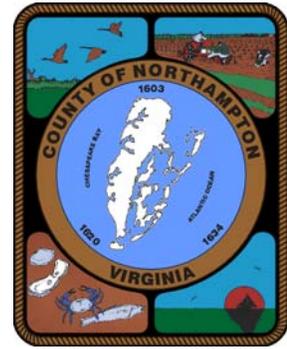


Section 4: Economic Data



4 Economic Data

4.1 Introduction

By evaluating the local economy and employment trends, factors may be identified which influence population and provide some basis for policy decisions by the governing body. Economic expansion or changes in the economic structure of a community may trigger the conversion of land to new uses which in turn can create the need for new public facilities and services. Understanding these dynamic forces is therefore a prerequisite for land use planning.

4.2 Civilian Labor Force, Unemployment Rate, and Wages

The civilian labor force is defined as all people aged sixteen or more who are able to work, are neither in the military nor institutionalized, and are either employed or are registered with the Virginia Employment Commission (VEC) as actively seeking employment. As of April 2013, the civilian labor force in Northampton County was 6,103, 5,629 employed and 474 unemployed. The County unemployment rate was 7.8% compared to 5.0% for Virginia and 7.1% nationally. Figure 4.1 shows the unemployment rates for 12 months from May 2012 through April 2013.

The VEC does not count as “employed” those persons who are either self-employed, owner, operators, directors, or officers of closely held corporations or are otherwise independent contractors (i.e. consultants, artists/writers, some waterman, professionals who do contract work, etc.). According to the Commissioner of Revenue, there are several hundred “non-employer establishments”** in the County which provide services or products for compensation and who are required to obtain a County business license. These workers are not counted in the County’s civilian labor force by the VEC.

*** US Census Bureau descriptor*

Section 4: Economic Data

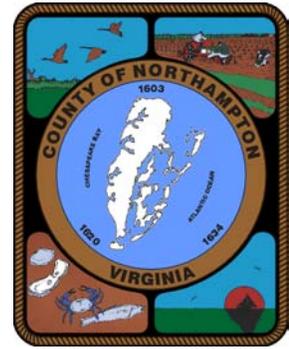
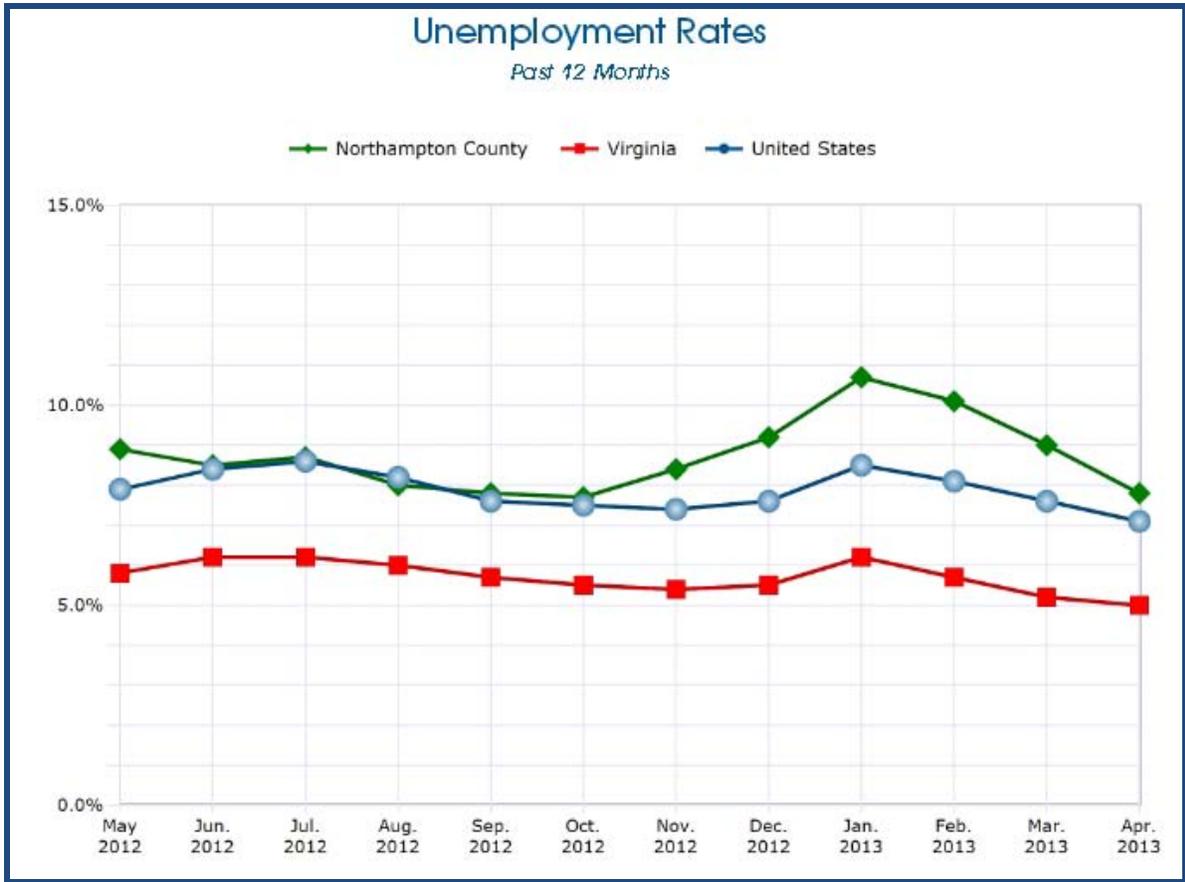


Figure 4.1 Unemployment Rates



Source: Virginia Employment Commission, Local Area Unemployment Statistics

Section 4: Economic Data

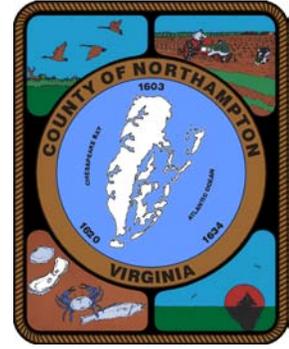


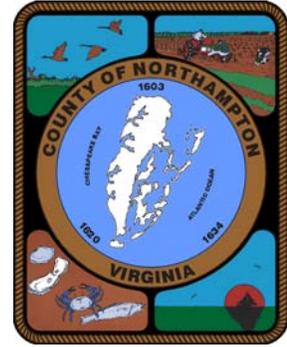
Table 4.1 lists the top ten places Northampton County residents are commuting to and where workers are commuting from.

