

**Campbell County
Economic Development Commission Meeting**

June 11, 2015

The regular meeting of the Campbell County Economic Development Commission was held on Thursday, June 11, 2015, in the Campbell County Citizen Services Building Conference Room, Rustburg, Virginia.

Members Present:

Lester Wooldridge, Chairman
William Anderson
Hugh Bragg
Richard Carroll
Frank Davis, CCUSA
Kevin Davis
Willie Jones
Richard Metz
Scott Tweedy

Also Present:

Mike Davidson, Director of Economic Development
Sarah Johnson, Program Manager, Economic Development
Kristin Wright, Staff Attorney
Tina Barbour, Administrative Assistant, Public Information Specialist

Members Absent:

Kathy Carson
Travis Griffin
Robert Maslow

Mr. Lester Wooldridge called the meeting to order at 12:04 p.m.

Mr. Wooldridge asked if there were any comments or corrections to the minutes from the meeting on March 12, 2015. No corrections were made. A motion was made by Mr. Richard Metz and seconded by Mr. Scott Tweedy to approve the minutes, and the vote to approve was unanimous.

Mrs. Sarah Johnson gave the following project updates:

Industrial Prospect Activity/ Marketing

We continue to work with a number of existing businesses on potential expansion projects as well as several new attraction opportunities. I'm working with 14 projects and compliance monitoring on 5 other projects, see below:

Industrial Projects

- **Hub Scrap-** Work continues to demo buildings and clear site for future industrial development.
- **Project Auto-** existing company expansion.

VEC tracking shows 1,415 unemployed persons in Campbell County in March.

Mr. Davidson made a note about Project Aurora. He said the state economic development office had been in touch with him within the last week. They have not heard from the German company considering Campbell County, but they are not considering the company out of the picture.

Regarding Schrader Bridgeport, Mr. Davidson said it had been purchased by Sensata, and he had traveled to Boston to meet with the new company. He had advised Sensata that Campbell County was happy to have the company within the county. He said Sensata had a long-term commitment to the company.

Mr. Metz asked where Project Ammo was looking for a site. Mr. Davidson said they were first looking at Commerce Park. The business didn't need visibility on a main access road but didn't want to be far from the Lynchburg Regional Airport.

Mr. Metz also asked where Southside Electric was looking. Mr. Davidson said the business already had a location in Altavista and was looking in that area. He said Southside served Bedford County and Pittsylvania County in addition to Campbell County, so he was pleased that the business was looking for a location in Campbell County.

Mr. Davidson reviewed topics discussed during the last EDC meeting:

Mr. Davidson said the incentives offered by Campbell County were somewhat conservative, but so far the county had not lost a project solely because of a lack of incentives. The county did not usually go after projects that were heavily incentive-driven.

He said the Campbell County Board of Supervisors continued to follow a two-year return on investment. Some localities were making the time period for return on investment longer, and the committee might want to revisit the issue for a recommendation to the Board.

Mr. Davidson said the county had very few funds allocated for economic development funding. The website was the main way it marketed the county, and they strived to make it the best it could be. Eighty percent of projects were now led by consultants. With that in mind, this year the county was partnering with the Lynchburg Economic Development Office and the Altavista Economic Development Office to hire a Richmond marketing firm, 310 Ltd., to look for prospects. Because the consulting business was located in Virginia, he hoped it would bring in more East Coast prospects. The consulting business would qualify a project and company and then arrange a meeting if the county believed they had something that would match the needs of the prospect. By contract, the marketing business will provide at least six prospects for either a face-to-face meeting or a conference call or Skype call.

Included in the 2016 marketing plan for Campbell County were the following:

- Website upgrade
- Electronic and printed marketing material for industrial/commercial and tourism destinations
- Partner with consultants for leads/prospects
- Utilize print and web media to promote sites
- Revise Target Market/Cluster Sector list
- Matrix redesign for measuring ad effectiveness

- Partner with Town of Altavista and Town of Brookneal
- Continue partnership with City of Lynchburg Economic Development Office
- Attend identified Target Market Sector trade shows.

Mr. Davidson said workforce training was key to economic development. Right now, Virginia required a new business to hire 25 new employees and a \$1 million capital investment before providing assistance with workforce training to the business through the state program. He noted that many businesses were willing to pour millions into upgrades, but that didn't necessarily lead to a need for more employees, and that the state recognized this. But the state kept the requirements as a way to use the limited funds.

