



December 2022

Economic Development Strategic Plan Town of Wise, Virginia



ARNETT MULDROW
& ASSOCIATES

TOWN OF WISE ECONOMIC DEVELOPMENT STRATEGIC PLAN

Table of Contents

1. Introduction	3
2. Strategic Assessment	5
3. Market Analysis	14
4. Vision and Goals	30
5. Strategic Plan	34
Business Development Strategy	34
Housing Strategy	37
Planning Strategy	39
College Town Strategy	40
Market Positioning Strategy	42
6. Strategy Board	45

1. Introduction

The Town of Wise lies in the center of Wise County in the far southwest corner of Virginia. The town has a rich history dating back to the growth of the coal industry and the diversity of cultures that it brought to this part of the country. While the coal industry has evolved, Wise continues to have a strong character defined by its beautiful county courthouse in the center of its historic downtown, a forward focused educational facility in UVA Wise, exceptional outdoor resources, and the generations of residents that still call this community home.

Wise serves a region that stretches from Kentucky to the north, and south along highway 23 towards Scott County and Tennessee. This entire region has experienced a changing economy over the last two decades. This is noted by the ups and downs and eventual decline of the coal industry, population loss, outmigration of younger residents and an aging population. Despite this, the region has seen a resurgence in entrepreneurship, as well as the growth of tourism and outdoor recreation industries.



Despite adversity brought with the decline of coal, Wise has been able to maintain its small town, rural appeal. The Town recognizes that it is at a crossroads, where it can sit back and watch the community continue to decline, or create its own path to the future that will lead to population growth, economic vitality and an exceptional quality of life for its residents. Understanding this, the Town of Wise sought out and secured a Rural Business Development Grant from the USDA to create this Economic Development Strategic Plan. The grant allowed the Town to hire Arnett Muldrow & Associates to create a data-driven plan and economic development vision for Wise’s sustainable future. The resulting plan assesses current marketing conditions and includes actions to grow Wise’s economy from within.

Plan Format

This document is the result of a collaboration of Town of Wise, key stakeholders, business community, and citizenry to chart a path for the future. It is a market-based study that is intended to outline strategies for efficient economic growth over the next ten years.

The report includes:

- A **Strategic Assessment** based on ongoing stakeholder and public input, including two online surveys for citizens and UVA Wise. The assessment presents strengths, weaknesses, economic challenges and opportunities.
- A comprehensive **Market Analysis** that studies Wise's economic opportunities including retail, housing, employment and the overall economy.
- An **Economic Development Strategic Vision** developed with a steering committee and Town staff that presents a broad-based vision with defined goals leading to specific strategies.
- The **Economic Development Strategic Plan** that includes defined actions for business development, economic market position, planning and partnerships.
- An **Implementation Strategy Board** presenting task by themes, partner agencies and responsibilities, and 1-, 5-, and 10-year actions.

2. Strategic Assessment

Online Survey

A vital element of the Strategic Economic Development Plan is that it is founded on community input. An online survey gathered feedback from community members regarding their needs, goals, priorities, and vision for the future of Wise. The survey was deployed both within the community at large and UVA Wise in an effort to gather a variety of perspectives representative of the Wise community. The survey collected a total of 561 responses from June 13 – September 5, 2022. The results of each survey are summarized below. Full survey results are provided in the appendix.

Community Survey Results

The community survey engaged 178 participants, of which 81% live in Wise zip codes and 41% work in Wise. Many of the respondents of the community survey were long-time residents of the Wise area, with 61% living in the area for more than 20 years.

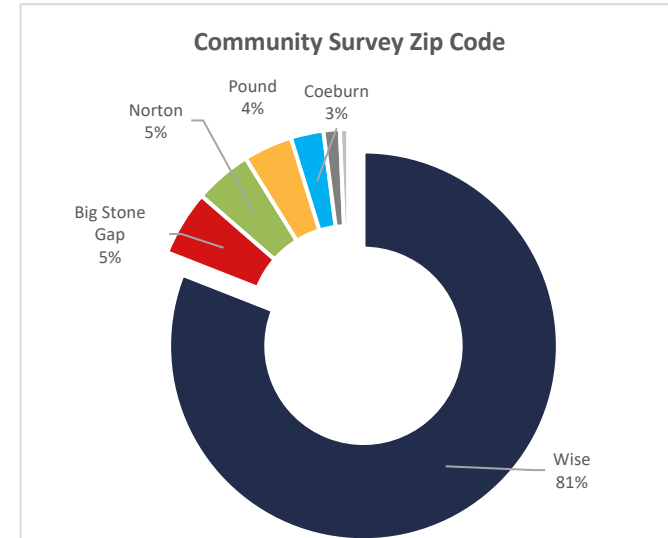
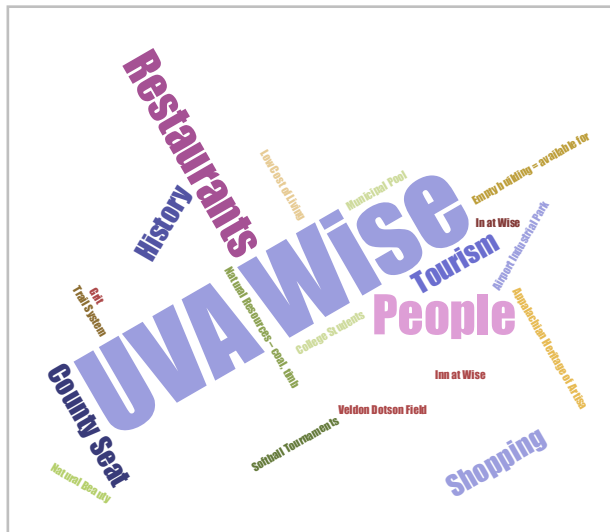


Figure 1: Zip Code of Residence of Community Survey Respondents



Biggest Economic Driver

By far, residents recognized that UVA Wise is the primary economic engine in the community. This was followed by the people living in the community, restaurants, tourism, and being a county seat.

Figure 2: Biggest Economic Drive in Wise.

Greatest Area of Economic Need

The following themes emerged when respondents were asked about Wise’s greatest economic needs:

- **Businesses:** need for additional businesses including restaurants and retail.
- **Recreation and Activity:** desire for more things to do including entertainment, events, sports, and recreation.
- **Employment:** attract employers and good paying jobs.
- **Physical Planning:** pedestrian improvements, parking, downtown revitalization.
- **Housing:** affordable housing, senior housing, additional housing options.
- **Services:** need for services including medical, childcare, community center.

Economic Development Priorities

When asked about the top three economic development priorities for Wise, respondents cited attracting new businesses as their top priority, followed by improving infrastructure, and hosting events to connect the community to local businesses.

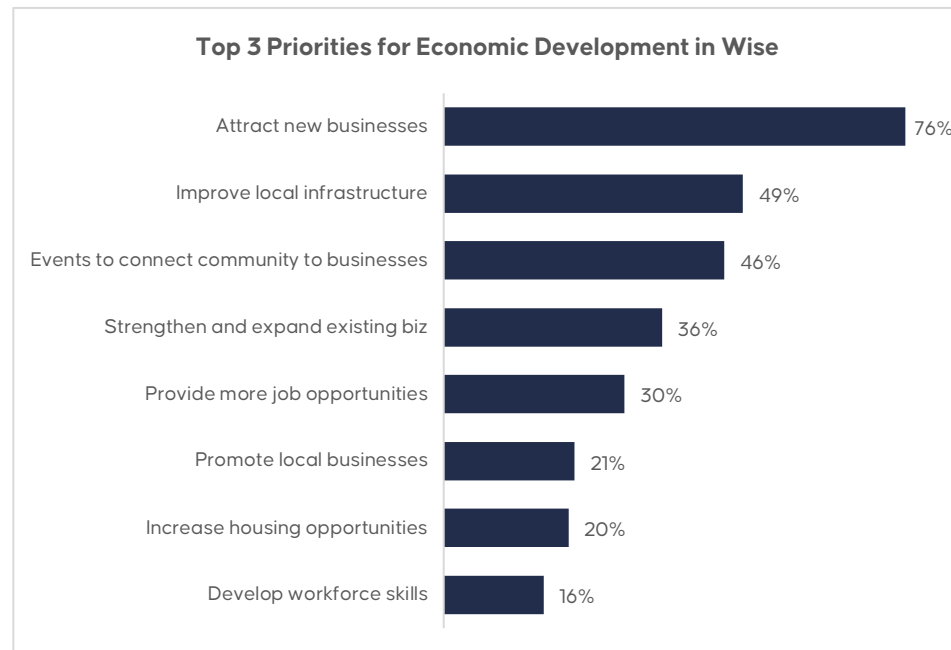


Figure 3: Top Three Priorities for Economic Development in Wise.

Quality of Life Factors

When asked how important various quality of life factors are to them, survey respondents ranked access to quality healthcare and quality of schools as the top two factors. However, nearly all of the factors received a weighted average of at least 4, indicating that quality of life is important to Wise residents. “Diversity of available housing” ranked as important, however was lowest on the list of importance to survey participants. It is assumed that most respondents currently have housing, and in future questions, it is apparent that Wise residents see the need for housing to support economic development.

When asked to rate the factors by quality from “Very Poor” to “Excellent,” health care and shopping ranked the lowest. This indicates that while healthcare and shopping ranked as “very important” to residents’ quality of life, the current quality of these uses are not perceived to be up to par.



Figure 4: How Important are the Various Quality of Life Factors?

Types of Development Needed

Survey respondents were asked about the types of development needed in Wise in four different categories. The top responses in each category are noted below:

- **Restaurants and Retail:** Family-friendly restaurants, clothing stores, family-friendly entertainment, coffee shop.
- **Services:** Medical services, senior services, meeting space.
- **Residential Development:** Affordable housing, apartments, single-family housing.
- **Employers:** Tourism and recreation, retail and accommodations, innovation and technology.

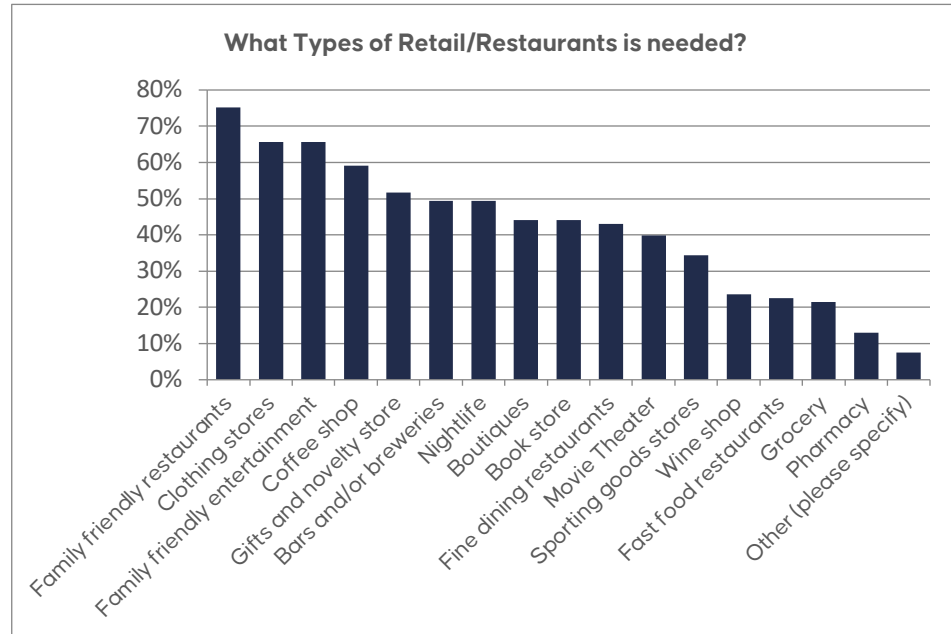


Figure 5: What Types of Businesses are Needed?

Vision for Wise

Survey respondents were asked to describe their vision for Wise in the next 10 years. Themes that emerged from the comments include:

- **Opportunity:** Economic growth, more employers, and a place for all to flourish.
- **Vibrancy:** new and expanding businesses, people and events in town, sense of community.
- **Options:** a greater variety of businesses, restaurants and retail.
- **Family-friendly:** activities for people at all stages of life.
- **Local:** supporting small businesses, celebrating history, charming small town.
- **College Town:** strengthening the connection between the Town and UVA Wise.