Table 4.1 Commuting Trends

Top 10 Places Residents are Commuting To		Top 10 Places Workers are Commuting From	
Accomack County, VA	1,034	Accomack County, VA	855
Virginia Beach city, VA	240	Virginia Beach city, VA	154
Norfolk city, VA	229	Norfolk city, VA	52
Henrico County, VA	108	Chesapeake city, VA	44
Chesapeake city, VA	99	Portsmouth city, VA	34
Fairfax County, VA	94	Hampton city, VA	28
Newport News city, VA	84	Newport News city, VA	23
Richmond city, VA	83	Chesterfield County VA	21
Hampton city, VA	71	Henrico County, VA	19
Prince George's County, MD	60	Fairfax County, VA	18

Source: U.S. Census Bureau OnTheMap Application and LEHD Origin-Destination Employment Statistics, 2010.

The average weekly wage for workers in Northampton County in the 4th quarter of 2012 was \$639. This would be equivalent to \$15.98 per hour or \$33,228 annually, assuming a 40-hour week was worked the year round. The Virginia statewide average weekly



Section 4: Economic Data

wage for the same time period was \$1,042 or equivalent to \$26.05 hourly and \$54,184 annually. Northampton ranks #101 in the state for weekly wages out of 134 cities and counties. Wages account for 55% of per capita income in the County, compared to 70.6% for the state according to the Federal Bureau of Economic Analysis and the Bureau of Labor Statistics. The per capita income was \$23,233 with a median household income of \$35,760.

Table 4.2 Income

	Per Capita Income		Median Household Income	
	2000	2010	2000	2010
Northampton County	\$16,591	\$23,233	\$28,276	\$35,760
Virginia	\$23,975	\$32,145	\$46,677	\$61,406

Source: 2010 US Census Bureau

Personal income is the income received by all people from all sources. Total personal income includes net earnings by place of residence; dividends, interest, and rent; and personal current transfer receipts received by the residents of Northampton. In 2010 Northampton County had a total personal income of \$439,957,000 (Note: Total personal incomes are estimates, not adjusted for inflation). The County ranked 85th in the state and accounted for 0.1 percent of the state total. In 2000 the total personal income was \$308,424,000 and ranked 85th in the state and in 2011, the total personal income was \$445,705,000 and rank was 86th in the state. Figure 4.2 and 4.3 shows the contribution to personal income for 2001 and 2011.

Section 4: Economic Data

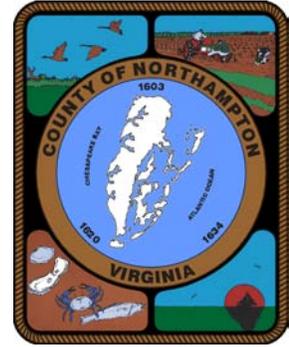


Figure 4.2

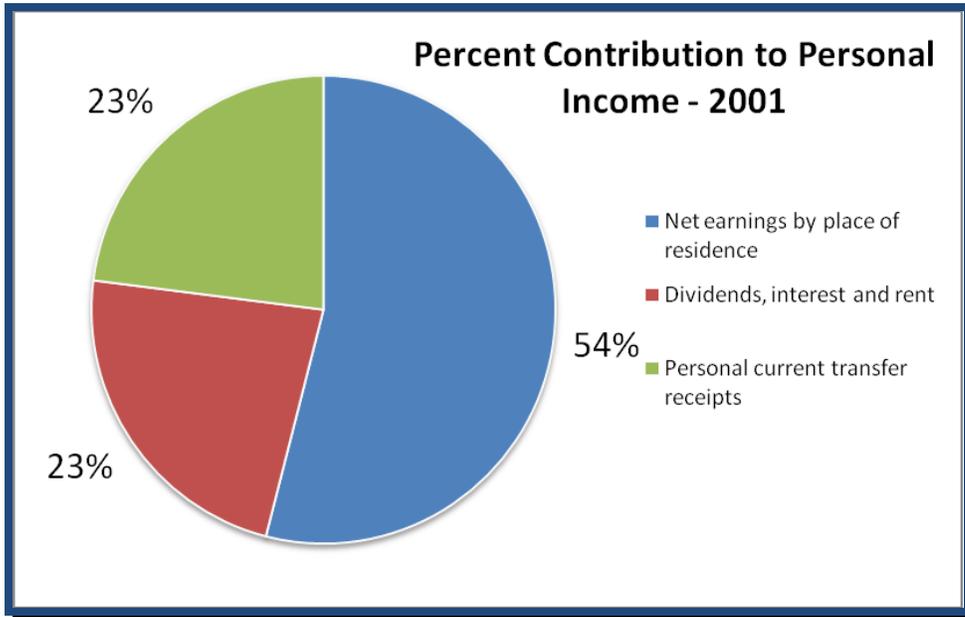
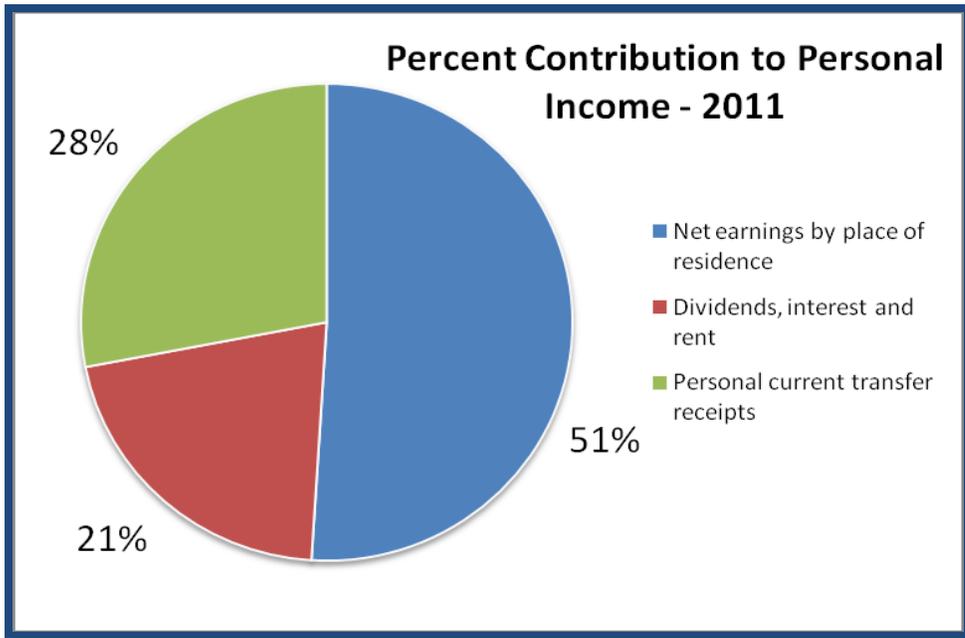