Mr. Davidson said the Workforce Investment Board, or WIB, was changing to Workforce Innovation and Opportunity Act, or WIOA as of July 1. Funding would focus on people for whom it was difficult to find jobs—"disparaged workers" and those affected by NAFTA. He said the WIB, or WIOA, would set up a nonprofit corporation that would be a workforce training entity that would not have to follow the same guidelines.

Technical training was now very important in light of the job market. A four-year degree was less important for the job market. For example, nowadays a person with a certificate in welding could potentially make more in salary than a person graduating with a bachelor's degree in psychology.

Mr. Willie Jones asked what role the community colleges could play in workforce training in the region. Mr. Davidson said Central Virginia Community College was doing the best it could. One potential problem was that CVCC got more state aid for those getting associate's degrees than those in certificate programs. The state recognized the problem and work was being done to equalize that. The governor has advised the secretary of education that Virginia is behind in workforce training and needs to catch up.

Mr. Richard Carroll asked how much Liberty University was expected to expand into Campbell County. Mr. Davidson said the new medical school was in Campbell County and a lot of student housing. He said the university would continue to expand into the county down the 460/29 corridor.

Mrs. Johnson reviewed Industrial Policies, Part III-Infrastructure:

Broadband

- Critical for communities to attract and support new and/or existing businesses.
- Board Adopted Policy: Business, Public Safety, "Last Mile"
- Mid-Atlantic Broadband
- Fiber, Wireless, Satellite
- Industrial Parks, Corridors covered
- Agricultural not covered

Broadband Initiative

Virginia's Region 2000 Broadband Infrastructure Study, Spring 2008: Identify broadband and create a tool to show what's available.

Brookneal 501 Corridor Wireless Broadband Internet Systems, Fiscal Year 2008: Evaluate effectiveness and potential expansions into underserved areas.

Broadband Assessment, Fiscal Year 2009: Assess current broadband state of services, providers and pricing.

Broadband Strategy, Fiscal Year 2010: Strategy to implement recommendations of assessment. Mrs. Johnson explained the terms “middle mile” and “last mile.” An example of a provider of the middle mile would be Mid-Atlantic Broadband, which owned its own fiber. An example of a provider of the last mile would be Shentel, which connected the fiber belonging to Mid-Atlantic to the home or business.

Mr. Davidson said the Board of Supervisors had looked at broadband and knew that it was important to economic development. It had adopted a policy that government funding for broadband would be only for industry and public safety. The supervisors believed the “last mile to a home” was not what government money should go toward. Mr. Davidson noted that 80 percent of Campbell County was zoned agricultural. He said the Board of Supervisors could change its broadband policy, and supervisors were getting some heat from citizens about the lack of availability of broadband. He said the biggest complaint was not that they couldn’t get connected, but that they couldn’t get what they wanted. For example, they might have access to Verizon but not Shentel, or they might want more gigabytes but not want to pay more for them.

Mr. Jones asked how many people in Campbell County worked at home and might benefit from wider broadband access. Mr. Davidson that was hard to count and there was no way to get an accurate count. Also, people working out of their homes provided no revenue stream into the county to help offset an extension of broadband. He said wireless was the only cost effective way to provide broadband in the county. Seven towers were needed to close the gap in Campbell County at a cost of about a quarter-million dollars each.

Regarding cell phone towers, Mr. Davidson said cell phone towers were going up not for lack of coverage but for lack of capacity. The use of smartphones was driving up the need for capacity.

Mr. Jones asked how broadband was being offered—through cell providers, satellite providers, and cable? Mr. Davidson said land line phones also helped to meet wireless needs. Libraries in the county had public access computers that people could use for wireless needs, but he wasn’t sure if the bandwidth always fit the customers’ needs.

Mr. Davidson said Mid-Atlantic had been funded by the Tobacco Commission. Much of the area it served was the same area where tobacco was raised. Mid-Atlantic was willing to make a last mile connection for just one client, but businesses like AT&T were not.

Mrs. Johnson continued with her review of infrastructure in Campbell County with transportation. With roads, Campbell County had access to U.S. Route 29, U.S. Route 460, and U.S. Route 501. With rails, the county had access to Norfolk Southern and CSX. And with air, the county had access to Lynchburg Regional Airport and Brookneal-Campbell County Airport. Sometimes prospective businesses preferred interstates, but a four-lane highway was good too. The Lynchburg airport provided flights in and out of Charlotte.

