

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

September 24, 2020

The regular meeting of the Campbell County Economic Development Commission was held on Thursday, September 24, 2020, in the Campbell County Haberer Building Multi-Use Room, Rustburg, Virginia.

Members Present:

Richard Carroll
Kevin Davis
Scott Blankinship

Hugh Bragg
William Anderson
Dean Monroe

George Rosser
Kathy Carson

Members Absent:

Eric Fletcher
Willie Jones
Scott Tweedy
Frank Davis

Also Present:

Frank Rogers, County Administrator
Tyler Carraway, Director of Finance and Strategic Initiatives
Nina Rezai, Economic Development Manager
Sarah Johnson, Economic Development Specialist
Kim Stewart, Economic Development Administrative Assistant

// Mr. Carraway opened the meeting at 12:03 p.m. and requested a motion to approve the June 25, 2020, meeting minutes. Mr. Rosser motioned, and Mr. Bragg seconded. With all in favor and none opposed, the motion was approved.

CARES Act Funding

// Ms. Rezai shared a county flier with the commission to hand out to businesses they encounter who may benefit from CARES Act funding. She tasked the department with emailing the flier to the EDC after the meeting for copying or sharing on social media. Answering a question from Mrs. Carson, Ms. Rezai told the group that the county recently created a social media Facebook page called Campbell County PER that is sharing CARES Act information and also that the PDF the group would receive could be shared by each individual. Mr. Carraway then explained the CARES Act program and that Campbell County had earmarked \$1,000,000 for reimbursement grant funds for businesses who had incurred COVID-19-related expenses. He explained that the county would accept applications through December 2020 and that few businesses had applied thus far.

// Ms. Rezai stated that the state of Virginia was pushing a Rebuild VA program targeted toward bigger organizations and nonprofits. Previously, if a business had received PPP (Paycheck Protection Program) or CARES Act funding from a local government or the EIDL (Economic Injury and Disaster Loans) program, they were ineligible to receive assistance from

the Rebuild VA program. Ms. Rezai explained that the state changed the eligibility terms two days prior. So now those ineligible from receiving the above-stated assistance would no longer be ineligible.

// Mr. Rosser commented that putting a flier in with the tax bills would have been a good way to get the word out about CARES Act funding, prompting Ms. Rezai's reply that the E.D. office was sending out a postcard with the real estate tax bills and would also have a few more mailings coming up. She also said that the E.D. website has links to all the information.

EDC Vision For 2021

// Mr. Carraway invited discussion from the EDC for vision for 2021. He suggested they may wish to discuss the current incentive policy, for example, and asked for ideas from the group. He asked Ms. Rezai what she would like to add and she reminded them that the current meeting was the last one for the year and that, as the new E.D. team, the leadership wanted to have some discussion points for conversations the group would like to have as part of the commission. She reminded them that one of the functions of the EDC is to look at methods to stimulate business within the County. She then asked them what they were hearing from their peers were hindrances to starting business in the County? She said that this was the reason Mr. Carraway suggested the group may want to discuss the current incentive policy. Ms. Rezai stated that the current policy was similar to what the neighboring counties were doing, but it did not have to stay that way. She asked them if anyone had received incentives from the county and if they were familiar with the county's incentive policy. With no response, Ms. Rezai explained the current policy to be based on a real estate capital investment, in terms of construction or machinery and tools investment, for a business purchasing property or expanding their business. She said that it benefitted new and existing businesses. So if a business added at least ten new employees and paid them a minimum of \$13.80 per hour, the business would qualify for a certain amount per new job the business was offering. Ms. Rezai continued, adding that the incentives were usually structured as four-year payouts but sometimes reduced to two years if the business was small. Two hindrances Ms. Rezai had noticed were businesses leasing property in the county instead of owning, and businesses adding fewer than ten new employees, both of which would make them ineligible. She then described the current Campbell County incentive policy as a one-size offering to fit all future operations in the County, which would potentially be unrealistic.

// Mr. Carroll asked how long the policy had been in existence, and Mr. Rogers answered that Campbell County had had an incentive program for many years and it was offered as a way to offset the tax burden to the eligible businesses for a short period of time, depending on their tax investment. He stated that the parameters surrounding the policy were fairly stringent, although the County tried to offer them as flexibly as possible. Mr. Rogers appreciated the E.D. department bringing this topic to the forefront of the commission members' minds, particularly considering how the world is changing rapidly, with the hope that the County could be available to help businesses continue to thrive as well as to bring new business to the area. He stated that the County would look to the IDA, as well as the EDC as an advisory board, to get ideas of what might work in revising the current policy. Mr. Carroll asked what the city was doing that the county wasn't, referring to development in the city that had "exploded" in the last year. He acknowledged that the city's taxes were higher, which Mr. Rogers agreed with. Mr. Rogers also

listed things such as a younger age demographic, traffic count, population count, socioeconomic indicators like wages that all factored in as well as availability. He stated also that the county recently went through the process of getting a credit rating and scored well.

