



Economic Prosperity Update

City Council | August 2025



Economic Prosperity Strategic Goal

Charlottesville develops strategies and economic development opportunities that drive economic prosperity for all.

City-Led Initiatives

Review of Existing Programs & Movement in Economic Development Strategic Plan



City-Led Programs

Commissioner of Revenue

- Charlottesville Homeowner Assistance Program (CHAP)
- Real Estate Tax Exemption for Disabled Veteran or Surviving Spouse
- Real Estate Tax Relief for the Elderly or Disabled
- **SDOH:** *Economic Stability, Neighborhood & Physical Environment*

Human Services

- Charlottesville Area Youth Teen Internship Program (CAYIP).
- Pathways Community Resource Hotline & Housing Navigation Services
- **SDOH:** *Economic Stability, Education, Community & Social Context*

Office of Social Equity

- Downtown Job Center
- Home to Hope
- **SDOH:** *Economic Stability, Education, Community & Social Context*

Transit/CAT

- CAT Free Fare Program
- **SDOH:** *Economic Stability, Neighborhood & Physical Environment*

Utilities

- Charlottesville Gas Assistance Program (GAP)
- Charlottesville Gas Energy Efficiency Program (CGEEP)
- **SDOH:** *Economic Stability, Neighborhood & Physical Environment*



City-Led Investments

Neighborhood Development Services

- Housing Operations & Program Support (HOPS) Investments
- Charlottesville Affordable Housing Fund (CAHF) Investments
- Affordable Housing Plan Investments

Human Services

- Wrap-Around Services through Vibrant Community Fund

Office of Social Equity

- Youth Financial Empowerment Workshops at Boys and Girls Clubs

Office of Sustainability

- Energy Hub Program Investment

Office of Economic Development

Key Economic Prosperity Focus

- Recruiting businesses that bring high-paying jobs | Intentional & Innovative Growth
- Offering workforce training programs | Pathways for Opportunity
- Encouraging entrepreneurship, specifically with the minority populations | Equitable Entrepreneurship





Intentional and Innovative Growth

Recent Company Growth and Success

Luna Labs

- Multiple federal contracts in the bio, security, and IT space
- \$200,000 expansion investment in Charlottesville facility
- 20 new hires

General Atomics/CCRi

- Downtown relocation and significant employee expansion

Durandal

- Award of \$250,000 Small Business Innovation Research Program contract
- Additional leased space and employee growth



INTENTIONAL AND INNOVATIVE GROWTH

Cville Match

Provides support for high-growth potential companies that have received select federal or state awards:

- Small Business Innovation Research Program (SBIR)
- Small Business Technology Transfer Program (STTR)
- Commonwealth Commercialization Fund (CCF)
- Virginia Jobs Investment Program (VJIP)

Collective Impact

- 100+ jobs, \$41M capital investment, avg wage increase of \$5p/hour

Business Visitation Program

- Proactive visits with companies of all sizes and in all sectors
- Listen to business concerns and share information about OED programs and partner resources that may be able to assist with business growth and diversification
- Over 275 business visits in 2024



PATHWAYS FOR OPPORTUNITY

Growing Opportunities (GO) Training Programs

Programs (GO Cook, GO Solar, GO Facility Maintenance) provide hands-on training and the ability to receive industry-recognized certifications

- Additional earn-to-learn programs in development

Ready To Work (RTW)

- Soft skills training for individuals
- Guaranteed interview with participating employers
- Individual mock interview training provided in advance
- Employers have access to job seekers with soft skills training



PATHWAYS FOR OPPORTUNITY

GO Hire Program

- Partial salary reimbursement incentivizes employers to hire City residents for new positions that pay a living wage
- Provides grant funding for upskilling of existing employees that includes industry certification/credential

Coffee & Conversations

Opportunity for job seekers and employers to connect in a laid-back, conversational environment



PATHWAYS FOR OPPORTUNITY

Kudos & Applause

- **GO Cook**, a program run in partnership with Culinary Concepts AB, recently received recognition from the **Virginia Economic Developers Association (VEDA)** as one of the state's **top** community economic development programs
- *OED will present on this program this Fall at the Virginia Economic Development Association's Fall Conference (Harrisonburg, VA)*



EQUITABLE ENTREPRENEURSHIP

BEACON KITCHEN

Applied for three grants to support the development and expanded operational capacity of The Kitchen

- The Kitchen offers a variety of food storage, preparation, and packaging options for food and beverage entrepreneurs
 - Hourly plans or monthly memberships provide flexible cost options for users.