UVA Wise Survey Results

The same survey that was distributed to the community was deployed to UVA Wise students, faculty and staff from August 5th to September 9th, 2022. The UVA Wise survey engaged 383 participants. Compared to the community survey, they UVA Wise survey had a greater reach in terms of participant zip codes. However, the vast majority of participants were still local, with 40% living in Wise zip codes and 77% living in the LENOWISCO region (Lee County, Norton, Wise County, and Scott County).

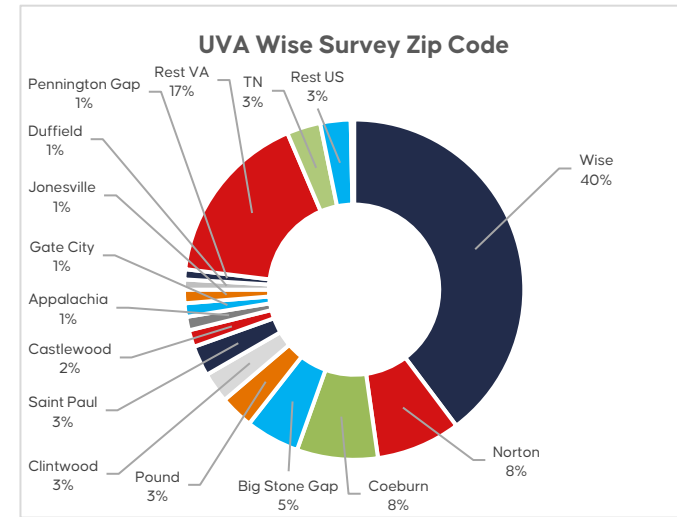


Figure 6: Home Zip Code of UVA Wise Survey Respondents

37% of respondents are faculty/staff at UVA Wise and 47% are UVA Wise students.

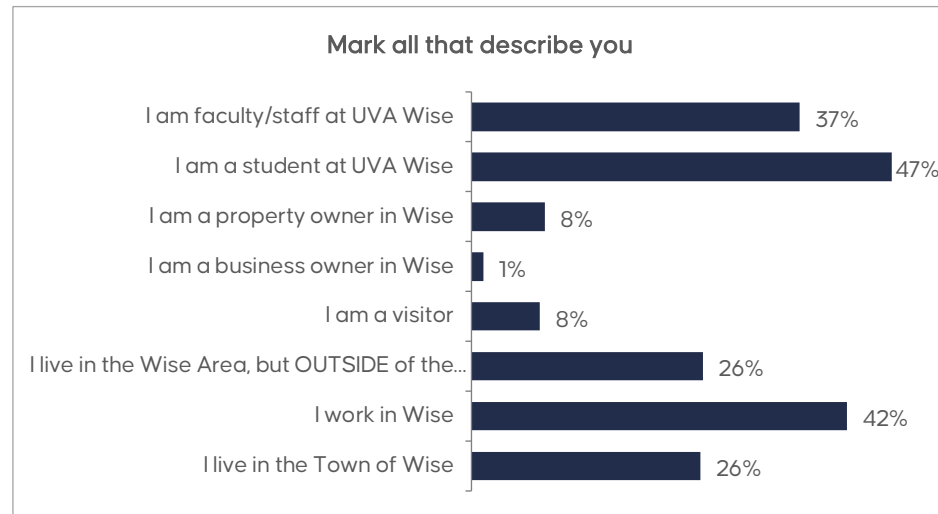


Figure 7: Survey Participant Relation to Wise and UVA Wise

Economic Needs

The following themes emerged when respondents were asked about Wise’s greatest economic needs:

- **Businesses:** nightlife, bars, entertainment, student-friendly businesses, brewery.
- **Recreation and Activity:** activities and entertainment, bowling, sports facility, artisan center, trails, recreation center.
- **Employment:** better paying jobs, diversity of employment.
- **Housing:** affordable housing for both students and non-students.
- **Vibrant town:** walkable downtown, more variety of shopping, dining, entertainment, embrace “college town”.

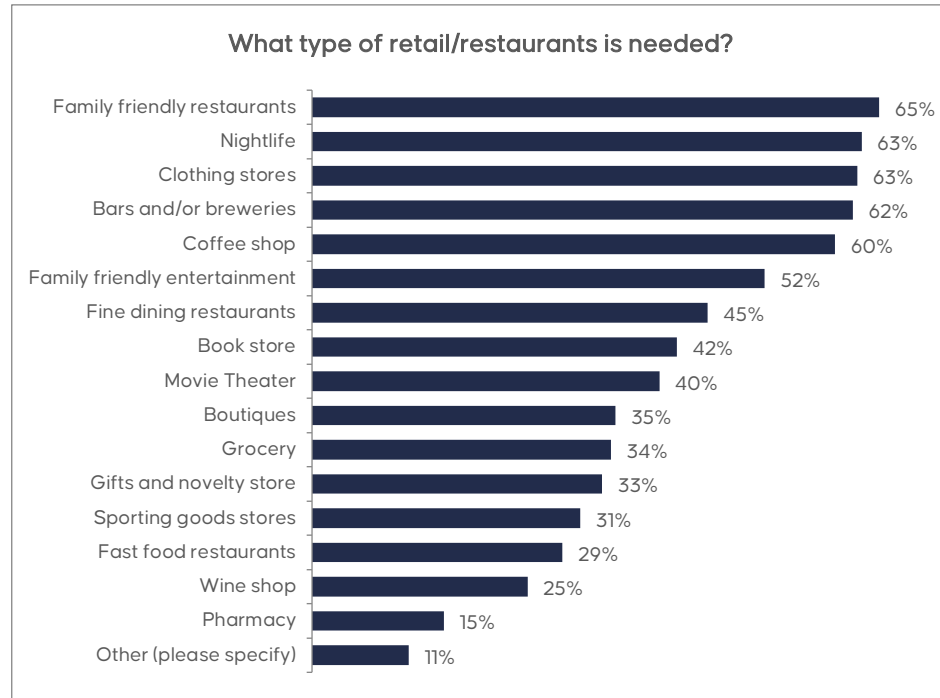


Figure 8: What Types of Retail and Restaurant Businesses are Needed?

Strengths, Weaknesses, Opportunities and Threats (SWOT)

Based on the ongoing community and stakeholder engagement, the SWOT's that emerged are summarized below. These findings provide the framework for strategic themes and goals in the plan.

Strengths

- UVA Wise is a significant economic driver and community asset. With its mission within the community and region, strategic planning & future, athletics, etc., UVA Wise is the anchor of this college town.
- Wise is also a courthouse community which makes it the civic center of the entire county. Government offices, local businesses and events draw residents from all over the county.
- The town is a commercial magnet and has active businesses in downtown, East and West Main, and highway 23.. With the Walmart shopping center directly adjacent to Wise in Norton, the community is the largest center of commerce in a seven-county area in two states.
- While the town has seen some businesses come and go, Wise has some long-time established and destination businesses that are staples in the community.
- Wise has signature events that draw in visitors from all over the region. This includes Wise Fall Fling in its 45th year and the VA-KY State Fair in its 110th.
- Similarly, the Town of Wise has created a central park with Big Glades Community Square where it programs a number of events cherished by local residents.
- Wise has very good infrastructure with its roads, broadband, water, as well as the Lonesome Pine Airport, each of which are assets to local industry.
- The Town has continued to plan the revitalization of its downtown. Big Glades, streetscape and street paving are recent improvements, and the town has systematically implemented its 2008 Downtown Master Plan.



- The Town of Wise has exceptional access to outdoor resources and destinations. High Knob Recreation Area, the Wise Sports Complex, Mountain Rose Vineyards, UVA Wise, its Convocation Center and athletics each draw in visitors to the Wise community but also serve the local population.

Weaknesses

- There is an overall lack of housing opportunities in Wise reaching all levels of need – housing type, price point, tenure, etc. It is a challenge in Wise for local businesses to recruit workers, particularly professionals. Similarly, UVA Wise recognizes the need for quality rental opportunities for its student body.
- Even with its current business mix, the town has a history of struggling businesses, particularly with local restaurants.
- The coal industry in the region has historically ebbed and flowed with the fluctuations in energy prices. However, since about 2012, the industry has seen a more rapid and permanent decline which has resulted in loss of higher wage jobs, declining population, as well as other businesses and vendors leaving the area.
- While communication between the college and town has been improving in recent times, there is a perception in the community that the two do not work together.
- The Town of Wise, like many other communities in the region, have limited resources and rely in part on outside funding and grants to support its budgets and planning.
- There is a decline in trades such as carpentry, electrical, plumbing, etc. If residents or businesses want to build or renovate, they have to get wait listed. This is a national trend but is heightened in this region.

Opportunities

- There is a renewed relationship between the Town of Wise and UVA Wise, both realizing the symbiotic connection between the two. The college has had a significant role in this strategic plan and is currently undergoing its own planning. There is an opportunity for shared interests and needs to be incorporated in both plans.
- There is a need for the community to be more relevant to the student body at UVA Wise, as customers, as part of the workforce, as volunteers with local agencies, etc. This has long been a goal of the community in previous plans, but the current partnership between the Town and college makes this a real opportunity.
- Part of this opportunity is to physically connect downtown Wise to the college along East Main and Park Avenue. Connections could include streetscape, sidewalks, bike lanes, as well as business recruitment of businesses that are relevant to the college market.

- Entrepreneurial opportunities have been growing throughout the region and within the Wise community, with startups, regional entrepreneurship programming, etc.
- This is due to partners in the region dedicated to economy vitality such as UVA Wise, Opportunity SWVA, CEDA, DHCD, the Nest.
- Outdoor recreation resources and development are growing in the region and is becoming an important part of the local economy.
- The Inn at Wise is a tremendous community asset supporting local events, visitors, and local employers. It also has space for meetings and conferences.
- There is a workforce here that is ready to work, due in particular to the loss of jobs in the coal industry.
- Wise and the surrounding area offer a great quality of life with a low cost of living. It also has good broadband infrastructure making it a great location to telecommute.
- Continuing efforts to activate, revitalize and grow downtown with new businesses, events and activities is an opportunity to enhance resident's quality of life while helping to recruit new investment.
- With the Wise Sport Complex improvements, there is the potential to grow the sports tourism industry here with baseball and soccer tournaments.
- There is also the potential to grow arts community that already has a solid foundation with Pro Art, UVA Wise, local creative businesses, etc.

Threats

- The Town of Wise and the region is declining in population. A significant loss of population occurred between 1950 and 1970, with fluctuating population mirroring the coal industry through 2010. Since then, more permanent decline in coal has seen 10% population loss.
- This has impacted other demographic indicators such as lower household incomes, higher poverty, and increasing median age.
- While there is a workforce here that is ready to be employed, there is also a skills gap with coal having been the prominent industry, low workforce participation, and outmigration. This is compounded by a lack of jobs in the area that pay a living wage.
- UVA Wise's enrollment has seen a similar decline, although the college has focused on increasing enrollment. Current enrollment is 2021 students, an increase over the previous year.
- There is a general pessimistic mindset in the community. Citizens do not fully understand the town's assets, and may have an overall lack of pride of place. There is a lack of community support for local businesses.

3. Market Analysis

The market analysis summarized on the following pages assesses baseline demographic, housing, employment, and commercial market data in Wise, its trade areas, and the surrounding region. Leveraging this data, the market analysis identifies opportunities for growth potential and informs business development strategies to achieve this potential. The market analysis includes the following sections:

- Zip Code Survey;
- Trade Area Definition;
- Demographic Profile;
- Employment.
- Housing; and
- Retail Market

The methodology for and data sources for this study are the same as the 2008 Downtown Master Plan, providing a comparative data set from which to compare.

Zip Code Survey

The market analysis began with a zip code survey conducted by Wise businesses to determine local trade patterns as well as penetration into the larger regional market. The zip code survey determines the primary and secondary trade areas for Wise and its businesses. The resulting trade area definition then informs the boundaries for the demographic analysis and retail leakage analysis presented in later sections of this market assessment report.


During the week-long survey period in April of 2022, businesses in Wise recorded each customer’s zip code. The participating businesses represented a mix of retail, services, lodging and dining. The 11 participating businesses recorded a total of 1,134 customer visits from 98 unique zip codes across 16 states and Washington DC.

