



# Strategic Area Update

## *Economic Growth*

Hampton City Council  
October 23, 2024



# Strategic Vision

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We are Hampton, a vibrant waterfront community celebrating and embracing 400 years of history and innovation to create an even more dynamic future.



*Economic Growth Priority: Generating the resources necessary to support the services the community desires and produce quality jobs for our citizens.*

# Agenda

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- Why economic investments are necessary
- Strategies to enhance the City's tax base
  - Jobs
  - Retail
  - Housing
  - Tourism



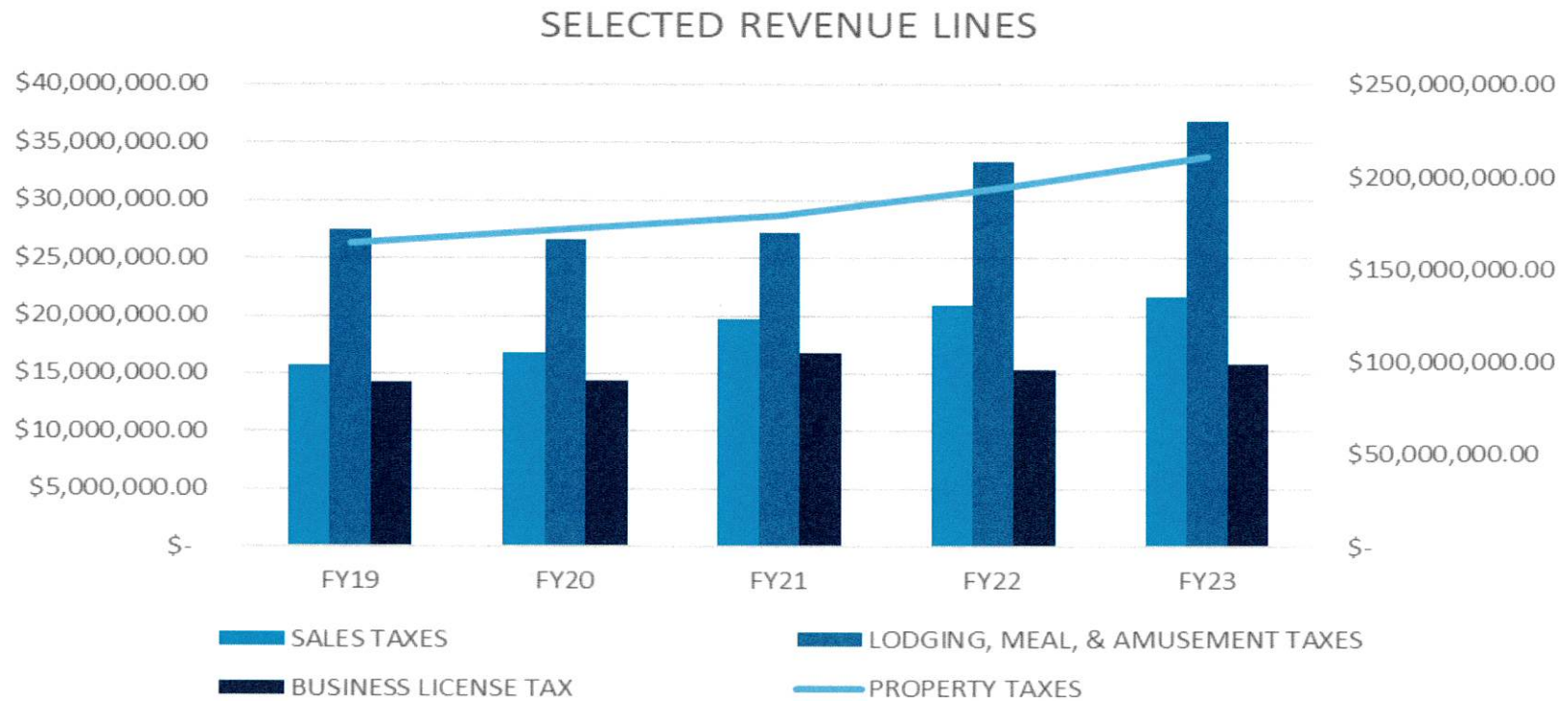


# Why Economic Investments are Necessary

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- To support the projects and services outlined in the City's budget
- Participating in public/private partnerships allows the City to:
  - Accelerate projects in Master Plan areas
  - Enhance and elevate the quality of projects on targeted strategic parcels
  - Respond to requests from citizens that align with strategic priorities

# Why Economic Investments are Necessary



# Why Economic Investments are Necessary

$$\begin{array}{ccc} \$86.2M & = & \$1M \\ \text{New Assessed} & & \text{New General} \\ \text{Real Estate Value} & & \text{Fund Revenue} \end{array}$$

# Strategies to Enhance the City's Tax Base

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## JOB

- Anchor organizations
- Business attraction, retention, & expansion
- Hampton Roads Center
- Workforce Development
- Small Business Support



## RETAIL

- Mixed-use redevelopment
- Retail attraction
- Revitalize shopping centers and commercial corridors



## HOUSING

- Higher-value housing
- Neighborhood revitalization strategies
- Appeal to multiple generations
- Density where appropriate



## TOURISM

- Hotel development
- Sports tourism



# Strategies to Enhance the City's Tax Base

- Strategies are informed by the City's Community Plan and the adopted six Master Plan areas of Buckroe, Coliseum Central, Downtown, Kecoughtan Corridor, North King Street, and Phoebus
- City Council has adopted strategic priorities within these Master Plan areas



