

A special meeting of the Botetourt County Board of Supervisors was held on Wednesday, November 12, 2014, in the Circuit Courthouse's second floor conference room in Fincastle, Virginia, beginning at 6:30 P. M.

PRESENT: Members: Dr. Donald M. Scothorn, Chairman  
Mr. L. W. Leffel, Jr., Vice-Chairman  
Mr. John B. Williamson, III  
Mr. Billy W. Martin, Sr.  
Mr. Todd L. Dodson

ABSENT: Members: None

Others present at the meeting:

Mr. David Moorman, Deputy County Administrator  
Mrs. Kathleen D. Guzi, County Administrator

Dr. Scothorn called the meeting to order at 6:30 PM and welcomed those in attendance. He then asked County Administrator Kathleen Guzi to introduce the Board's guests.

Mrs. Guzi introduced Mr. Christopher Lloyd, Senior Vice President of Infrastructure and Economic Development with McGuire Woods Consulting in Richmond, Virginia, and Mrs. Beth Doughty, Executive Director of the Roanoke Regional Partnership.

Mrs. Guzi noted that Mr. Lloyd's presentation will be about understanding and winning at economic development. She further noted that following Mr. Lloyd's presentation, Mrs. Doughty will discuss economic development from a regional perspective and what role the Partnership plays in Botetourt County's overall economic development strategy. She noted that these two presentations will provide the necessary background as the Board starts their strategic planning process next week. Mrs. Guzi further noted that, during those sessions, the County will discuss local economic development efforts. She thanked Mr. Lloyd for coming and invited him to share his comments.

Mr. Lloyd then overviewed his background and experience in economic development including within the Virginia state government and his role in drafting and shepherding legislation creating the Virginia Economic Development Partnership and many of Virginia's current incentive programs.

Mr. Lloyd commented on the increased speed of project development and the necessity of having sites ready to possess and occupy or construct "immediately." He noted that cash is "king" in incentives and that long-term costs matter to prospects. He noted that the internet has transformed the site selection process and is used to eliminate rather than select potential sites.

Mr. Lloyd suggested that communities must work to get noticed by building awareness among decision makers, developing a sense of place, being responsive, having a vision for the future and making economic development a daily exercise. He overviewed the site selection process used by companies and consultants and noted that today's reality is that most communities are eliminated from, or short-listed for, consideration even before they know they are being considered. Mr. Lloyd further noted that, most of the time, communities eliminated from consideration never even know they were looked at.

Mr. Lloyd then discussed the roles people play in the process in both the private and public sectors and the need for confidentiality throughout the process. He noted that County staff often cannot share much information with elected officials and encouraged Board members to understand that and trust the economic development professionals they have hired to do what the Board has asked them to do.

He noted that communities should have written policies guiding what their economic development targets are and what they are willing to do through incentives.

If the County loses a project, Mr. Lloyd strongly recommended that County staff request an exit interview from the company in order to learn how the County made it on the short list and then use that information to strengthen the County's marketing plan. He noted that a staff team should be deployed to act on the results of the exit interview.

Mr. Lloyd then discussed what makes economic development in Virginia unique, strengths and challenges for Virginia, and things other states do that cannot be done in Virginia.

Mr. Lloyd concluded by sharing local economic development best practices, including knowing your sites, having flexible zoning and planning processes, ensuring that programs are open to both new and existing businesses, and using a return on investment model.

Mrs. Beth Doughty, Executive Director of the Roanoke Regional Partnership, then presented an overview of the Partnership and its role as the region's economic development marketing organization. She stated that the Partnership was established in 1983 as a public/private partnership, they employ 6 staff, have a 37 member board of directors, a 17 member executive board, and a \$1.2 million budget. She stated that the Partnership handles business attraction, outdoor brand building, image building, small business development, product (sites), and thought leadership.

Mrs. Doughty stated that their business attraction activities in 2013 included 245 inquiries, 37 projects, 24 prospects, 250 information assistance requests, and 28 contacts with the Virginia Economic Development Partnership (VEDP). She noted that their to-date activities in 2014 include 263 inquiries, 47 projects, 14 prospects, 247 information assistance requests, and 33 contacts with the VEDP.

Mrs. Doughty stated that over the past few years the Partnership's purpose has grown to include outdoor event and business recruitment activities which has included various marketing events directed toward the outdoors. She noted that they have partnered with the VEDP and other groups/organizations on many of these events.

After discussion, Mrs. Doughty stated that the Partnership is a single point of contact for economic development-related inquiries in the Roanoke Valley. She noted that every lead that they receive is forwarded to each participating jurisdiction as the localities maintain control of their sites and determine whether they are interested in responding to the requests for information. She noted that the Partnership assists the localities in coordinating site visits by company representatives as well as producing support materials for the localities' economic development efforts.

She noted that their product/site location information includes data collection, trend reports, and oversee the administrative functions of the Western Virginia Industrial Facilities Authority. Mrs. Doughty stated that in 2013 61% of the product/site requests the Partnership received were for existing buildings, 23% were for sites/land; and 16% were for either. She noted that the current building product availability in the Partnership's service area includes 4 buildings (the former DHL building/warehouse in Roanoke City, Bacova Guild in Alleghany County, a 71,720 sf building on Blue Hills Drive, and the VistaPark shell building). She then reviewed a chart showing the percentage requests received for buildings based on the needed

square footage. She noted that the most requested building sizes are between 100,000 and 199,999 square feet and also for those that are less than 26,000 square feet.

Mrs. Doughty stated that the average company investment in a 100,000 sf building is \$64 million with an average of 137 jobs and the average investment for a building that is less than 100,000 sf is \$5 million and an average of 22 jobs.

After discussion, she then stated that the most requested site acreage size is between 51 and 100+ acres with sites between 11 and 30 acres following close behind. Mrs. Doughty stated that the Roanoke Valley is deficient in sites that have railroad access and those sites that are large and prepared for construction to begin.

She stated that the average company investment in a 50+ acre site is \$122 million and 209 jobs and the average company investment in a site less than 50 acres is \$59 million with an average of 99 jobs.

Mrs. Doughty then stated that the Partnership's return on investment to the participating localities is \$68,917, based on an \$1.2 million budget, 6 staff members, and \$481,000 spent on marketing activities.

Following Mrs. Doughty's presentation, Dr. Scothorn thanked both Mr. Lloyd and Mrs. Doughty and stated that the information they shared was very educational and would be helpful to Board members as they begin a strategic planning process in coming weeks which will include discussions on economic development planning.

There being no further business, Dr. Scothorn adjourned the meeting at 8:52 PM.