

SMITH REYNOLDS AIRPORT/ WHITAKER PARK STRATEGIC AREA PLAN

Economic Development Information

Background

The recent donation of the former R. J. Reynolds Whitaker Plant to the Whitaker Park Development Authority (WPDA) and planned improvements to Smith Reynolds Airport have created unique business/industrial growth opportunities in the north central portion of Winston-Salem. This area is within 3 – 4 miles of the Wake Forest Innovation Quarter, Downtown Winston-Salem, Winston-Salem State University, and Wake Forest University, and is also home to many sites suitable for development and redevelopment. More information on the two main economic magnets in this area follow below:

Whitaker Park: The R. J. Reynolds Whitaker Plant was one of the company’s first major post-World War II manufacturing expansion away from its historic downtown operations. This plant was constructed in 1961 and served as R. J. Reynolds premier facility for over 50 years. The 850,000 square foot facility employed over 2,000 people and was at one time the largest cigarette manufacturing facility in the world. In 2017, R. J. Reynolds deeded the 13 building, 1.7 million square foot Whitaker Park campus to WPDA. Whitaker Park is divided into west and east sections totaling 120 acres. Whitaker Park West is composed primarily of the largest former Reynolds building. Cook Medical has purchased 850,000 square feet of building space in Whitaker Park West. The company plans to relocate 650 employees to the park from its current location on Hanes Mill Road.

Whitaker Park East is comprised of 56 acres being subdivided into 10 lots, including five lots containing existing buildings totaling 353,000 square feet and five vacant lots. Two public streets will be constructed in Whitaker Park East: an extension of Shorefair Drive that will end in a cul-de-sac just west of Indiana Avenue, and the construction of a second cul-de-sac to the northeast to be named Assembly Drive. In October 2019, C.A. Harrison Cos. LLC announced a potential \$80 - \$100 million, four-phase project at Whitaker Park East that includes the conversion of historic buildings into 164 loft apartments and the construction of 25,000 square feet of service retail, a 125-room hotel, and 150 new residences. Twenty percent of the residential units in this project are proposed to meet affordable housing guidelines.

Smith Reynolds Airport: Winston-Salem’s airport, which first opened in the 1920s as Miller Municipal Airport, was renamed Smith Reynolds Airport in 1942 after many improvements were made to the Airport using contributions from the Z. Smith Reynolds Foundation. Piedmont Airlines was based at the Airport from 1948 until 1989, when US Air purchased the company and moved operations to Charlotte. Nearly 130,000 flights occurred at Smith Reynolds Airport at its peak in 1963, making it the most active airport in the state at the time.

The airport currently generates 46,000 annual flights on a 775-acre campus with two major runways (runway 15/33 is 6,650 feet long and runway 4/22 is nearly 4,000 feet long). Facilities

at the airport, which is currently owned by Forsyth County, total 775,000 square feet, with a total employment of almost 3,600. Future improvements totaling \$70 million are proposed to occur at Smith Reynolds Airport over the next few years including:

- Construction of a new taxiway Q to parallel runway 15/33 at an estimated cost of \$26 million;
- Construction of a new taxiway L and ramp behind the North State Aviation and Piedmont Propulsion buildings located at the intersection of Liberty Street and Lansing Drive—estimated to cost \$14 million;
- Terminal renovations and hangar development estimated to cost \$21 million;
- Runway reconstruction estimated at a cost of \$8.5 million; and
- Airfield drainage improvements estimated at \$500,000.

Forsyth Technical Community College is also constructing the Mazie S. Woodruff Aviation Lab at Smith Reynolds Airport. The \$16 million facility will be a two-story, 53,000 square foot building with a 12,000 square foot airframe lab. When completed in 2020, the lab will offer two associate degree programs in aviation maintenance.

