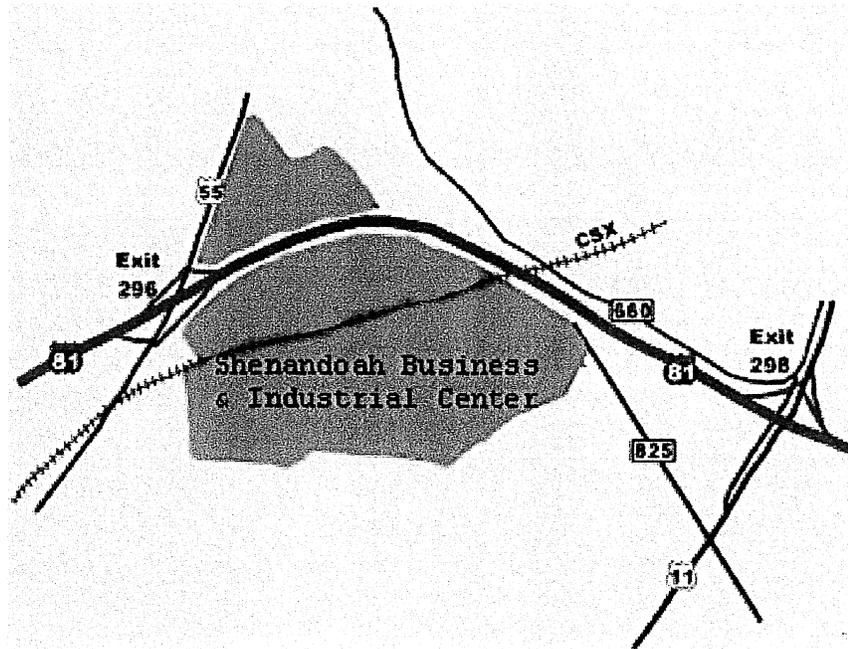


The Strasburg Initiative



A Master Plan for Development
of the
Shenandoah Business & Industrial Center

January 1999

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EXECUTIVE SUMMARY

Although the economic development potential of the land known as the "Golden Triangle" bounded by Interstate 81 and U.S. Routes 11 and 55 has been recognized for many years, previous development efforts had not succeeded. As a result, a partnership was formed between Shenandoah County, the Town of Strasburg, and the property owners to develop an industrial park on the site. The Shenandoah County Economic Development Partnership (SCEDP) provided oversight for the effort in a novel approach to economic development that came to be known as the "Strasburg Initiative".

A "Blue Ribbon" Committee was organized by the SCEDP to "master plan" the proposed industrial park. Two sub-committees were organized. The Facilities subcommittee was to work on issues concerning the physical layout of the industrial park such as utility corridors, roadways, and similar items. The Impacts subcommittee was to determine the desired tenant mix of the park. The sub-committees would then jointly formulate recommendations for land use and any protective covenants and restrictions on development within the park.

The master planning committee held several research and analysis meetings. The name Shenandoah Business & Industrial Center was adopted as the formal name for the industrial park. A proposed tenant mix was developed with an emphasis on recruiting manufacturing, white collar, and service businesses. It was determined that the County's existing zoning ordinances be utilized with some modifications as the basis of protective covenants and restrictions on the development of the industrial park. The Blue Ribbon Committee then adjourned with their duties fulfilled.

The Strasburg Initiative "Blue Ribbon" Master Planning Committee appreciates having had the opportunity to participate in the economic development planning of the area known as the "Golden Triangle" between U.S. Routes 11 and 55 and Interstate 81 North of the Town of Strasburg.

The Committee wishes to thank the all those who have provided information and expertise to the Committee during the formulation of this development plan. The Committee would also like to extend its gratitude to the Town of Strasburg for its hospitality in hosting all of the planning sessions.

The Strasburg Initiative "Blue Ribbon" Master Planning Committee hereby submits the following recommendations and land-use map (Attachment 6) to guide development of the Shenandoah Business & Industrial Center:

- The current zoning limitation restricting building height to 35 feet in General Industrial (M-1) areas be changed to allow taller primary buildings in addition to accessory facilities.
- That Item (e) Coal and Wood Yards and Item (f) Feed mills: mixing, sales and distribution be eliminated as uses permitted by right in General Industrial (M-1) zoning within the industrial park.

