

**Campbell County
Economic Development Commission/CEDS Committee**

August 13, 2015

The regular meeting of the Campbell County Economic Development Commission was held on Thursday, August 13, 2015 in the Campbell County Citizen Services Building Conference Room, Rustburg, Virginia.

Members Present:

Lester Wooldridge, Chairman
Hugh Bragg
Richard Carroll
Willie Jones
Kevin Davis

Also Present:

Mike Davidson, Director of Economic Development
Sarah Johnson, Program Manager, Economic Development
Bre Davis, Administrative Assistant, Economic Development
Kristin Wright, Campbell County Staff Attorney

Member Absent:

Scott Tweedy
Robert Maslow
Richard Metz
William Anderson
Kathy Carson
Travis Griffin
Frank Davis, CCUSA

// Lester Wooldridge called the meeting to order at 12:05 p.m.

// Mr. Wooldridge asked the members if they had any comments or corrections to the minutes from the previous meeting, held on June 11, 2015. No corrections were made and a motion was made by Mr. Willie Jones and seconded by Mr. Richard Carroll to approve the minutes.

Mrs. Johnson then gave the project updates:

Industrial Prospect Activity/ Marketing

We continue to see activity from new attraction perspective. We have engaged a new marketing initiative with a firm out of Richmond, 310 LTD, who is bringing us leads. To date, we have 2 active leads from them and have a 3rd call scheduled for later in August. We continue to work with a number of existing businesses on potential expansion projects. I'm working with the following existing industry/business projects.

- **Hub Scrap-** The demo work on the former Lane Company continues. Hub Scrap sold off a portion of the metals buildings near the Town treatment plant.

- **Wards Crossing West/Tom Comparato-** No communications within the last month or so but believe office/retail space being planned near CarMax.
- **Shentel-** working on installing a new entrance sign at the gateway to our commerce park that will allow 6 tenants to advertise their location.
- **Project Goose-** Haven't heard from them in while, not sure what their status is.
- **Project Red Head-** Working with developer to build a fast food restaurant, very close to a decision but still in due diligence period. A new problem has popped up regarding natural gas which presently is not available.
- **Project Chilies-** Working with a developer on a restaurant on the lot between the two hotels on Wards Road. My belief is it's going to happen but waiting on the final commitment.
- **Schrader Bridgeport-** Recently purchased by a new company Sensata. I accompanied Altavista ED Director and a small delegation including state folks to Boston on a corporate visit. Visit was very productive.
- **Southside Electric-** Looking for new site to relocate to.
- **Project Aluminum-** American Company looking for foundry site.
- **Project Aurora-** German Foundry, The Company has eliminated Virginia and our site from consideration. Feedback is they were concerned with potential environmental issues since site is a brownfield site. I also learned they found a valuable resource/raw material in the great lakes region.
- **Project LEKTRO-** I went to Oregon to visit LEKTRO. It was a productive trip as I kept us in consideration. LEKTRO likes the area but not the site we proposed. We're working on alternatives for the project involving land the Lynchburg airport owns.
- **Project Reserve-** We are out of consideration for this project. They have selected Dinwiddie County closer to Rolls Royce their customer. Their concern was our ability to provide a sustaining labor supply. The number our data showed them did not satisfy their projected demand.
- **Compliance Monitoring-** Areva, have completed the final compliance audit. Areva had to refund \$25,000 to the Tobacco Commission but was in compliance with the county incentives. The final payment has been sent; StarTek, working to verify final compliance so we can make our last payment; American Plastic Fabrication, Comfort Inn & Suites, Hampton Inn, Banker Steel, Abbott

Seneca Commerce Park-

We're behind in starting the re-master planning & subdivision of the park. We are also re-evaluating whether or not to perform preliminary site grading work.

Joint Airport Industrial property-

The Preliminary Engineering Report has been completed. The costs are higher per acre to develop the site than I had anticipated and we're evaluating whether or not to move forward with the development. We are considering a PER for the area of the airport inside the fence to see the viability of that for development. A meeting has been requested with the Lynchburg City Manager to determine Lynchburg's interest in the project.