Zip Code Survey of Customers – Town of Wise, VA

Business Name: _____ Dates: _____

Instructions

- Simply ask customers, "Were conducting research for the Town, can I have your zip code?"
- Please record the **residence** zip code for each customer who enters your business.
- At the end of the week, please write the total number of tallies in the total box to the right.
- Someone from Town will collect surveys at end of _____



For more information, contact Aaron Arnett at aaron@arnettmuldrow.com


24293 - Wise	Sample - 	Total
24273 - Norton		Total
24279 - Pound		Total
24230 - Coeburn		Total
24228 - Clintwood		Total
24219 - Big Stone Gap		Total

Figure 9: Zip Code Survey Instrument

The results of the zip code survey indicate that Wise serves a very localized market, with customers living in the following areas:

- 59% from 24293 Wise zip code;
- 10% from 23273 Norton
- 77% from Wise County; and
- 95% from Virginia.

The samples size from this survey (11 businesses) was smaller than the 2008 study (16), but the aggregate data was very similar. Three businesses that participated in 2008 did the current survey, while eight had not.

Arnett Muldrow has completed this survey in numerous communities throughout Southwest Virginia, including Wise in 2007. Both times the survey was conducted in Wise, unique zip codes were in the middle range of the region, with Abingdon having a high of 301 and Fries having a low of 48 zip codes. It should be noted that the 2007 study in Wise was taken in October, while the current survey was conducted in April.

While the 2007 survey showed more unique zip codes in Wise, the 2022 study had visitors from 16 states compared to 15 in 2007.

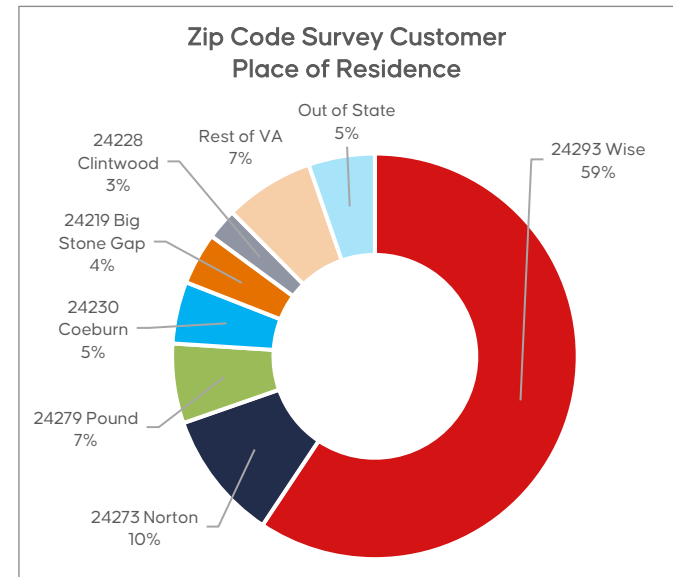


Figure 10: Zip Code Survey Results, Customer Origin

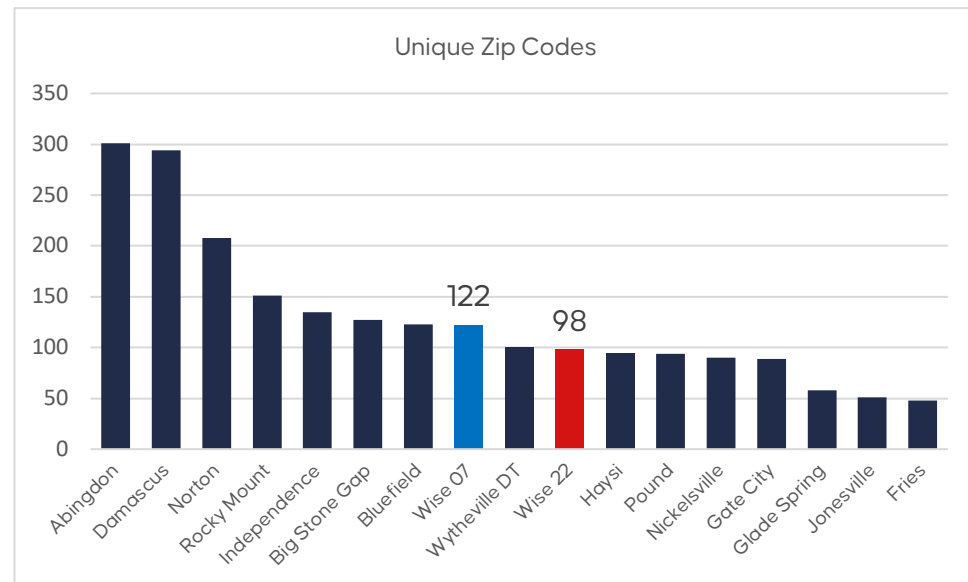


Figure 11: Unique Zip Codes during surveys conducted in region.

Trade Area Definition

Zip code survey results are used to determine the trade areas most relevant to Wise businesses. Because zip codes vary by size and total population, the zip code survey results should be analyzed by visits in relation to the total population of an area.

The primary trade area (PTA) includes the three zip codes below. This represents 81% of Wise’s customer base.

- 24293 Wise;
- 24273 Norton; and
- 24279 Pound.

The secondary trade area (STA) includes five zip codes, representing 15% of Wise’s customer base:

- 24230 Coeburn;
- 24216 Appalachia;
- 24283 St. Paul;
- 24228 Clintwood; and
- 24219 Big Stone Gap.

Trade Area Findings

- Wise has a localized customer base with 95% of the customers coming from the immediate area.
- Approximately 5% of the customers could be considered visitors from outside the region or other states. This may be higher if taken during summer or fall months.
- The trade areas overall are very similar to the survey conducted in 2007 in terms of overall zip codes. The 2007 study however had Coeburn in the PTA, as well as Jenkins and McRoberts. Both had a similar number of unique states and zip codes.

Zip Code	Area	2022 Population	Visits	Visits/1000 Pop
24293	Wise	9,965	673	67.54
24273	Norton	5,787	117	20.22
24279	Pound	4,872	72	14.78
24230	Coeburn	8,712	56	6.43
24216	Appalachia	2,342	15	6.40
24283	St. Paul	2,168	12	5.54
24228	Clintwood	5,933	28	4.72
24219	Big Stone Gap	10,328	47	4.55

Figure 12: Visits per 1000 population of regional zip codes.

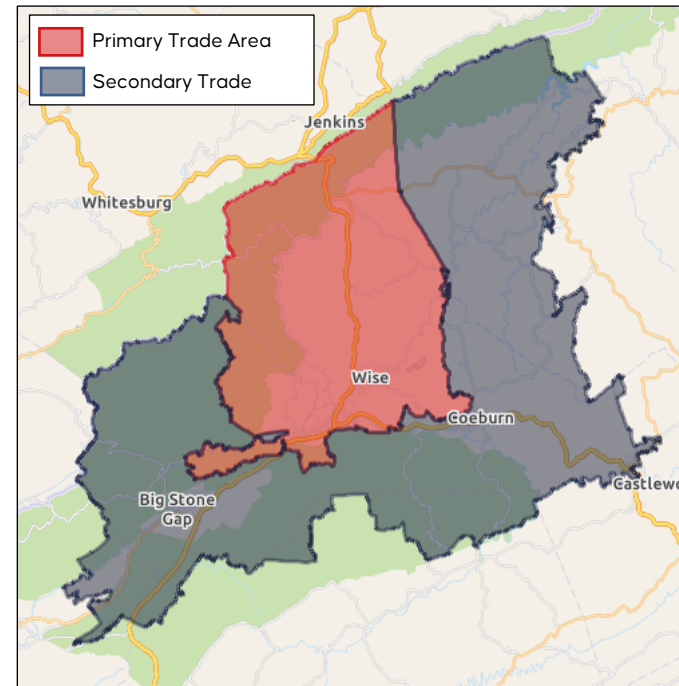


Figure 13: Wise Primary Trade Area (Shown in Red) and Secondary Trade Area (Shown in Blue) as Determined by the Zip Code Survey

- The PTA and STA collectively cover the majority of Wise County and portions of Dickenson. Overall, the trade areas cover a population of 50,107 people. This is the market that is most relevant to Wise businesses.
- There were a few instances of “visitor browsing” where unique zip codes would show up in multiple businesses. This occurred primarily with the Inn at Wise, Mountain Rose Vineyard, and Southern Sweets.

Demographic Profile

The following section examines key demographic indicators including population growth, household income and age in Wise, its trade areas, and the surrounding region. For larger market analysis, multiple geographies were studied to assess demographic and market trends in context with the larger region. This included:

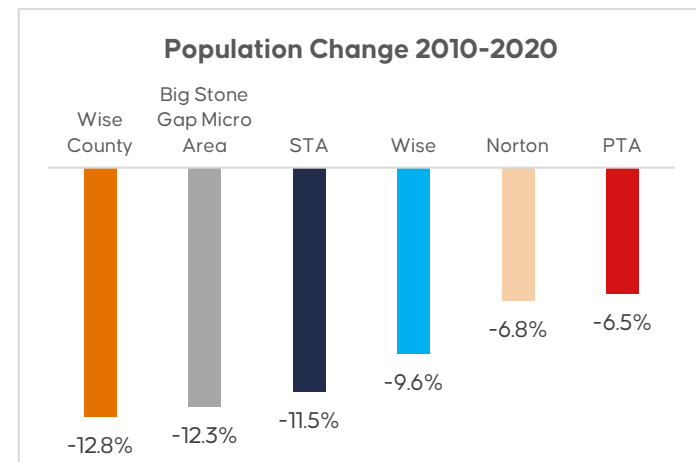
- Primary (PTA) and Secondary (STA) trade areas;
- Town of Wise;
- Wise County;
- Big Stone Gap Micropolitan Area (Wise County, Dickenson County, Norton); and
- Adjacent counties and communities (Norton, Coeburn, Pound, Big Stone Gap, Appalachia, Dickenson County, Letcher County, Harlan County, Lee County, Scott County and Russell County).

Population

According to the 2020 Census, the population in Wise is 2,971. The primary trade area has a population of 21,058 and the secondary trade area has a population of 29,737. Therefore, the Wise’s trade area markets have a total combined population of over 50,000.

Population across the region increased moderately from 2000 to 2010 before experiencing more significant declines between 2010 and 2020. However, Wise and its trade areas experienced less of a decline in population than the overall region. The population in Wise is projected to continue to decline slightly (-1.6%) over the next five years.

Figure 14: Population Change in Wise, the Trade Areas, and the Region, 2010-2020 (Source: US Census)



	Population			Population Change 2000-2010	Population Change 2010-2020
	2000	2010	2020		
Wise	3,203	3,286	2,971	2.6%	-9.6%
Norton	3,901	3,958	3,687	1.5%	-6.8%
Primary Trade Area	21,308	22,514	21,058	5.7%	-6.5%
Secondary Trade Area	33,894	33,612	29,737	-0.8%	-11.5%
Wise County, VA	40,128	41,452	36,130	3.3%	-12.8%
Big Stone Gap Micro Area	44,029	45,410	39,817	3.1%	-12.3%

Figure 15: Population in Wise and the Region, 2000-2020 (Source: US Census)

Age

The median age in the primary trade area is 41.5, higher than the median age in the state (39.3) but slightly lower than the median age in Wise County (42.2). The primary trade area has a mix of ages, with approximately a quarter of the population age 18-34, a quarter age 35-54 and a quarter age 55-74.

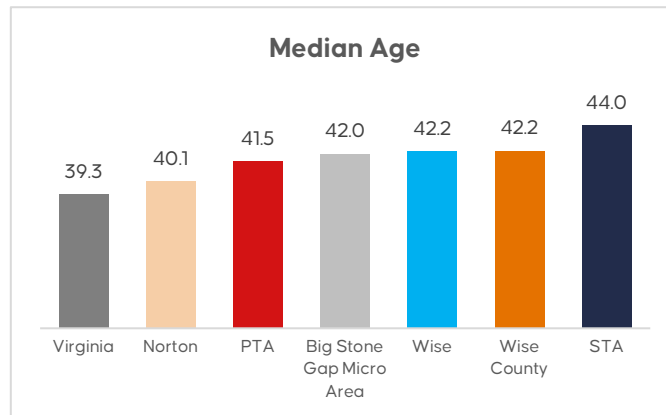


Figure 16: Median Age, 2022 (Source: Claritas)

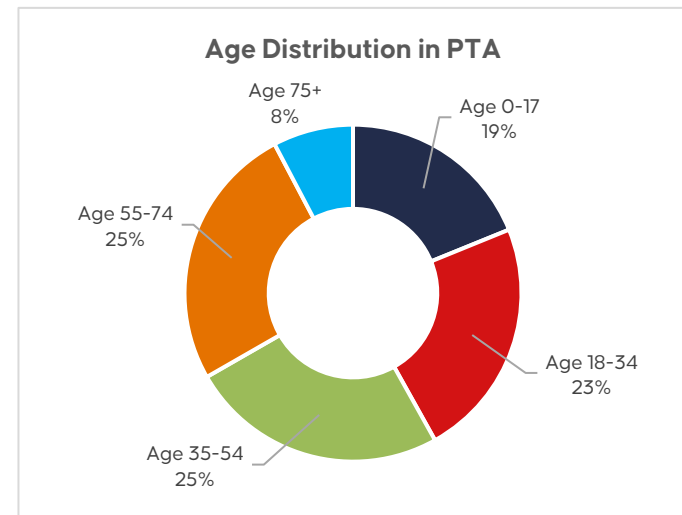


Figure 17: Age Distribution of the Population in the Primary Trade Area, 2022 (Source: Claritas)

Educational Attainment

Of residents age 25 years or older in the primary trade area, 79% have at least a high school degree and 16.7% have a bachelor’s degree or higher. In general, educational attainment levels in the region are lower than the state overall, in which 39% of the population age 25 years or older has a bachelor’s degree or higher.