Economic Development Recommendations

This plan considered this background information as well as citizen comments gathered during the Smith Reynolds/Whitaker Park strategic area plan kickoff meeting and proposes the following recommendations for increasing business/industrial activity in the area. Some of these recommendations are also based on the Winston-Salem Chamber of Commerce-commissioned 2017 study by Aerotropolis Business Concepts, which determined that a mini-aerotropolis (i.e. airport city) could be created in the area between Smith Reynolds Airport, Whitaker Park, and Downtown Winston-Salem/Wake Forest Innovation Quarter. This study concluded that the potential existed to form an “Innovation Triangle” between these three hubs, but many actions needed to take place for this transformation to happen. Several of the study recommendations oriented towards the public sector are expanded upon in this plan to help further their implementation. Other recommendations are included to help attract businesses to the planning area, to offer assistance to existing businesses, and to provide training opportunities to residents in the planning area.

Maximize the benefits of Smith Reynolds and Whitaker Park’s proximity to Downtown Winston-Salem and the Innovation Quarter by strengthening auto, transit, and pedestrian linkages to these areas. Smith Reynolds Airport is located 3 - 4 miles north of Downtown Winston-Salem, a travel time of about 10 minutes by automobile. It is one of a handful of airports in the nation located this close to an urban center. The Chamber of Commerce’s aerotropolis study states *“the aerotropolis emerges where air travelers and locals alike work, shop, meet, exchange knowledge, conduct business, eat, sleep, and are entertained, often without going more than 15 minutes from the airport.”* Business activities can occur at any of the three previously mentioned business hubs while eating, shopping, sleeping, and entertainment can occur Downtown. The recommendations below provide additional detail on this topic:

- **Conduct a Transportation and Telecommunications Assessment of connections between Smith Reynolds Airport, Whitaker Park, and Downtown Winston-Salem/Wake Forest Innovation Quarter.** The aerotropolis report recommends that a Surface Transportation Assessment be conducted for freight, cargo, equipment, and people to identify impediments to business transport between the Airport and Whitaker Park. The assessment needs to be expanded to evaluate access routes between all three hubs in the “Innovation Triangle” and include telecommunications access as well. Included in the assessment should be:
 - **Locations to place wayfinding signs to easily direct visitors by automobile between Smith Reynolds Airport/Whitaker Park and Downtown Winston-Salem/Innovation Quarter.** Five major road connections exist between these areas: Akron Drive, US 52, Liberty Street, Patterson Avenue, and University Parkway, along which signs could be placed to facilitate quick, easy navigation between hubs.
 - **Evaluation of the current transit routes linking the three hubs (Smith Reynolds Airport, Whitaker Park, and Downtown/Innovation Quarter) to reduce travel time and to improve transit stop locations and shelters where needed.** There are four bus routes that travel from the Clark Campbell Transportation Center located Downtown and have stops in the planning area: Bus route 89 travels by the west side of Whitaker Park along N. Cherry Street, while Bus route 91 passes the east side of the Park along Indiana Avenue. Bus route 87 runs along Patterson Avenue with a stop at Akron Drive, and Bus route 98 runs along Liberty Street with a stop at Glenn Avenue. Two additional bus routes (90 and 106) travel to and from the Downtown transit center to Wake Forest University. Employers in these areas should be consulted to see if bus arrival/departure times could be more closely aligned with shift change times of area businesses.
 - **The feasibility of utilizing intermodal rail to air service for Smith Reynolds Airport.** Major rail sidings exist between N. Liberty Street and Glenn Avenue. An assessment needs to be done to determine if intermodal rail to air service is feasible for Smith Reynolds Airport. Does a rail connection exist between Whitaker Park and the airport? Is there enough demand for intermodal service to consider extending a rail spur onto airport property?
 - **The feasibility of providing state-of-the-art telecommunications between the three innovation hubs.** The aerotropolis study emphasizes, *“in today’s new speed-driven economy, businesses demand access to state-of-the-art telecommunications services to support redundant, real-time tracking and communication.”* Fiber optic cable and a strong internet connection are needed in these areas.
 - **The feasibility of extending the Innovation Quarter Rail with Trail greenway from the Innovation Quarter to 25th Street, and continuing it northward to Liberty Street and Smith Reynolds Airport.** This trail is mentioned as a long-term project in the 2014 Wake Forest University Area Bicycle, Pedestrian, and Transit Study.