# Jobs

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- Increase and retain high-wage jobs available in Hampton via business attraction, retention, and expansion activities
- The aforementioned activities coupled with the City's workforce development strategies help to ensure citizens have the training and skills to compete for high wage employment
  - Helps to make Hampton a more desirable place to live
  - Provides residents with more spending power to generate greater economic activity in the City
- The local tax structure does not benefit tremendously from the presence of high-wage jobs as the state is the primary beneficiary through corporate and personal income taxes

# Jobs

## AVERAGE ANNUAL PAY



Source: U. S. Bureau of Labor Statistics







# Hampton Roads Labor Market

## Commuting Patterns

People who live and work in the area	16,013
In-Commuters	36,255
Out-Commuters	39,269



## Top 10 Places Residents are Commuting To

Area	Workers
Newport News city, VA	15,451
Norfolk city, VA	4,491
Virginia Beach city, VA	2,776
Chesapeake city, VA	2,242
York County, VA	1,655
James City County, VA	1,192
Fairfax County, VA	1,092
Henrico County, VA	1,040
Portsmouth city, VA	977
Richmond city, VA	726

## Top 10 Places Workers are Commuting From

Area	Workers
Newport News city, VA	9,332
York County, VA	3,556
Virginia Beach city, VA	3,427
Norfolk city, VA	2,638
Chesapeake city, VA	2,560
Suffolk city, VA	1,456
Portsmouth city, VA	1,336
James City County, VA	1,325
Isle of Wight County, VA	1,202
Poquoson city, VA	1,042



# City of Hampton Primary Industries

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**ADVANCED MANUFACTURING**



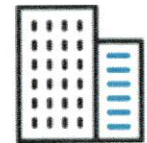
**AEROSPACE**



**HOMELAND DEFENSE & SECURITY**



**MEDICAL & HEALTHCARE**



**PROFESSIONAL SERVICES**



**RETAIL**

# Hampton Anchor Institutions

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# Economic Development Results (FY20 - FY24)

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Capital Investment  
\$271.8M





# Recent Success - Liebherr Expansion





# Recent Success - Phenix Commerce Center

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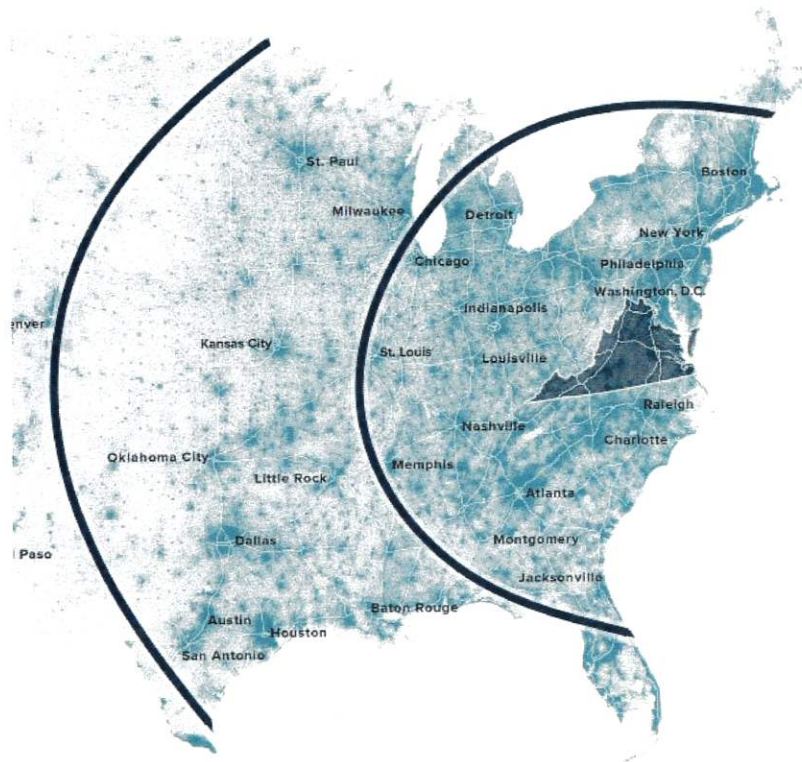
# Recent Success - Hampton Logistics Center

