

Chapter 10

Economic Development

A. OVERVIEW

The viability of a community is measured by the condition of its economy, primarily because economy is strongly tied to the local tax base. Communities are constantly striving to build an economic engine that will grow their local tax base so that they can operate effectively, and provide opportunities for employment for residents and to encourage the location of new residents. The engine that has driven cities has taken many forms in the past, however there is a fairly clear pattern of economic development activity in the U.S. over its history. Community economic development in the U.S can be traced back to transportation projects of the early nineteenth century. From roughly 1800 to 1830, the large urban centers of the U.S. were seeking a competitive edge by building canals. The canals allowed merchants from the nearby cities to transport large quantities of goods to new markets, thereby giving them an advantage over their competitors. The same type of competition played out while the railroads were being developed. For cities where transportation was not an issue other infrastructure or facilities were built to attract developers. In the latter part of the twentieth century many municipalities have invested heavily in Industrial Park projects and shell buildings, which are marketed as turn key projects for interested businesses and/or manufacturers who are locating new facilities. These projects are desirable to potential users because with the necessary infrastructure in place the initial capital investment is lower. Today economic development is a mix of transportation improvement, availability of infrastructure and building sites, with the addition of self-promotion and incentives. Cities across the U.S. are promoting their high quality of life and livability while offering incentives such as reduced taxes or tax abatement, and in some cases cash incentives to move business and industry into their municipal bounds.

As illustrated above the practice of economic development is evolving. Many of the early strategies such as improving accessibility, and infrastructure will continue to work as economic development tools, however advances in technology, the global market concept, shifting economies, and other externalities make economic development a real challenge for communities that are trying to build or stabilize their tax base. The City of Fairmont is no exception transitioning from an industrial and mining driven economy to high technology, service, and small business driven economy. While a large scale manufacturing plant would be a welcome boost to the local economy, the reality is that these plants are so difficult to attract that communities the size of Fairmont find it difficult to compete with larger cities.

B. GOALS AND ACTIONS

The goals and actions of this plan have been developed to promote economic growth and vitality for the current and future residents of the City of Fairmont.

Goal: Create an environment within the City of Fairmont that is conducive to growing a strong and diverse local economy.

Actions:

- Adopt policies that will foster diverse economic opportunities.
- Adopt policies that will reduce the negative impact of commercial, industrial uses near residences.

- Adopt policies that allow pockets of retail in locations that serve the needs of neighborhoods, and local residents.
- Encourage and promote growth and development of small business enterprise.

C. EXISTING CONDITIONS

The City of Fairmont has a history rooted in the manufacturing and mineral extraction industries. As these industries suffered through down cycles and decline it became clear that the traditional mainstays of the City's economy could no longer sustain the employment or tax base that it once provided. And while the City did not lose hope for the continuation of these industries, it was apparent that diversification of the economy would be vital to the future of Fairmont and that the "new economy" and the venture into the fields of product and service technologies must be the first step in the revitalization of Fairmont.

The West Virginia High Technology Consortium was created in 1990 to serve as the vehicle to introduce Fairmont and all of West Virginia to the technology revolution. The WVHTC (later to become the WVHTC Foundation) was established to cluster regional technology companies and move the efforts of economic diversification forward. From 1990 to 1993, over 50 new technology companies, both large and small had emerged in north central West Virginia. This growth called for the construction of facilities that would not only adequately house the emerging companies, but could also stand as symbol to all who passed by that something special was taking place in Fairmont. In 1994, development began on what would become the I-79 Technology Park on 120 acres of land situated prominently along Interstate 79. By 1996, the WVHTC Foundation had established permanent headquarters inside the newly constructed Alan B. Mollohan Center. This facility fulfilled the vision of providing a home for many technology companies in north central West Virginia, but it also signaled the arrival of the region as a player in the "new economy."

Since the original development began, the I-79 Technology Park has grown to over 500 acres and includes tenants such as NASA, Lockheed Martin, the Internet Fraud Complaint Center, EWA, Galaxy Global, Information Research Corporation and several others. Construction is currently underway on the 263,000 square foot corporate headquarters and research facility for the Institute for Scientific Research. When completed in 2005, the facility will sit high atop the I-79 Technology Park and provide research space like no other for the companies' scientists, mathematicians, engineers, physicists and IT specialists. Projected to employ approximately 500, the design of the facility is so non-conventional that it can only be described as "beyond state-of-the-art." With this facility and others proposed under the recently completed Master Plan, the I-79 Technology Park is destined to become one of the premier business technology parks in the country.

