

A strategic planning work session of the Botetourt County Board of Supervisors was held beginning at 12:00 noon on Friday, November 21, 2014, and beginning at 8:45 A. M. on Saturday, November 22, 2014, in Room 229 of the Greenfield Education and Training Center, in Daleville, Virginia.

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
Ms. Tyler St. Clair, facilitator
Mr. Tony Zerrilla, Director of Finance
Mr. Pete Peters, Director of Parks, Recreation, & Tourism
Mr. Kevin Shearer, General Services Mgr./County Engineer
Mr. Jay Brenchick, Economic Development Manager

Dr. Scothorn called the meeting to order at 12:30 P. M. after everyone had lunch and turned the meeting over to Mr. Williamson and Mr. Martin, who served on the strategic planning pre-planning committee.

Mr. Williamson stated that the Board decided earlier this year to conduct strategic planning sessions to determine “where we are going” because “if you don’t know where you are now, how will you figure out where you are going.” He then turned the meeting over to Ms. Tyler St. Clair, facilitator.

Ms. St. Clair welcomed everyone to the first set of strategic planning sessions. She noted that the Board will be meeting this afternoon and most of the day tomorrow and then will meet again on December 5 and 6 at Natural Bridge Hotel. Ms. St. Clair stated that she previously conducted individual interviews with the Board member to ascertain what they thought of the state of the County and where they want the County to go in the future. She noted that today’s and tomorrow’s meetings will provide the Board with an overview and structure of what the County is doing as well as a purpose and objectives.

She stated that the purpose of these work sessions is to assist the Board in planning for the County’s future. She noted that it is a “testament” to the Board that they are conducting these strategic planning sessions which will take the Board forward for the next 10, 15 and possibly 50 years. Ms. St. Clair stated that there will be different goals and objectives at the work sessions scheduled for December and they will be used to create a vision, a set of priorities, and set a direction for the County. Ms. St. Clair then reviewed the phasing of this process as follows: September/October 2014—preplanning and preparation; November—environmental conditions retreat; December—Board vision and priority-setting; January 2015—staff work plan development; February 2015—finalize plan/budget preparation; March 2015—implementation.

Strategic Planning Goals

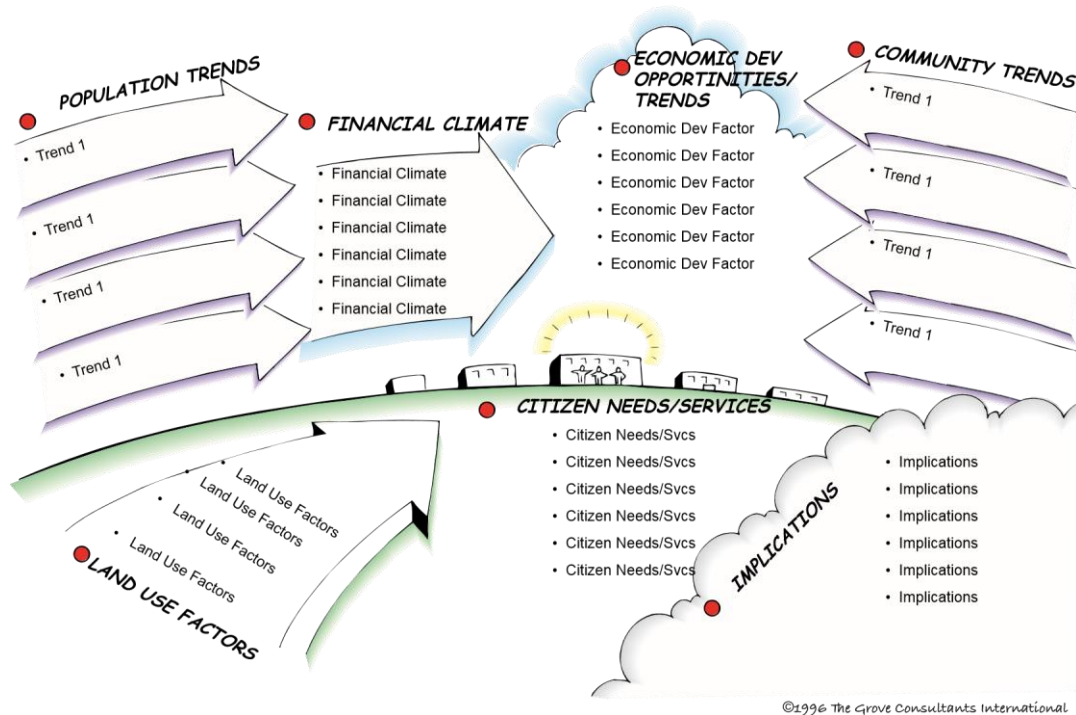
1. Through preplanning, create an effective framework that ensures the best use of expertise and effort to develop a high quality strategic plan for the County, including:
 - Data regarding the current and future environment to inform policy making
 - Accurate assessment of where the County is today in terms of ability and resources