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# Statewide Collaboration



**VEDP** | Virginia  
Economic  
Development  
Partnership

**47%** of the U.S Population lives  
within a one-day drive (11 hours) of VA.

**75%** of the U.S. Population lives  
within a two-day drive (22 hours) of VA.

**#1** Forbes 2021  
Top State  
for Business  
(Again.)

**#1** 2021  
Cybersecurity  
Leader  
in the U.S.

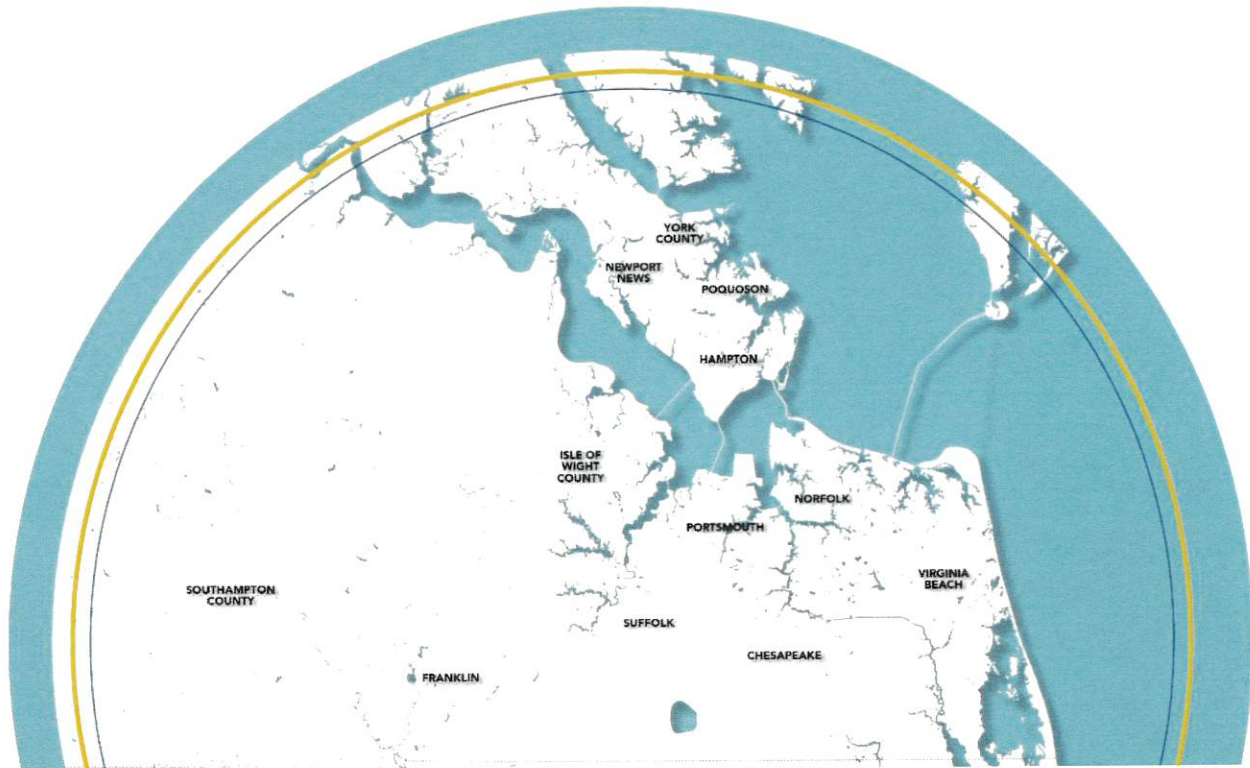
**#1** Niche 2021  
Best Public  
Schools in  
the South  
(# 5 in the U.S.)