Mrs. Johnson reviewed the list of utilities that served Campbell County. Dominion Power, American Electric Power, and Southside Electric Cooperative provided power. CenturyLink and Verizon provided telephone service. Shentel and Xfinity provided cable. And Campbell County Utilities and Service Authority, the Town of Altavista, and the Town of Brookneal provided water and sewer.

Mrs. Johnson also reviewed the buildings available in Campbell County: Dan River, Seneca Virtual Building, and Dearing Ford Virtual Building.

Regarding new cell towers, Mr. Metz said there was a new one going up in Concord.

Kristin Wright reviewed chapter 8 (Erosion and Sedimentation – Stormwater Management) and chapter 9 (Finance and Taxation) as part of the County Code Review.

Regarding chapter 8 of the Campbell County Code, Mrs. Wright said that the Virginia Department of Environmental Quality (DEQ) had reviewed the ordinance to ensure that it met what the state decreed. The county was required to submit the ordinance to DEQ before being approved. So the county would not want to change anything in that chapter.

Mrs. Wright said that not much change could be made in chapter 9 of the code, Article 1, which included the finance board and the standard for equalization:

- Article I. In General.**
- § 9-1. Abolition of finance board.**
- § 9-1.01. Applications for equalization of real estate assessments; deadlines for application; final disposition by Board of Equalization; notice requirement re deadline; subsequent reassessments at four-year-intervals.**
- § 9-1.1. Fee imposed for passing bad checks to County of Campbell.**
- § 9-1.2. Penalty and interest imposed for delinquent payment of tax.**
- § 9-1.3. Penalty and interest for failure to pay accounts when due.**

She wouldn't recommend changing 9-2.2 even though it was discretionary. She would not want to guess what impact changes would have.

- Article II. Recordation and Probate Taxes.**
- § 9-2. Recordation tax imposed; amount; collection.**
- § 9-2.1 Reserved.**
- § 9-2.2 Probate tax imposed; amount; collection.**

Mrs. Wright said the funds that came in from Article III were helpful.

- Article III. Taxes and Assessments on Certain Actions in County Courts.**
- § 9-3. Reserved.**
- § 9-3.1. Assessment for courthouse construction, renovation or maintenance imposed; amount, disbursement.**
- § 9-3.2. Assessment for courtroom security imposed; amount; disbursement.**
- Article IV**

Regarding Article IV, Mrs. Wright said the ordinances were optional but would have a negative effect on the general fund if they were changed.

- Article IV County Sales and Use Tax.**
- § 9-4. Amount; applicable brackets of prices; discount; exclusions and exemptions.**

- § 9-4.1 Exemption for artificial or propane gas, firewood, coal or home heating oil used for domestic consumption.**
- § 9-5. Administration and collection.**

Regarding Article V-(A), Mrs. Wright said she would not recommend a change to land use taxation. People packed the meeting the last time it came up. Getting rid of the land use taxation would increase the General Fund but would be a tax increase for a lot of people.

Article V-(A). Land Use Taxation.

- § 9-7.1. Purpose; exception as to applicability.**
- § 9-7.1:1. Special classifications of real estate established and defined.**
- § 9-7.2. Application by property owners for assessment, etc.; fee; continuation of assessment, etc.**
- § 9-7.2:1. Removal of parcels from program if taxes are delinquent.**
- § 9-7.3. Determination to be made by the Commissioner of the Revenue before assessment of real estate; duties of certain state officials; remedy of person aggrieved by action or nonaction of such officials.**
- § 9-7.4. Valuation of real estate; values placed on land book.**
- § 9-7.5. Change in use or zoning of real estate assessed under article; roll-back taxes.**
- § 9-7.6. Failure to report change in use; misstatements in applications.**
- § 9-7.6:1. Separation of part of real estate assessed under this article; contiguous real estate located in more than one taxing locality.**
- § 9-7.7. Applicability of state law regarding local levies and assessments.**
- § 9-7.8. Effective date of article.**
- Article VI. Real Estate Tax Exemption for Certain**

Mrs. Wright said that Article VI was optional, but the county politically would probably not want to change it.