Complimenting the diversification of the economy has been Fairmont's focus of re-investing in its critical infrastructure and a strategy that puts forth projects that will create an environment for development to occur. Some of these projects include:

Jefferson Street Bridge Restoration
New Filtration Plant and Water System Improvements
I-79 Technology Park and its Continued Development
Murphy Building Renovation and Veterans Square
Gateway Connector
New Middle School And School Facility Improvements
Public Safety Building



Economic Development

Parking Garage
Maple / Ogden Avenue Gateway Project

Other projects in various planning stages will continue to provide developable sites and upgrade infrastructure to enhance the quality of life in Fairmont such as:

Beltline Development Project
Riverfront Development Project
Sharon Steel Site Project
West Fairmont Rail Trail

D. BASIC ISSUES

Strengths

1. Strong Economic Development Organizations

The Marion County Chamber of Commerce, Marion Regional Development Corporation, Marion County Development Authority, Fairmont Renaissance Corporation, Vandalia Heritage Foundation, Vandalia Redevelopment Corporation, the Fairmont Urban Renewal Authority and Main Street Fairmont each works to promote the City of Fairmont, and attract business and industry to the region. The organizations provide their services locally and also collaborate with other agencies to support regional economic development.

2. Public Initiatives

Senator Robert Byrd and Congressman Alan Mollohan are turning a vision into reality in Fairmont and the North Central West Virginia by bringing High Technology and Biometrics to the region. Other Fairmont projects that have the Congressman and Senator's sponsorship include the Interstate 79 Technology Park, the Fairmont Gateway Connector, and the City of Fairmont Downtown Revitalization Plan and Riverfront Master Plan. The Marion County Commission and Fairmont City Council are fostering an environment for development by investing in the infrastructure necessary to support economic growth and development. Other projects that are sponsored by local leadership include the Maple Ogden Avenue Gateway Project, which was formulated and is being implemented by the Fairmont Community Development Partnership. The Beltline Redevelopment Project is a collaboration between the Marion County Commission, the City of Fairmont, and the Marion County Board of Education. The first phase is complete which consisted of upgrades to the East/West Stadium turf and bleachers.

3. Concentration of High Technology Resources

The Interstate 79 Technology Park currently consists of over 500 acres, includes ½ million square feet of office space, and is projected to provide 10,000 jobs, and is anchored by the Alan B. Mollohan Innovation Center. Other tenants include: NASA, Lockheed Martin, the Internet Fraud Complaint Center and ISR.

4. Presence of Higher Education



There are five institutions of higher learning within forty-five minutes drive time from Fairmont. These include West Virginia University, Salem International University, Alderson Broaddus College, Fairmont State University, and Fairmont State Community and Technical College. Fairmont State recently qualified and received University Status. These schools provide a ready pool of professionals for the local workforce.

5. Infrastructure and utilities capacity and expansion

The City of Fairmont recently upgraded its filtration system. The new plant has a production capacity of 10 million gallons of water per day. The membrane technology is advancing to the point that some time in the near future the plant could ultimately produce 15 million gallons of water per day. Which provides an excess capacity of 9 million gallons for future economic development.

6. Proximity to population centers

Fairmont is located in North Central West Virginia, twenty minutes drive from Morgantown and Clarksburg, 2 hrs from Charleston and Pittsburgh, 3.5 hrs. from Washington D.C. Fairmont is within a 500 mile radius of most major metropolitan areas on the east coast.

7. Workforce availability

A quality workforce exists in Fairmont and Marion County. The regional workforce investment board supports workforce development initiatives locally.

Weaknesses

1. Lack of Connection between Interstate 79 and Downtown Fairmont

Currently there is no direct access from the Interstate to downtown Fairmont. The connection is made via a series of arterial and collector roads, which requires 15-minute drive time or longer depending on traffic conditions. The completion of the Gateway Connector Project will provide a direct link to downtown from the Interstate with a four-lane, 1-½ mile grand vista gateway. The road features landscaped medians and historic period lighting along with pedestrian bike paths and walkways that parallel the Connector.