Household Income

The median household income in Wise is \$46,898, higher than much of the region with the exception of Big Stone Gap. The median household incomes in the primary and secondary trade areas are slightly lower at \$41,378 and \$41,795.

A third of households in the primary trade area have annual incomes of less than \$25,000 while approximately 17% of households have annual incomes of \$100,000 or more. 17% of families in the primary trade area live below poverty.

10.7% of families in Wise are below poverty. This is lower than much of the entire region.

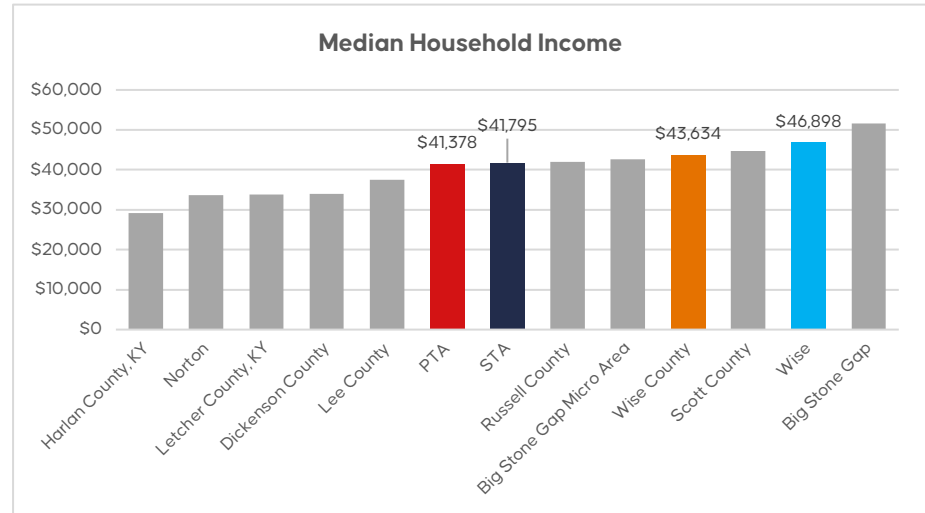


Figure 18: Median Household Incomes in Wise and the Region, 2022 (Source: Claritas)

Employment

Jobs

In 2019, there were approximately 3,882 jobs in the Town of Wise. Nearly half of the jobs in the town are in the educational services sector due to UVA Wise and local schools. Other major employment sectors include retail trade (15%), accommodation and food services (8%), and health care (6%).

Unemployment Rate

In August 2022, the unemployment rate was 4.1% in Wise County and 4.0% in the Big Stone Gap Micropolitan Area, compared to the state unemployment rate of 3.2%

Commuting Patterns

Wise is a net importer of jobs, meaning more workers commute *in* to Wise than the number of residents commuting *out* for work. In 2019:

- 189 people both lived and worked in Wise.
- 708 Wise residents commuted outside of the town for work.
- 3,693 people commuted into Wise for work.

Approximately 95% of workers in Wise commute from outside of the town. Around 45% live in other areas of Wise County, 6% live in Dickenson County, 5% in Lee County, and 5% in Norton City.

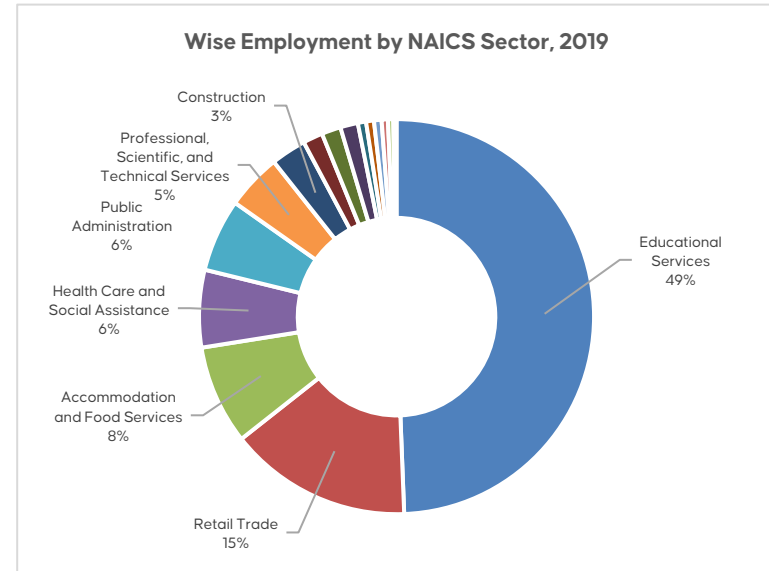


Figure 19: Employment by NAICS Sector in Wise, 2019 (Source: US Census On the Map)

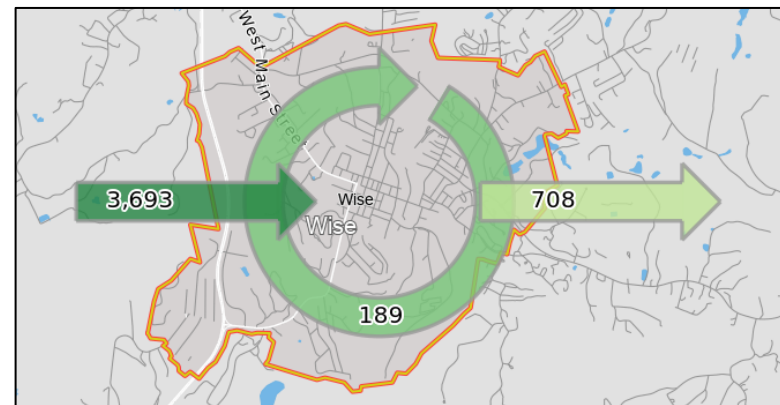


Figure 20: Inflow and Outflow of Jobs in Wise, 2019 (Source: US Census On the Map)

Housing

Housing Stock: Type, Tenure and Age

The housing stock in Wise is predominantly single-family housing (69%) with a limited amount of multifamily housing (9%), half of which are duplexes. Just over a quarter of the housing stock in Wise consists of mobile homes and trailers. 71% of Wise homes are owner-occupied and 29% are renter-occupied. According to the Census, there are just 132 multifamily units currently in Wise.

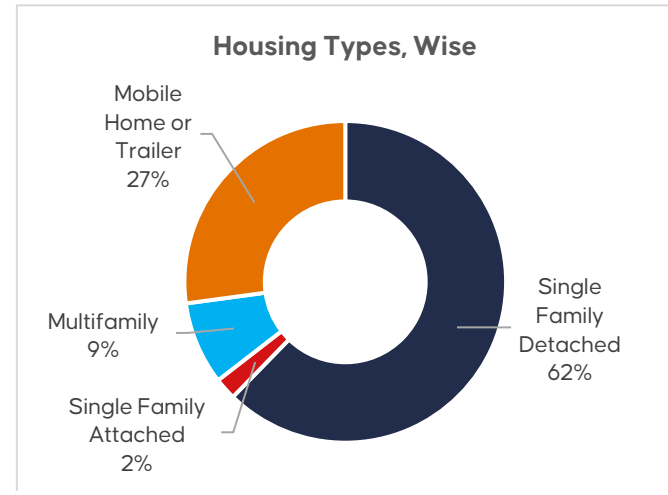


Figure 21: Housing Types in Wise, 2022 (Source: Claritas)

A majority of the housing stock in town was built between 1970 and 2000. There has been minimal new residential construction in Wise since 2010. This was noted throughout the stakeholder input as being a key issue in ongoing economic development.

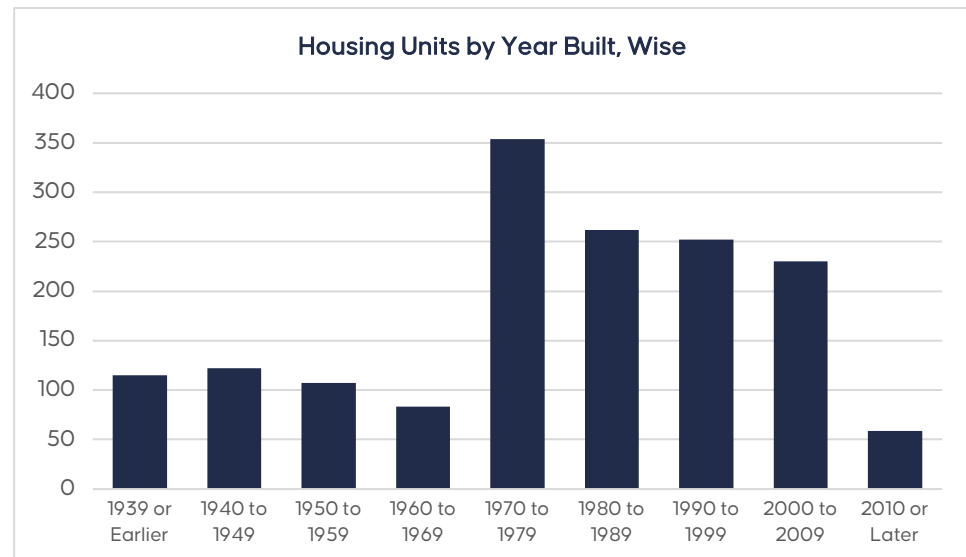


Figure 22: Housing Units by Year Built in Wise, 2022 (Source: Claritas)

Housing Values

Housing values in Wise are higher than the county overall, but much more affordable than larger markets in the region such as Abingdon and Bristol. The median value of owner-occupied housing in Wise is \$121,872 compared to \$99,981 in Wise County and \$206,776 in Abingdon.

The chart below shows the value distribution of owner-occupied housing in Wise and cities in the region that are attractive to area workers. While approximately 75% of owner-occupied housing in Wise and Norton are valued less than \$200,000, cities where Wise workers choose to reside (such as Abingdon, Bristol, and Kingsport) offer a wider range of housing types and values.