// Mr. Blankinship noted that the County does not provide help on water and sewer infrastructure. He cited a housing project on English Tavern that had not received CCUSA help as example. Mr. Rogers said that roads would be considered infrastructure as well, and he added that the County's incentive program usually ends up equaling roughly the cost to hook up utilities. Mr. Blankinship recommended staff contact Hawkins Graves regarding the incentive program. His information from the owner was that the incentives process was too "cumbersome" when he moved his business into Campbell County. Mrs. Carson recommended Southern Landscaping as an established business in the county to whom she felt the County could offer incentives. She added that she also had heard the process was difficult, as well as too time-consuming for a small business. Another developer was mentioned, for residential, and Mr. Rogers clarified that the current incentive policy does not cover residential development. He explained the reason to be tax-related; the incentive program is based on recouping capital investment on machinery and tools and some of the infrastructure costs when a business comes into the county. But he said that the group may wish to discuss or recommend adding residential to the incentive policy. Ms. Rezai offered as a point of comparison that residential development was not incentivized across the entire state. Mr. Rogers stated that the reason was that residential development never pays for itself. He said residential development is always wanted, but it doesn't pay for itself regarding return on investment, because there are other factors to consider, such as children who would enter the school system and receive services. Mr. Rogers said that, statewide, the focus had been on commercial investment.

// Ms. Rezai offered that some places worked into their planning for a development where the different zones were (Enterprise Zones, Opportunity Zones, Technology Zones) to stimulate growth and opportunity. She said that was why certain areas of Timberlake Road are blowing up. They had zones in place to stimulate growth in shopping and residential at the same time through planned development embarked upon a long time ago. To her knowledge, Campbell County did not have any such plans.

// Mr. Monroe suggested that the incentive program criteria could be lowered as far as number of employees, etc., so that more businesses would be eligible to participate.

// Returning to infrastructure, Mr. Blankinship said that when he went to hook up water and sewer in the city, it cost him \$3,470 versus \$8,500 in Campbell County. Mr. Rogers said the difference between county versus city costs is a "pay now" versus "pay later" system, and that CCUSA would bring data to a work session in October showing that their rates are competitive and balance out over time. Mr. Rogers summarized the group's feedback thus far, stating that it sounded like they would invite the County to look at tiering the incentive policy system, continue to explore ways to help small and existing businesses, look at what could be done around utility and infrastructure costs, and possibly explore the addition of residential development into the policy. He said these would be direction for the staff to explore and bring back information over the next few meetings.

// Mr. Monroe asked if the incentive program was tied to competition with regards to other programs, and Mr. Rogers said, yes, that the state offers incentives packages as well. He said that the staff links up a business to all of the incentive offerings including the state and county when incentives are being considered. He said the state programs have their own rules, but basically the County's rules are for the business to be making a significant capital investment and a significant job-creation investment.

// Mr. Rogers circled the group back to their vision for 2021 and asked if they come to meetings to receive information or to give it. Mr. Monroe said that, as a new member, he had been to just one previous meeting and no one had said anything and it bothered him. He said the staff gave their information but no one on the commission had comments. He urged the group to speak up if they have ideas or think something isn't right. To that, Mr. Carroll asked why Bedford County has had so much growth, and what could Campbell County do similarly. Mrs. Carson said she receives monthly email updates from the Bedford County Economic Development Council and described them as very active. She compared the Campbell County Economic Development Commission as not being encouraged to do anything. She was encouraged by the current meeting with the information the staff brought and said she looks forward to reaching out to businesses in her community.

// Mr. Carroll asked again about Bedford County. He said that they have the lake but that Campbell County has to have something too. Mr. Rogers answered that Bedford got the lake and the narrative on schools. The lake drove some high-end property and somehow the schools began to be considered better than the surrounding areas. But he said that in the mid-1980s the situation was reversed and Campbell County was the place to be. He also thought a lot of it was Campbell creating its own community narrative about who Campbell County is, the strengths it encompasses and why someone would want to build in Campbell. He stated that Bedford has been in the news recently because the utilities in Forest are at capacity. He said it should alarm developers but it hasn't. He continued, saying that Campbell County has plenty of capacity, low taxes, and competitive schools. He encouraged the group that Campbell County is not that different from Bedford County.

// Mrs. Carson predicted that in a few years, schools would be at capacity and a parent would not be able to buy a certain house based on their desired school system. She believed that the school districts will change and issues will result.