- Opportunity for the Board to provide effective policy guidance for the strategic plan, including a long term vision for the County and priorities to achieve it
 - Utilization of the staff’s professional expertise and experience in preparing more detailed implementation plans
 - Monitoring and feedback regarding plan implementation
2. Conduct an effective environmental conditions retreat with the Board that includes information on the County’s current status, current and future trends affecting the County, and an opportunity to determine drivers and considerations for the County’s future success
 3. Enable the Board to clearly articulate a future direction for the County that includes a comprehensive vision and priorities
 4. Develop a detailed staff work plan to achieve the Board’s vision and priorities and return it to the Board for review and approval (the full strategic plan)
 5. Implement the strategic plan, to include monitoring and feedback to the Board and alignment with supporting plans

Strategic Plan Phases

| <u>Preplanning & Preparation</u> | <u>Environmental Conditions Retreat</u> | <u>Board Vision and Priority-Setting</u> | <u>Staff Work Plan Development</u> | <u>Finalize Plan Budget Prep</u> | <u>Implementation</u> |
|---|---|--|--|---|---|
| Create Planning Framework Board Interviews Other Information Sessions | 1 ½ Day Retreat Environmental Conditions Retreat Identify Drivers & Considerations for Future | 1 ½ Day Vision Retreat Vision Brainstorm Vision Development Priority Setting Stakeholder Analysis Communication Next Steps | Strategic Goal Work Plans Timetable Resources Responsibility Implementation Plan/Phasing | Board Adopt Vision and Approve Final Strategic Plan Prepare Budget | Board/Staff Implementation Monitoring Progress Reports Policy Decisions consistent with Strategic Plan |
| Sept/Oct 2014 | November 21-22, 2014 | December 5-6, 2014 | January 2015 | February 2015 | March 2015+ |

BOTETOURT COUNTY ENVIRONMENTAL SCAN



BOTETOURT COUNTY ENVIRONMENTAL SCAN

Following presentations by staff members on trends and conditions relevant to the future of the County, the Board identified trends and factors that will be important to consider when developing a strategic plan for the County.

Population Trends

- In 2000 to 2040, County's population will still grow but level out some; it is expected to grow by a third
- County population is aging; projections show growth in the population is likely to be in the older cohorts
 - Must think strategically about services that will be needed for an older population, including medical services, EMS, Parks and Recreation, transportation, and housing
 - Consider opportunities that may arise such as assisted living facilities
- Growth of the younger population, age 20 to 29, is projected to be small and relatively stagnant going into the future
 - Lower number of 20 to 29 year olds may have implications for our economic vitality and having an adequate workforce and prosperous families; do we want to do something to grow the younger population in Botetourt County?
 - If we want more of that age population, how do we attract and/or retain it?
 - Look at opportunities 20 to 29 year olds want and determine whether we want to do those things; if we want young singles in the County, are we welcoming to them?
 - County has had a suburban trend, but millennials seem to be seeking a more urban life-style
 - Increasing the number of 20 to 29 year olds will bulge the numbers all the way through as they age (if they remain in the County)
- What are the implications of potential policy actions to increase the younger population in the County? What might be the unintended consequences of such policy actions?
- School population is declining and will likely continue to decline, absent in-migration
- County median income is higher than that of neighboring counties
- County's higher comparative income is reflected in the housing that has been developed
 - If affordable housing (or smaller, more moderate housing) is made a priority, we need to determine how that will affect our median income
 - Also need to think about the type of housing that is going up in the County and how this will affect the school age population
- There is not as much natural population growth
- Do we want to speed up in-migration to try to influence the demographic that moves into the County? If so, what would it take to do so?