Improvements to Smith Reynolds Airport and the surrounding area can lead to an enhanced aesthetic gateway to Winston-Salem. The aerotropolis study indicates, *“the visual impact of Smith Reynolds Airport forms the first and often last impression for air visitors of all types to Winston-Salem.”* The Airport, Liberty Street, Akron Drive, and the immediate vicinity do not currently give the impression of an area that is vibrant, thriving and growing. Several improvements should help to reverse this image and are addressed in the following recommendations:

- **Expedite planned airport terminal renovations and new hanger development.** The proposed \$21 million renovation of the airport terminal and the construction of a new hangar needs to begin as soon as feasible to reflect new investment in the planning area. New airport signage should be included as part of these renovations to enhance the external appearance of the property.
- **Hire a consultant to prepare a comprehensive streetscape plan along Akron Drive and Liberty Street between Whitaker Park and Smith Reynolds Airport.** The streetscape plan should include sidewalks, street furniture, bus shelters, crosswalk locations, bike lanes, landscaping with a large variety of trees, and decorative street lighting, along with cost estimates for these improvements.
- **Resurface Akron Drive as a three-lane facility to better accommodate truck traffic with a center turn lane.** The repaving and restriping of Akron Drive in conjunction with installation of streetscape elements will change the appearance of Akron Drive. The aerotropolis study also recommends the widening of Akron Drive, but such a project could have a detrimental impact on adjacent properties, as they would lose developable land and possibly a few existing structures. The bridge replacement project on Akron Drive, expected to be complete in late 2020, proposes a 2-lane road crossing with sidewalks on both sides.
- **Encourage construction of 10,000 - 15,000 square foot multi-tenant “flex space” buildings on the south side of Akron Drive, and along Liberty Street north of US 52.** There are a couple of vacant 1 to 2 acre parcels on Akron Drive and a re-developable property on Liberty Street that are ideal locations for the construction of small flex space buildings. Flex space is a term commonly used to describe non air-conditioned warehouse space, mixed with office or showroom space that is air-conditioned. Tenants can “flex” into larger or smaller air-conditioned spaces as needed through upfitting the building shell or through moving interior walls. These buildings are often multitenant with a loading door in the rear of each space. No outdoor storage of materials is recommended for these small buildings so that they can be compatible with surrounding neighborhoods. Small flex space buildings would be an excellent asset in this area, particularly for aerospace- or innovation-related start-up companies. As these start-ups grow over time and need more space, they can amass multiple tenant spaces in the flex building or move to a larger space in another location.
- **Offer incentives for the construction of new industrial buildings on the south side of Akron Drive, Liberty Street north of US 52, or in Brookwood Business Park.** Some level of local monetary incentive could be made available to developers willing to build new

speculative or client-based flex-space buildings in these areas, payable upon obtaining a Certificate of Occupancy for the building. The incentive can be recouped through the increased taxes generated from the capital investment in the building and from the multiplier effect of new job recipients purchasing goods and services in the local area.

- **Ensure appropriate zoning exists, with appropriate building material restrictions where feasible, for new business/industrial development along the south side of Akron Drive, Liberty Street, Glenn Avenue, and other business corridors in the planning area.** Planning staff should support rezoning to business or industrial zoning districts where appropriate in accordance with adopted land use plans. When rezonings are required, planning staff should discourage the use of completely metal-sided buildings, except where a special use zoning site plan demonstrates such buildings would not be visible from public streets and residences. These rezonings should also seek to minimize impacts to adjacent residential areas through buffering, fencing or other means.
- **Rebrand Brookwood Business Park to include “Airport” in its name and erect an identification/directional monument sign on Liberty Street.** Many people interviewed as part of the Chamber’s aerotropolis study had not heard of Brookwood Business Park or did not know where it is located. The business park was originally named Airport Business Park, but was renamed to Brookwood Business Park to honor the neighborhood that existed prior to their removal for the business park. There should be a way to add ‘airport’ to the park name without removing “Brookwood” from the title. The second issue is that the entrance to the business park is hard to locate, particularly for visitors. There should be an attractive 6-foot high entrance/directional monument sign for the park erected along Liberty Street. An easement may need to be obtained if the business park does not currently have frontage on Liberty Street.
- **Improve and maintain the appearance of buildings and sites in the planning area through code enforcement, rezoning requests, the change of use process, or other programs.** Enhance the general appearance of the area by encouraging citizens to report issues with weeds, junk, abandoned vehicles, and other nuisances to City staff, and by improving unsightly areas that do not meet current code requirements through rezoning requests, or change of use permits. The City’s Revitalizing Urban Commercial Areas (RUCAs) program is available to help businesses located in the Northside Shopping Center or at Ogburn Station to finance building or site improvements.
- **Discourage undesirable businesses that would detract from the area attracting and retaining innovation-related businesses.** Businesses with significant outdoor storage of materials and automobile sales lots should be discouraged in the area through their prohibition in rezoning requests, where possible. Such businesses would have a negative impact on area appearance.