Agriculture-

We've opened up the second round of the produce grant and received enough applications to allocate all of the grant funding. The partially funded Extension Agent is working on a number of projects for us. One is the development of an asset map of agriculture entities for both the producer & consumer.

Region 2000 LGC Agriculture Strategic Planning-

The Region 2000 Alliance Local Government Council is moving forward with their grant to study developing a food hub. They are in the process of final selection of the consultant to do the work.

Existing Business Visitation

Existing business visitations were conducted to Schrader & BGF.

Industrial Development Authority

The Banker Steel lease continues to work nicely.

Brookneal Campbell County Airport

We continue to work on the FAA & DOVA approved grants for the electrical systems and airfield lighting design stage. We are also trying to find ways to return the airport to a designated category to return the airfield back into the FAA AIP funding stream.

Tourism

We continue to market Tourism.

Lynchburg Regional Airport

While the City Council approved the re-negotiation of the Airport FBO agreement with Freedom Aviation according to press stories it apparently hasn't happened. We spent 16 months evaluating the airport beginning in 2004 thru 2006. The recommendation that came out of that work as to develop an independent Airport Authority to operate/manage the airport. We had legislation passed so we could do that but to date the city has not made any movements to make that happen.

Unemployment- 2015

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
County-	5.3%	5.4%	5.2%	4.7%	5.2%	5.4%						
State-	5.0%	5.0%	4.9%	4.5%	5.0%	5.0%						
US-	6.1%	5.8%	5.6%	5.1%	5.3%	5.5%						

VEC tracking shows 1,420 unemployed persons in Campbell County in May

Mr. Davison – Campbell County is trending closer to the federal unemployment numbers than usual. We wish there was better data to understand why the numbers are going in that direction. There have been some layoffs in the area so that could be the cause of some of those issues. The VEC is really designed to find people jobs, not to track unemployment. It's on our radar to keep watching and if it continues this way we will try to dig to find out what is happening.

Mr. Davidson asked for any questions.

Richard Carrol – The Thomasville building would have helped some but I've heard that they may be backing out?

Mr. Davidson – I'm not sure. I haven't heard that. There is something to do with immigration troubles. I'm hearing that they are close to resolutions. We have another company in Campbell County that has some immigration issues as well. They may be down in staffing numbers because of sequestration and it's just a lot of bureaucratic paperwork.

Matters from the Economic Development Director

// Mr. Davidson – I would like to turn it over to Kristen Wright, our Staff Attorney, to discuss the chapters of code that you were given.

Kristen Wright- Chapter 10 is Public Safety which sets up system and volunteer agencies. We just added article 1 a few years ago which essentially lays out the duties of the department. Article 2 is fire. Article 3 is EMS. Article 4 is reserved. Article 5 is waters and no wake zones. Like I mentioned, Article 1 lays out the Public Safety Department. We could reorganize and shorten if you want to but it wouldn't change much about how they do business. We have added a lot of career EMS in the last 5 years so we have had a need to reorganize the department to clarify their role in relation to volunteers. Responsibilities of the department include who is in charge of the emergency operations plan. Public safety advisory groups are noted at it lists who is on each group. Article 2 talks about the Fire Division and it mostly establishes them as legal entities that can operate and this is important to keep. It also discusses the Fire Marshall, that he is appointed, this describes his job and the things he has to abide by. We adopt the state mandates regarding this. The Fire Marshall is under state fire prevention code. He has to inspect for occupancy (daycares etc.). He can wear a fire arm and issue summonses. He is the first point of contact for hazardous material issues and then he will call in state and federal agencies if needed.

We incorporate the statewide fire prevention code that is mandated by the state. It is current and cited properly each time we review. We include details of things that the county encounters on a regular basis (i.e. fireworks) for ease of reference. Even if we did not have this in our code it is still applicable because the state mandates these regulations.

