

FREDERICKSBURG  
ECONOMIC  
DEVELOPMENT  
AUTHORITY

**Fredericksburg Economic Development Authority – FY23 budget narrative  
Adopted June 13, 2022**

The Fredericksburg Economic Development Authority (EDA), working with the City of Fredericksburg, acts as a catalyst for responsible economic growth that improves Fredericksburg’s quality of life. The EDA receives its funding from annual fees derived from the issuance of bonds for qualified borrowers, as well as other initiatives.

The EDA is empowered by the Code of Virginia, Section 15.2-4901 “to promote industry and develop trade by inducing manufacturing, industrial, governmental, nonprofit and commercial enterprises, and institutions of higher education to locate in or remain in the Commonwealth and further the use of its agricultural products and natural resources ... for the benefit of the inhabitants of the Commonwealth, either through the increase of their commerce, or through the promotion of their safety, health, welfare, convenience, or prosperity.”

This budget narrative for the 2023 fiscal year (July 1, 2022-June 30, 2023) serves to focus this broad mandate in order to enhance the EDA’s impact on the City’s economy. The FY23 budget, which follows this narrative, is down about 28 percent from FY22 due to declining bond fee revenues. The EDA believes it can best fulfill its mission in FY23 and beyond by focusing its resources on the *three primary goals* listed below. Each goal includes concrete potential actions that the EDA can take to achieve these goals in FY23 and beyond. This budget narrative serves to guide both the EDA and potential funding applicants in FY23.

The EDA is committed to working closely with the City of Fredericksburg on these goals and always looks for opportunities for collaboration and partnership. The EDA will be guided by the City’s Small Area Plans when evaluating potential development opportunities. It will also be guided by the City Council **2036 Vision Statement**:

***The people of Fredericksburg are building a 21<sup>st</sup>-century urban center on the foundation of this historic city at the fall line of the Rappahannock River. Fredericksburg is the hub of regional economic activity, a city with a multicultural population and thriving cultural scene, a place that works for everyone, a community where the people are writing the next chapters of Fredericksburg’s history.***

**Goal 1: Enhance neighborhood commercial clusters and corridors outside the historic core.**

Fredericksburg is a city of neighborhoods, many of which have local commercial districts. These business districts serve neighborhood residents; offer opportunities for entrepreneurs; and serve as gateways to the city. The EDA's focus on these districts will expand the historic core's recent success to wider areas of the city. Possible tactical actions could include:

- Investing in real estate in commercial clusters and corridors to encourage redevelopment and entrepreneurship.
- Supporting neighborhood initiatives to enhance neighborhood business development.
- Focusing on entrance corridors leading to the downtown historic core.
- Monitoring and encouraging appropriate master-planned mixed-use development in areas of the City that have opportunities for this type of planning
- Assisting the City of Fredericksburg with the business-related aspects of their Small Area Plans
- Making investments to upgrade the downtown train station.
- Investing in gateway signage to spread awareness of the FXBG brand.

**Goal 2: Grow the City's tourism base.** Travel, tourism, and leisure are very important sectors of the economy in the City of Fredericksburg, and as much as a quarter of the City's tax revenue derives from them. Furthermore, tourism serves to publicize to a regional and national audience Fredericksburg's advantages as a place to live, work, and play. The EDA's focus on this sector will pay dividends for the City's economy; for its tax base; and for its efforts to market itself for responsible growth. Possible tactical actions could include:

- Invest in marketing campaigns to increase public awareness of Fredericksburg and its FXBG brand.
- Invest in a Tourism Opportunity Fund to attract meetings, groups, sports tourism, events and film productions.
- Assist with the relocation of the Fredericksburg Visitor Center into a state-of-the-art new location.
- Invest in bricks-and-mortar tourism assets and events that generate significant visitation, business activity, and meals and lodging tax revenue.

**Goal 3: Enhance workforce development opportunities.** Building the size and skills of Fredericksburg’s workforce will pay multiple dividends to the City’s businesses and workers. The EDA’s focus on building the skills of our existing workforce will help attract and grow business and will enhance our citizen’s ability to earn family-sustaining wages. Possible tactical actions could include:

- Work with partners including City Schools, Germanna Community College, the University of Mary Washington, regional consortia and private-sector training-oriented firms on workforce development initiatives and facilities.
- Pursue real estate acquisitions that will create a Workforce Development Center of Excellence involving Germanna, UMW and City Schools.