- That a study of the General Industrial (M-1) zoning classification be undertaken to modernize the code to meet current development trends and requirements.
- That only General Industrial (M-1) zoning Items (o) Foundries; (p) Manufacturing involving punch presses or drop hammers exceeding 40 tons; (q) Manufacturing of prefabricated building sections; and (s) Research and development establishments, excluding those establishments which may pose a health or safety hazard to the population or environment, such as but not limited to nuclear, biochemical, munitions, biological warfare, biomedical research and/or development be allowed by special use permit in General Industrial (M-1) zoning within the industrial park.
- That any protective covenants or restrictions established be generally applicable to the entire planning area with allowance for the owners of property intended for higher uses to establish additional restrictive requirement.

STRASBURG INITIATIVE

HISTORICAL BACKGROUND

The economic development potential of the land area between the U.S. 11 and Route 55 interchanges of Interstate 81 commonly known as the "Golden Triangle" has been recognized for many years. However, attempts to bring quality uses to this land have all fallen short.

With the leadership of the Shenandoah County Board of Supervisors, the Shenandoah County Economic Development Partnership (SCEDP) embarked on a novel approach to economic/industrial development that became known as the "Strasburg Initiative". A plan for a "partnership" between the Town of Strasburg, the Board of Supervisors, the Shenandoah County Economic Development Partnership, and the property owners within the "Golden Triangle" emerged.

Agreements were reached between the local governments resulting in an extension of water and sewer service from the Town to the "Golden Triangle". The cost of the utility extension was to be paid by the County from a \$1.3 million Capital Improvement Plan investment in the industrial park's development. As part of the agreement, the Town has allocated 100,000 gallons per day of system capacity for the industrial park.

Another agreement was reached between the property owners (Attachment 1) and the County that allowed the County to "option" half of their land in return for the availability of utilities. The residual portion of each property owner's land would also have access to the new water and sewer system. This agreement also allows the SCEDP to market the optioned property along with the residual property, within mutually agreeable terms, as an industrial park. Already, a major industry (AmeriCold Logistics) has signed onto the plan and their plant is now under construction and visible from Interstate 81.

The attractiveness of the industrial park now established will bring other industrial prospects in the near future. Thus, it became important to complete a "master plan" to guide and direct this growth in the best interest of the partnership. The remainder of this document will discuss the organization of a "Blue Ribbon" Master Planning Committee, the planning timeline, summarize the planning activities, and present the Committee's recommendations.

COMMITTEE ORGANIZATION

The Shenandoah County Economic Development Partnership, at its September 1998 meeting, created a "Blue Ribbon" Committee (Attachment 2) comprised of representatives from the Board of Supervisors, SCEDP, Town of Strasburg, property owners, and at-large members to formulate the master plan. The committee was to meet regularly to conduct research, analyze data, identify alternatives, and formulate recommendations for development of the "Golden Triangle".

PLANNING TIMELINE

A planning timeline (Attachment 3) for the project was determined that called for an organizational meeting in early October. During this organizational meeting, subcommittees were to be established and meetings held later in October to begin their respective duties. During November, the subcommittees were to research various issues and begin examining alternatives. In December, a short list of alternatives was to be developed. The preliminary recommendations were to be presented at a joint meeting of the Master Planning Committee and the Shenandoah County Economic Development Partnership in January 1999. Public meetings are then to be held in February and recommendations finalized for presentation to the Board of Supervisors in March. Formal marketing of the park would begin in April.

SUMMARY OF PLANNING ACTIVITIES

The entire master planning committee met for the first time on Thursday, October 8, 1998 at 7:00 P.M. in the Strasburg Town Hall. All committee members were present along with other representatives of the Town, property owners, and the media. The meeting began with a welcome and introduction of committee members by Chairman Kevin Smith. The chairman then presented an historical overview of the Strasburg Initiative that had come to be known as the North Shenandoah Industrial Park project for the group.

Rick Moorefield, director of economic development, discussed the duties of the two subcommittees to be established and sub-committee assignments were determined (Attachment 4). The Facilities subcommittee is to work on issues concerning the physical layout of the industrial park. Items such as utility corridors, roadways, and similar issues will be addressed. The Impacts subcommittee will primarily seek to determine the desired tenant mix of the park. The sub-committees will then jointly formulate recommendations for land use and any protective covenants and restrictions on development within the park.

