

STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS

The CRC region possess a wide variety of attractive economic strengths that can be used to advance the region as well as weaknesses that could hold the region back. Knowing the area’s strengths and weaknesses is critical to unlocking economic growth and sustainability.

The following section outlines the Strengths, Weaknesses, Opportunities, and Threats facing the Heartland region. Strengths are positive indicators present within the region. Weaknesses are deficiencies or problems that are also present within the region. Opportunities and Threats represent positive and negative outlooks that are outside of the region, either in time (future) or physically.

One of the Heartland’s greatest strengths is its access to higher education. The region is home to several post-secondary institutions that offer a variety of professional and liberal arts options. Education is a fundamental aspect of the three goals outlined in this report, and a key to advancing individual workers and students as well as the region as a whole. Access to higher education and education attainment signal to businesses that the population of an area can support their operations, making it much more attractive as a destination.

The CRC is nestled between Charlottesville, Richmond, and Lynchburg, making it a favorable location for businesses searching for a low-cost alternative to locating inside a city. Parts of the CRC are included in the Metropolitan Statistical Areas (MSA) of these cities and could see the development of supportive businesses because of their proximity. Furthermore, the region sits between two growing regional economies, stemming from the Northeast and the Southeastern Piedmont regions, giving it long term potential as a bridge between the two.

Quality infrastructure is crucial to sustaining businesses. Supply lines and shipping rely on quality roads, railways, and waterways. Access to plentiful power, water, and internet is also important. The CRC has several of these attributes, and expansion will maximize its strategic location as a hub between major economic centers. Additionally, the Atlantic Coast Pipeline is slated to cross

	HELPFUL	HARMFUL
INTERNAL	STRENGTHS Fiber Network: Existing and Planned Atlantic Coast Pipeline Water Infrastructure/Sandy River Transportation Infrastructure Connections Higher Education Presence Location: Proximity to Larger MSA Sense of Place Rural Nature Land Prices & Available Sites	WEAKNESSES Last mile broadband access Lack of skilled workforce Low educational attainment Export-oriented economic activity Poverty Localized economic clusters Regional fragmentation Inter-regional Transportation Public Services
	EXTERNAL	OPPORTUNITIES The Port of Virginia Expansions and Improvements Retiree Attractions Agricultural Potential Nearby Economic Clusters

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through the region, providing economic development opportunities through maintenance and access to a major energy source. Lastly, established healthcare infrastructure is consistently cited as a key strength, providing local access to a critical service.

Common throughout Virginia is an agricultural heritage, of which the CRC region is no exception. Due to its rural nature, there is a large amount of low-cost land and vast natural resources. While this often appears to be a challenge, the benefit is two-fold: many industrial development sites are available for commercial sale at low prices, and recreation opportunities, such as hiking, hunting, fishing, and watersports are abundant for workers and families. The rural setting also features clean water, air, little congestion from traffic, and a state park that affords other recreational opportunities.

The CRC has a strong start in advancing economic and community development. While many of these economic strengths are necessary for growth, they are not sufficient without improvements and maintenance. The region needs to utilize these assets in a consistent message to re-brand itself in a unique way. These strengths will provide the foundation.

Despite numerous advantages, the CRC region does face some challenges to jumpstarting economic growth. Many communities around the country face similar problems, but the institutions, strategic location, and other existing aspects of the region will prove instrumental in resolving them.

Central to the lack of economic growth is poor access to technology throughout the CRC. Despite a strong fiber backbone, “last mile” broadband access that provides high-speed internet capabilities preclude high tech industries from entering the area. Quality broadband is critical to regional economic development. Accessing this innovation will open the door for technology firms and higher-paying STEM work in the future.

However, the workforce in the region doesn’t have the necessary skills to support these businesses, and the rates of adult educational attainment lag behind Virginia and the rest of the country as a whole. Luckily, the CRC is home to several higher

education institutions, including a specialized workforce development center. Leveraging these higher education institutions can realign the workforce to better suit the needs of the spreading tech industry.

The existing economic activity in the region is also not particularly strong or specialized in a lucrative industry. The region is primarily employed in local service-oriented sectors, which limits its growth potential. Additionally, the region has low levels of employment in export-oriented industries, and there is little economic consistency across the localities of the region. While many regions have unifying clusters or labor pool, the CRC lacks a regional employment identity. Two-thirds of the region’s residents commute outside of the region to work. However, this does highlight the strength of the area’s rural charm and attractiveness to residents, as well as low cost of living.

Lastly, the region faces higher poverty rates by county than average for Virginia. Public assistance has been stretched thin, making development priorities difficult to carry out. This also stresses the school system, a key player in workforce development. Similarly, there is a lack of day care and other supportive human services, damaging retention rates for young families.