**#2** Pratt's 2022  
Best State  
for Higher  
Education

**#1** 2022  
Customized  
Training Leader  
in the U.S.

**#2** Forbes 2021  
Top State –  
Workforce  
Development  
Programs

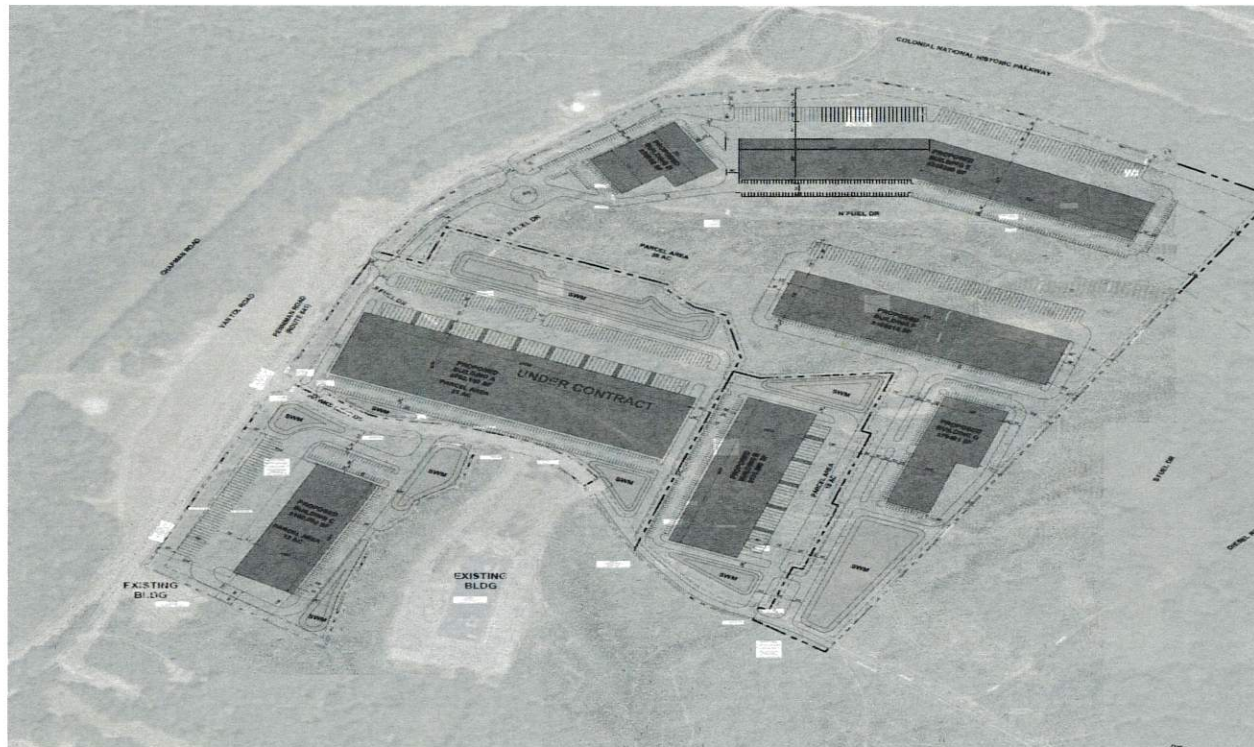
# Regional Collaboration





# Regional Collaboration

## Eastern Virginia Regional Industrial Development Authority



# Retail

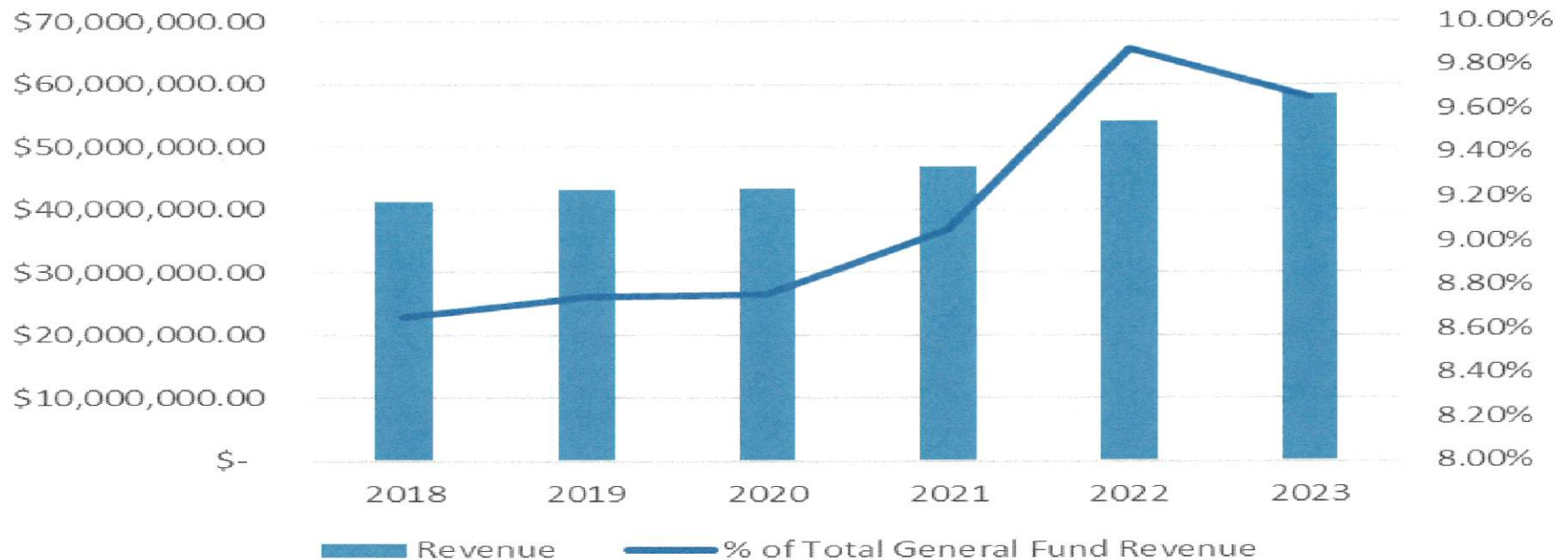
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- Increase the amount of retail sales, especially in the areas of entertainment and meals within Hampton's boundaries
- Produces a major return to the tax base
  - Combined sales, meals, admissions and lodging taxes are the second largest source of revenue



# Retail

Combined Sales, Meals,  
Admissions & Lodging Tax Revenue





# Retail

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- Retail initiatives examples:
  - Peninsula Town Center
  - Power Plant
  - Riverpointe
  - Tourism Zones
  - Arts and Cultural District
  - Coliseum Central
  - Downtown
  - Phoebus