A planning exercise to analyze the strengths, weaknesses, and opportunities that may exist in the planning area was then conducted. The **strengths** listed were:

- Two Interstate Exchanges
- Close Proximity to Virginia Inland Port
- Utilities Available Near Site
- Rail Access by a Primary Carrier On-site
- Ideal Location to Serve Major Markets
- Excellent Quality of Life
- Right to Work Laws
- Close Proximity to Dulles and Reagan National Airports
- Local and Regional Airports Even Closer
- Low Tax Rates
- Strong Work Ethic
- Good County Schools

- Two Universities and Community Colleges nearby
- Triplett Tech Available in County for Job Training
- State Training/Assistance Programs Available
- Great Environment
- Fiber Optic Communications Available
- Site Preparation Materials Readily Available (Chemstone)
- Virginia Economic Development Partnership Strong Ally

Weaknesses included:

- Current Lack of Infrastructure
- Low Unemployment
- Karst Geology of the Land
- Water & Sewer Capacity Limiting Ability to Attract Some Industries
- Lack of Public Transportation
- Education

Opportunities present were seen as being one to pursue regional cooperation with adjoining counties along with an opportunity to take advantage of an aggressive local company (Shentel) that can facilitate “high-tech” development.

Rob Kinsley, the director of planning and code enforcement, discussed the park project from a planning and zoning perspective. He mentioned such items as access, setbacks, surface coverage, drainage and soil erosion control, signage, and landscaping which will primarily be dealt with by the Facilities subcommittee. Chuck Maddox gave a slide presentation with various aerial photographs of the park. Karl Schaeffer with the engineering firm Patton, Harris, Rust and Associates then discussed the installation of a new 2,000,000-gallon water storage tank as the first stage of infrastructure construction to serve the park.

October 22nd was the first day for subcommittee meetings. The Facilities group met with representatives of the various utility companies to discuss the upgrade of Route 825 (Radio Station Road) to industrial access standards. Chuck Maddox, chairman of the Shenandoah County Economic Development Partnership, led the discussion that focused on utility relocation concerns along Rt. 825. Chief among the concerns were the gas lines owned by Columbia Gas Transmission, a tap station owned by Shenandoah Gas Company, and Shentel’s phone lines. Mr. Maddox advised the group that engineering drawings would be completed and distributed to each company to aid in their planning.

The Impacts subcommittee also met on October 22nd. The group heard comments from George Harben, director of research for the Virginia Economic Development Partnership, who advised the group that the North Shenandoah Industrial Park was ideally suited for manufacturing industries due to its close proximity to I-81 and I-66. Mr. Harben noted that the railroad access available in the park was a plus for manufacturers, but that it would discourage the siting of “hi-tech” industries or other firms that utilized sensitive equipment in their operations due to vibrations from the railroad. Mr. Harben provided the Impacts subcommittee with several reports related to economic development in Virginia over the

past two years. These documents provided a list of companies that have located in Virginia over the past two years, their industrial classification, the amount of their investment, and related employment. The Impacts sub-committee also analyzed information related to Shenandoah County's existing industries, workforce, and commuter patterns.

Melissa Sager from the Shenandoah County Commissioner of Revenue's office then gave an overview of tax issues related to new industries. The discussion focused on determining the pros and cons of various industries from a tax revenue perspective. The benefit of recruiting manufacturing industries was emphasized due to their reliance on taxable machinery and equipment in their production processes.

Chris McCollum from Virginia Tech's Public Service Programs department then gave the Impacts subcommittee an overview of the Andersen *Insight* economic impact analysis model. The model analyzes three types of data. The first data set deals with prospect information such as the number of jobs to be created, payroll, and construction costs. The second data set deals with public costs such as services to be provided and incentives offered the company. The third data set deals with projected public revenues from new tax collections. The three data sets are then analyzed in order to provide a cost/benefit analysis of a new business on the local economy. Mr. McCullom emphasized that an economic impact analysis model was only one planning tool and that any results generated must be taken into account as part of a project's overall analysis. The meeting concluded with the group developing a "wish list" of potential industries.