Figure 4.3



Source: Bureau of Economic Analysis

Section 4: Economic Data

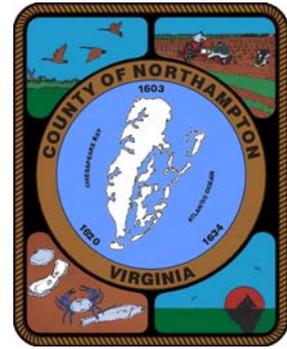
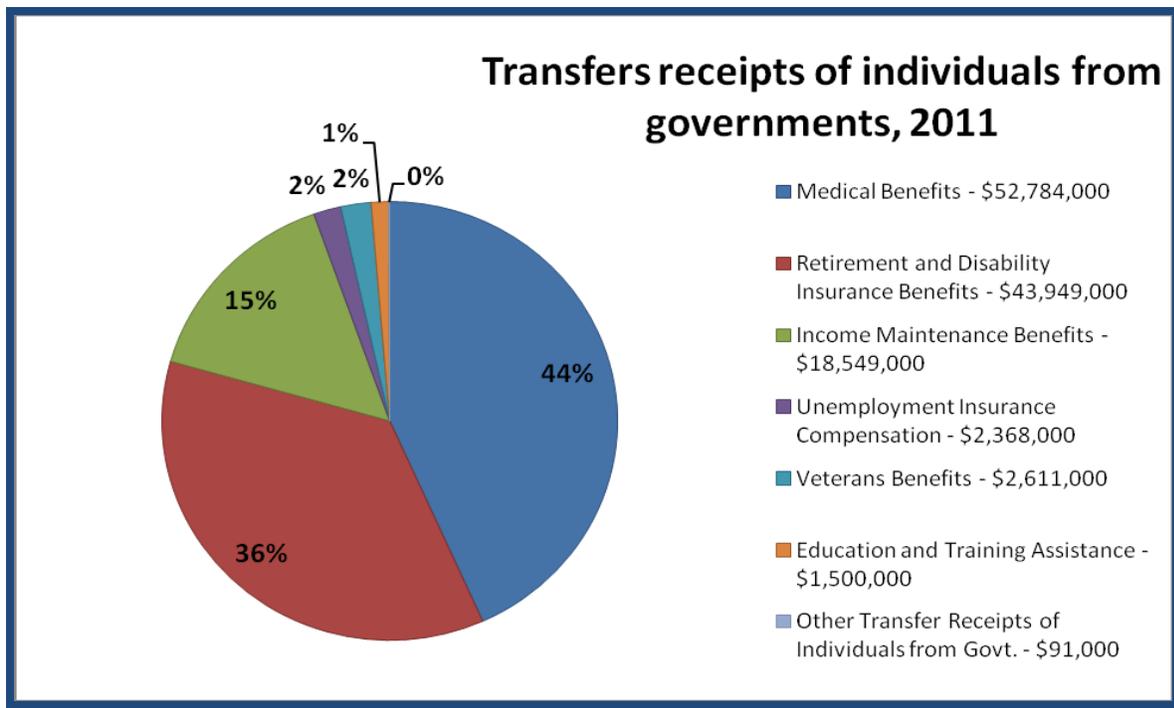


Figure 4.4 shows the transfer receipts of individuals from governments for 2011 from the Bureau of Economic Analysis. These receipts include payment where no current service was performed and categories like Retirement and Disability, Veterans and medical benefits, among others.

Figure 4.4



Source: Bureau of Economic Analysis

4.3 Major Industries

The total number of employees working in Northampton County in the 4th quarter of 2012 was 4,641. The largest major industry sector was Health Care & Social Assistance with 22.3%, followed by Local Government with 18.8% and Agriculture, Forestry, Fishing & Hunting with 16.2%. Table 4.3 shows the major industries in Northampton County with the number of establishments in each industry sector, the number of employees in each sector and each sector's percentage of the total number of people working in Northampton County. Figure 4.5 shows each sector's portion of the total number of people working in Northampton County.