Community Trends/Citizen Needs and Services

- Previous trend for in-migration was higher income, older people including 40 to 50 year olds whose children were already in upper grade levels or through the school system and some mid-30s families with school age children - What will future in-migration look like?
 - What population do we want to have and how do we direct policy to achieve that?
- County has recently approved developments that include smaller homes and patio homes
 - What types of housing do people want?
 - What age group wants those smaller homes and patio homes?
 - How much housing choice is market driven and how much can be or should be influenced by the County?
- We have attracted more affluent people who want to live outside of Roanoke
 - "Botetourt County is the Ashley Plantation of the Roanoke Valley"
 - Can we effectively modify housing to match school needs or do we plan education resources to match the population?
- We will have to respond to the growing EMS needs of an older population
- Citizens have a greater expectation for services; they want the convenience of cities but also want low taxes
- Technology is going to be even more important in education and this is likely to require increased funding
- Home schooling may grow; schools see a bump in enrollment in grades 6 and 9 due to homeschoolers entering public school and this may have funding implications
- Differences in what citizens in different parts of the County expect from government have become more pronounced
 - The diverse nature of the County requires that we educate all parts of it on the direction and find common ground
 - We must leverage the advantages of all parts of the County for benefit of the whole

- In strategic planning we must ask, “What are we doing well as a government? What are we doing less well as a government? Where should we focus and what should we leave to others?”
- Board will need to correlate the strategic plan with the School Efficiency Study when it is released at the end of January 2015 (strategic planning “window” issue)

Financial Climate

- Flat to declining federal and state funding available to meet local needs and mandates
- Nominal local revenue growth
- County is at the maximum legislative limits on transient occupancy and meals tax; would have to get legislative approval to increase it
- Increasing mandates and decreasing funds to pay for them; unfunded mandates
- Heavily reliant on property tax (77% of our local revenue)
- County’s fiscal stress index indicates that we have flexibility to raise additional revenue
- Continued threat of legislative action to eliminate machinery and tool tax and BPOL
- Highly unlikely that the next real estate reassessments will yield more revenue; future reassessments are not expected to increase as they did in the 1990s and 2000s
- Reliance on fund balance to balance the budget is not sustainable
- Unmet County and school facility and operational needs
- Access to School Efficiency Study will identify needs and potential new efficiencies
- School enrollment and population trends data may lead to discussion of school consolidation and attendance zone changes
- Debt ratios are favorable and will continue to improve in the near future
- County can no longer rely on natural growth; it must stimulate growth through economic development activities
- The economy is improving, but not very fast; our financials are improving, but we know that we have some difficult budget years ahead and more mandates coming
- Most glaring implication is that the County needs to get more industrial revenue
- We have potential for growth - more capacity and foundation than many other localities
- Need to consider the future financial situation with solid waste and how are we going to manage it

Economic Development Opportunities/Trends

- Greenfield is a great economic asset
- Low unemployment rate
- Exit 150 and other interchanges are great assets and opportunities; we must work to make them serve as catalysts for economic growth
- Use of the services of the Western Virginia Water Authority
- Wind ordinance may enhance revenue (staff members currently working on ordinance)
- Have solid base of infrastructure for development other than rail (electric, gas, Mid-Atlantic Broadband, roads)
- Opportunity to enhance website and use social media to draw economic development
- Outdoor amenities are a growing tourism driver
 - Recreational tourism is growing – hiking, camping, hunting, fishing, glamping, etc.
 - Have prime opportunities with the James River, Rails-to-Trails, Virginia Creeper Trail, etc. and these may add up to additional recreational tourism options
 - Maximize opportunities with the significant number of national forest acres in the County; these are less costly resources and maintain the natural environment
 - There are many transportation and recreational access grants to obtain
- Growing market share of sports marketing
- Have significant outside partnerships investing in the County (i.e. for recreation, economic development recruiting, promotion, other support structures)
- Keep an eye on Roanoke and Allegheny County to determine trends and opportunities
- Keep an eye on Virginia Tech with its focus on research, the creation of the new medical school, and conversion of Carillion from a traditional hospital model to clinical model as these organizational changes are having/will have huge impact on the area - Go after expansion and take advantage of changes in the health care industry
 - Seek opportunities that we may have because of our proximity to the hospitals and to Virginia Tech