During November, members of the Facilities subcommittee attended another meeting with utility company representatives to further discuss utility line relocations. Chuck Maddox, facilitator of the meeting, began with a review of the Industrial Access Road Project to date. He described the existing condition of Route 825 and some of the changes necessary to upgrade it to industrial access standards. Basically, the roadway would be widened to 24' with 6' shoulders. The intersection at U.S. 11 would be widened to 36' to accommodate turn lanes.

Each utility company was given engineering drawings and discussion then began with each company to determine any specific concerns with the relocation of their particular utility line. Mr. Maddox pointed out that time constraints were critical in terms of meeting AmeriCold Logistics' need for access. The County's agreement with AmeriCold indicates that the road is to be completed 90 days after AmeriCold begins operations.

The Impacts subcommittee also met in November for additional planning regarding the proposed tenant mix for the North Shenandoah Industrial Park. The discussion began with a reexamination of the original "wish list" of industries desired for the park. Considerable emphasis was placed on developing a tenant mix that included some "recession-proof" industries. Additional emphasis was placed on industries that would provide "quality" jobs in terms of wages and benefits as opposed to those that would provide a "quantity" of jobs at lower wage and benefit levels. From that discussion, three general categories were established and then more specific types of industries were listed under each. These categories and industries are as follows:

Manufacturing

Automotive Parts Suppliers
Medical Instruments and Suppliers
Cosmetics
Plastics
Food Processing Equipment
Entertainment—CDs and Tapes

White Collar

Corporate Headquarters Relocations
Research and Development
Internet
Import/Export Firms
Educational/Training Facilities

Services

Telecommunications
Medical Laboratories
Specialized Distribution

The entire master planning committee then met in December to begin bringing the results of the sub-committees' efforts together. The first step was to consider renaming the industrial park. Several alternatives were suggested based on the key words Strasburg, Shenandoah, and "triangle" and the use of "business" vs. "industrial" and "park" vs. "center". An important aspect of this discussion was the consideration that the park ideally would become the home of manufacturing, service, and professional firms. It was determined during the discussion that the physical constraints of the park actually provided two distinct planning areas. One area favored manufacturing and one area favored professional/service-oriented businesses. The name "Shenandoah Business & Industrial Center" was finally adopted as a reflection of the mixed use of land in the development area.

Next, the desired tenant mix was discussed in terms of making specific land use determinations. The allocation of a percentage of available land to each component of the desired tenant mix was discussed. It was determined from the discussion that 50% of the industrial acreage be allocated for manufacturing and 50% for wholesale, distribution, and warehousing. Similarly, it was determined that 50% of the professional/service acreage be allocated to industrial support services and the remaining 50% toward high tech/professional businesses. It was further determined that the above allocations be utilized for general planning/marketing purposes and not intended to be "fixed" in any manner that limits the park's full development.

The group then turned its focus back to the area map (Attachment 6) to examine the physical constraints to land use in the planning area. The primary constraint was determined to be the Columbia Gas main lines that run the length of the planning area. The steep topography associated with "Town Run", overhead electrical transmission lines, and the CSX rail line were also discussed.

With these "constrains" indicated on the area map, desired roadways and utility corridors were then drawn. Considerable discussion focused on the U.S. 11/Rt. 55-connector road. The primary consideration was that the connector road provides access to all of the sites in the planning area while limiting the number of times the road must cross the gas mains. The final proposal includes only one such crossing of the gas lines and the railroad.

After the "physical" aspects of the industrial park layout were drawn on the map, the discussion then turned back to dividing the land into individual "sites" or "tracts". Several industrial tracts were defined ranging in size from 13 to 30 acres. Two tracts, one of 24-acres and one of 42-acres, were defined for professional/service use. Additionally, four tracts ranging from eight to 48 acres were identified for commercial development. It must be noted that the majority of the property designated for commercial development lies outside the industrial park. However, proper long-range planning demands that these commercial areas be included in this land use mapping.

The establishment of protective covenants and restrictions on land use within the industrial park was the next item for discussion. Shenandoah County's existing zoning ordinances and a copy of covenants and restrictions for an industrial park in a neighboring county were examined as a starting point. It was determined that the County's existing zoning ordinances provide the bulk of development controls within the industrial park. The primary concern was that a balance between allowable uses and protective restrictions be established. Therefore, some recommendations for modifying the County's existing zoning ordinances were agreed upon, as they would relate to the Shenandoah Business & Industrial Center.