// Mr. Blankinship thought he saw in the Comprehensive Plan that the average worker in Campbell County makes \$21.00 per hour. He felt that information was skewed due to BWXT and that a small business trying to come into the county will be hesitant due to that figure. Mr. Rogers said that prospective businesses are given more refined labor data than that.

// Mr. Monroe mentioned that one thing the county has no direct control over but that holds it back some is transportation, and that until VDOT decides to replace 501 with something better, that area will remain unchanged. He thought broadband extension would help the smaller businesses, however. He then expressed that if the county wants to bring business to certain areas, it would be helpful to offer more incentives to those areas. Mrs. Carson mentioned that Altavista got overlooked but considered it a gem. Mr. Rosser agreed.

// Mr. Rogers reminded everyone that the Economic Development Commission is an advisory board and did not want them to walk away from the meeting with a different idea. The hope would be for the EDC to bring helpful ideas and suggestions to the group that would be taken to the Industrial Development Authority to consider and effect changes, for example, to the incentive policy.

// Ms. Rezai asked the group if they wanted to keep their same meeting frequency for 2021 or if they would prefer to keep the March meeting date and then decide on a frequency after that. Mr. Rogers suggested they wait and make that an agenda item for the March meeting, to decide how often to meet based on what the group hopes to accomplish.

// Mr. Rosser stated, regarding distance to businesses or communities, that it needs to be marketed in minutes versus miles and that a prospective business would be more enticed by Seneca Commerce Park, for example, being eight minutes down the road versus eight miles. Mrs. Carson thought that business development should be focused down Route 29 toward Seneca and Mr. Rogers agreed. He said that Lawyer's Road seemed to be the southernmost point currently for development and it had proven difficult to try to get people to go beyond that point thus far. Mr. Rosser asked if the county still owns property at the Lynchburg Regional Airport and Mr. Rogers said yes. He said that, for those members who didn't know, the county owns industrial property that backs up to the airport and would be accessed by Waterlick Road. He said the property has a great deal of potential, long-term. He also added that the county is in conversations with the new airport director to determine next steps and future plans.

// Mr. Rosser asked if Schwartz Associates owns the old Lane Furniture Plant in Altavista and Ms. Rezai confirmed. Mr. Rosser suggested that a business could go into that building; he compared it to Bedford's shell building, which doesn't have a floor, and said that at least the Lane building has a concrete pad. Ms. Rezai told him that the E.D. department is working with Schwartz to keep that space advertised and said that as the office receives requests for information about space of that magnitude, they will connect Schwartz with those leads.

// Mrs. Carson asked how much the E.D. department works with commercial brokers in Lynchburg. Ms. Rezai stated that, historically, it was none and added that she would go into more information during the Project Updates, but that the department is working on a complete rebrand of Economic Development to be clear about the incentive program, to redo the website to make it more user friendly and to promote engagement with the EDC and the community—both new business and existing business. She added that another part of the rebrand would be advertising the county's site selection. She said that the department has links to the county's two virtual buildings on the website, and the county has a relationship with Mr. Read of Coldwell Banker Commercial Read and Co. to list and represent the county's properties. However, Ms. Rezai said that all economic developers have access to the Virginia Economic Development Partnership's (VEDP) site-selector web platform. She explained that the department can have a listing that looks just like what you would find with a commercial broker but that the department can take any factsheets listed on the broker's website and list that on the campbellvirginia.com website. So as a prospective business looks to see what the county has, the department can list

not only the county's property but also anything that anyone in the area has on commercial listings as a third-party, and non-biased towards any of them.

// Mr. Monroe was encouraged to know the county has a website that this information can go on. He said that information is key. He also said that what people think, if they think it long enough, becomes fact to them. And if they think the county is hard to deal with, or that Altavista is too far away, etc., they will completely discount the county or Altavista in their mind. He continued, adding that it will take time to change those attitudes.

Electronic Participation Policy

// Ms. Rezai explained the electronic participation policy that the Board of Supervisors adopted. She added that the department thought, in light of the COVID-19 pandemic and how the world is changing rapidly the way people are meeting, it was prudent to bring the policy to the attention of the group at the current meeting. Ms. Rezai said that if the EDC were open to it, they could make a motion to adopt the policy for the commission as well.

