

MINUTES

JOINT WORK SESSION BOARD OF SUPERVISORS & ECONOMIC DEVELOPMENT AUTHORITY

Bedford County Administration Building Ground Floor Training Room 122 E. Main Street Bedford, VA 24523 October 8, 2019

5:00 p.m. Welcome & Introductions

- EDA Chairman Mr. Mickey Johnson
- Board Chairman Mr. Tommy Scott

EDA FY19 Accomplishments

• Mr. Mickey Johnson

5:30 p.m. Break for Dinner

FY20 Economic Development Priorities

Traci Blido, Economic Development Director

Becoming "Prospect Ready"

• Megan Lucas, Lynchburg Regional Business Alliance (LBRA)

6:45 p.m. Adjourn Joint Meeting

Economic Development Authority:

Present:

Dennis Novitzke - Dist. 1; Mickey Johnson, Chairman - Dist. 2; Wyatt Walton - Dist. 3; Matthew Braud - Dist. 4; Kristy Milton - Dist. 5; Kelly Harmony - Dist. 6; Jim Messier, Vice-Chairman - Dist. 7

<u>Absent:</u> None

Board of Supervisors:

Present:

Bill Thomasson - Dist. 1; Edgar Tuck - Dist. 2; Charla Bansley - Dist. 3*; John Sharp - Dist. 4; Tommy Scott, Chairman - Dist. 5; Andy Dooley, Vice-Chairman - Dist. 6; Kevin Willis - Dist. 7 * Arrived 6:30 p.m.

Absent: None

<u>Staff Present</u>: Traci Blido - EDA Secretary; Pam Bailey - Marketing & Business Development Coordinator; Robert Hiss - County Administrator; Brigitte Luckett - Executive Secretary; Patrick Skelley - County Attorney

Guests: Megan Lucas, LRBA, Mary Zirkle, Town of Bedford Economic Development Coordinator,

Transcriber: Julia Peters

Mrs. Blido welcomed everyone and said Mrs. Lucas' presentation would be moved up on the agenda and Mrs. Blido would present her information after the dinner break.

EDA Chairman Johnson welcomed everyone to the annual meeting where all attending get a chance to reflect and plan for another year of creating the best environment and policies for our businesses. He reviewed the evening's agenda and appreciated the Board of Supervisors (BOS) spending the time with the EDA and reflecting back on what has been accomplished and looking forward to what is coming in the future. He wanted this session to be an open discussion and get ideas from the BOS on what they would like the EDA to address in the coming year. He welcomed Mrs. Lucas and said he appreciated her being with them tonight. He noted that the mission remains unchanged and the goals continue, and once Mr. Hiss' deputy begins next month, he would like to convene a planning day to take a closer look at opportunities that the EDA could work on. The staff provided the EDA with a snapshot of Bedford County's economic indicators where last year we saw 4% unemployment which is unprecedented and there are 450 jobs currently unfilled. The county is growing at a rate of about 5% and according to calculations, Bedford County will grow 12% from a projected 79,000 in 2020 to 88,000 in 2040, with 6,600 residing in town and 77,000 in the county with almost 31,000 households and 81% of the households are homeowners.

Another economic indicator is educational attainment where Bedford County is the highest in our region; with 90% of individuals having a high school degree or higher and 28% having a bachelor's degree or higher. Household income last year was \$56,316, an increase of 5% and per capita income was \$28,524, an increase of 7%. The EDA needs to continue to incentivize high growth, high paying companies to move up the income. All jobs are important but we need more high paying jobs to drive the economy. The top employers in our county are Georgia Pacific, a large cluster of mail and printing firms, and a cluster

of conveyor and automation companies. We would like to see manufacturing and professional service jobs increase. These jobs pay higher than average wages. Manufacturing is 11% of the job mix but the wages are the highest for our workforce with the average of \$57,000 per year.

To help grow these high quality jobs, the EDA initiated the Bedford One program in 2009 after an economic development roundtable where local business leaders addressed the growing need for a qualified workforce. Since then, over 4,000 high school students have toured area companies through a partnership between Bedford County EDA, Bedford County Public Schools, and area businesses. Through these industry tours, students are able to hear from companies about job opportunities as well as education and training needs for various careers. Ms. Bailey has done a good job of keeping us abreast of the scheduled tours and the EDA members appreciate the time she puts in coordinating these tours. The tours are aligned with the students' interest and we work with career coaches and the BSTC to plan the appropriate tours.

Last year, we had two companies come to Bedford County, Bobblett Gap and KMR Aviation. Others have invested in Bedford County by expanding their businesses and adding jobs. This year we have announced a new company in Bedford County, SML Packaging; expansions of Valtim; Apocalypse Ale Works, and the launch of Legacy Cider which uses 100% Virginia apples from our own orchards; and another business announcement pending that will bring five dozen new jobs.

Mrs. Blido informed the attendees about a handout in their agenda packets which looks back at the EDA's last fiscal year and what was accomplished. She created the summary by reviewing the year's meeting minutes and press releases.

Chairman Johnson stated that he had spoken with Legislator Kathy Byron on Sunday and Ms. Byron said Traci Blido was one of Bedford County's greatest treasures. Ms. Byron said Mrs. Blido did more for our county to bring opportunities and investments than any other economic development director in the region. Chairman Johnson noted the excellent job Mrs. Blido does in representing the EDA and asked everyone to recognize her for her hard work.

