create economic opportunity and reduce out-commuting.

SECONDARY GOAL

Provide equitable access to high-quality education, housing and community options for all.



Farm in Northwestern Chatham County

RECOMMENDATIONS AND STRATEGIES

Recommendation 01

Provide flexibility for rural businesses.

ED Policy 1

Provide flexibility for rural businesses that have limited impact on adjacent properties and preserve rural character.

► Strategy 1.1

Continue to support home-based businesses.

Chatham County currently allows home-based businesses that meet a few criteria, including:

- Up to 25% of the living space can be used for the business
- The business can have up to 3 employees who do not reside at the premises
- No traffic should be generated beyond that which is normal for a residential neighborhood
- All parking shall be off-street, and not in the front yard

► Strategy 1.2

Modify zoning regulations to allow for more flexibility for rural businesses that have minimal impact on adjacent properties, traffic, and rural character. See the Land Use Element for more information.

► Strategy 1.3

Utilize a performance based approach to zoning in Agricultural and Rural areas on the Future Land Use map that allows for more flexibility in uses if criteria are met (i.e. min lot size, max building size, buffers, traffic generation, employees, etc.).

Performance Based Zoning is “An alternative to the traditional, conventional zoning method, performance standards regulate development by setting the desired goals to be achieved by regulation rather than regulating how those community goals are met. Instead of restricting specific uses on a property, performance requirements allow any use that meets the set standard. Performance standards attempt to address the same goals desired by traditional zoning ordinances, such as environmental protection, neighborhood character, traffic control, etc., but with a greater amount of flexibility.”

Source: American Planning Association
(<https://www.planning.org/divisions/planningandlaw/propertytopics.htm#Performance>)

Recommendation 02

Increase employment opportunities across the County.

ED Policy 2

Encourage growth in designated Employment Centers, towns and other appropriate locations.

► Strategy 2.1

Encourage small-scale retail development, service, office, “flex” space, and other small business development by designating Village Centers and Crossroads Communities at appropriate locations across the County.

► Strategy 2.2

Direct larger-scale retail (and complimentary uses such as professional and medical offices) to locate to existing towns and at designated Community and Neighborhood Centers as well as in Employment Centers.

► Strategy 2.3

As demand warrants, consider zoning to allow distribution and warehouse uses along major transportation corridors, particularly US 421.

Most recent average weekly wage is \$685/week for all private sector industries in Chatham County and \$864/week in the manufacturing sector. (BLS QCEW, 3rd quarter 2016)

ED Policy 3

Continue to develop and promote the Chatham-Siler City Advanced Manufacturing (CAM) Site and the Moncure megasites to ensure future job creation in the County.

► Strategy 3.1

Target recruitment efforts for larger industrial projects towards sustainable, clean industries, paying above average wages.

► Strategy 3.2

Consider the long-term return on investment and environmental impacts when recruiting businesses and industries and approving rezonings.

► Strategy 3.3

Encourage businesses in megasites to utilize low-waste production methods, implement water conservation measures, and minimize emissions.

► Strategy 3.4

Allow a range of complimentary uses in proximity to the megasites to create attractive work environments with amenities to compete with other employment location options in the Southeastern United States.

- The mix of uses, development configuration and quality, variety of amenities, and connectivity affect the attractiveness—and competitiveness—of employment centers. Many employers in manufacturing and technology industries seek live-work-play locations that current and prospective employees and their families can enjoy.

► Strategy 3.5

Conduct small area plans and/or develop design principles and standards to give guidance to developers of sites within and at the edges of the megasites.

- Such guidance should inform decisions about relationships between buildings (orientation, placement, scale); architecture (building materials, fenestration); transportation network (vehicular, bike, pedestrian, and transit facilities – placement, capacity, materials, furnishings, etc.); streetscape; public and publicly-accessible spaces and amenities.

46% of Chatham workers are employed by businesses with less than 100 employees.

Source: U.S. Small Business Administration (2011)

ED Policy 4

Support existing businesses, including small and medium-sized firms.

► Strategy 4.1

Support Chatham EDC and the community college in carrying out an expanded business visitation program, engaging an increasing number of medium-sized and smaller businesses.

► Strategy 4.2

Review incentive policies to allow greater participation by creating new or expanding existing small and medium-sized firms (i.e. revise thresholds for new investment and/or job creation).

- Chatham’s current incentive policy uses a point system that greatly favors projects with 100+ new employees and \$5+ million in new capital investment. This policy could be revised, or a separate policy could be created to focus on smaller incentives in proportion of job creation and investment. Rehab of an old building might be a much smaller investment but still important to other economic development goals, such as focusing on towns and promoting small businesses. This could be done in conjunction with the towns.

► Strategy 4.3

Increase engagement between elected officials and local businesses.

► Strategy 4.4

Permit existing commercial and industrial uses that are appropriately zoned to continue to operate, and allow for reasonable expansion, contingent upon meeting environmental and transportation requirements.

ED Policy 5

Strengthen Chatham EDC’s capacity to carry out business retention, recruitment, workforce development, and data gathering and dissemination activities.

► Strategy 5.1

Support and enhance the EDC's ability to market Chatham County and recruit businesses, and determine if funding or staffing adjustments are needed.

- Target existing businesses in the Research Triangle and Piedmont Triad regions. Funding and/or dedicated staff time may be needed to increase involvement in Triangle and Triad business groups and market Chatham to existing businesses.
- Promote appropriate targeted industries and commercial uses at Megasites and Employment Centers. To increase job opportunities and tax base throughout the County, suitable industry targets should be matched with the most appropriate locations and sites. Industry targets should reflect the priorities of Chatham EDC, Research Triangle Regional Partnership, Piedmont Triad Partnership, and the Economic Development Partnership of North Carolina. These currently include:

Chatham-Siler City Advanced Manufacturing site:

Aerospace • Automotive • Food Processing and Manufacturing • Agriculture Biotechnology • Furniture

Moncure Megasite:

Defense Technologies • Pharmaceuticals • Food Processing and Manufacturing • Agriculture Biotechnology

U.S. 1 Employment Centers:

Wood Products • Distribution and Electronic Commerce • Complementary support services for Moncure Megasite

U.S. 64 Employment Center:

Advanced Medical Care and other medical offices
• Business and Financial Services • Information Technology • Ecotourism

► Strategy 5.2

Develop more complete databases and distribute current information on commercial properties and land.

- There is no complete inventory or database of all commercial/industrial buildings and land in the County, and thus no reliable vacancy rates or complete listing of available properties. Because Chatham is a small and fragmented commercial real estate market, the EDC should strive to be THE source of property information. A project/partnership between the municipalities, county planning department and tax office will be needed. Once a database is completed, staff could update and publish data and space availability semi-annually.

► Strategy 5.3

Explore new communication tools to link Chatham county residents, businesses and organizations.

- Consider joint funding (with business and civic organizations) of a study to evaluate communication tools and platforms to improve dissemination of information across the County.

Recommendation 03

Support entrepreneurship, tourism, arts, and culture.

ED Policy 6

Support entrepreneurship and new businesses that diversity the local economy and capitalize on the unique assets of Chatham County.

► Strategy 6.1

Support existing service providers, including the Pittsboro-Siler City Convention & Visitors Bureau and the CCCC Small Business Center.

- Priority services for the CVB to increase and include visitor services, social media, marketing, journalist tours, and the Certified Retirement Community program.