

Campbell County Economic Development Commission

August 19, 2004

The regular meeting of the Campbell County Economic Development Commission was held on Thursday, August 19, 2004 in the Campbell County Library Conference Room, Rustburg, Virginia.

Members Present:

William Anderson

William E. Calohan, III

G. Michael Damron

Herbert Guthrie

O. Richard Metz

William F. Overacre

Lester Wooldridge

Those Absent:

Donald E. Atkins

Marvin L. Clements

Kyle S. Rosser

Frank A. Wright

Also Present:

R. David Laurrell, County Administrator

J. Michael Davidson, Economic Development Director

Bryan Foster, Altavista Town Manager

Jamie Banton, Administrative Assistant

Chairman Richard Metz called the meeting to order at 12:05PM. The June 17, 2004 meeting minutes were approved as presented.

For informational purposes, the Commission was provided a Project Updates Report. Mr. Davidson briefly reviewed the items listed on the report.

// Mr. Davidson stated that during the Comprehensive Economic Development Strategy process in 2003, the consultant recommended that a representative from the Agricultural community be as a member of the Campbell County Economic Development Commission. Mr. Davidson suggested that the Commission consider Walter Bass, the agricultural representative for the CEDS process, for the first term. After the first term, the Campbell County Farm Bureau could make recommendations to the Board regarding the person they feel should sit on the Commission. The Commission members agreed with Mr. Davidson's suggestion. The Campbell County Economic Development Commission recommended that staff request the Board of Supervisors add an agricultural representative to the Commission and to request Mr. Walter Bass to serve the first term of that position.

// Next, Mr. Davidson presented the Commission with a copy of an article, "The Skinny on Local Incentives," published by the Southern Economic Development Council on July 16, 2004. The article stated the results of a recent survey of local communities' economic development efforts. Mr. Davidson noted that the average return on investment (ROI) used when calculating incentives is much longer than the 2-3 year ROI

used in Campbell County. The Commission members expressed concern that a lengthier return on investment calculation may be risky because new companies may close before the investment has been recaptured. Mr. Davidson explained that many communities use multi-year incentive payments. In addition, if incentives are based upon Machinery & Tools taxes, the company can pay the taxes each year and then receive a grant based upon the amount paid. Mr. Davidson also suggested that obtaining rights to the first lien on property may also offset the risk of longer returns on investment. Also, Mr. Davidson stated that while state incentive funding in North Carolina and South Carolina continues to increase, Virginia funding has decreased.

// Mr. Davidson presented the Commission with a map of the proposed Altavista – Campbell County Enterprise Zone and Sub-Zone. The purpose of an Enterprise Zone is to help relieve distressed areas. The Board of Supervisors approved the submission of a 2004 Enterprise Zone Designation application that is due October 1, 2004.

The proposed zone area includes the Dearing Ford Business & Manufacturing Center and other Campbell County land adjacent to Altavista, the Altavista Industrial Park, A.O. Smith Building, Moore's Electric, Schrader-Bridgeport, BGF Industries, the Lane Company buildings and the Main Street District of Altavista. The sub-zone area includes the Thomasville Building, Brookneal – Campbell County Industrial Park, Brookneal Chips and other industrial property in Campbell County near Brookneal.

On a motion by Mr. Overacre, seconded by Mr. Anderson and duly adopted, the Campbell County Economic Development Commission resolves to support the proposed Altavista – Campbell County Enterprise Zone and Sub-Zone boundaries as presented. The motion passed by unanimous vote.

// In addition to the proposed boundaries, Mr. Davidson presented the Commission with a list of the Enterprise Zone incentives to be included in the application. Mr. Davidson stated that the Commission should understand that the successful applicants in the last round calculated incentives based upon a 7-10 year return on investment. In addition, the incentives offered must tie into the barriers identified in the application. The Commission discussed each incentive presented, and the group recommended changing the qualification requirement under Economic Stimulus Grant from five to three years for consistency with other incentive language. Some Commission members recommended that Campbell County should offer more incentives, but not lower standards, specifically in regards to the Employment Credit Grant.

On a motion by Mr. Calohan, seconded by Mr. Laurell and duly adopted, the Campbell County Economic Development Commission resolves to support the proposed Altavista – Campbell County Enterprise Zone and Sub-Zone incentives with the recommended changes. The motion passed by unanimous vote.

Following a general discussion of the before-mentioned matters and with no other items presented for consideration, the meeting adjourned at 1:25PM until Thursday, October 21, 2004 at 12:00PM.

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