Mrs. Lucas addressed the group and noted that Mrs. Blido is a great economic developer. She is professional, consistent, and accessible, and works very hard for the businesses that are growing in Bedford County as well as trying to reel in new businesses. Mrs. Blido is recognized at the state level on a regular basis and the LRBA enjoys working with her and appreciates everything that she does. Mrs. Lucas began her update by pointing out to the attendees the "By the Numbers" document to show them where they spend the bulk of their time. To date this calendar year there have been 35 business retention and expansion (BR&E) visits and those visits are done in tandem with the local economic developer and the state representative. When talking about economic development we focus on two critical areas, business retention and expansion, and recruitment and marketing. We set a goal collectively to launch a regional BR&E program which is now in its second year and the goal is 50 BR&E visits per year. Previously the local economic developers were doing their own BR&E visits where each locality executed them differently so there was no continuity across the region. Now we visit the businesses as a local, regional, and state group and ask how are the businesses doing and how can we collectively solve their issues or problems. Everywhere we visit, the biggest problem is acquiring a skilled workforce. The Bedford One Program which is celebrating 10 years, is a great program that impacts this labor problem. This year we launched Worlds of Opportunity (WOO), the hands-on expo for middle and high school students to expose them to the hands-on trades they can work in. They visited Tuscaloosa, Alabama to see their program and have modeled our region's WOO after Tuscaloosa's. The STEM initiative is still critically important to our employers today but there is also a great need for skilled labor and we have been working as a region to address this issue both near-term and long-term. During the BR&E visits we also are able to hear from the employers about any expansion plans where the locality may provide some great incentive packages that allow the companies to grow and remain in Bedford County. The BR&E program

is a very important program and the LRBA's role is to work on these labor issues throughout the region. The LRBA to-date has also had 97 one-on-one meetings with corporations to generate interest in this region, including Bedford County. The Alliance received a Go Virginia grant for \$81,000 to complete the due diligence for six industrial sites in the region which includes the Montvale site. The speed-to-market is critical for companies and pad-ready sites are extremely important. They also have gone on 19 targeted marketing missions and some discussions from these missions are continuing and ongoing. The Small Business Development Center (SBDC) moved into the LRBA last year, which is part of the continuum of care for business and industry in the region. Stephanie Keener has succeeded in meeting with 113 businesses who need help in either SBDC loans, training, fine-tuning a business plan or creating an exit strategy or succession plan. The dinner Mrs. Lucas is attending tonight is with a team who will be in Bedford tomorrow to do the import/export summit which is a SBDC program. Mary Zirkle, Town of Bedford Economic Development Coordinator, reported that 11 businesses have signed up for this workshop which takes place at the Bower Center tomorrow from 9 a.m. to 4 p.m. She also mentioned the historic tax credit workshop 101 that was held on September 25th to educate property owners in the downtown historic district on opportunities for upfitting their properties, specifically upper level reuse. Mrs. Lucas continued and noted that there are six active projects throughout the region of which two are considering Bedford County as their place of business. She then answered questions and comments from the attendees.

Break for dinner

Mrs. Blido began her presentation with noting some of the EDA's accomplishments this year. We have started fresh with Liberty University (LU). We had a rather complicated performance agreement with them previously but when their plans changed for the use of their property we revised our agreement and will incentivize them as they build on their land. LU is working with JLL, the international real estate company and they are letting JLL take the lead on directing prospects to them. She took an international prospect to tour the CERE building and the prospect was excited to see how much of LU's advanced engineering high-tech labs have already been built out which the prospect could use for testing if they locate to the New London park. The lot in Montvale was sold and we are happy to see the building going up on that lot and excited to get the rest of the industrial park developed which will cost about \$450,000 to grade about ten acres on two lots. Both Mrs. Blido and Ms. Bailey work regularly on acquiring grants and she will be attending a Tobacco Commission meeting tomorrow to ask for funding for the Meade Road Extension. The shell building itself was partially funded with a grant. The grant applications are getting more complicated to complete and we still manage requirements from previous grants received so there is a lot of work that we continue to do. She noted that if a company wants to expand or locate in Bedford County and invests a minimum of \$650,000 over three years with 10 jobs, she will bring it to the EDA to see how we can help the company with incentives. If a business is in Town, Ms. Zirkle will work with them but Mrs. Blido will also help if the company is making a big investment. Businesses in the Enterprise Zone of the Town can also be helped and the EDA may be able to mirror what the Town can provide to those companies. The Technology Zone is in the New London park and the benefit to companies locating there is huge because the rebate on the machinery and tools tax is 70% in the first year after the company pays their bill, 60% in year two and so on until year six at 20%. Other possible incentives can be provided by the Tobacco Commission or the Virginia Economic Development Partnership (VEDP). She is also finding that smaller companies in Bedford County need capital and come to her to see if the EDA can help and we continue to navigate through those requests. Mrs. Blido then responded to questions or comments from the attendees.

Mrs. Blido also reported that the EDA will not be providing funds for the Burnbridge Road Project until all easements are in place and all businesses have put in their share of money.

The VEDP is putting out a magazine called *Virginia Economic Review* that goes out to site selectors and corporate executives nationwide. There is an online version as well with a link to it from the Economic

Development website under **Media Center** and it is a good source of information. Mrs. Blido thanked the attendees for their time and asked if there were any other questions.

Mr. Hiss spoke about the growing interest in investment opportunities and commercial developments around Smith Mountain Lake and the Town of Bedford. The staff are taking a look at the Tourism Zone the State offers and seeing if it has potential for Bedford County.

A brief discussion followed regarding various economic development projects past and present in Bedford County and the surrounding areas.

The joint meeting adjourned at 6:43 p.m. The EDA members remained for a short regular monthly meeting.