# Recent Success - Latitude Climbing & Fitness

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# Recent Success

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SPA 31 Sixteen



Day & Night  
Exotic Cereal Bar



Pembroke RV &  
Boat Storage



Buckroe Coffee  
Company



I Scream  
U Scream

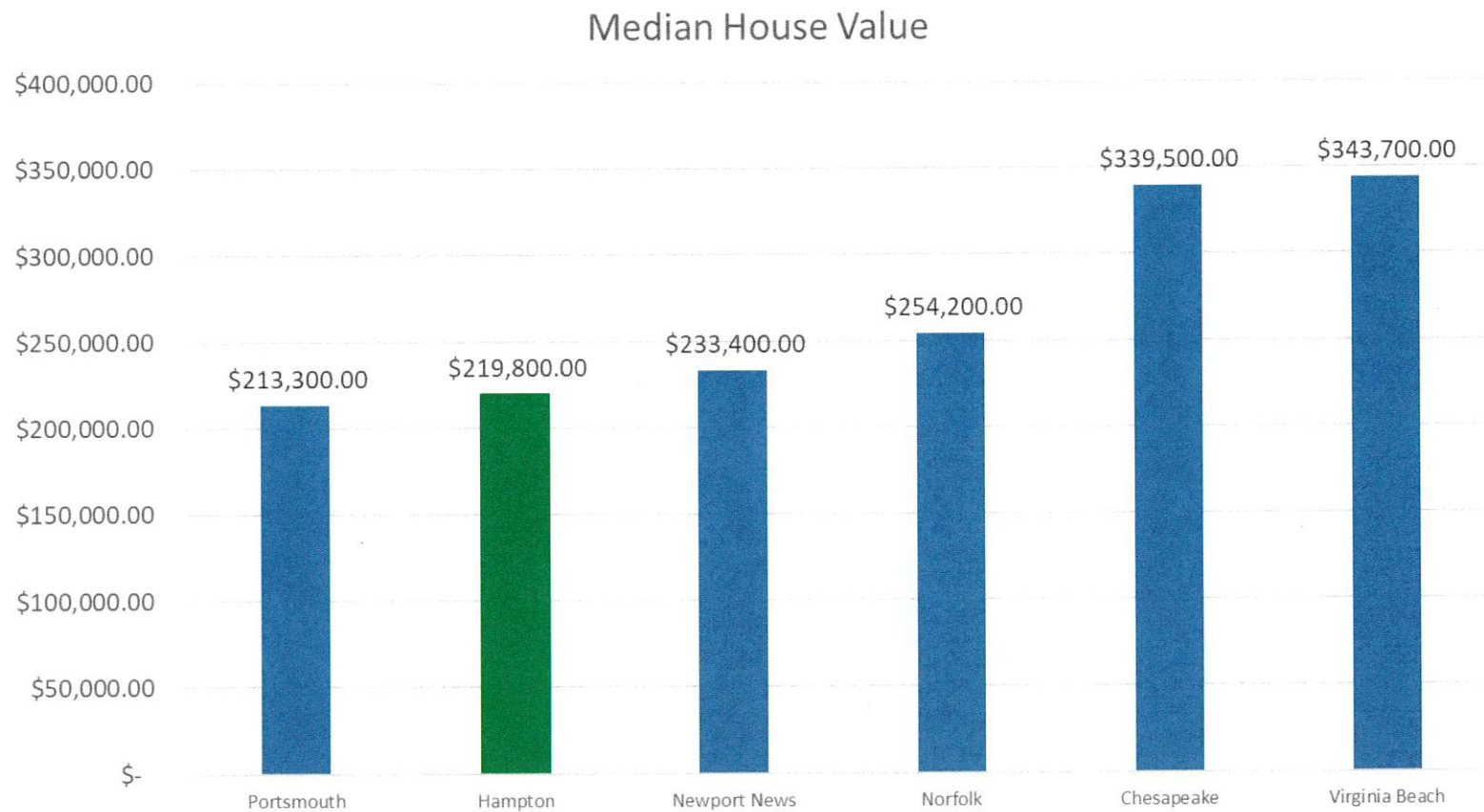
# Housing

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- Increase the overall value of housing in Hampton, to include gaining a “fair share” of upper range housing
- Produces more tax dollars, provides a range of housing options for Hampton residents and others who desire to live in Hampton

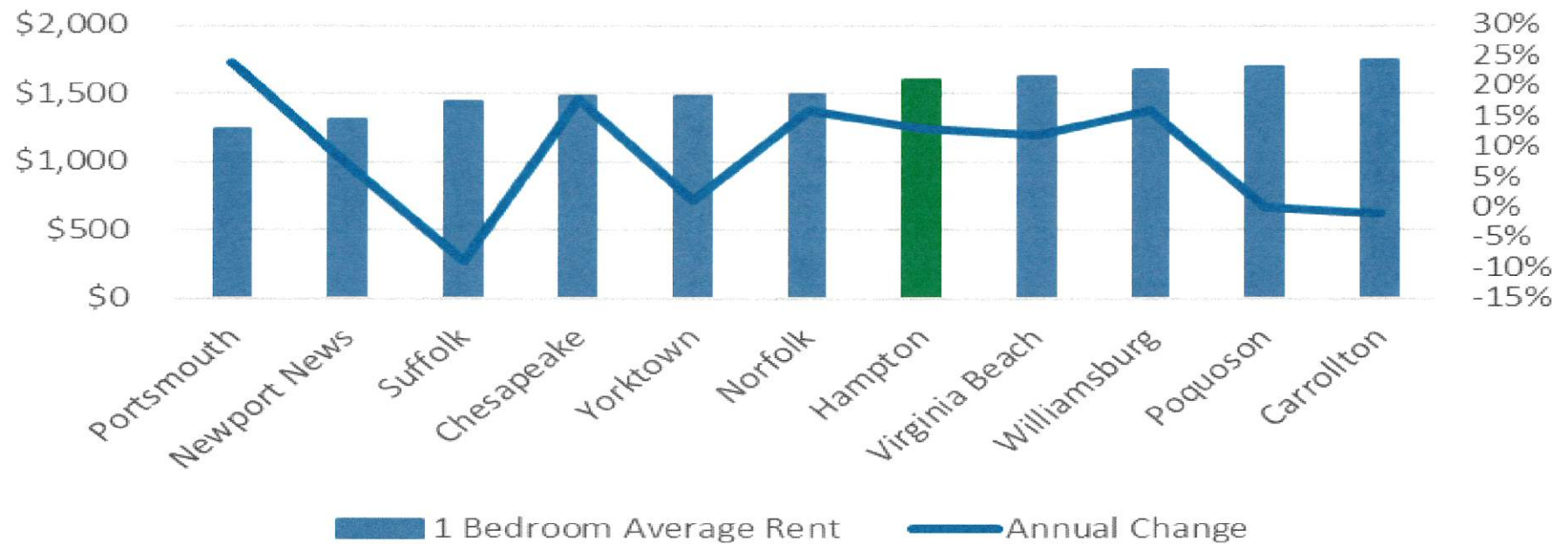


# Housing



# Housing

Rental Rate  
(2023 - 2024)



Source: Rent.com



# Housing

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- Areas for higher value housing and redevelopment opportunities:
  - Buckroe: Beachfront area
  - Downtown: Select parcels in the Downtown core such as Harbor Square
  - Coliseum Central: H<sup>2</sup>O





# Recent Success - The Constellation

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- Redevelopment site in Downtown
- \$35 million capital investment
- 125 units
- 18,905 square feet of commercial space



# Recent Success - Trilogy

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- Redevelopment site in the LaSalle Avenue corridor
- Former public housing development
- \$100 million minimum capital investment
- 380 apartments, 118 townhomes, and 6,000 square feet of commercial space
- Executed development agreement



# Recent Success - Freeman Drive

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- Redevelopment site in Coliseum Central
- 55 for sale 3-story townhomes
- Under construction