Recruit aviation/aerospace-related businesses to Smith Reynolds Airport, Whitaker Park, Brookwood Business Park, and nearby business areas. The aerotropolis study finds “unparalleled proximity to local businesses, medical centers, the innovation quarter, and the

broader PTI-based logistics resources elevates business aviation as the best opportunity for Smith Reynolds Airport to distinguish and leverage its contribution to the regional economy.”

A recent report from Winston-Salem’s Venture Café discusses the opportunity to attract an aerospace innovation hub to Winston-Salem. The report suggests that by establishing an “aerospace center of excellence” in the Innovation Quarter and creating a first-of-its-kind specialized FAA certification acceleration office at Smith Reynolds Airport, Winston-Salem could entice local engineers, software developers, and biochemists to generate start-up companies in the electric vertical takeoff and landing (eVTOL) aircraft and in the drone industries---technologies that represent the future of flight. Such start-ups are possible by additive manufacturing (such as 3-D printing applications using different 3-D composite materials) that makes the prototype production of such technology more rapid, less expensive, and more malleable.

- **Local and regional business recruiters should regularly attend aviation- and aerospace-related trade and exhibit shows.** Targeted air commerce businesses include aircraft/aerospace manufacturers, aircraft/aerospace equipment parts manufacturers, air cargo services, aircraft/aerospace maintenance, aircraft/aerospace avionics (electronics), and flight instruction schools. Joint recruitment of these businesses by Winston-Salem and Greensboro-based organizations should be complementary, with larger-scale projects being steered toward Piedmont Triad International Airport and smaller-scale projects being directed toward Smith Reynolds Airport.
- **Develop marketing materials promoting the “Innovation Triangle” (Smith Reynolds Airport, Whitaker Park, and Innovation Quarter/Downtown) for prospective companies and clients.** Promotional materials should be developed to showcase the unique combined assets of the Airport, Whitaker Park, and the Innovation Quarter/Downtown.
- **Maintain a frequently updated on-line inventory of newly available business/industrial buildings and sites within a 1 – 2 mile radius of Smith Reynolds Airport.** The Winston-Salem Chamber, through Winston-Salem Business, Inc., should be maintaining awareness of available business/industrial sites for all of Winston-Salem and Forsyth County. It will be important to keep updated on-line newly available spaces within a 1 – 2 mile radius of Smith Reynolds Airport beyond Whitaker Park and Brookwood Business Park. This radius includes buildings and sites within the Perimeter Point Business Park located between Patterson and Indiana Avenues and the heavier business/industrial uses located along Patterson Avenue from Motor Road south to US 52. This inventory should also identify existing buildings that could be repurposed and underutilized sites that could be easily rezoned.
- **Publicize the City’s NRSA Commercial Real Estate Listing Service to Commercial/Industrial Brokers for the strategic planning area**—The Neighborhood Revitalization Strategy Area (NRSA) Commercial Real Estate Listing Service aims to highlight existing properties that are available for lease or sale along major thoroughfares within the NRSA in an effort to boost marketing efforts and investment interest. This program, administered by the City’s Office of Business Inclusion and Advancement (BIA),

offers a \$1,000 - \$2,000 vendor fee to real estate agents and CDCs that successfully lease or sell commercial properties listed with this program.