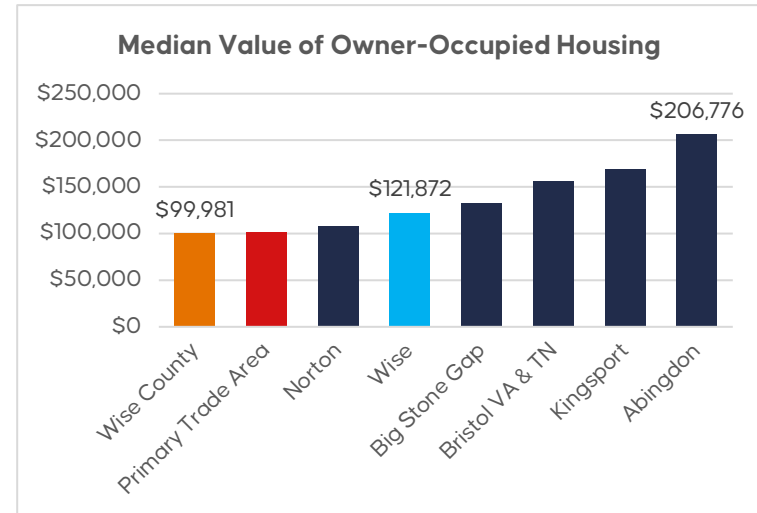


Figure 23: Median Value of Owner-Occupied Housing in Wise and Surrounding Region (Source: Claritas, 2022)

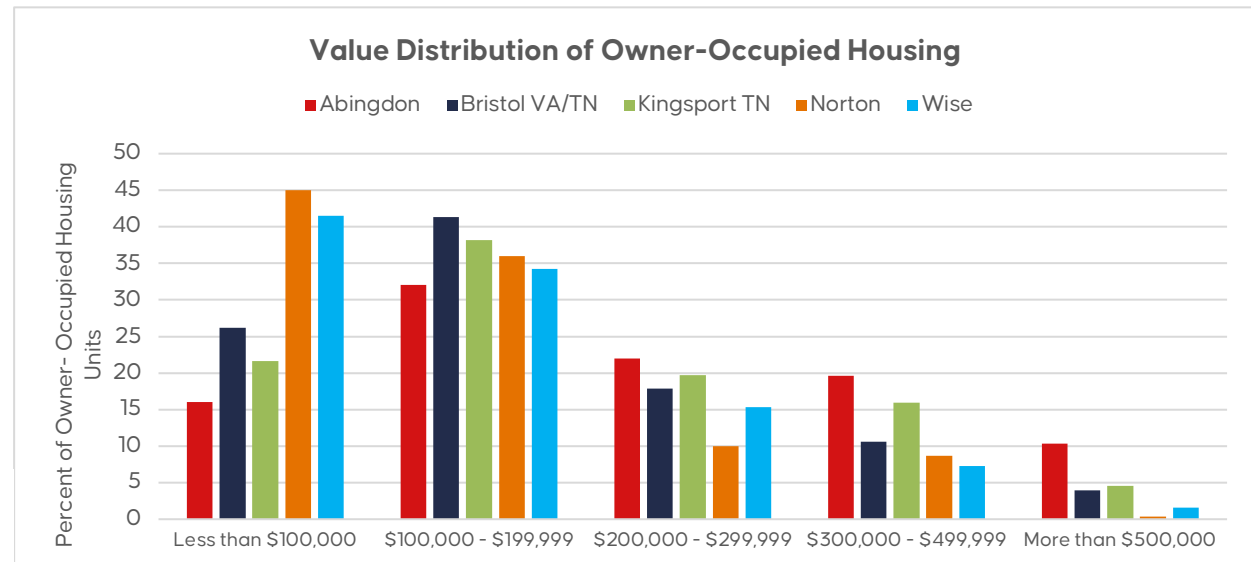


Figure 24: Value Distribution of Owner-Occupied Housing in Wise and Surrounding Region (Source: Claritas, 2022)

The Zillow Home Value Index, a measure of historical home values, for Wise zip codes (24293 and 24273) was \$135,000 in April of 2022. This value represents an increase of 8.9% over the past year. Comparatively, the Zillow Home Value Index for Wise County was \$93,000.

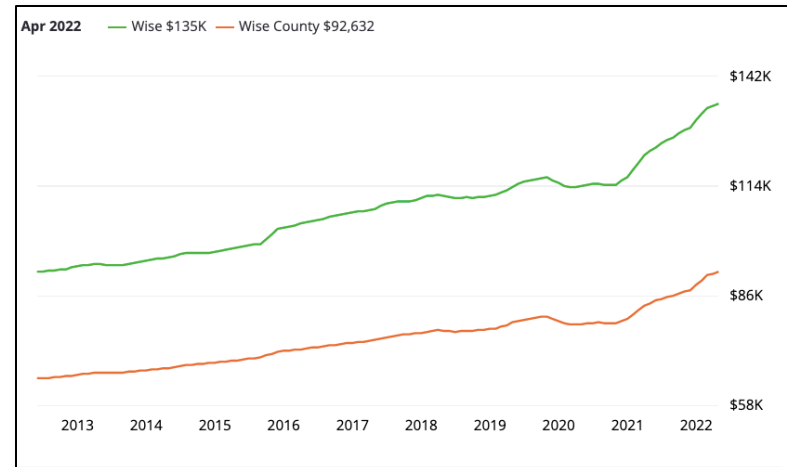


Figure 25: Zillow Home Value Index for Wise Zip Codes and Wise County, 2013-2022 (Source: Zillow)

Rental Market

There is a limited number of rental units, particularly market-rate apartments, in Wise and the LENOWISCO (Lee County, Norton, Wise County, Scott County) region. Many of the apartments in the region are either income-restricted units, age-restricted units, or student housing, including:

- Gillam Court Apartments (Senior)
- Commonwealth Street Apartments (Income restricted)
- Walk2Campus (Student)
- Cavalier Housing

The median rent in Wise is \$628, slightly lower than the median rent in Wise County (\$638) and competitor communities. While this suggests rent is competitive in Wise, there is an overall lack of rental units with very little on the market.

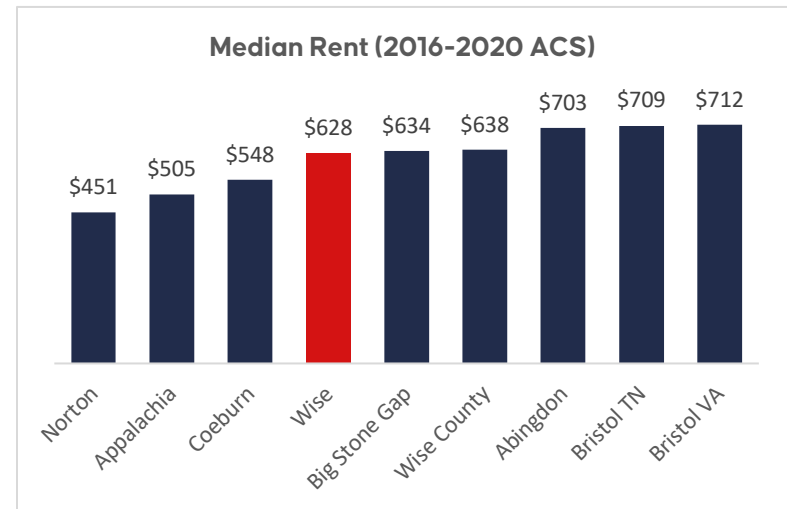


Figure 26: Median Rent in Wise and the Surrounding Region (Source: US Census 2016-2020 American Community Survey)

Housing Affordability

Housing is considered affordable if less than 30% of household income is spent on housing. If more than 30% is spent on housing costs, these households are considered to be “cost-burdened”.

According to the US Census 2020 American Community Survey, 31% of renters in Wise are cost-burdened, with 14% severely cost-burdened (spending more than 50% of household income on housing costs). In 2020, 11% of owners in Wise were cost-burdened.

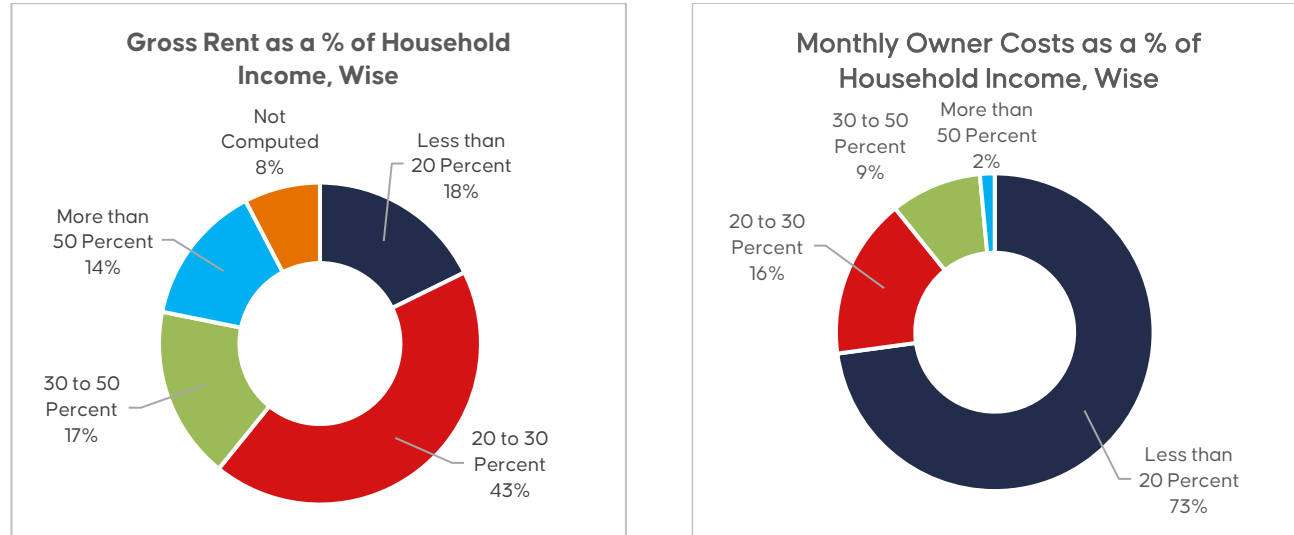


Figure 27: Housing Affordability in Wise, Measured by Gross Rent as a Percentage of Household Income (Left) and Monthly Owner Costs as a Percentage of Household Income (Right) (Source: US Census 2020 American Community Survey)

A trend is occurring in Wise that is very common throughout the nation in the current economy. Housing costs (both for sale and rental) are rising much faster than income. In a community like Wise with limited housing and lower levels of income, this is proving to create a larger challenge to the overall economy related to price point, availability, affordability, commuting times, and talent recruitment. Residents, UVA Wise survey respondents, and stakeholders all recognized this is being the biggest challenge to economic development in Wise.

Employer Housing Case Studies

The lack of housing for workers and students was identified as a primary impediment to economic development in Wise. The following case studies provide examples of communities finding creative solutions to provide affordable housing for its workforce as well as attracting workers through housing incentives.

Martha’s Vineyard Hospital (Oak Bluffs, Massachusetts)

Martha’s Vineyard Hospital struggled with hiring due to high housing costs on the island. Workers with median salaries of \$80,000 are not able to afford housing on an island with a median house price of \$1.3 million. Recognizing this difficulty, the hospital partnered with the Island Housing Trust to lease a former inn for worker housing. Additionally, the hospital purchased 26 acres in 2021 to build 60 units of workforce housing for its staff and a 70-bed senior care facility.



George Mason University Faculty Housing (Fairfax County, Virginia)

Masonvale is a townhome community located on George Mason University’s Fairfax campus. The 157 townhomes offer 1-3 bedroom units and priority is given to university faculty, staff and graduate students as well as local public school teachers, City and County employees, and active duty military.



Atrium Health H.O.P.E. Program (Charlotte, North Carolina)

Atrium Health in Charlotte, North Carolina operates the Housing Opportunity Promoting Equity (H.O.P.E.) program to provide affordable housing to its staff. The program has 50 apartment units dedicated for Atrium Health employees, available to rent on an income-based sliding scale. The hospital also recently partnered with a local non-profit and developer to develop affordable apartments for hospital employees.



Live Near Your Work Program (Baltimore, Maryland)

The Live Near Your Work Program is a collaboration between the City of Baltimore and local employers. The program provides homebuying incentives that go towards down payment and closing costs for first-time buyers in the city. The City matches employer contributions up to \$2,500 per employee. The program, which focuses on community revitalization, has 100 participating employers including Johns Hopkins and the University of Maryland.

Retail Market

Retail Leakage

“Retail Leakage” refers to the difference between the retail expenditures by residents living in a particular area and the retail sales produced by the stores located in the same area. If desired products are not available within that area, consumers will travel to other places or use different methods to obtain those products. Consequently, residents are purchasing more than the stores are selling, and the dollars spent outside of the area are said to be “leaking.”

The retail leakage analysis indicates that Wise, the primary trade area and Wise County all experience overall retail gain while the secondary trade area has overall retail leakage.

Over the past year, stores in the primary trade area sold \$495.6 million. During the same time period, residents in the primary trade area spent \$307.3 million, indicating a retail gain of \$188.3 million. Stores in the secondary trade area had \$387.5 million in retail sales and \$457.8 million in consumer expenditures, resulting in an overall retail leakage of \$70.3 million. The primary trade area accounts for 63% of the total \$785.3 million in retail sales in the Big Stone Gap micropolitan area.