Willie Jones –When we have new businesses locating to the county, do they become familiar with this? Are these businesses kept apprised?

Kristin Wright– We have mutual aid with the larger corporations because some are large enough to have their own fire and police. If there was a house fire, sometimes they will help with things near their property. So yes, there would be that kind of discussion. Other businesses are responsible for knowing what is available.

Violations – because we have incorporated violations in our code by reference we can prosecute if necessary.

Campbell County Board of Fire Prevention Code – We are required to have this in our code. Someone can go the board and appeal if they do not agree with the citations given for violations.

Provisions are applicable in the towns of Brookneal and Altavista.

Burning of woods, brush, etc. – We have to keep this in the code to regulate what is allowed. This is the most used section by the Fire Marshall.

Service fee for ambulance rides – Most people who have had to use the ambulance pay their bill but not all. The billing process is long and complicated.

Richard Carroll – This affects the fire and rescue both. They have put in so many requirements that you have to have a lot of training to be a volunteer and it's hard to get people to commit that amount of time.

Kristin Wright– It's partly state law. Our volunteer situation is so different than it was 30 years ago. Job situations are different and it's harder to find people to have the time and ability to walk away from their jobs. That is one of the reasons we have had to hire career EMS. We don't mandate those regulations; the state does so we don't have to include that in our code.

Hugh Bragg – Since they (volunteers) are part of the county, can they be sued? Is the county responsible?

Kristin – yes, anyone can be sued for anything by any one. Whether they have merit is the question. Usually we don't have to worry about that.

Kristen Wright Chapter 11 is Floodplain Management. We only have one employee who oversees this chapter; Brian Stokes in Community Development. All of this is federal law. It had to be approved by FEMA before we can pass it.

Willie Jones – Do we have a lot of area that falls in this map?

Kristin Wright – Yes, we do. This code essentially defines what and where the flood plains are.

Kristen Wright - Chapter 12 is Garbage, Refuse, and Weeds and it governs the landfill and landfill transfers sites. Our landfill is now a regional landfill and is operated and owned by Region 2000. We have taken out the language that references the landfill and the language that remains to deal with the transfers.

Kristen Wright reviewed all of the sections of the chapter and explained their purpose and why they are important for the county. A majority of the language mirrors the state code. No member of the EDC had any changes to make to Chapters 10, 11, or 12 of the Campbell County Code.

Mr. Davidson – We are coming to the end of our review to determine if there needs to be recommendations and changes to the Board of Supervisors. I want to highlight some things and at the November meeting is when we will be expecting some recommendations if you feel there are necessary changes in the policies.

One of the basic areas of infrastructure is broadband. We made you aware that the Board of Supervisors position is business, public safety, and “last mile”. There is fiber everywhere, but the only way you can access that fiber is to use a “pop” which is a place where the fiber has been cut (cell tower) so you can plug in. It's expensive to cut fiber so it's not cost effective to do that. In Seneca Commerce Park, there were three fibers in the ground and we talked to ATT and they were fine cutting the fiber and putting in a “pop” but they wanted 65 customers. This is not possible in that park. Mid-Atlantic Broadband Corp is willing to cut the fiber for 1 client. However, someone has to connect from the MBC fiber to the customer (Shentel etc.). MBC puts an invitation to bid to get someone to make the connections. Second priority is emergency services. We don't have enough availability of broadband connectivity for emergency services. We are working on that with some pilot programs with some hot spots. The third issue is that the Board of Supervisors does not think it's the county's obligation to go the “last mile”. There are some people who use internet for home businesses and education and some do personal games and movies etc. It's becoming more important for children in education to have that kind of connectivity so they do not get left behind. That could be something you recommend to the Board of Supervisors that the “last mile” is becoming much more important. For example, we just had a prospect call with a company out of New York for a 200 seat call center. We have a few more years but the industry is heading to getting people to work from home. Within 5 years we will be moving to where the majority of the staff is at home doing the work. There are some changes in the world occurring. The problem is that it's very expensive. Consultants have said that wireless is the more cost

effective problem. We will need about 8 towers to cover the county in order to operate those systems and make it profitable. If there were enough clients to make the money it would already be happening. We would have to enter into a public private partnership. This is more from a perspective of availability of signal.