# Recent Success - College Court

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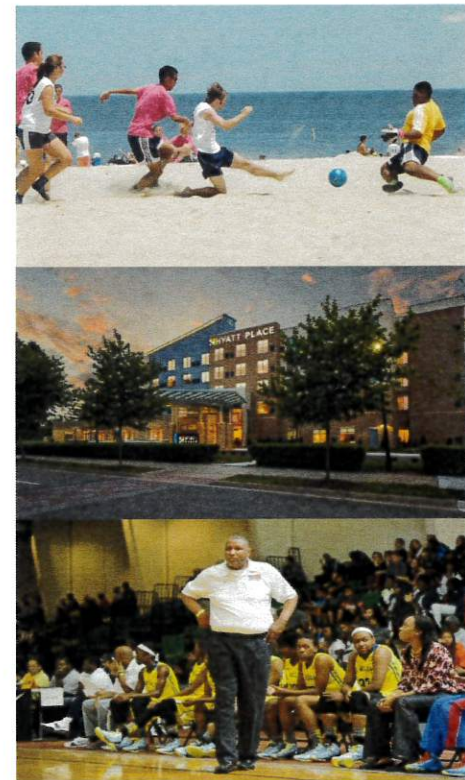
- Redevelopment site in Buckroe
- 64 new for sale single family homes and townhomes
- Executed development agreement



# Tourism

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- Stimulates out of town visitors to Hampton
- Visitor spending enhances the economic vitality of the City and generates tax revenue:
  - Hotel rooms
  - Food and beverages
  - Retail goods and services
  - Entertainment



# Tourism

VIRGINIA IS FOR LOVERS

## Hampton

	2019	2020	2021	2022	2023	Percent Change
<b>Travel Economic Impacts</b>						
Employment	2,521	2,172	2,426	2,857	2,895	1.3%
Expenditures	\$ 218,832,242	\$ 182,672,719	\$ 268,167,329	\$ 300,593,950	\$ 303,671,446	1.0%
Labor Income	\$ 58,103,148	\$ 52,301,478	\$ 64,898,419	\$ 76,142,686	\$ 81,436,524	7.0%
Local Tax Receipts	\$ 12,973,945	\$ 10,594,116	\$ 13,640,082	\$ 15,989,111	\$ 16,444,442	2.8%
State Tax Receipts	\$ 6,671,459	\$ 5,366,031	\$ 7,802,054	\$ 9,151,351	\$ 9,497,140	3.8%

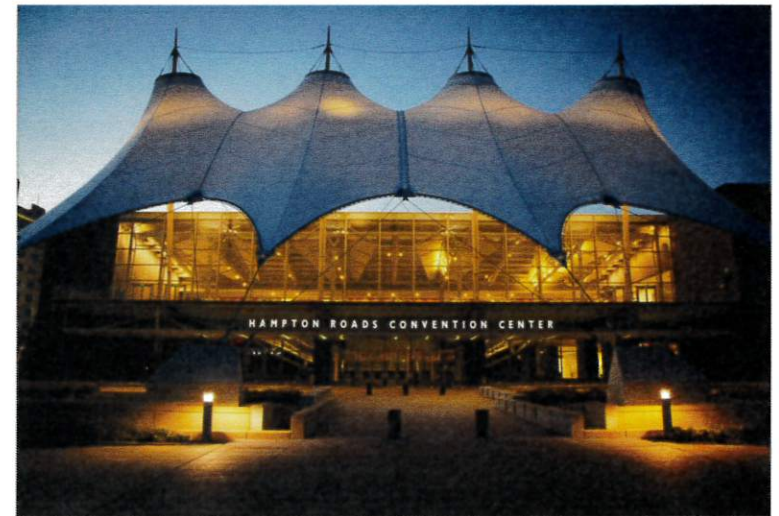
Source: Virginia Tourism Corporation



# Tourism

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- Tourism initiatives examples:
  - Hampton Roads Convention Center attracts local, regional and national events
  - SMERF (Social, Military, Education, Religious, and Fraternal organizations)
  - Marketing bus tours
  - Regional and national advertising
  - Alliances with the hotel industry



# Tourism

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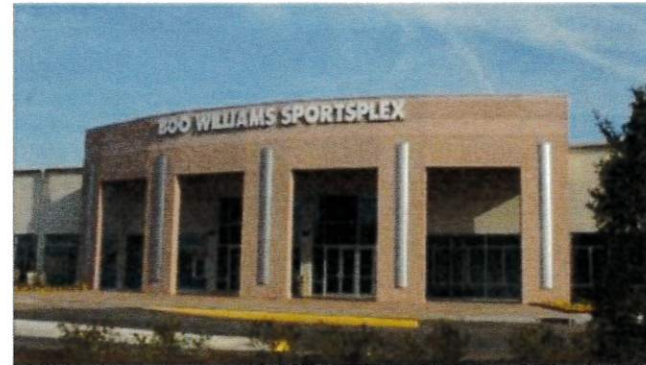
Hampton Coliseum