	Wise	PTA	STA	Wise County	Big Stone Gap Micro Area
Consumers Spend	\$52.4 million	\$307.3 million	\$457.8 million	\$546.5 million	\$612.5 million
Stores Sell	\$64.6 million	\$495.6 million	\$387.5 million	\$559.5 million	\$785.3 million
Market Leaks/Gains	\$12.2 million Gain	\$188.3 million Gain	\$70.3 million Leakage	\$13 million Gain	\$172.8 million Gain

Figure 28: Overall Consumer Expenditures, Retail Sales, and Market Leakage/Gains in Wise, its Trade Areas and the Region (Source: Claritas, 2022)

Retail Leakage in Select Categories

While the primary trade area has an overall market gain, there is retail leakage in specific categories. This leakage translates directly to unmet market demand, and opportunities for commercial growth. It is important to note that some of this demand may be accommodated within the larger region and that many consumers will continue to shop online to meet some of their retail needs. The primary trade area shows demand in key categories including general merchandise, full-service restaurants, snack and non-alcoholic beverage bars, and specialty retail such as shoe stores, jewelry stores, gift stores and art dealers.

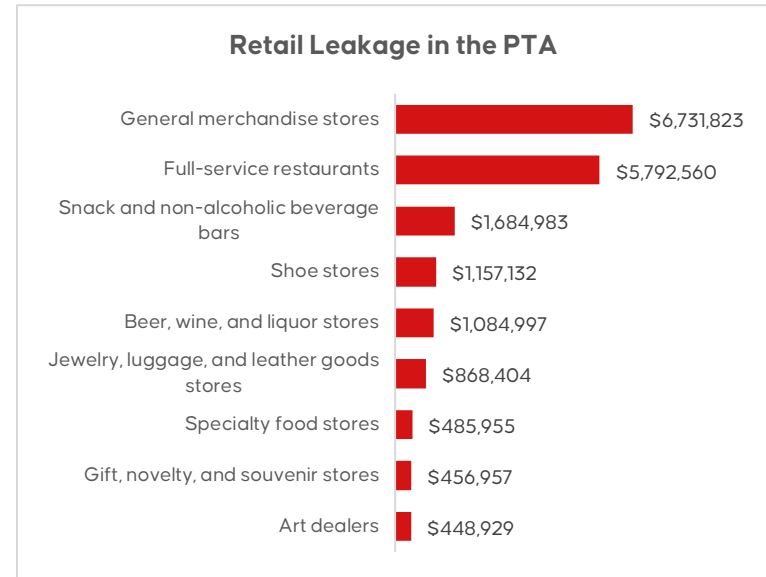


Figure 29: Retail Leakage in Select Categories in the Primary Trade Area (Source: Claritas, 2022)

Retail Capture

Retail leakage in specific categories in the primary and secondary trade areas represents existing unmet demand by residents living in the trade areas. This data informs the Town and local businesses about potential types of businesses, products, and services to target for recruitment.

It is not reasonable to expect to capture 100% of retail dollars leaking from the trade areas as, consumers will continue to shop online or travel to nearby retail markets for certain purchases. However, through strategic recruitment, economic development and marketing, opportunities exist to capture some of the leakage in key retail categories. Through a conservative capture scenario of 20% of leakage from the primary trade area and 10% of leakage from the secondary trade area, there is an opportunity for Wise to capture approximately 41,000 square feet of retail.

It should be noted that in the 2008 study, there was demand for up to 65,000 square feet, however since that study, Wise has gained some additional retail throughout the community. In addition, the current 41,000 square feet up opportunity considers primarily the demand from the local trade areas. We know that the Wise/Norton commercial market serves an area larger than the local trade areas, so there likely is

additional opportunity for growth. Of course, a key factor that must be considered is that the population of the larger region is contracting, and there is the potential for regional demand to decrease if population trends continue.

	PTA Retail Leakage	STA Retail Leakage	20% of Retail Leakage in PTA	10% of Retail Leakage in STA	Total Potential Capture	Calculated Potential Capture (Square Feet)
Selected Retail Categories Below			\$2,606,501	\$7,273,302	\$9,879,804	40,997
Furniture Stores	(\$4,996,671)	\$3,553,079		\$355,308	\$355,308	1,777
Home Furnishing Stores	(\$1,618,497)	\$2,208,044		\$220,804	\$220,804	1,725
Household Appliances Stores	\$675,862	\$1,422,821	\$135,172	\$142,282	\$277,455	580
Electronics Stores	(\$277,254)	\$3,853,323		\$385,332	\$385,332	1,476
Building Material and Supply Dealers	(\$6,867,086)	\$6,679,674		\$667,967	\$667,967	4,691
Beer and Wine Stores	\$1,084,997	\$1,017,311	\$216,999	\$101,731	\$318,731	295
Health Food Supplement Stores	(\$239,646)	\$18,724		\$1,872	\$1,872	6
Clothing Stores	(\$11,039,278)	\$7,507,643		\$750,764	\$750,764	2,503
Shoe Stores	\$1,157,132	\$1,918,558	\$231,426	\$191,856	\$423,282	1,208
Jewelry Stores	\$215,826	\$1,156,106	\$43,165	\$115,611	\$158,776	330
Luggage and Leather Goods Stores	\$652,578	\$952,455	\$130,516	\$95,246	\$225,761	479
Sporting Goods Stores	(\$7,964,846)	\$2,488,198		\$248,820	\$248,820	1,670
Hobby, Toys and Games Stores	(\$4,522,835)	\$929,291		\$92,929	\$92,929	635
Sew/Needlework/Piece Goods Stores	\$119,123	\$117,303	\$23,825	\$11,730	\$35,555	157
Book Stores	\$215,698	\$485,297	\$43,140	\$48,530	\$91,669	301
General Merchandise Stores	\$6,731,823	\$26,742,474	\$1,346,365	\$2,674,247	\$4,020,612	16,819
Florists	(102,393)	71,937		\$7,194	\$7,194	48
Gift, Novelty and Souvenir Stores	\$456,957	\$838,145	\$91,391	\$83,815	\$175,206	497
Used Merchandise Stores	\$524,974	\$605,990	\$104,995	\$60,599	\$165,594	606
Art Dealers	\$448,929	\$664,416	\$89,786	\$66,442	\$156,227	443
Drinking Places	\$748,607	\$1,085,544	\$149,721	\$108,554	\$258,276	543
Restaurants and Other Eating Places	(\$7,248,208)	\$8,416,690		\$841,669	\$841,669	4,208

Figure 30: Retail Capture Scenario Based on 20% Capture in the Primary Trade Area and 10% Capture in the Secondary Trade Area (Sources: Claritas, Arnett Muldrow & Associates)

Market Findings

- Wise and its PTA are gaining in retail, suggesting they serve a larger regional market. However, the STA leaked about \$70million in the previous year, as did a number of key categories in the PTA.
- Key opportunities include:
 - **General Merchandising (up to 16,819 square feet):** As a frame of reference, a typical Dollar General can be around 15,000 square feet. Wise likely could support another dollar-type store, or perhaps an independent general mercantile.
 - **Restaurants (4,208 square feet):** Even with the number and variety of restaurants in Wise, there is demand for one to two more establishments. This was mentioned as a need throughout the public process. During the process, the restaurant at the Inn at Wise closed, so there is slightly more demand that is noted here.
 - **Furniture/Home Furnishings (3,400 square feet):** Currently the Town has a well-established store in the Clapboard House. This study suggests an opportunity for an additional use, or for an existing business to expand.
 - **Clothing, Shoes & Jewelry (3,600 square feet)**
 - **Sporting Goods & Hobby (2,200 square feet):** While this amount of space would represent a small footprint, the outdoor recreation opportunities in the region may provide an even greater opportunity for an outdoor recreation-focused business.
- Housing values are increasing in Wise following National trends. However, they are increasing at a greater rate than local incomes.
- Due to this, 31% of renters and 11% homeowners are considered cost-burdened meaning local housing is not affordable for them.
- The Town of Wise is an employment center, with 95% of its workers commuting from outside the Town. It is important to note that UVA Wise employment is not reflected in this figure due it being located just outside the town limits. Still, just 26% of the UVA Wise Survey respondents (students and faculty) live within the Town of Wise.

4. Vision and Goals

This report presents a 10-year economic development strategic plan. It is founded on a broad vision based on ongoing stakeholder and public input and presents Wise’s economic development philosophy in context with strategic themes and goals.

Town of Wise Economic Development Vision

“Wise is a dynamic and vibrant community where people want to live, visit, and do business. We have a variety of jobs and diversity of housing choice for workers, professionals, and students alike. We are a College Town, where the Town and UVA Wise are working towards their common and prosperous future.”

Strategic Elements and Goals

All stakeholder and public input has fallen into five common themes as identified below. Each of these themes represents a different element of the Strategic Economic Development Plan. Goals have been established for each strategic theme and are meant to present a general result that the plan’s implementation should accomplish.

Business Development
Housing
Physical Planning
College Town
Implementation

1 – Business Development

The market research indicates that Wise and its primary trade area represent a commercial magnet drawing in consumers from outside the area. Still, within the extended trade area, there is demand for new business to support the local market. While this demand represents opportunity, the overall population is declining in the Town, county and region, and the market will continue to contract until new residents come to Wise. Much of this outmigration is due to the decline in coal. As the industry evolves, jobs are not being replaced and workers are leaving the area, resulting in a smaller overall workforce. On the positive side, there is a growing support infrastructure for entrepreneurial development, as various local agencies are focused on developing new small businesses. Similarly, there is an opportunity in Wise to grow and development new product for tourism, arts, and recreation-based businesses.

Business Development Goals

- Wise will see a diversity of business offerings with active uses.
- The growing entrepreneurial ecosystem will continue to strengthen.
- Wise will become a desirable place to invest, from small business to larger employers, to residential development.
- New tourism and arts product will bring visitors but also improve the quality of life for Wise citizens.

2 – Housing

One of the biggest inhibitors to economic development in the Town of Wise is a lack of housing. The current housing stock is older, and there is virtually no new residential being developed in the immediate region. There is a need for all housing including a variety of types, price points, and tenure. The college is challenged in recruiting new students because of lack of rental product, while the college and other employers have difficulty recruiting professionals. These workers often commute from an hour away in Abingdon, Bristol, etc. There is a need for professional, workforce, senior and student housing.

Housing Strategy Goals

- New students, faculty, professional and seniors will have a choice to live in the Town of Wise.
- The Wise community will have a variety of housing options and price points.

3 - Physical Planning

The Town of Wise has created a great physical environment downtown with its improved streetscape and façade enhancements. Banners and flowers create a pleasant pedestrian environment for downtown, and programming at Big Glade Community Park often activates the street. The district is small and mostly occupied with various commercial, office, and businesses that support the courthouse. If downtown were to expand, it would likely grow along East and West Main Streets. Similarly, there is a desire for pedestrian enhancements and a more walkable community that would allow residents to walk from their neighborhood to the college, downtown, and recreation resources. There is a partnership between the Town, County and schools to create new trails and the residents would like to see an expanded system for connectivity, transportation, and recreation.

Physical Planning Goals

- Wise will have a more pedestrian friendly environment with improved sidewalks, access to neighborhoods, schools, parks.
- The vibrancy of the downtown core will grow to the east and west.
- The community will see a trails and bike infrastructure that connects the college, downtown, areas of commerce, and recreation resources.

4 - College Town

UVA Wise has always been a significant asset for the Wise community. Despite wanting to be recognized more it, Wise has never been able to fully embrace being a true college town. Citizen and leadership perception of college towns, lack of physical connection, and past internally focused vision of the college have limited real strategy to make the two more connected, but those days are over. Both the college and the town realize that both have to be healthy for each to prosper. While certain things need improvement including physical connectivity, communication, etc., both the town and the college fully embrace each other and their shared paths to a successful future. UVA Wise representatives and students have been fully involved in this strategic planning process, and now is simply the right time to move Wise to being a true college town.

College Town Goals

- Wise will become a true “college town” rather than a town with a college.
- East Main/Park Avenue will have active uses that serve the college and larger community, with infill and redevelopment in a pedestrian friendly environment.
- The Town, community, and University will all be aware of local initiatives and opportunities.

5 - Implementation

Like other small towns in Southwest Virginia, Wise has always lacked resources in terms of staffing and funding which has limited implementation. Many of the town's initiatives, like this strategic plan, are funded through grants and other outside resources. That is not uncommon, but also points to a need for a more grass-roots mindset of implementation. Not only are strong partnerships key to implementation, but community participation is critical. The town cannot implement this or any other plan alone, and dynamic partnerships are key.

Implementation Goals

- The Wise community will capitalize on its new energy creating a forward momentum that overcomes previous challenges to implementation.
- A diverse group of community partners will formalize to guide this plan through implementation.