Cultivate the job skills of area residents of all ages. The aerotropolis study states “*workforce development and jobs creation are inextricably tied and need to engage all levels of education, with a focus on local youth. The Forsyth Tech Aviation Lab is a good and necessary start but efforts need to reach back to middle/high schools, especially those in central and east Winston-Salem, to generate interest in aviation-related careers.*”

- **Encourage the creation of a coordinated curriculum between high school students attending Winston-Salem/Forsyth County Schools and Forsyth Technical Community College regarding aviation/aerospace-related job training.** A joint program between WSFCS and Forsyth Tech could offer classes that allow students to earn credits toward aerospace/aviation-related licenses or certificates so that upon graduation, high-school students could already have multiple class-credits upon enrolling in Forsyth Tech. Classes could be offered at Carver or Atkins High School, with priority enrollment given to students living in the surrounding area. The proximity of these high schools would also allow for outreach visits to Smith Reynolds Airport and the Forsyth Tech Aviation Lab.
- **Offer scholarships to workers residing in low- to moderate-income areas to attend and earn associate degrees from Forsyth Tech in aviation maintenance or other innovative work training programs.** This idea builds upon the newly announced Winston-Salem “Hope and Opportunity Scholarships” program that will offer recent low- to moderate-income high school graduates conditional free tuition at Forsyth Technical Community College. The program could offer scholarships to high school graduates over the age of 21 living in low-income areas the opportunity to attend Forsyth Tech worker training programs free of charge. Publicize both of these programs to area residents.
- **Encourage the recruitment of area residents to fill new jobs that pay a living wage.** The ability of new companies to employ nearby residents can help raise the area’s standard of living. The inclusive and equitable distribution of jobs to people of all economic levels is critical for the well-being of the whole community. One possible approach is to consider offering job creation incentives for companies that hire area residents for jobs that pay a living wage. For example, a company within this area could receive an annual job creation incentive (e.g. \$2,000) for each person living in the city’s NRSA that works a minimum number of hours (e.g. 1,250) earning a living wage (e.g. at least \$15.00 per hour) for a period of time (e.g. 5 years). The time-period should be long enough to allow qualified employees to establish a reliable work record to remain employed after the incentive period is over.

Inform existing business owners of available business assistance programs offered by the City of Winston-Salem. The programs can be publicized to area businesses by direct marketing or by holding information sessions about the program within the strategic planning area. The current programs to assist existing businesses include:

- **Building Improvement Rehabilitation Program**—This program, administered by the BIA Office, was designed to provide private building owners with incentives to rehabilitate commercial and industrial properties anywhere in the NRSA outside of Downtown Winston-Salem. The City provides up to \$10,000 in funding, based on the amount of the proposed private investment. The loan repayment is deferred for up to three years and the balance is forgiven if the property has been properly maintained.
- **Small Business Loan Program**—This program, administered by BIA Office, provides financial assistance to small businesses that create or retain jobs for low- and moderate-income persons. The business or industry must be located within or do work in the NRSA. Funds may be used to purchase, build or rehabilitate structures; to purchase equipment and fixtures; or for operational funds. Loans are only made to businesses unable to secure financing from conventional lenders. Loans averaging \$50,000 are provided at the prime rate plus 1% interest for up to a 10-year term and must be secured with collateral. A feasible business plan must be submitted as part of the loan application process.
- **Business Training Program**—This program, administered by BIA staff, is a 9-week training course that provides entrepreneurs with basic skills to own and operate a small business. Participants learn how to write a business plan, and deal with legal matters, insurance, management, marketing, zoning and building permits, and other issues. The program is offered free of charge to minority and women business owners, low-income persons, or employers of low-income persons. Approximately 30 people participate in this program each year, which is held from mid-October to mid-December.
- **Revitalizing Urban Commercial Areas (RUCAs)**—RUCAs are specially identified underutilized and blighted commercial areas in need of financial assistance to reverse disinvestment trends. An overall strategy has been developed for RUCAs that includes making public improvements in conjunction with private site improvements using a combination of city and business owner funds. Three locations within the planning area are designated as RUCAs: Northside Shopping Center, Ogburn Station, and the N. Cherry Street/Polo Road intersection. The BIA Office administers the RUCA program in consultation with other City staff, including assistance from Planning and Development Services.