GO START-UP

A free, 4-week course offered by OED

- Serves as an “on-ramp” to the continuum of entrepreneurial business development and growth
 - The program was re-launched in Fall 2024 with refreshed content and format
 - Two cohorts under the new format
 - The majority of participants qualify as minority- and/or woman-owned businesses



EQUITABLE ENTREPRENEURSHIP

Entrepreneur Resource Directory

Developed an Entrepreneur Resource Directory to provide information on resources based on the stage of business development

- Translations to Spanish, Pashto, and Farsi

Charlottesville Business Innovation Council (CBIC)

OED serves as the award sponsor for the annual Student Entrepreneur of the Year award

- Staff regularly attends CBIC events to connect with entrepreneurs in the Charlottesville community

The Muddy Middle

Exploring New Opportunities for All Community Members to Thrive, Not Just Survive

The Middle: Affordable Housing Access

Average rent in the City of
Charlottesville is

\$1,722

\$68,800

Is the required annual salary to
stay within the general
guidelines to only pay 30% of
your monthly income towards
rent

Source: <https://www.apartments.com/rent-market-trends/charlottesville-va/>



4,034 Households are In Poverty

CITY'S POVERTY RATE

22.6 %

**ANNUAL HOUSEHOLD INCOME
(HOUSEHOLD OF 3)**

\$26,650

5,550 Households Are Still Struggling

Asset Limited, Income Constrained, Employed (ALICE)

ALICE households **earn more than** the Federal Poverty Level, BUT not enough to afford a survival household budget. These households:

- Work but cannot earn enough to reach the cost of living
- Still struggle to meet basic needs, and are ineligible for the supportive services that households in poverty can access
- Make tough decisions- *can I afford childcare, my rent, a medical visit, or to repair my mode of transportation this month.*

ALICE IN CHARLOTTESVILLE

ALICE RATE

30%

ALICE THRESHOLD

↓ **\$70,000**

for a household under 65

↓ **\$66,000**

for a household 65+



52.6%

Of households in
Charlottesville are **at
or below ALICE**
thresholds.

9,584

Households in our community are
surviving and not thriving

Developing Opportunities through National Support

- Competitive, National Programs
- Cohort Style for Cross-Country Learning
- Funding Support

ICMA

INTERNATIONAL CITY/COUNTY
MANAGEMENT ASSOCIATION



NLC NATIONAL
LEAGUE
OF CITIES

CITIES STRONG TOGETHER

National Program: **International City/County Manager's Association (ICMA)**

International City/County Manager's Association (ICMA) Economic Mobility & Opportunity Cohort

- Staff Leads: Ashlely Marshall & Chris Engel
- Participation: July 2024 through January 2025
- Funding: \$15,000 from the Gates Foundation
- Project: Gap Analysis to determine services available to Asset Limited, Income Constrained, but Employed (ALICE) Community Members
- **SDOH:** *Economic Stability, Food, Community & Social Context*



Interesting Findings: Financial Partners

100% of financial partner respondents believe that **financial insecurity has INCREASED** in the City of Charlottesville over the past three years

- Why?
 - Inflation
 - Housing Prices
 - Lack of Savings/Living Paycheck to Paycheck

75% of respondents do **NOT believe adequate and accessible services exist** for individuals who earn more than 50% Median Family Income (MFI) (\$33,589) but are still financially insecure

Interesting Findings: Nonprofit Partners

76%

Of nonprofit respondents believe that **financial insecurity has INCREASED** in Charlottesville over the past 3 years

WHY

- Clients LEAVING to try to find economic mobility/opportunity
- Clients cannot afford
 - Housing
 - Food
 - Essential Items
- Clients cannot secure employment that meets their costs
- Working with cuts & reduction in eligibility of critical benefits (SNAP)



Interesting Findings: Nonprofit Partners

Top Factors Identified as Contributing to Financial Insecurity

Cost of Housing (100%)

Generational Poverty (95%)

Lack of Living Wage Paying Jobs (90%)

Poor Medical/Mental Health (58%)

Being an Older American (53%)



Interesting Findings: Nonprofit Partners

Top Factors Identified as Causing or Sustaining Economic Immobility

Childcare Access (90%)

Systemic Bias/Racism (74%)

Lack of Access to Medical/Mental
Health Care (74%)

Lack of Early Childhood
Education (53%)

National Program: **National League of Cities (NLC)**

National League of Cities (NLC) Southern Cities Economic Initiative (SCEI)

- Staff Lead: Ashley Marshall
 - External Partner: **United Way of Greater Charlottesville** Blue Ridge Ready Regions & Financial Empowerment Vice Presidents: Meredith Locascio & Ella Jordan
- Participation: Current - Phase 1 of Program
- Funding: \$15,000 from Fed of Atlanta, Gates Foundation & Others; possible additional \$60,000 for two years if achieve second phase acceptance
- Results Forthcoming
- **SDOH:** *Economic Stability, Education, Community & Social Context*

National Program: **International City/County Manager's Association (ICMA)**

ICMA Economic Mobility and Opportunity Special Assistants Program (ICMA EMO-SA)

- Staff Application Lead: Ashley Marshall
- Participation: August 2025 - August 2027 (2-Year Program)
- Funding: Gates Foundation Funding to support salary for EMO SA + supportive funding for programming directed by EMO SA. ICMA will provide coaching, training, and technical assistance.
- Project: *EMO SA will work across departments and external partners to identify strategic priorities and develop a tailored implementation plan informed by a **community-engaged co-design process** during their 2-year tenure.*



FY2026 & Beyond

Keeping Momentum With

- Existing City-Led Programs
- Existing City-Led Investments
- Office of Economic Development Existing Work & Strategic Plan Investments

Future Work

- Focus on ALICE Populations & those at or below the Federal Poverty Level
- Increasing Economic Prosperity through Economic Mobility & Opportunity
 - ICMA Programs
 - NLC Programs
 - Applying lessons learned to proposals for consideration



Q&A