Section 4: Economic Data

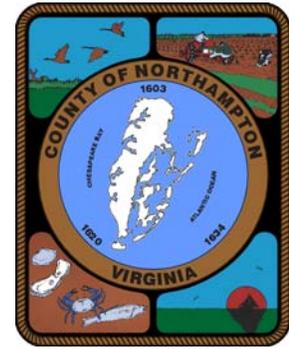


Table 4.3 Major Industries, 2012, 4th Quarter

Industry Group	Establishments	Employees
Health Care and Social Assistance	98	1,067
Agriculture, Forestry, Fishing & Hunting	37	756
Education Services	7	513
Retail Trade (44 & 45)	61	430
Manufacturing (31-33)	11	345
Accommodation and Food Services	37	397
Public Administration	26	298
Transportation and Warehousing (48 & 49)	17	212
Arts, Entertainment, and Recreation	5	140
Other Services (except Public Admin.)	35	99
Construction	34	77
. Finance and Insurance	16	77
Professional, Scientific & Technical Svc	30	53
Wholesale Trade	17	47
Admin., Support, Waste Mgmt, Remediation	13	54
Real Estate and Rental and Leasing	11	21
Information	3	11
Utilities	*	*
Management of Companies and Enterprises	*	*
Total, all industries	462	4,641

Source: Virginia Employment Commission, 2012, 4th quarter data

Section 4: Economic Data

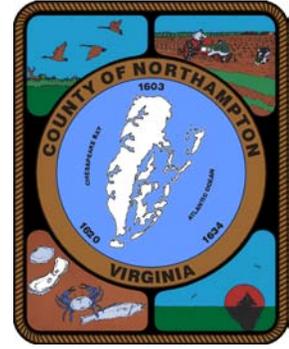
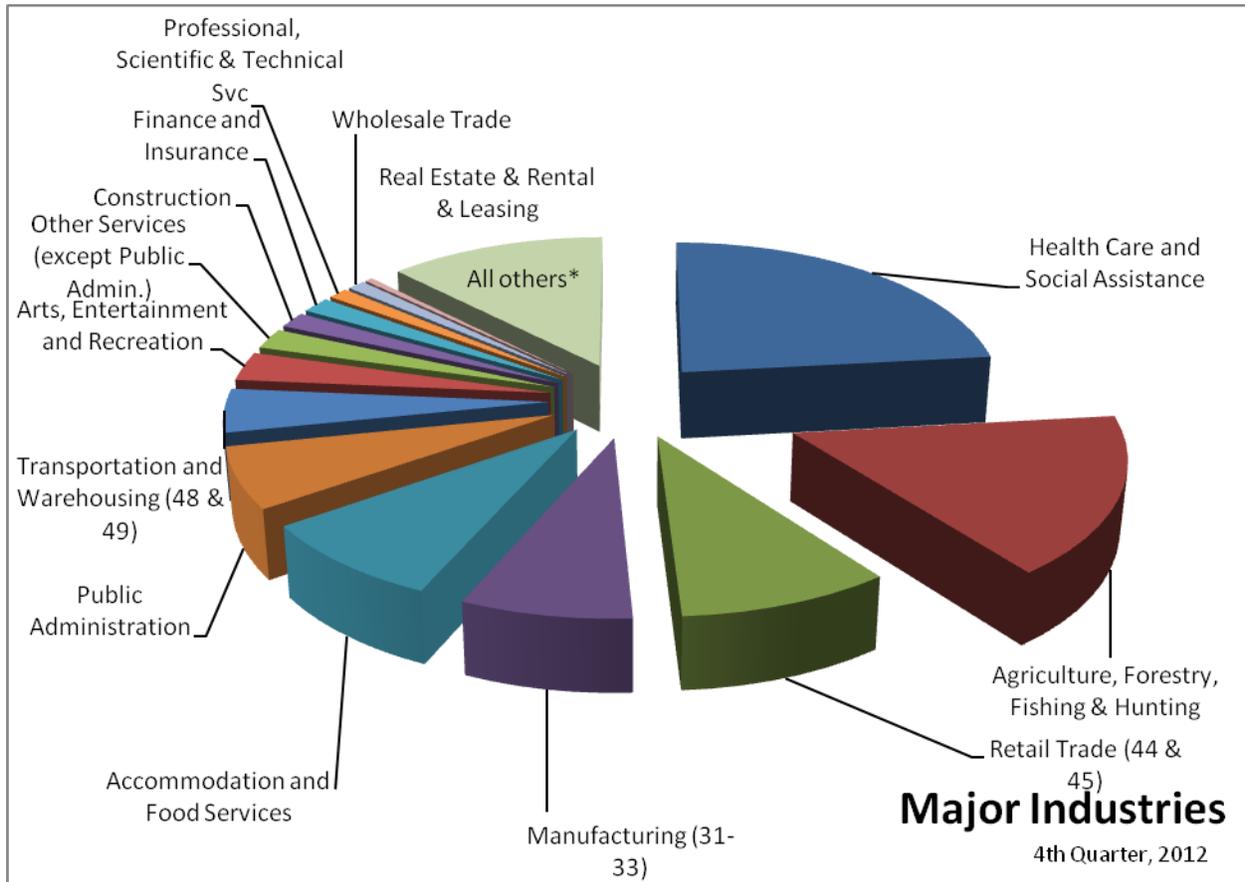


Figure 4.5 Major Industries



Source: Virginia Employment Commission, 2012, 4th quarter data

*Excludes the two industries listed as confidential in Table 4.3

Section 4: Economic Data

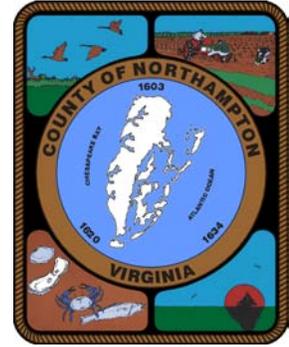


Figure 4.6 Employees for all Industries 2001-2012



Source: Bureau of Labor Statistics

Riverside Regional Medical Center is the largest employer in the County but it is relocating to Accomack County and what medical facilities will stay in Northampton County remains uncertain. Table 4.4 lists the top 15 largest employers as of the fourth quarter in 2012.