Hampton Aquaplex



Fort Monroe



Boo Williams Sportsplex

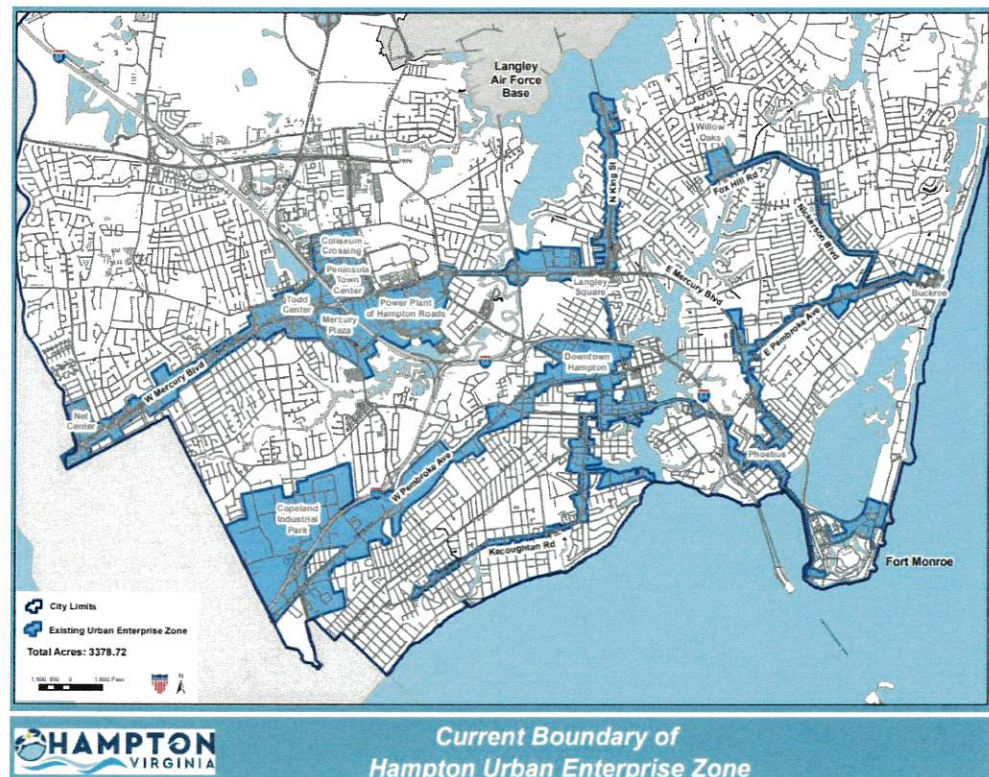
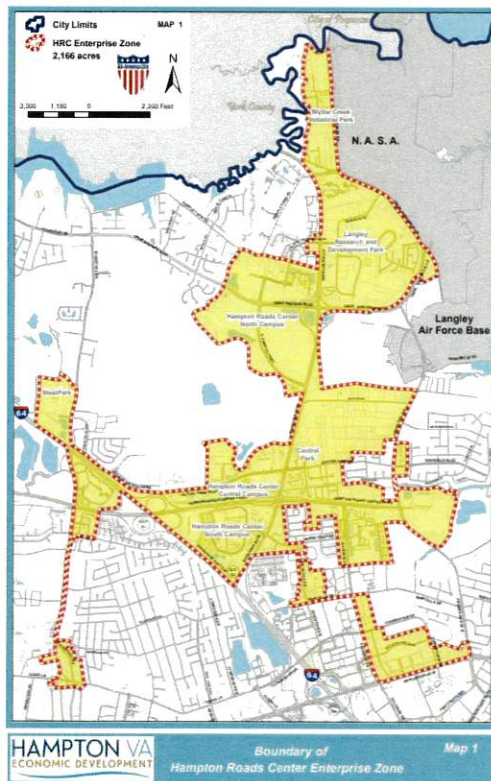


# Grant Programs

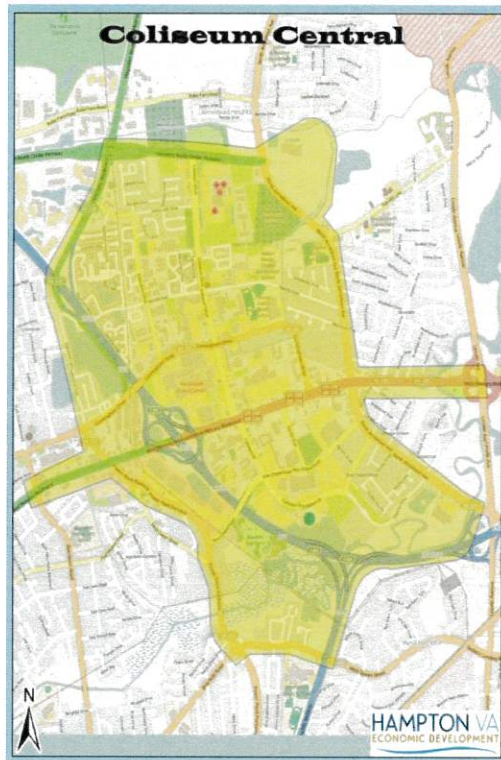
Program	FY2020		FY2021		FY2022		FY2023		FY2024	
Arts & Cultural District Grant	0	\$0	0	\$0	0	\$0	0	\$0	3	\$2,722
Athletic & Cultural Grant	2	\$230,000	1	\$80,000	1	\$80,000	1	\$80,000	1	\$80,000
Academe Improvement Grant	6	\$39,501	1	\$7,717	4	\$34,070	2	\$11,207	2	\$10,004
Hampton Manufacturing & Innovation Assistance Grant	0	\$0	1	\$8,000	0	\$0	1	\$8,363	0	\$0
IASA Technology Commercialization Grant	0	\$0	0	\$0	1	\$20,000	0	\$0	2	\$100,000
Retail Assistance Grant	1	\$68,200	0	\$0	0	\$0	1	\$10,740	1	\$82,517
Other / Discretionary Performance Grant	1	\$1,182,500	6	\$335,837	10	\$1,703,193	7	\$744,786	6	\$724,123
Totals	10	\$1,520,201	9	\$431,554	16	\$1,837,263	12	\$855,096	15	\$999,366