- Unmet demand for small industry development; need to diversify available product to satisfy this
- Agriculture has changed and its economic opportunities are untapped in the County
 - County has significant opportunity for special niche farming and local food farming - agri-tourism and eco-tourism are growing
- Board will need to correlate the strategic plan with the Agriculture Study when it is completed (strategic planning “window” issue)

Land Use/Building Factors

- County has significant capacity for infill
- Recent trend toward construction of patio homes and condominiums (i.e. from 3,500 to 4,500 square feet to 2500 sq. ft. homes)
- Have a need for smaller commercial sites and buildings to attract smaller industries (i.e. 25,000 sq. ft. to 50,000 sq. ft.)
- County has a huge portion of land dedicated to forestry/agricultural uses including national forest; while we can't develop much of this, we may be under-realizing the potential of agriculture as an economic driver
- Growing trend toward conservation easements
- County doesn't have a viable funding plan from VDOT for material changes in its transportation network
 - I-81 is projected to have increased traffic and this increases the County's potential for economic development and tourism
 - There is a potential risk for the County's economic development and growth as Levels of Service for I-81 and other primary transportation routes in the County continue to fall (absent infrastructure improvements)
- Proposed improvements on Route 220 could improve connectivity and our partnership opportunities with Allegheny County and will also improve access to I64
- Trends in transportation funding are for multi-modal transportation (bike lanes)
 - Link commercial/industrial/residential development with pedestrian/bike lanes
 - Encourage inter-connectivity (i.e. land use policy)
- There are underdeveloped properties around Exit 150 (i.e. real estate that is undeveloped or underdeveloped)
- County lacks retail; need to determine what type of retail is needed and where
- High density developments (i.e. apartments at Daleville Town Center) reflect good land use and may attract younger population
- An emerging trend is the ability of the County to offer a variety of lifestyle opportunities to which more and more people can be attracted

BROAD CONCLUSIONS ON STRATEGIC PLANNING

- Strategic planning is not going to end on December 6, 2014; this session is a good start
- The strategic plan will need to have a regular review and update to keep it current and relevant
- We need to look at “windows” on the Agriculture Study and School Efficiency Study and align our timing. We know there are unmet needs and we will need to see how these studies influence our strategies and goals.

Mrs. St. Clair then asked the Board members what they are “taking away” from these sessions.

Dr. Scothorn noted that the preparation and information gathering by the staff prior to the start of yesterday's first meeting was an excellent job.

Mr. Dodson stated that after all of the information he has received about the County and its activities, “you know you don't know everything.” Mr. Dodson stated that a lot of the information he received in preparation for this meeting he was unaware of and he was conscious of other data. He noted that the “groundwork” was laid.

Mr. Martin stated that the information presented by the staff was interesting, it opened his eyes, and changed his perceptions of other departments. Mr. Martin stated that strategic planning should be an on-going process. Mr. Martin further stated that he is impressed by what has happened in the last two days and looks forward to working with the Board in the future.

Mr. Leffel stated that he is taking away optimism from these meetings. He noted that everyone did their homework and put a lot of thought into these sessions. Mr. Leffel further stated that he was also impressed with Ms. St. Clair's work and the input from County staff. Mr. Leffel noted that he feels that the Board "can make something out of this."

Mr. Williamson stated that he was concerned that the Board would get into a process that did not have a basis with good data but he has been impressed with the information provided. He noted that "there is a lot more going on than what he realized," the Comprehensive Plan is a stronger plan than he believed, and he is excited about this and what the County can do with agri-tourism.

Mrs. Guzi then applauded the Board for their commitment to and participation in this process. She noted that these sessions are crucial for the staff and she thanked the Board on the staff's behalf.

Mr. Martin thanked the staff for their preparation work for these sessions. He stated that they have done a lot of work on the presentations viewed by the Board over the past two days and they did a great job.