Section 4: Economic Data

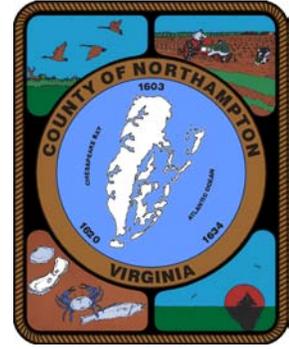


Table 4.4 Top Employers in Northampton County, 4th Quarter, 2012

1. Riverside Regional Medical Center	11. Eastern Shore Rural Health System
2. Northampton County Schools	12. Ballards Fish and Oyster Company Inc
3. County of Northampton	13. Tankard Nurseries
4. Lfc Agricultural Services Inc.	14. Broadwater Academy
5. Chesapeake Bay Bridge Tunnel	15. David's Nursery
6. Heritage Hall	16. Bay Creek Golf Management LLC
7. New Raveena Inc.	17. McDonalds
8. Therapeutic Interventions	18. Hardee's
9. Bayshore Concrete Products Company	19. Bay Creek Marina & Resort
10. Food Lion	20. Town of Cape Charles

Source: Virginia Employment Commission Quarterly Census of Employment and Wages (QCEW), 4th Quarter, 2012

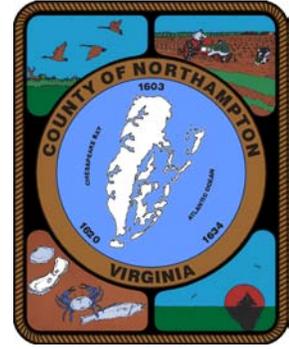
4.4 Agriculture

According to the 2007 Census of Agriculture, there were 151 farms in Northampton County in 2007. That figure was down 19% from 187 farms in 2002. However, the amount of acreage has increased 22% from 52,459 acres in 2002 to 63,760 acres in 2007. The average farm size was 281 acres in 2002, and has since increased by 50% to 422 acres in 2007. Figure 4.4 shows the range of farm sizes for Northampton County.



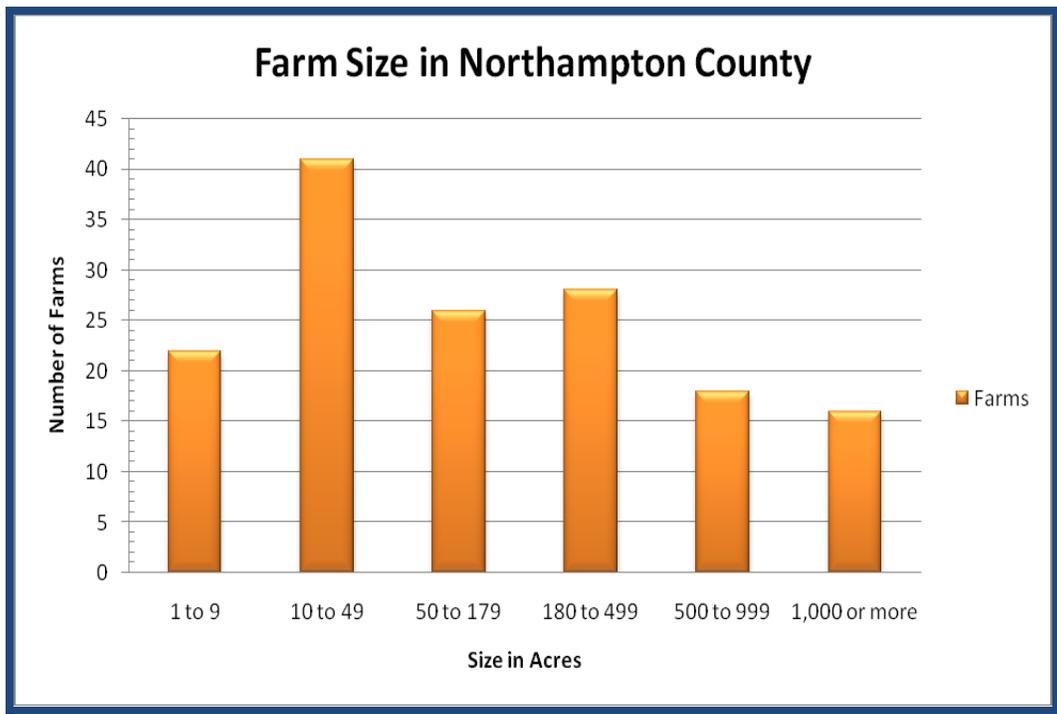
Soybean Harvesting, Northampton County

Section 4: Economic Data



Farm size is the total land owned and operated as well as land rented from others.

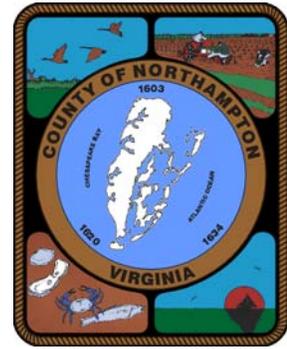
Figure 4.7



Source: 2007 Census of Agriculture

There are approximately 60,000 acres currently under cultivation in Northampton County. The market value of production in 2007 was \$90,069,000 which was an increase of 104% from \$44,192,000 in 2002. Crop sales accounted for \$59,315,000 (66%) of the total and livestock sales accounted for \$30,755,000 (34%). The market value of production average per farm increased 152% to \$596,486 in 2007 from \$236,320 in 2002. This information comes from the U.S. Department of Agriculture, 2007 Census of Agriculture.

Government payments to farmers totaled \$1,181,000 in 2007, an increase of 147% from \$478,000 in 2002. The average per farm receiving these payments was \$17,896 in 2007, an 80% increase from \$9,949 in 2002. This information comes from the U.S. Department of Agriculture, 2007 Census of Agriculture.



Section 4: Economic Data

Table 4.5 shows the number of farmworkers in the County over the past three seasons. The number of Migrant Workers has decreased since 2010, this due mainly to a couple of major tomato producers leaving the area.