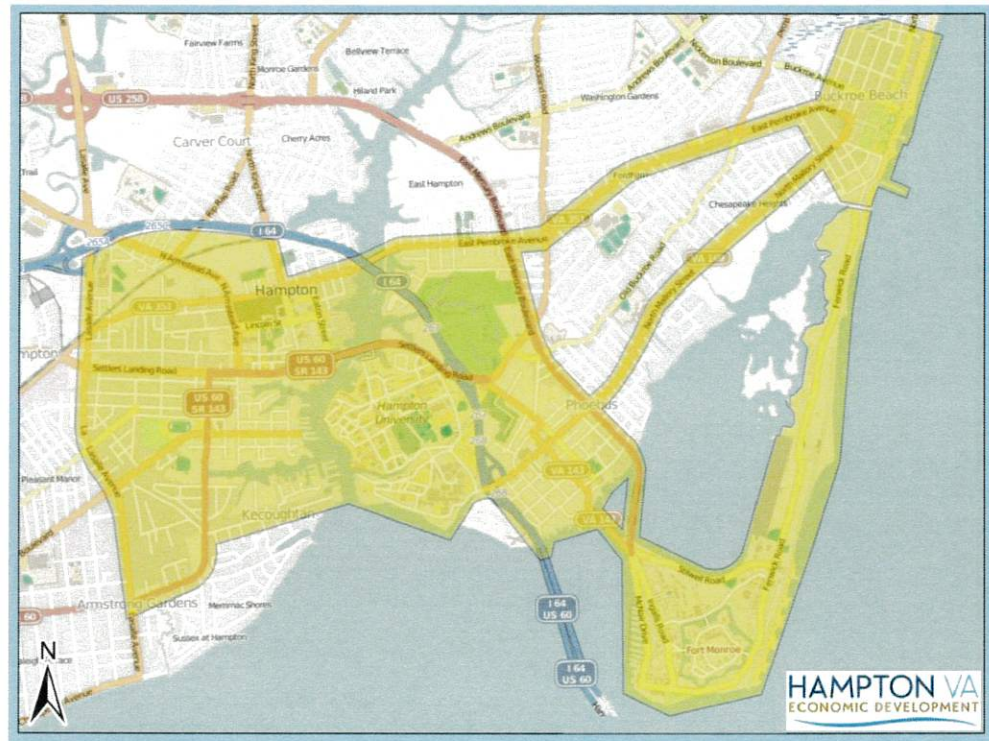
# Enterprise Zones



# Tourism Zones



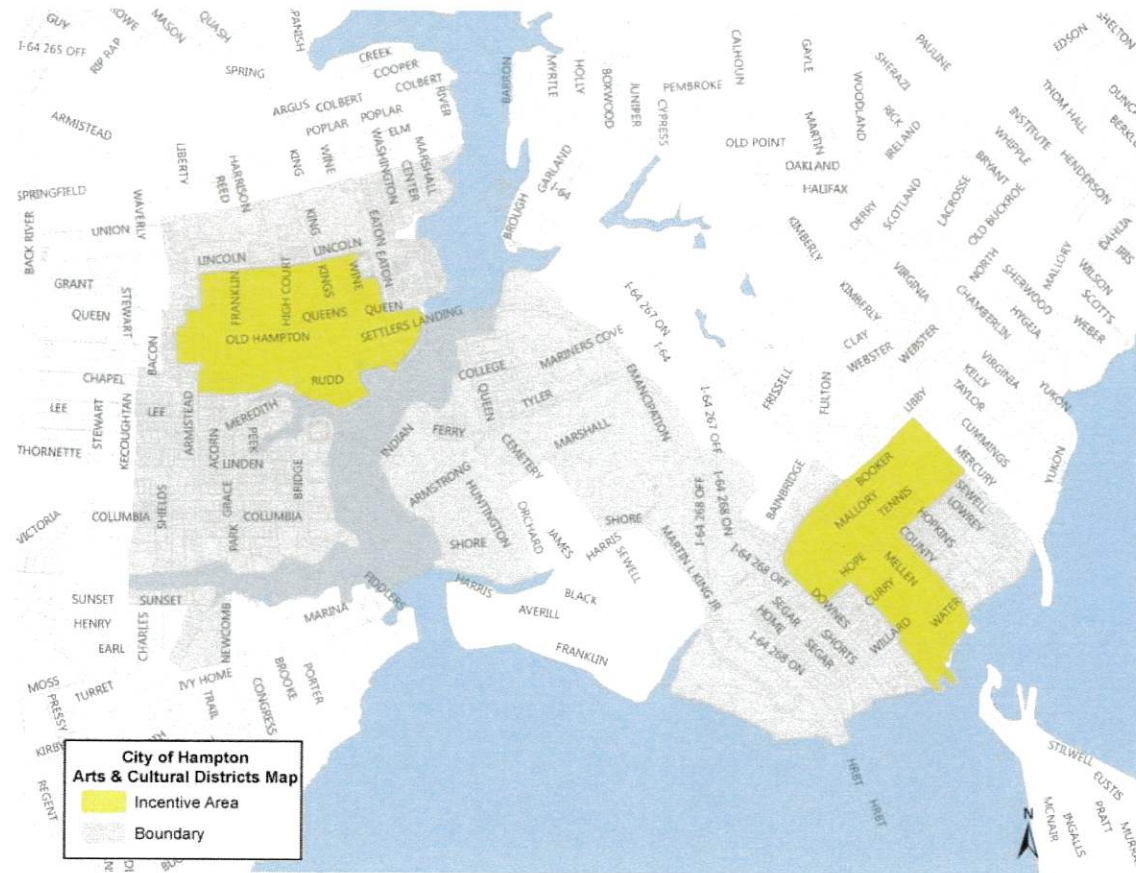
City of Hampton Coliseum Central Tourism Zone March 2015



City of Hampton Waterfront Tourism Zone March 2015



# Arts and Cultural District





# Questions