Willie Jones – Do the ISP's have any data to show how the usage is or what people use the internet for?

Mr. Davidson – Yes, because our IT department can tell you what each person is doing.

Would an ISP do that? I don't know that that would be advantageous to the company. The ability is there but if it doesn't provide them something they need to know they won't expend the time/effort. They probably don't care unless you hit your bandwidth maximum.

Kevin Davis – I have to use a hot spot for internet. I talked to Century Link because that was only option available. Satellite internet is so expensive.

Mr. Davidson – The issue is that the capacity is there, it's just expensive.

Willie Jones – How many employment opportunities are we losing because it's not available or too expensive?

Mr. Davidson – There isn't a way to determine an exact return on investment or a way to track.

Mr. Davidson– The next area is transportation. There isn't a whole lot we can do with the lack of VDOT and state funding. One handicap to this area is that we have no interstate running through our county. Some companies put that as criteria. We have good rail but limited facilities that would be able to have a rail suppr.

Utilities are well covered. VA has favorable rates based on the national comparison.

We did talk in March about education, workforce training, etc. Education is something that we can highlight in the next section. When we look at the data from Chumera, our jobs that are going to be available for the next 15-20 years require more specialized training than the bachelor degrees. I'm not sure our schools have understood that fact. Secondary schools are under so many regulations on a State and Federal level to keep accreditation, the worry about that more than they are worrying about the workforce. CVCC has got it and they realize that the technical education certifications are more important now. Even CVCC was funded based upon their degrees instead of certificates. That isn't true anymore. One thing we didn't talk about was workforce training. There have been some changes at the state level. There used to be the best workforce training, VJIP, but they don't have that program anymore. That was a simple program for businesses to fill out applications to help assist the training of people. Lack of funding changed the programs. Very few Region 2000 localities qualify for VJIP anymore. Companies are hiring fewer people and are using more technology. They ramped up the eligibility requirements for new job training so Campbell County may need to try to figure out how to impact and do something with workforce training. There is a lot of attention now that these things are more important.

Marketing – We did the CEDS in 2003 and consultant said that in order to do a decent marketing job you have to spend 50,000. Our budget is 18,000. We pay per year to be a part of Region 2000's marketing. There is a fair amount of money being spent in marketing the Region but we do not have a lot of control.

At the November meeting you need to come back and give your recommendations based on what we have talked about at the last year of meetings.

We now have 0 modern industrial buildings to be able to market and sell. It's an issue that is very expensive trying to build a building to sell to a business.

I need you to think about key elements. Is there anything else you need to help you understand or come up with recommendations?

Willie Jones – What do you need from us?

Mr. Davidson – I need you to tell us you think we are on the right track or because of the world changing we think you should be doing something different. Is the Board of Supervisors Broadband Policy sound? Are we ok in what we are doing in marketing?

Richard Carrol – Would going from \$18,000 to \$50,000 in marketing funding help?

Mr. Davidson – Yes. That is why we are here; to make recommendations to the Board of Supervisors on policies. I've tried to let you know what those policies are and what they do. It's up to you to determine if they are still viable. We have had more prospects this year than we have in the last 15 years. We are getting feedback that we don't have the buildings, interstates, etc. that they are looking for. We have adapted our policies to help retail. Are we on the right course to face what is to come from 2015 -2025?

Matters from the County Administrator

// Mr. Davidson – Frank Rogers was not able to be here today but his intention is to attend in November

Matters from Commission Members

// With no other items presented for consideration and a motion from Mr. Carrol, seconded by Mr. Metz, Mr. Davidson adjourned the meeting at 1:26 P.M. The next EDC meeting will be held on Thursday, November 12, 2015 at 12:00 noon in the Campbell County Citizen Services Conference Room.