// Mrs. Carson motioned to adopt the policy as outlined in the Board of Supervisors minutes from June 12, 2018, and Mr. Blankinship seconded. With all in favor and none opposed, the Economic Development Commission adopted the resolution, the details of which follow with reference to the Economic Development Commission:

The following policy was approved for Economic Development Commission members' remote electronic participation in EDC meetings:

1. On or before the day of a meeting, the member will notify the chairman of the Economic Development Commission that the member is unable to attend the meeting due to an emergency or a personal matter. The member must identify with specificity the nature of the emergency or personal matter. A member may also notify the chairman that the member is unable to attend a meeting due to a temporary or permanent disability or other medical condition that prevents the member's physical attendance.
2. A quorum of the EDC must be physically assembled at the primary or central meeting location. The EDC members present must approve the participation; however, the decision will be based solely on the criteria in this resolution, without regard to the identity of the member or matters that will be considered or voted on during the meeting. The specific nature of the emergency, personal matter or disability, and the remote location from which the absent member participated will be recorded in the EDC minutes. If the absent member's remote participation is disapproved because such participation would violate this policy, such disapproval shall be recorded in the EDC minutes.
3. Participation by the absent member will be limited in each calendar year to two (2) meetings of the EDC.

4. The EDC will make arrangements for the voice of the absent member to be heard by all persons in attendance at the central meeting location.

Project Updates

// Ms. Rezai reviewed the Project Updates next, noting that she was only reviewing aloud those projects which have had notable updates since the previous meeting. She stated that the Seneca cell tower project will just need the easement approved in open session at the October Board of Supervisors meeting. She said that the paperwork has been submitted for the acknowledgment of the lease, and after the October meeting and the easement is approved, Dominion will start working on the power, and construction on the tower will begin.

// Then Ms. Rezai stated that the Tru by Hilton hotel is projected to open in October, and the E.D. department will be getting information out about a grand opening celebration in November.

// In referencing the new brochures, Ms. Rezai also reminded the group of the website redesign that should be completed before the EDC meets again in March 2021.

// Finally, Ms. Rezai discussed that the IDA, in conjunction with the E.D. department, has submitted an RFP for a civil study on five lots in the Seneca Commerce Park. She informed the group that once the prices come back, the County will decide lot by lot which ones the County will help do some excavating on as well as what the IDA plans to do. The study will help Economic Development have a better idea what it will cost to develop, per property, as some of the properties have no coverage and others are steep and heavily wooded.

Matters From the Committee Members

// Mrs. Carson asked if the department could begin updating the commission members every six weeks, especially if something big is coming up. Ms. Rezai agreed and said the department has plans for community outreach and engagement to develop a better newsletter.

// Mr. Carraway asked for the EDC's input on how to collect more business emails for the data collection the office is undertaking, and Mr. Blankinship suggested requiring it on the business license application. He also stated, though, that the County needs to take it on themselves to integrate information internally. He said that when he went to Bedford to get a permit, it was one form as opposed to a "notebook" of forms from Campbell County, because the forms were associated with different County offices. Ms. Rezai asked if he has filled out any forms recently, and he said no. She told him that the County has switched to a web platform for applications. She said she herself had filled out applications before in her former role in Public Works and that it was a lot of paperwork. But she said she has also submitted an application through the new web-based platform and the County is encouraging people to use it. She furthermore encouraged him to try it with the hopes that it is more user-friendly and asked him to let the E.D. department know if it isn't, because she will not be shy about passing along that feedback.

// Mr. Blankinship asked whose job it was to oversee all the checks and balances within the County processes, and Mr. Rogers said that it was his, and that is why he attends the EDC meetings, to hear what is working and what isn't. For example, to find out that not everyone has been made aware of the new online application system so that that can be changed.

// Mrs. Carson asked about service coverage problems recently with Shentel and Mr. Rogers said that the County doesn't have a role in internet provision but would reach out to the government affairs contact and report that they have heard again that citizens are having trouble with service in the area. Mrs. Carson asked where Shentel had expanded their coverage and Mr. Rogers answered that it was in the Evington area and independent of the County, so he did not know exactly where. However, the county partnered with them on coverage extension on New Chapel Rd. and that project is almost complete.

// Mr. Blankinship asked if the equipment has come in first to start on the broadband construction, and Mr. Rogers said yes and elaborated that some equipment would be going up on Johnson Mountain the next day, September 25, and should be lit up that same day. He said equipment is also on the way to Red House Rd. with the expectation of service in about a week. The company, B2X, had also started doing some of their marketing and outreach on social media. Mr. Rogers said the next two installs would be on water towers, and that should be in the next couple of weeks, around early October. With that said, Mr. Rogers said he is still talking to anyone who wants to talk about broadband expansion, because he does not foresee this project with B2X being a "one and done" operation, but rather anticipates the need for several providers to adequately extend coverage in Campbell County. He said the optimum would be fiber to the home as much as possible over time. He said an engineering study would be completed within a few months to show how to get fiber to the home and estimate the cost so that the County will know how much money to put aside for such a project.

// With no other questions or comments from the committee members, Mr. Carraway adjourned the meeting at 1:27 p.m. The next meeting of the Campbell County Economic Development Commission will be held on Thursday, March 18, 2021, at 12:00 p.m. in the Haberer Multi-Use Room at 47 Courthouse Lane, Rustburg, Virginia.