There being no further discussion, the Chairman adjourned the meeting at 3:46 P. M. on Saturday, November 22, 2014.

She noted that today's and tomorrow's work sessions will consist of spending time learning "getting educated" about the County and the various departments while the December work sessions will be considered a "direction-setting" retreat. Ms. St. Clair stated that the staff will then take the Board's feedback from the November and December work sessions and in January, prior to the beginning of the FY 16 budget planning work, they will work on developing a strategic plan to bring to the Board for approval in February.

She then reviewed the agenda for the next two days and noted that the Board will receive staff presentations on the County's history, financial conditions, roles and responsibilities of local government, parks, recreation, and tourism, land use and development management, economic development, and community and culture. Ms. St. Clair noted that her role as facilitator is to record the Board's perceptions of what the information they receive means to them.

Mrs. Guzi stated that the staff's goal is to give the Board the data that they need and to help them understand what the local government does and can and cannot do. She thanked Mr. David Moorman and Mr. Cody Sexton for their work in putting this information together. Mrs. Guzi stated that everyone, including staff, is eager about this process and obtaining the results.

Mrs. Guzi then reviewed the County's past, present, and future. As an example, she noted that in 1960 a loaf of bread was 23¢; in 1970 it was 25¢, in 1980 it was 50¢, in 1990 it was 75¢, in 2000 it was \$1.99; and in 2010 it was \$2.99. She then reviewed various population data for the County for the past 50 years: 1960—17,000; 1970—18,000; 1980—23,000; 1990—25,000; 2000—31,000; 2010—33,000; and noted that the County's population is expected to be 35,000 in 2020; 36,000 in 2030; and 39,000 in 2040.

After questioning by Mr. Dodson, Mrs. Guzi stated that today's birth rate is down compared to the 1960-1980 period; however, it is projected to increase by less than 1/3 in the future.

After questioning by Mr. Leffel, she noted that this population data is provided by the University of Virginia's Weldon Cooper Center.

Mrs. Guzi then showed various population data charts by age groups. She noted that in 2013 the County has about the same number of 0-9 year olds, as it does 20-29 and 30-39 year olds. She noted that the largest number of County residents are between 40 and 69 with the next largest between 10 and 19. She stated that the County's median age over the last 10 years has risen from 44.0 to 44.9 years old.

Mrs. Guzi noted that the County still continues to see a population gap in the 20 – 29 year old age group. She noted that the question that needs to be asked regarding this reduction in 20 – 29 year olds is how much of this decline is natural and how much of it is due to the policies that the Board has and has not put in place—what we have and have not done as a community to encourage this age group to stay in the County or to move here from elsewhere.

Dr. Scothorn stated that as the population ages the elderly will want an increased quality and quantity of life. He noted that the health industry has to be better in diagnosing and treating this age group. He further noted that the EMS needs/calls will increase significantly as the population ages as will the need for assisted living services.

Mr. Williamson noted that from an emergency services standpoint the increase in the older population and their potential for increased EMS response needs will have an impact on the County and its budget.

Mr. Martin noted that advances in medicine over the next 30 years will help citizens to live longer.

Charts showing household types, household incomes, marital status, and educational attainment were also reviewed. Mrs. Guzi stated that the County's school-age population is projected to remain flat in the future. She noted that in 2040 there are projected increases in the 30 – 39 year old group but the 20 – 29 and 0 – 9 age groups have the smallest population levels.

Mr. Dodson stated that the County needs to open up opportunities and determine what we have to keep and attract the 20 – 29 year old demographic. He noted that, if this age group is increased, then the younger age groups will increase as well.

Mr. Moorman questioned if it is fair to say that a majority of the County's growth is due to in-migration and, if so, do we want to encourage in-migration, and to what level.

Mr. Williamson stated that most of the population migration has been from Roanoke.

After discussion, Mrs. Guzi stated that the County needs to make sure that we are aware of what is doing on in the region because it affects us directly.

Mr. Leffel stated that during the 1970s the County's exploding population growth resulted in the County constructing many school buildings.

Mr. Moorman questioned if this population increase was due to the County being a cheaper place to live and raise a family or was it more desirable to upsize the County.

Mr. Williamson noted that the County's housing "boom" began in the 1970s