Table 4.5 Seasonal and Migrant Workers

Type	Seasonal Farmworkers			Migrant Workers		
	2010	2011	2012	2010	2011	2012
Unduplicated Total	220	220	230	1,600	1,400	1,200
Peak Count	170	160	175	1,500	1,300	1,100
Non-working Family Total	80	85	90	90	90	90

4.5 Aquaculture

Aquaculture has become a major industry for the Eastern Shore. As of February 2013, over 17,000 acres were leased in Northampton County. Figure 4.7 shows the leased bottom as of February 2013.

Section 4: Economic Data

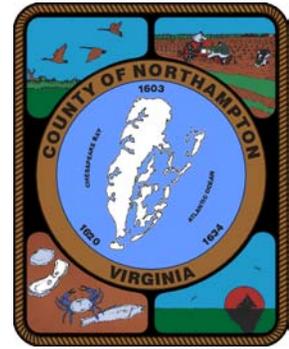
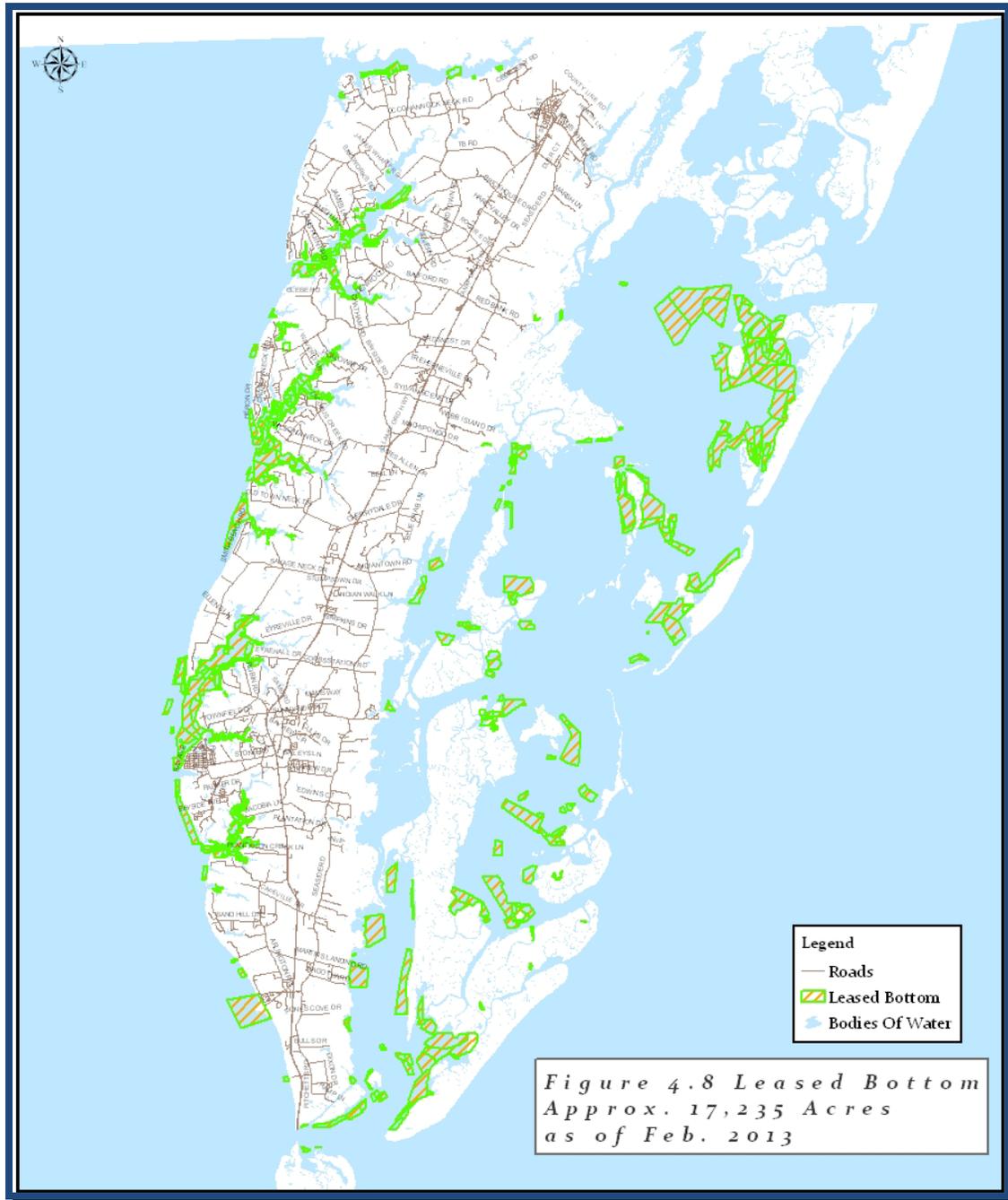
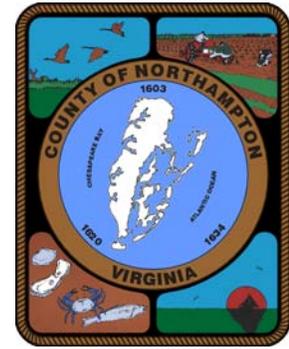


Figure 4.8 Leased Bottom (Feb. 2013)



Source: Virginia Institute of Marine Science; Northampton County GIS

Section 4: Economic Data



Clam culture, and more recently oyster culture, has become major sources of revenue in Northampton County. Clams are filter feeders like oysters and thus create an important ecological benefit. Decreased water quality due to land based activities can potentially cause negative impacts on the clam culture. The shoreline-based hatcheries would incur major production problems if exposed to poor water quality. Northampton County ranked number 1 (out of 44) in the state and 8th (out of 1,498 nationally) for aquaculture according to the 2007 Census of Agriculture, producing \$30,731,000. Aquaculture is a year-round employer and now employs about 400 people. In 2009 there were 600 Oyster Ground Leases covering approximately 18,385 acres. According to VIMS, in February 2013, there were over 600 leases covering approximately 17,235 acres. According to the most recent VIMS Virginia Shellfish Aquaculture Situation and Outlook Report (first quarter 2012), Northampton County accounts for 24.6 million dollars or 95% of the 26 million dollars generated from clam culture in Virginia.