RECOMMENDATIONS

The Strasburg Initiative "Blue Ribbon" Committee provides the following recommendations and land-use map to guide development of the Shenandoah Business & Industrial Center:

- The current zoning limitation restricting building height to 35 feet in General Industrial (M-1) areas be changed to allow taller primary buildings in addition to accessory facilities.
- That Item (e) Coal and Wood Yards and Item (f) Feed mills: mixing, sales and distribution be eliminated as uses permitted by right in General Industrial (M-1) zoning within the industrial park.
- That a study of the General Industrial (M-1) zoning classification be undertaken to modernize the code to meet current development trends and requirements.

- That only General Industrial (M-1) zoning Items (o) Foundries; (p) Manufacturing involving punch presses or drop hammers exceeding 40 tons; (q) Manufacturing of prefabricated building sections; and (s) Research and development establishments, excluding those establishments which may pose a health or safety hazard to the population or environment, such as but not limited to nuclear, biochemical, munitions, biological warfare, biomedical research and/or development be allowed by special use permit in General Industrial (M-1) zoning within the industrial park.
- That any protective covenants or restrictions established be generally applicable to the entire planning area with allowance for the owners of property intended for higher uses to establish additional restrictive requirement.

PRESENTATION OF PLANNING RESULTS

The results of the Blue Ribbon Committee's planning efforts were presented to members of the Shenandoah County Board of Supervisors, Planning Commission, Industrial Development Authority; the Town of Strasburg's Town Council and Planning Commission; the Shenandoah County Economic Development Partnership; property owners; and other special guests on January 21, 1999 at the Hotel Strasburg. The purpose of the presentation was to allow all stakeholders in the project one last opportunity to make comments or suggestions before the final draft of the master plan was submitted to the Shenandoah County Planning Commission. Those present were provided with the historical background of the project from earlier efforts to develop the "Golden Triangle" to the establishment of the Blue Ribbon Committee. The planning process was outlined along with a description of how the Committee's recommendations were formed. After the presentation the floor was opened for comments.

The most relevant concern raised came from Mr. Ed Hoole, chairman of the Commission on the Future, who felt that too much emphasis was being placed on the industrial component of the proposed tenant mix. Mr. Hoole cited statistics from the Virginia Employment Commission that indicated a decline manufacturing jobs from January 1997 to June 1998. Mr. Hoole suggested that service industries that pay higher wages and have a projected employment growth in double digits should be the primary focus of recruitment efforts.

It should be noted that a primary goal of the Blue Ribbon Committee was to recommend a mixed use of the available land that addressed the County's need to expand its tax base while providing quality jobs for county residents. It was felt that recruiting a mix of tenants including both manufacturers that would provide tax revenue from the machinery and tools utilized in their manufacturing process and service and professional firms that would provide higher wages and benefits was the logical approach. As previously noted, the proposed tenant mix offered by the Blue Ribbon Committee provides for a mix-use of land with 50-percent being allocated to industrial use and 50-percent to service and professional use with adjustment to these percentages as may be necessary in the future. Further, it is the belief of the Blue Ribbon Committee that a higher percentage of land should be allocated to industrial use because manufacturing facilities typically require more acreage to accommodate their needs than a service or professional facility would require.

SUMMARY

Although the economic development potential of the land known as the "Golden Triangle" bounded by Interstate 81 and U.S. Routes 11 and 55 has been recognized for many years, previous development efforts had not succeeded. As a result, a partnership was formed between Shenandoah County, the Town of Strasburg, and the property owners to develop an industrial park on the site. The Shenandoah County Economic Development Partnership (SCEDP) provided oversight for the effort in a novel approach to economic development that came to be known as the "Strasburg Initiative".

A "Blue Ribbon" Committee was organized by the SCEDP to "master plan" the proposed industrial park. Two sub-committees were organized. The Facilities subcommittee was to work on issues concerning the physical layout of the industrial park such as utility corridors, roadways, and similar items. The Impacts subcommittee was to determine the desired tenant mix of the park. The sub-committees would then jointly formulate recommendations for land use and any protective covenants and restrictions on development within the park.