Fortunately, many of these weaknesses can be mitigated by pursuing solutions outlined in this report’s three primary goals. By maximizing its strengths and resolving its weaknesses, the CRC will prove to be the right decision for future families, workers, and businesses from Virginia and around the country.

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Strengths

Fiber network: Existing and planned fiber infrastructure—a backbone—place the region near a technological crossroads.

Atlantic Coast Pipeline: Once constructed, the pipeline will significantly change the Economic Development Landscape with potential access to a major energy resource.

Water infrastructure/Sandy River Reservoir: The region’s water resources—including Prince Edward County’s withdrawal permit from Sandy River Reservoir—can be marketed to industries with significant water requirements.

Transportation infrastructure: The region’s roads and rail infrastructure offer businesses access to several Virginia markets.

Higher education: The region is home to several post-secondary institutions that cater to a variety of professionals and students.

Location: The CRC is proximate to three economic areas (Lynchburg, Charlottesville, and Richmond) with a variety of economic strengths. This proximity provides tremendous linkages opportunities for businesses that decide to relocate in the region.

Sense of place: The region features outdoor amenities such as the High Bridge Trail State Park that offer recreation opportunities. It’s also home to many small businesses that residents support.

Rural nature: The region features a lack of road congestion, a rural landscape, clean water, and clean air.

Land/available sites: Many sites are available for potential businesses or industries, and land prices remain low.

Weaknesses

Last mile broadband access: Despite the strong fiber backbone, work remains to connect the area’s homes and businesses to the fiber network.

Workforce: The skills of the region’s workforce are not aligned with the better-paying fast-growth jobs in tech or STEM.

Educational attainment: The adult population of the region has lower educational attainment than Virginia or the country overall. However, it is improving.

Export-oriented economic activity: The region’s percentage of employment in export-oriented sectors or clusters is relatively low. Much of the employment is in service-oriented sectors.

Poverty: The region’s poverty rates by county are higher than the Commonwealth, on average. Households experiencing poverty need greater public assistance. Much of that assistance may come from state or federal resources, but local governments and schools may also be stretched in both resources and opportunity costs.

Employment concentration: The region’s employment is more concentrated in local clusters than in nearby regions. This economic structure is limiting for the region’s growth potential.

Regional fragmentation: Despite the efforts to create a regional framework for cooperation, especially in the Go Virginia arena, there is little to tie the region’s counties together beyond spatial proximity. They do not share a common export or labor pool. The once-thriving industries such as tobacco or textiles that may have provided a regional identity have declined. Two-thirds of residents commute outside the region to work.

Inter-regional transportation: There are no major interstates or airports in the region, which makes attracting major exporters difficult.

Public services: Community members have pointed to a lack of after school care programs as an issue in retaining talented young families.

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Opportunities

The Port of Virginia: The Virginia Port Authority is making significant investments in nearby regions (Richmond and Hampton Roads), and a proposed extension by Buckingham Branch Railroad could connect Virginia's ports to the Heartland Industrial Park in Charlotte County.

Retiree attractions: The growing older population aligns with healthcare services, and the area may have potential to attract additional retirees through its natural beauty and recreation.

Agricultural potential: The agricultural sector could be expanded if markets open to new crops. Land is inexpensive, the transportation infrastructure is good, and it's an existing sector with an existing workforce.

Nearby clusters: There are strong compatible clusters in neighboring regions, such as Furniture, Distribution & eCommerce, and Forestry. Those clusters offer potential linkages and supply chains to tap into.

Threats

Public spending: The economy is fueled in part by state and federal dollars through public agencies and pass-through funds. These funds are largely outside of the control of the region, and any changes or shifts in public spending could have major impacts on employment in the region.

Brain drain: More economically prosperous metropolitan areas with greater job opportunities are likely to attract the region's youth—particularly the most educated—away from the CRC region.

MOVING FORWARD

The stated **goals** found in this plan were developed to address the region's opportunities and strengths while overcoming its weaknesses and threats. A focus on workforce development through cooperation with industries, employers, higher education institutions, and others is one goal. Another is building regional cooperation to expand upon tourism and recreation, updating infrastructure, and expanding career opportunities. This could be supported by simplifying regulations to attract industries and businesses, making economic development more streamlined. Enhancing quality of life for existing and potential residents by bringing entertainment and activities for all age groups, was also identified as an important goal. Similarly, marketing the region is important to attracting new residents, especially younger generations. Using the resources already available like recreation and tourism to promote small town charm and quality of life. Finally, all of these goals should be a coordinated effort with clear benchmarks and performance measures.