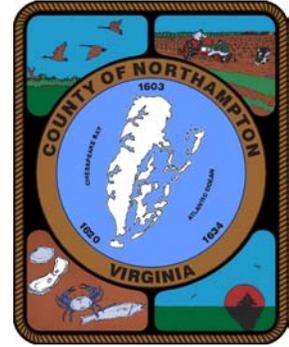
Table 4.6 shows the Quarterly Census of Employment and Wages for Aquaculture from the 1st quarter in 2011 through the 1st quarter in 2012.

Table 4.6

Year	Period	Average Establishments	Average Employment	Average Weekly Wage
2012	1st Qtr.	9	142	\$547
2011	4th Qtr.	9	149	\$951
2011	3rd Qtr.	9	172	\$794
2011	2nd Qtr.	9	164	\$800
2011	1st Qtr.	9	130	\$524

Source Virginia Employment Commission

Section 4: Economic Data



4.6 Tourism

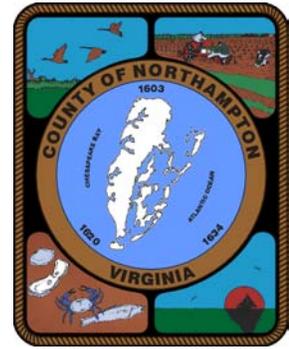
Tourism has become an important economic factor in Northampton County. According to the Virginia Tourism Corporation's analysis, there was an 11.2 percent increase in expenditures by tourists in Northampton County from 2009 (\$56,893,100) to 2010 (\$63,261,917), the highest increase in the state. Tourism related employment was up and that payroll increased 5.7%. Revenue to the County from Transient Occupancy Tax increased 79%; and Food and Beverage Tax revenue increased 5.3%. Tourism brings additional revenue to the County through purchase of locally grown and produced items, (i.e., seafood, organic produce, nursery products, wine, artisans work, marine expedition rentals, etc.) without significant use of County provided services.

Eco-tourism is a form of nature tourism. It is defined by the International Eco-tourism Society as "responsible travel to natural areas which conserves the environment and sustains the well-being of local people". Eco-tourism has become popular in Northampton County as in other places around the world. The County provides access to the following top ranking eco-tourism activities:

- Visiting state parks
- Hiking
- Exploring preserved areas
- Wildlife viewing (non birding)
- Nature trails in ecosystems
- Unique natural places (dunes, sinkholes, Carolina Bays, Meteor Strike effects)
- Environmental education
- Birding
- Biking
- Fishing, both freshwater and saltwater
- Marsh exploring
- Kayaking
- Swimming
- Hunting

In addition to ecotourism, tourists visit Northampton County to experience the rural lifestyle (Agritourism) which may include visits to vineyards, farmers markets, alpaca farms and horse farms. The varied historic, archeological, cultural, spiritual, culinary

Section 4: Economic Data



and artistic attractions in Northampton County bring visitors to experience Heritage Tourism. The beautiful waterways draw visitors to enjoy fishing, clamming, kayaking, paddleboarding, kiteboarding, boating, sailing and swimming. The County's resorts, campgrounds, and marinas draw people from around the world. Bay Creek Marina draws sailing clubs on a regular basis and provides a stunning event venue. Cape



Charles Town Harbor boasts a wonderful

combination of a working harbor and recreational boating slips, which draw boats from around the world. The harbor hosts many events, such as Tall Ships and other festivals honoring the marine

heritage of the Eastern Shore. Boat captains at both Cape Charles and Willis Wharf harbors offer day trips, including deep sea fishing. Bay Creek resort offers a high end resort experience, with an Arnold Palmer and Jack Nicklaus golf course, a beach, and an on-site restaurant. In addition to rentals available at the Bay Creek resort, there are numerous Bed and Breakfasts, hotels and motels, and rental homes available throughout Northampton County for tourist stays. Commercial areas, particularly in the towns, feature art and antique galleries, a variety of restaurants and other food service, specialty shops and personal services. Festivals, tours, seafood, culinary, music and recreational sporting events attract increasing numbers of visitors to the County every year. The County recently adopted way-finding and town business identification sign language.

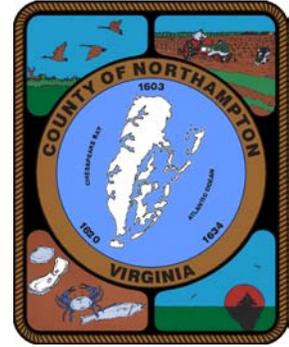


Tall Ships, Cape Cha

There are currently 481 hotel/motel rooms, 43 Bed and Breakfast rooms plus one cottage, 895 campground/RV sites, scores of weekly house rentals and beach cottages, and 5 lodges available in the County.

4.7 Research

The National Science Foundation Long-Term Ecological Research (LTER) Station housed at the Anheuser Busch/UVA Research Center in Oyster has expanded its operations and now attracts an international marine science-oriented audience of



Section 4: Economic Data

researchers and students to the pristine waters, vast wetlands and barrier islands that surround Northampton County. The Center actively and financially supports science education in County schools and employs local students in real research projects. The LTER at Oyster is one of 26 worldwide long-term research programs established by the National Science Foundation. The LTER employs 5 full-time staff. The housing facility accommodated over 1300 people for overnight visits in 2012 which included professionals conducting research in the area. The LTER grant of approximately 1 million dollars per year is spent on the Eastern Shore. Maintenance and refuelling of boats used on research trips benefit Eastern Shore businesses. The Nature Conservancy funded LiDAR mapping of the Eastern Shore and makes their research available to the County for land use planning, ground water research and storm water management initiatives. The Conservancy's ongoing partnership with NASA in global rainfall and bird migration research provides another international research framework for the County. The Virginia Institute of Marine Science and College of William and Mary also perform coastal research in Northampton County.