The master planning committee held several research and analysis meetings. The name Shenandoah Business & Industrial Center was adopted as the formal name for the industrial park. A proposed tenant mix was developed with an emphasis on recruiting manufacturing, white collar, and service businesses. It was determined that the County's existing zoning ordinances be utilized with some modifications as the basis of protective covenants and restrictions on the development of the industrial park. The Blue Ribbon Committee then adjourned with their duties fulfilled after presenting the results of their efforts at a final meeting held on January 21, 1999.

Attachment 1

Primary Property Owners

BLES South Limited Partnership
Washington, D.C.

I-81/66 Associates
Fairfax, Virginia

Strasburg Developers
Strasburg, Virginia

Windcrest Development, L.L.C.
Middletown, Virginia

Attachment 2

“Blue Ribbon” Master Planning Committee

Chairman:	Kevin Smith
Board of Supervisors (1):	David Nelson
Shenandoah Co. at Large (2):	Terry Dellinger Alan Toothman
Town of Strasburg (2):	Lonnie Bridges Mary Ann Littrell
Property Owners (2):	Mike Hunter Hubert Martin
County Planning Commission (2):	Jeff Aimonetti Gordon C. Bayles, Jr.
Industrial Development Authority (1):	Larry Helsley
Board of Education (1):	Dr. Danny Northern
Staff:	Rob Kinsley Rick Moorefield

Andoah County Economic Development Partnership North Straburg Industrial Park.....Master Planning

Activity Name	Oct '98				Nov '98				Dec '98				Jan '99				Feb '99				Mar '99							
	4	11	18	25	1	8	15	22	29	6	13	20	27	3	10	17	24	31	7	14	21	28	7	14	21	28	4	
Initial Meeting																												
Impact Subcommittee																												
Facilities Subcommittee																												
Drafting/Printing/Staff work																												
Identification & Analysis																												
Learn. & Do Covenants etc																												
full EDP Partnership																												
Pre. Recommendation																												
Advertise & Publish																												
Finalize Recommendation																												
Planning Commission																												
BOB																												
Legal Contracts																												
begins																												

Oct 5, 1998

Attachment 4

Sub-committee Assignments

Facilities

Gordon C. Bayles, Jr.

Lonnie Bridges

Terry Dellinger

Mike Hunter

Kevin Smith

Alan Toothman

Staff: Rob Kinsley

Impacts

Jeff Aimonetti

Larry Helsley

Mary Ann Littrell

Hubert Martin

David Nelson

Dr. Danny Northern

Rick Moorefield

Attachment 5

Industry “Wish List”

Manufacturing

Automotive Parts Suppliers

Medical Instruments and Supplies

Cosmetics

Plastics

Food Processing Equipment

Entertainment—CDs and Tapes

White Collar

Corporate Headquarters Relocation(s)

Research & Development Firms

Import/Export Businesses

Educational/Training Facilities

Services

Telecommunications

Medical Laboratories

Specialized Distribution

HISTORICAL, ESTIMATES AND PROJECTIONS OF POPULATION FOR VIRGINIA JURISDICTIONS SURROUNDING SHENANDOAH COUNTY

	1970	1980	1990	Provisional 1998	Projection 2000	Projection 2010
Clarke	8,102	9,965	12,101	12,800	13,499	14,798
Frederick	24,107	34,150	45,723	55,800	56,701	67,996
Winchester	19,429	20,217	21,947	22,200	23,602	25,099
Winchester-Frederick Co.	43,536	54,367	67,670	78,000	80,303	93,095
Page	16,581	19,401	21,690	23,000	23,694	25,496
Shenandoah	22,852	27,559	31,636	35,900	37,600	42,597
Warren	15,301	21,200	26,142	29,000	32,003	37,998
Rockingham	47,890	52,068	57,482	65,000	66,793	75,295
Harrisonburg	14,605	24,641	30,707	34,100	35,398	39,999
Harrisonburg-Rockingham Co.	62,495	76,709	88,189	99,100	102,191	115,294
Virginia	4,651,448	5,346,818	6,189,307	6,791,300	6,992,045	7,737,597

Source: 1998 provisional estimates: "Estimates of Population of Virginia Counties and Cities,"
UVA Center for Public Service
1970, 1980, and 1990 figures are from US Bureau of Census
2000 and 2010: "Virginia Population Projections," Virginia Employment Commission, May 1999