2. Functional Downtown Appearance

Much is being done to beautify downtown Fairmont with projects such as the Jefferson Street Bridge restoration, Veterans' Square development and the antique street lighting projects, however there are still a number of empty storefronts downtown.

3. Antiquated land use ordinances

The city of Fairmont Zoning Ordinance and Map were originally adopted in 1959. While there have been numerous amendments over the years the State enabling legislation was very restrictive, therefore no real substantive changes have been made to the ordinance or map. The State Legislation updated the State Planning Legislation, effective June 2004, to provide municipalities more innovative and up to date land use tools.

4. Declining Population

The City of Fairmont has shown a decline in population from 20,210 in 1990 to 19,097 in 2000.

5. Lack of retail

Downtown Fairmont as well as Marion County has lost significant retail business to locations with larger populations to the South and North of Fairmont. This is a trend that may not reverse until the city's population begins to grow.

6. Housing availability

The existing housing stock in Fairmont is aging. The majority of housing units (nearly 72%) in Fairmont were built before 1960. New housing starts in Fairmont have been sluggish in recent years, with only 153 new units built between 1995 and 1999. There is also a need for housing in the \$75,000.00 to \$150,000.00 range.

7. Lack of large tracts of developable land

Like most cities of its size and age the city of Fairmont is for the most part built out. There are no large tracts of Greenfield property in Fairmont available for development. Multiple parcels would have to be purchased, and combined in order to do a large-scale project.

8. Lack of development incentives

The City is limited by state code regarding what incentives can be offered to businesses and developers to compete for their projects.

Opportunities

1. Retail Development

Potential locations for retail development include; Downtown, Bellview, Marion Square, Riverfront, unincorporated property adjacent to the City of Fairmont. The City of Fairmont along with the Marion County Chamber of Commerce, the Marion County Commission and the local financial institutions recently enlisted the services of a retail

recruitment agency to help identify and attract potential retailers to the Fairmont, Marion County market.

2. Renewal Redevelopment

Several locations for renewal and redevelopment include; Downtown, Beltline, Sharon Steel, and the former Owens-Illinois site.

3. Industrial Sites

Potential development locations for industrial development include Owens, Sharon Steel Site, some of the Beltline properties

4. High Technology Development

The I 79 Technology Park is not built out yet, and still offers opportunities for technology based development.

5. Housing

There is an opportunity and demand for housing in the \$75,000.00 to \$150,000.00 range.

Annexation of property adjacent to the Middletown Mall

Work with Vandalia Heritage Foundation, and Vandalia Redevelopment Corporation to develop projects on the property location.

Growth of Fairmont State University

E. RECOMMENDATIONS

1. Short Range (2005-2008)

- a. City Leadership should continue to work with its partners to promote the City of Fairmont as a quality location for business opportunity and residences, and encourage improved coordination among various partners in economic development in the community.
- b. Continue enhancement of “quality of life” elements for the community.

- c. A needs assessment must be formulated to clarify goals, and set priorities for Fairmont's economic development projects.
 - d. Develop available land, building or development site catalog for marketing purposes.
 - e. Continue to support economic development projects that are currently active.
 - f. Update land use ordinances (Zoning Code, Subdivision Ordinance)
 - g. Continue to upgrade and maintain infrastructure, facilities, and other capital improvements.
 - h. Work to improve quality of school facilities.
- 2. Medium Range (2008-2005)**
- a. Act on the recommendations of the needs assessment.
 - b. Work to update incentives that can be offered to potential developers.
 - c. Continue to upgrade infrastructure, facilities, and other capital improvements.
 - d. Continue to promote the city of Fairmont as a business location.
 - e. Work to improve quality of school facilities.
 - f. Work to pass funding mechanism for continued infrastructure improvements and maintenance.
- 3. Long Range (2011-2015)**
- a. Reevaluate needs assessment and update as necessary
 - b. Evaluate incentives and update as necessary.
 - c. Evaluate and update land use ordinances.
 - d. Continue to upgrade infrastructure, facilities, and other capital improvements.
 - e. Work to improve quality of school facilities.