4.8 Development

The County has hundreds of acres of available industrial and commercially zoned parcels, many with infrastructure, rail, highway, and harbour access.

The County currently has 237 occupied parcels with commercial or industrial zoning that account for almost 800 acres. There are 138 vacant parcels with commercial or industrial zoning that account for approximately 184 acres. In the Incorporated Towns there are 506 parcels with commercial or industrial zoning that account for 555 acres and an additional 339 parcels that account for 206 acres. Table 4.4 shows the vacant parcels by zoning district and town.

Section 4: Economic Data

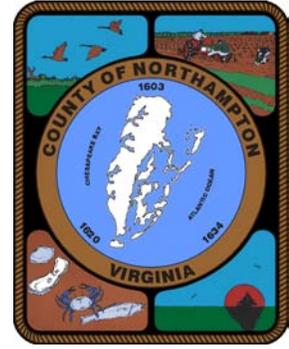


Table 4.4 Vacant Commercial and Industrial Parcels

District or Town	Zoning District	Acres	# of Parcels
Exmore	Commercial	247	138
Exmore	Industrial	72	25
Nassawadox	Commercial	64	43
Eastville	Commercial	3.4	16
Cheriton	Commercial	1.6	8
Cheriton	Industrial	2.8	2
Cape Charles	Commercial	111	101
Cape Charles	Industrial	204	8
County	Commercial	102	121
County	Industrial	82	17

Source: Northampton County GIS

There are over 600 acres of commercial/industrial zoned land within the County and Towns combined on 479 parcels. It is important to note that 394 of those 479 or 82% are less than one acre in size. The largest vacant commercial/industrial parcel in the County is just less than 20 acres. The largest vacant commercial/industrial parcel in the towns is 82 acres in Cape Charles. Cape Charles and Exmore contain 89% of the vacant commercial/industrial parcels in the towns.

Table 4.5 shows the number of building permits issued in Northampton County from 2005-2012 and the total amount for new residential construction and commercial permits. The trend has been declining and is in line with the housing bubble bust. There has been a slow increase in activity since 2011 for residential.

Section 4: Economic Data

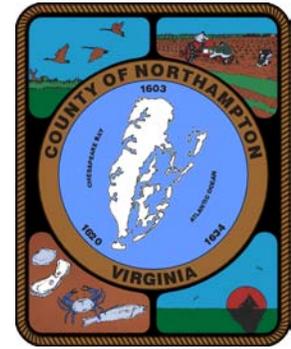
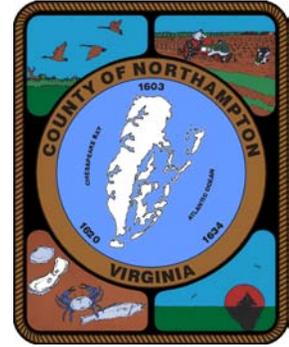


Table 4.5 Building Permits

Year	Type	Number of Units	Cost
2005	Residential	75	\$13,146,100
	Commercial	1	\$250,000
2006	Residential	77	\$27,750,550
	Commercial	3	\$106,000
2007	Residential	75	\$9,129,200
	Commercial	7	\$3,546,625
2008	Residential	50	\$4,945,500
	Commercial	8	\$14,150,000
2009	Residential	15	\$3,305,000
	Commercial	0	0
2010	Residential	27	\$5,255,259
	Commercial	4	\$260,000
2011	Residential	30	\$3,651,583
	Commercial	4	\$548,519
2012	Residential	39	\$6,314,585
	Commercial	2	\$8,500

Source: Northampton County Building Department

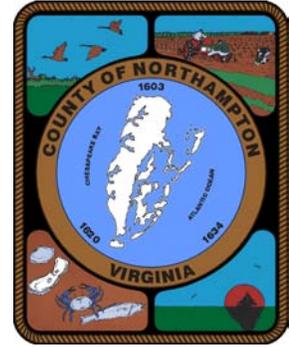
Section 4: Economic Data



Summary:

- The major industry employers in the County continue to be Health Care and Social Assistance, Local Government including the school system, Agriculture (including Aquaculture), Forestry, Fishing and Hunting.
- Health Care and Social Assistance: with both the in-migration of retirees and the increase in the average age of community residents, health care can be expected to remain an important provider of employment opportunities, and not always associated with hospital employment (see Riverside Regional Medical Center information below).
- Agriculture: Although the total number of farms is decreasing there has been an increase in both agricultural acreage and the total market value of production. The industry includes commodity crops, vegetable production, viniculture, silviculture and horticulture.
- Aquaculture (included in the Agriculture figures): Northampton County ranked number 1 in the state and 8th in the country for aquaculture production. The County clam/oyster industry is a year round employer.
- Tourism, because of the County's natural assets, a regional commitment to growing the industry and the proximity to urban areas, has increased dramatically since 2000. Weekly vacation and resort rentals have played a major role in the growth of the industry. Other hospitality and retail businesses have benefited from this growth.
- Scientific research, particularly coastal, estuarine, wildlife habitat and long-term ecological studies, form the basis for the ongoing international importance of the data collected.
- Entrepreneurs, home-based business owners and other self-employed persons remain a significant component within the County's workforce.
- High value residential development, especially waterfront, either for second homes, vacation rentals or full-time retirement, will continue to be an important tax revenue asset base for the County.

Section 4: Economic Data



- The *Community Economic Development for the Eastern Shore: Summit Report*, published by VA Tech in 2007, supported the concept of “asset-based community economic development” for both counties on the Shore. The Report stated, “Leveraging the business and industry assets of a region are a key to a workable strategy for development.” Agriculture, aquaculture, tourism and research rely on the assets and resources of the County.
- Increasing and improving education and job training opportunities will be critical to providing a local workforce for economic development.
- Major changes involving decisions by large local employers will affect the County.
- Riverside Regional Medical Center is the largest employer in the County but it is relocating to Accomack County. It is uncertain what medical facilities will remain in Northampton County and how current employment will be affected.