5. Strategic Plan

This report focuses on creating a foundation of market research and data from which the Town of Wise and its partners can formulate a strategic economic development framework. The actions below are based on market research, community and college surveys, stakeholder engagement, and public input. They build on the strategic themes and goals presented earlier in this report, and are organized by the following strategies:

- Business Development
- Housing
- Planning
- College Town
- Market Positioning

Business Development Strategy

The actions below focus specifically on ongoing business development including recruitment, support and development.

- 1.1 Share Market Research:** The market analysis provides data that will be relevant to existing and potential business owners, as well as investors and property owners. The information included in this report should be actively distributed to all interested parties, businesses, real estate professionals and economic development agencies.
- 1.2 Target Market Demand:** This market analysis conservatively estimates up to 40,967 square feet of retail and business needs based on current trade patterns. The Wise/Norton area has become a commercial magnet, but there is still opportunity for targeted recruitment including restaurant, clothing & shoes, furniture/home furnishings, etc.



1.3 Target Asset-Based Businesses: Wise has at least two dynamic and growing markets that suggest opportunities to recruit destination businesses. The outdoor recreation market is growing throughout Southwest Virginia and nearby assets such as High Knob Recreation Area offer Wise an opportunity to target businesses such as outfitters, bike rentals and shuttles, etc. Conservative estimates show demand for 1,670 square feet of sporting goods, but with the outdoor recreation visitor market, the potential is much greater.



The second dynamic market is college students who not only enjoy outdoor recreation, but also the local demand for clothing suggests the potential for downtown businesses to sell UVA Wise branded clothing. The college should coordinate with a downtown business to sell officially licensed Cavalier merchandise.

1.4 Continue Data Collection: Data collection is never done, and in fact this market analysis was an update to the Master Plan completed in 2008. Additional data sets that the Town could collect include:

- Conducting a survey of local employers to better define specific needs in terms of housing, infrastructure, and workforce development.
- Conduct seasonal zip code surveys of local businesses to track customer base to see how it changes over time. The survey in this study was conducted in April. Additional surveys could be done by the Town in July (summer season) and October (fall season).
- Visitor surveys could be conducted online using collectors such as Survey Monkey to target visitor activity including nights stayed, destinations and businesses visited and dollars spent. The Town could work with Wise County Tourism to deploy the survey with QR-based promos at the Inn at Wise and other lodging, the college, Big Glades events, recreation destinations, etc.

Zip Code Survey of Customers – Town of Wise, VA

Business Name: _____ Dates: _____

Instructions

1. Simply ask customers, "Were conducting research for the Town, can I have your zip code?"
2. Please record the **residence** zip code for each customer who enters your business.
3. At the end of the week, please write the total number of tallies in the total box to the right.
4. Someone from Town will collect surveys at end of _____

For more information, contact Aaron Arnett at aaron@arnettmuldrow.com

Zip Code	Sample		Total
24293 - Wise			Total
24273 - Norton			Total
24279 - Pound			Total
24230 - Coeburn			Total
24228 - Clintwood			Total
24219 - Big Stone Gap			Total

1.5 Coordinate Employment Recruitment with Partners: Wise should let its economic development partners such as the Wise County IDA, Virginia Coalfields Economic Development Authority, Invest SWVA, and others do the heavy lifting on marketing and recruiting for target industries and employment prospects. Wise needs to make sure it has a seat at the table however to communicate investment opportunities and Town priorities.

- 1.6 **Economic Development Go Team:** Part of that collaboration would be to establish a proactive “go-team” of sorts that would be a small on-call group of local leaders (mayor, administrator, key business, banking, etc.) to meet with prospects to communicate support and desire for investment, discuss business needs, etc.
- 1.7 **Pursue Community Business Launch:** Virginia Department of Housing and Community Development (DHCD) facilitates the Community Business Launch (CBL) program that helps communities develop and recruit small business. The program includes a systematic process to define a community’s vision and implementation of a local business competition to develop entrepreneurs that meet that vision. Communities receive up to \$45,000 from DHCD to conduct the business planning competition and the funds can be used for training, mentoring, and grant awards given to winning entrepreneurs. Small towns like Wise across the state have utilized this resource, including SWVA communities of Norton, St Paul, and others.
- 1.8 **Wise UP! Entrepreneurial Empowerment Program:** Partner with the The Nest and Wise Business Association to expand local business knowledge base through programming that brings local businesses together to mentor each other discussing merchandising, marketing, social media, etc. Prospective businesses can also meet with these peers to pitch their ideas and get advice on business planning, financing, market dynamics, etc. Initiatives like these throughout Virginia have gotten funding from the Kauffman Foundation (One Million Cups) and other sources.
- 1.9 **Vibrancy Grants:** Often in small towns, it can be a challenge for local businesses or property owners to take full advantage of façade grants. They may be too complex, or the match to acquire the grant may be too large. Some communities have found that breaking up their façade grant programs into façade elements that focus on aesthetics and awareness can achieve a broader impact. These “vibrancy grants” could be as small as \$500 and focus on activating spaces and businesses with color, outdoor seating, flowers and small-scale landscaping, signage, awnings, etc.



Housing Strategy

The lack of availability of housing options was continually cited as the main impediment to investment and economic growth. UVA Wise has difficulty attracting students and faculty, while other businesses find it hard to recruit professionals due to a simple lack of product in Wise. Creating more housing project and choice is critical to Wise's economic future.

- 2.1 Collaborate with partner organizations to support the City's goals for infill development and redevelopment.:** In Wise, this will likely include a targeted effort to recruit builders from outside the community, from Bristol, Tri-Cities, etc. These partners (UVA Wise, IDA, VCEDA, etc.) and the town may need to pool resources to incentivize outside investment.
- 2.2 Conduct a Housing Needs Study:** All stakeholders recognized the need for housing in broad terms. From simple housing availability to affordable units. From student housing to workforce residential. From rental housing to single family homes in the \$150,000 to \$250,000 range. The Town and UVA Wise should partner to conduct a town-wide housing study to define specific needs, but also to identify the land uses and where these products could be located. Once the community has a quantifiable understanding of need, it can seek outside investment as mentioned in the strategies below.
- 2.3 Recruit and Market for Workforce Housing:** Based on the housing needs study and industry survey mentioned in data collection, the town can focus its recruitment efforts on target development of that specific type of residential.
- 2.4 Identify Catalyst Sites for Investment:** While they currently targeted for demolition, sites such as the old Jail on Main Street and the former J J Kelly High School are examples of vacant buildings that could be adaptively reused to meet some of the goals of this plan. For example, Scottsville Virginia has completed a Mixed-Use, Mixed-Income (MUMI) study for the redevelopment of a former tire factory and is currently shopping the vision to investors. Once potential sites are identified, the Town should approach Virginia Housing Development Association (VHDA) for planning grant funding for a MUMI study. Additional funding for implementation is available from Virginia Housing and other sources.
- 2.5 Work with Local Employers on a Housing Initiative:** There are case studies in the market analysis of this report that present projects where a local industry (typically a hospital or university) have invested to create workforce housing, student housing, and faculty housing. Tools like housing trust funds and outside grants, as well as direct investments were used for these projects. Examples include adaptive reuse as suggested in the previous strategy, or new development with a percentage reserved for these targets. Smaller projects occur in places like Onancock Virginia, where the Town is seeking to partner with Riverside Hospital and private investors to develop six units of short-term housing for professionals.
- 2.6 Encourage UVA Wise to Develop Student Housing:** The Town should support the efforts of UVA Wise to identify and develop housing for students either on or off campus.
- 2.7 Consider Public Private Partnerships (PPP):** The Town has limited resources to incentivize housing or other desired development. These partnerships are very broadly used and in Wise's case, could be public investment for infrastructure, land swaps, tax abatement, etc. to bring in a specific project. It could also be providing amenities such as parking, public park, trail connections, etc.

Each of these public investments could make the private capital investment more feasible. The PPP would be formalized with development agreements with the developer.

2.8 Expand Tourism and Recreation Product: The Town of Wise is currently collaborating with the IDA, Schools, and County to develop walking trails for recreation and connectivity. It should look for other opportunities to partner with Wise County Tourism, Friends of SWVA, VTC and others on creating a larger trails network, developing additional product, promoting sports tourism, and recruiting support businesses (lodging, restaurants, etc). Key projects could include:

- Creating a trails master plan for the Town and County.
- Identifying location for and recruiting lodging such as an RV Park, encouraging short-term lodging, etc.
- Establishing a Tourism Zone in Wise which allows a town to establish incentives and regulatory flexibility for tourism-based business and employers. Incentives could include BPOL gross-receipt tax incentives, permit abatement, fees reduction, etc.

2.9 Create Opportunities for Childcare Facilities: Like housing, the lack of childcare is a major impediment to recruiting workers and professionals to Wise. The Town and its partners should work together to encourage new childcare at local churches, employers, UVA Wise, etc.

Planning Strategy

While not directly related to recruiting or supporting business, there are several strategies that can improve the physical environment and make it more conducive to activity, investment and successful business.

- 3.1 **Master Plan for East Main Street:** Downtown Wise is small and has limited space for business, particularly with courthouse uses that are common in courthouse towns. Downtown can be extended to the east along Main and Park Avenue to create a direct connection to college, while creating additional areas for new business or housing investment. A master plan for that area could potentially be funded through DHCD’s Business District Revitalization Grant.
- 3.2 **Enhance Pedestrian and Bike Connectivity:** Part of that master plan would be to create infrastructure for pedestrians and bike connections to the college. A later initiative could be a bike and pedestrian plan identifying how the town can extend these connections from neighborhoods to the downtown, parks and employment to improve connectivity and reduce dependency on cars.
- 3.3 **Incorporate into Comprehensive Plan:** The town has recently updated its comprehensive plan but should look to add the goals and relevant strategies of this plan into the economic development policy element. If the master plan or housing needs assessment mentioned above results in any changes to the land use element, they should also be incorporated.
- 3.4 **Review Development Codes:** Similarly, the town should review its current development codes to see if key goals of this plan can occur under current rules (multi-family, mixed-use, etc.)
- 3.5 **Wayfinding:** A branded, directional wayfinding program that directs locals and visitors to the various recreational, civic, cultural and commercial destinations will help bring both awareness to local economic & quality of life resources, but also help with more efficient mobility. A system would include directional trailblazers, pedestrian scaled directionals in downtowns, gateways, banners, etc.



College Town Strategy

There has long been a goal in the community to be more connected to UVA Wise. These strategies focus on making Wise a college town, as opposed to simply a town with a college.

- 4.1 Establish a Cooperative Implementation Group with Town, College Representatives, and Business Community:** This plan is an economic development strategy for the Town, but considering the future of Wise is equal to the future of UVA Wise, both having ownership of this plan is critical. It is recommended that an implementation group be formed to guide the implementation of this plan. At the moment it would be staffed by the Town, but with equal representation from the College and business community – much like the Blacksburg Partnership. Similar grass roots groups such as St Paul Tomorrow and Tazewell Today started as independent bodies supported by the town, eventually graduating to Main Street organizations that oversee revitalization and business development.
- 4.2 Embrace College Town Identity:** Actively support and target business that cater to the college community such as bars, brewery, restaurants, hair care, and age 18+ activities. Part of this identity is promoting the fact that Wise IS a college town to local residents, overcoming the perception of college towns while also growing business, activity and investment. Strategies previously mentioned such as physical connections to the college, encouraging student owned businesses and investments will solidify this identity.
- 4.3 Encourage Student Owned Businesses:** Work with UVA Wise and The Nest to push student business owners into the community through small grants, shared spaces, etc. Consider a small venture funding source for students working with Opportunity SWVA, and potentially tie to the Community Business Launch program, if Wise is successful in its application.



4.4 Makerspace/Coworking Space: Work with UVA Wise and the Nest to establish a makerspace for artisans & creative businesses. This could be a creative incubator like Vector Space in Lynchburg, or an education focused facility like the Tryon Arts and Craft Center in Tryon NC that is in a former school.

Or, it could be a coworking space for both college students and local professionals to gather, share meeting space and facilities. Like the LOOM in Fort Mill, SC, it could be a multipurpose facility that includes the makerspace, shared meeting space, offices, and gallery space. The space could be a partnership between the private sector, the Town, and UVA Wise,

4.5 Cavalier Business Summit: Host an annual Cavalier Business Summit for local business and business support agencies to showcase their products and engage with the student body. It would also allow college entrepreneurs to learn about support services in the region. Botetourt County hosts a similar event called "Entrepreneurial Express".