- Article VI. Real Estate Tax Exemption for Certain Elderly Persons and Disabled persons.**
- § 9-8. Purpose.**
- § 9-9. Definitions.**
- § 9-10. Exemption subject to certain restrictions and conditions; definition of "income."**
- §9-10.1. Prorated tax exemption.**
- § 9-11. Application for exemption. exemption amount.**
- § 9-11.1. Absence from residence.**
- § 9-11.2. Effective date; change in circumstances.**
- § 9-11.3. Notice of real estate tax exemption program for elderly and handicapped.**
- § 9-12. Penalty.**
- § 9-12.1. Effective date.**

Mrs. Wright said Article VII involved optional exemptions. She recommended that Article VII (A) be kept because it helped those doing assessments. Article VII (B) was all optional, but it encouraged people to rehabilitate existing buildings.

- Article VII. Personal Property Tax.**
- § 9-13. Exemption of certain personal property from taxation.**
- § 9-13.1. Classification of household appliances in rental property.**

§ 9-14. Exemption of certain farm animals from personal property taxation.
§ 9-14.01 Exemption of certain farm machinery or farm equipment from personal property taxation.

Article VII - A. Assessment of New Buildings Substantially Completed.

§ 9-14.1. Assessment of new buildings substantially completed.

Article VII - B. Other Exemptions, Credits, Partial Abatement, Apportionments of Real Estate Tax.

§ 9-14.2. Abatement of levies on buildings razed, destroyed or damaged by fortuitous happenings; exceptions.

§ 9-14.3. Partial exemption for certain rehabilitated, renovated or replacement commercial or industrial structures.

Mrs. Wright said Article VIII was not optional. It was required by the state.

Article VIII. Pollution Control Equipment.

§ 9-15. Exemption from taxation.

She said Article IX was optional.

Article IX. Bank Franchise Tax.

§ 9-16. Imposed; effective date.

Mrs. Wright said Article X was a useful statute. It gave direction to the sheriff on how to handle those matters.

Article X. Disposition of Unclaimed Personal Property.

§ 9-17. Disposition of unclaimed personal property in possession of Sheriff.

§ 9-18. Disposal of unclaimed firearms or other weapons in possession of Sheriff.

Mrs. Wright said the transient occupancy tax, addressed in Article XI, was fairly new and was optional.

Article XI. Transient Occupancy Tax.

§9-19 Levied

§9-20 Exemptions

§9-21 Collection Generally

§9-22 Collection Procedure

§9-23 Violations

§ 9-24 to §9-25. Reserved.

Mr. Davidson noted that the amount of revenue raised through the transient occupancy tax should increase of hotel rooms within the county.

Mrs. Wright said Article XII, B and C, were optional.

Article XII. Consumer Utility Taxes.

Division A. Reserved.

[Repealed Effective January 1, 2007]

§ 9-26 to §9-34. Reserved.

Division B. Tax on Consumers of Electricity.

§ 9-35. Definitions.

- § 9-36. Tax levied; amount; limitations.
- § 9-37. Exemptions.
- § 9-38. Duty of provider of billing services to collect, report, and remit; commission allowed.
- § 9-39. Records of providers of billing services.
- § 9-40. Duty of Treasurer to collect and deposit.
- § 9-41. Failure of consumer to pay tax; violations of ordinance by provider of billing services.
- § 9-42. Severability.
- § 9-43. Effective date.
- Division C. Tax on Consumers of Natural Gas.
- § 9-44. Definitions.
- § 9-45. Tax levied; amount; limitations.
- § 9-46. Exemptions.
- § 9-47. Duty of pipeline distribution company or gas utility to collect, report, and remit; commission allowed.
- § 9-48. Records of pipeline distribution companies and gas utilities.
- § 9-49. Duty of Treasurer to collect and deposit.
- § 9-50. Failure of consumer to pay tax; violations of ordinance by pipeline distribution company or gas utility.
- § 9-51. Severability.
- § 9-52. Effective date.

Mrs. Wright said much of what was in chapter 9 was optional. She did not know if the Board of Supervisors would choose to take up any for discussion any of the statutes. But members of the commission were free to make suggestions. No one gave any suggestions.

Mr. Davidson noted that Campbell County Administrator Frank Rogers was not able to be at the meeting. He turned the meeting back over to Mr. Wooldridge.

Mr. Wooldridge asked if anyone had any matters to discuss. None were brought up. A motion was made to adjourn the meeting by Mr. Metz and seconded by Mr. Carroll. The meeting adjourned at 12:52 p.m.

The next meeting of the Economic Development Commission will be on Thursday, August 13, at 12 p.m. in the Campbell County Citizen Services Building Conference Room.