4.6 Establish Town/Gown Liaisons: The College and the Town often participate in each other's projects, including this plan. There has also been a town/gown committee to discuss high level initiatives and priorities. Given the roles for each partner suggested in this economic strategic plan, it is recommended that the Town and College each appoint a permanent staff liaison to engage and work together on plan implementation and key issues such as housing, business development, recreation, transportation, etc.



Market Positioning Strategy

Market positioning involves promoting Wise as a destination, communicating to local residents, recruiting new investment and supporting existing businesses.

- 5.1 **Create a Unified Marketing Strategy:** Create a destination brand system to promote Wise as a place to invest, visit, and live. It is important that Wise’s marketing tools be consistent in design and message, but that it has tools to reach the local market, tourists, and visitors. A brand is not just a logo, but a unified strategy to systematically market the community to its users. An effective brand system will include logos, banners, collateral, wayfinding, ads, brochures, organizational tools, etc.



5.2 Testimonial Ads: Create branded testimonial ads both for the Town of Wise to highlight and promote individual businesses and key employers. Industries have located here for various reasons, whether it be broadband infrastructure, proximity to highways and multiple states, or simply quality of life. Testimonial ads are a powerful marketing piece for recruitment.



5.3 One Sheets: Create branded one-sheets to highlight economic advantages of investing in the Town of Wise. They could be deployed on the web, via social media, or in business recruitment packets sent to prospects. One-sheets could present a variety of economic aspects including singular development sites, incentives, or testimonial ads.

5.4 Target Businesses and Employees that have Hybrid Work Environments: Wise has a quality of life and great infrastructure to where it is a desirable place for telecommuting and hybrid working. Wise should work with InvestSWVA and its Project Fuse, to grow its readiness for a hybrid workforce by supplementing its great broadband infrastructure with creating spaces in downtown for coworking, developing diversity of housing, and working with UVA Wise to foster innovation.

5.5 Create Vision and Market Opportunity Zone: The Federal Opportunity Zone Program is an economic development tool that provides an unparalleled federal tax incentive for investment in lower income areas across the country. The program has limited constraints and allows people to invest unrealized capital gains in a project, with the potential to have much of that capital gains tax excluded depending on how long they hold that investment. The goal is to stimulate investment with private-sector funding.

BUILDING SITE

DUNN, NC 28335

SITE FEATURES	UTILITIES
Total Available SF: XXXX	Electricity: City of Dunn
Calling Height: XX ft.	• XXXX KV substation
Zoning: XXX	• up to XXX for use
Parking: XX Vehicles, paved	Water: City of Dunn
	• XX' Line, XX psi static
	Sewer: City of Dunn
	• XX' Line, Gravity Main
	Fiber Optics: AT&T, speed of up to 1Gbps

102 North Pearl Ave. 910-766-0983
Dunn, NC 28335 cityofdunn.org

LAUREL 2018 Market Snapshot

The Town of Laurel is a **62 million** market

Projected Population Growth **2.3%**

Projected Household Income **↑ 10%**

Current Median Age **33.9**
Younger than the National Average

Top Target Business Types

- Sporting Goods: \$745,000
- Clothing Stores: \$1,111,000
- Gifts & Misc Retail: \$934,000
- Limited Service Restaurants: \$1,103,000

The entirety of Wise is in one of two census tracts that makes up the local opportunity zone. Rarely do investors find opportunity zones and approach the local community with a project. Most opportunity zone projects are realized when a community has a development vision for a project, then shops that project to Opportunity Zone Funds. These projects in Wise could be a mixed-use, mixed-income development mentioned previously, maker space, or arts incubator. The first step will be to work with property owners and developers to identify a specific development project. The Town and development partners can then work together to develop a prospectus document for the potential development of the site, then shop it to specific Opportunity Zone Funds that may share a similar vision (mixed-use, housing, etc).

- 5.6 Create a Marketing Strategy Targeting Wise Residents:** This would be part of an expanded branding program to promote the community, but would focus on building community pride of place and communication to residents of current initiatives, relationship with UVA Wise, local events, etc.

6. Strategy Board

The attached “Strategy Board” summarizes all of the projects and recommendations included in the economic development work plan shown a board should be used as a working document for benchmarking and ongoing evaluation of the implementation process. Each recommendation that is presented in brief on the strategy board is supported in this report documentation.

Strategies

Each of the plan strategies is outlined in the strategy board. It is important to remember the ultimate economic development goals that each project supports. Each of these strategies is linked with one another, but failure to achieve one goal does not negate the ability to achieve others.

Responsibilities

Individual responsibilities should be assigned to the Town of Wise, UVA Wise, or a partner agency. While an agency may be assigned lead role for implementation, each of these projects should be pursued through partnerships. As the plan progresses, the responsibilities should be reevaluated to determine where roles should change or shift.

Time Frames

The projects are divided into three time frames. The first series of projects are ones that should begin immediately. For the most part, these are simple projects that will be highly visible, have significant impact and should be completed within the first year after the plan is adopted. The second set of projects is labeled medium-term projects. Some of these are more advanced projects while others may be continuations of projects that began during initial implementation. These would occur in years 2-5. The last series of recommendations are final steps. They are identified as long-term and would occur in year 6-10. These project may take more planning and funding.

The strategy board and its recommendations represent a “living document.” As time goes by and implementation proceeds, some priorities will shift while new ones will arise. The implementation strategy board should be evaluated periodically, no less than annually. This evaluation process will allow for finished tasks to be indicated on the board, for responsibilities to be shifted between parties, and for time frames to be adjusted for individual projects.

Strategic Elements and Goals	Priority	Partners		Notes	Goals
		Lead	Partner Agencies		
BUSINESS DEVELOPMENT					
1.1: Share market research	Short	Town		Provide data to businesses, economic development partners, and real estate professionals.	·Wise will see a diversity of business offerings with active uses.
1.2: Target Market Demand	Ongoing	Town	IDA, Chamber of Commerce, Wise Business Association	There is at least 40,967 square feet of supportable space in a variety of commercial categories.	·The growing entrepreneurial ecosystem will continue to strengthen.
1.3: Target Asset-Based Businesses	Medium	Town	IDA, UVA Wise	Destination businesses such as outfitter, restaurant, etc. UVA Wise branded merchandise in downtown.	·Wise will become a desirable place to invest, from small business to larger employers, to residential development.
1.4: Continue Data Collection	Medium	Town	IDA, Wise Tourism	Various data sets and surveys focusing on employment, customer base, visitors.	
1.5: Coordinate Employment Recruitment with Partners	Ongoing	IDA	VCEDA, Invest SWVA, Town	The Town of Wise supports its partner agencies whoul focus on employment and industrial recruitment.	·New tourism and arts product will bring visitors but also improve the quality of life for Wise citizens.
1.6: Economic Development GO Team	Short	Town, IDA	Private Sector	Local on call support team of leaders to engage prospective businesses and investors.	
1.7: Pursue Community Business Launch	Short	Town	Wise Business Association	Pursue \$45,000 grant from DHCD for business development.	
1.8: Wise UPI Entrepreneurial Empowerment Program	Medium	Wise Business Association, Chamber of Commerce	UVA Wise, Town	Regular mentoring meetings.	
1.9: Vibrancy Grants	Medium	Town	Private Sector	Small incentives for business enhancements	
HOUSING					
2.1: Collaborate with partner organizations to support the Town's goals for infill development and redevelopment	Medium	Town	IDA, UVA Wise, VCEDA	Targeted recruitment of housing developers/investors.	·New students, faculty, professional and seniors will have a choice to live in the Town of Wise.
2.2 Conduct a Housing Needs Study	Short	Town, UVA Wise	Wise County	Critical need to determine specific housing demand by type, price point, and tenure.	·The Wise community will have a variety of housing options and price points.
2.3: Recruit and Market for Workforce Housing	Medium	Town, IDA	UVA Wise, Private Sector	Based on needs identified in housing assessment.	
2.4: Identify Catalyst Sites for Investment	Medium	Town, IDA	VCEDA, Virginia Housing, DHCD	Define opportunities for adaptive reuse, mixed-use & mixed-income with housing	
2.5: Work with Local Employers on a Housing Initiative	Medium	IDA	Town, UVA Wise, Private Sector employers	Identify creative means to create housing opportunities for local employers.	
2.6: Encourage UVA Wise to Develop Student Housing	Medium	UVA Wise	Town		
2.7: Consider Public Private Partnerships	Medium	Town, IDA	Wise County	Incentivizing housing via investment in public infrastructure, etc.	
2.8: Expand Tourism and Recreation Product	Ongoing	Wise Tourism, Town	Wise County, Heart of Appalachia, VTC, Friends of SWVA	Trails Master Plan. Developing RV park & short term lodging. Establishing a Tourism Zone in Wise	
2.9: Create Opportunities for Childcare Facilities	Medium	Town, Private Sector	IDA		
PHYSICAL PLANNING					
3.1: Master Plan for East Main Street	Medium	Town	UVA Wise, DHCD, Private Sector.	Pursue DHCD Business District Revitalization Grant and facilitate master plan.	·Wise will have a more pedestrian friendly environment with improved sidewalks, access to neighborhoods, schools, parks.
3.2: Enhance Pedestrian and Bike Connectivity	Ongoing	Town	Wise County, IDA, Norton	Pedestrian infrastructure in core of town, bike infrastructure to UVA Wise, commercial areas, Norton, recreation resources.	·The vibrancy of the downtown core will grow to the east and west.
3.3: Incorporate into Comprehensive Plan	Short	Town		Simple update to comprehensive plan to align with this strategic plan.	·The community will see a trails and bike infrastructure that connects the college, downtown, areas of commerce, and recreation resources.
3.4: Review Development Codes	Short	Town		Review codes to ensure strategies of this plan, East Main Street master plan would be allowed.	
3.5: Wayfinding	Long	Town	VDOT, Wise Tourism	Improve connectivity to destinations such as UVA Wise, parks & recreation, commercial areas, etc.	
COLLEGE TOWN					
4.1: Establish a Cooperative Implementation Group with Town, College Representatives, and Business Community: This	Short	Town, UVA Wise	DHCD	Formalize staff-level implementation group to guide the plan. Potential to model after other Main Street revitalization organizations.	·Wise will become a true "college town" rather than a town with a college.
4.2: Embrace College Town Identity	Short	Town, UVA Wise	IDA, Wise Business Association	Recruitment of businesses that support college market. Promotion of college town identity with larger community.	·East Main/Park Avenue will have active uses that serve the college and larger community, with infill and redevelopment in a pedestrian friendly environment.
4.3: Encourage Student Owned Businesses	Medium	UVA Wise, The Nest	Town, Opportunity SWVA, Wise Business Association, Chamber	Empowering students to invest and operate small businesses in town.	·The Town, community, and University will all be aware of local initiatives and opportunities.
4.4: Makerspace/ Coworking Space	Long	UVA Wise, The Nest	Private Sector, Town, IDA	Potentially with The Nest, Makerspace, arts incubator with coworking space.	
4.5: Cavalier Business Summit	Medium	Wise Business Association	UVA Wise, Town, Opportunity SWVA	Support services, mentoring, angel investing.	

4.6: Establish Town/Gown Liaisons	Short	Town, UVA Wise		Staff-level liaisons to enhance communication on projects, shared interests, and this plan.	
MARKET POSITIONING					
5.1: Create a Unified Marketing Strategy	Short	Town	IDA, Wise Tourism	Destination brand system to promote Wise as a place to invest, visit, and live.	The Town and its partners follow a unified strategy to build community pride, target investment, grow businesses, and bring in visitors.
5.2: Create Testimonial Ads of Local Businesses	Short	Town, IDA	Private Sector	Small businesses and industries. Deploy via social media and website.	
5.3: Create One Sheets Targeting New Investment	Medium	IDA	Town, Private Sector	Market opportunities and catalyst sites	
5.4: Target Businesses with Hybrid Work Environments	Medium	IDA, InvestSWVA	Town, UVA Wise, Private Sector employers		
5.5: Market Opportunity Zone	Long	IDA	Town, Private Sector	Identify sites, catalyst project, and shop vision to Opportunity Zone funders.	
5.6: Create Internal Marketing Strategy	Medium	Town		Focus on building community pride, expanding communication, overcoming negative perceptions.	