



## **GO Virginia Region 2, Virginia Economic Development Partnership Site Development Virtual Road Show Meeting Minutes**

**October 22, 2020, 2:00p.m.- 3:00p.m, Zoom Webinar.**

Council members in attendance: Ray Smoot (Chair).

VEDP staff in attendance: David Devan, Sean Brazier, Cole Pearce, John Loftus.

Region 2 support staff in attendance: John Provo, Rachel Jones.

Public in attendance: Alisha Meador, Bill Lovern, Brian Hamilton, Charlie Jewell, Chris McNamara, Deborah Flippo, Frank Rogers, Gary Christie, James Cabler, Jill Loope, Joe Zielinski, John Hull, John Stone, Kathy Hodges, Ken McFadyen, Kent White, Kevin Byrd, Lori Saunders, Luke Campbell, Marc Nelson, Marjette Upshur, Mary Zirkle, Megan Lucas, Mike Burnette, Nina Rezai, Scott Kuehn, Tom Rowley, Traci Blido, Victoria Hanson.

The presentation convened at 2:04p.m. and adjourned at 3:02p.m.

### ***Introductions***

John Provo introduced the GO Virginia Region 2 Chairman, Ray Smoot.

Chairman Smoot thanked the Virginia Economic Development Partnership for hosting the Site Development Virtual Roadshow. Chairman Smoot expressed interest in potential opportunities for site improvement as well as future outcomes of site readiness proposals utilizing the data brought forth from VEDP. Site readiness has proven to be well documented as among the most important elements to successful economic development.

### ***VEDP Presentation***

David Devan began by elaborating on the importance of site development in our region, stating the major considerations businesses look for when choosing new locations include workforce, talent, and suitable sites and buildings. The lack of pad ready sites has been identified as one of the most common reasons Virginia has lost projects in the last 3 years. The absence in developable sites and buildings led to elimination from consideration for at least 65 projects, totaling nearly 19,000 forgone jobs and over \$5 billion in capital investment from FY17-FY19. Following completion of this study, VEDP concluded nearly 90% of sites evaluated were tier 1-2, with only 30 sites considered project ready at tier 4-5. Region 2's site portfolio, separated by three sub-regions, include 16 tier 1-3 sites, and only 1 tier 4-5 sites available in the Lynchburg region, 6 tier 2-3 sites and only 1 tier 4-5 sites available in the New River Valley region, and 19 tier 1-3 sites, with only 2 tier 4-5 sites available in the Roanoke region. Site development is critical for the advancement of two target sectors identified in GO Virginia Region 2's Growth & Diversification plan- Manufacturing and Food & Beverage Processing. Engineering firms visited the sites included, as well as gathered data and prepared reports for all previously uncharacterized sites. Each characterization report includes a report cover, tier certification letter, site background and



history, wet utilities, dry utilities, transportation and access issues, steps to achieve up to tier 3, and exhibits of aerial and environmental, utilities, all constraints mapping, and site schematic build out. Each site then received a developability score, allowing sites to be compared within a region or service territory, by size and industry. Developability scores were characterized independently from the assigned tier level to allow Region 2 to determine attractiveness of individual sites, as well as identify less costly sites, increasing potential for return. Site developability scores determined many of Region 2 sites require only limited improvements to infrastructure, with identified strengths being 80% of regional sites requiring only minor improvements to wet utilities, 82% of sites requiring only minor improvements to their access roads, 98% of sites could receive broadband service in under 12 months, and 98% of sites have no floodplain impacts anticipated. Challenges to development of some regional sites include 49% of sites were concluded to have bedrock or karst concerns and 47% of sites posed challenging slopes on over a tenth of the property. Chairman Smoot inquired on data pertaining to natural gas access to the evaluated sites. David addressed the chairman's question by stating VEDP has collected data focused on natural gas access and posed as a major obstacle across the Commonwealth based on system capacity and timeline to complete.

### ***KPMG Report***

VEDP collaborated with KPMG to evaluate each location in the study for suitability across 8 different project archetypes, mega project, super project, advanced manufacturing large and small scale, light manufacturing large and small scale, and distribution and logistics large and small scale. David continued by stating minimum site and employment characteristics required for each project type in the categories of required contiguous acreage, total workforce threshold, and drive time. KPMG also reported on location competitiveness, calculated by sector. Criteria included talent availability, labor quality, labor cost, transportation, quality-of-life, industrial compatibility, and taxes. Identified strengths from the KPMG location competitiveness report includes skilled workforce (existing concentrations of manufacturing and distribution workers, second most Associates degrees per-capita in sites' laborshed), labor cost (wages for manufacturing and distribution workers are competitive at statewide level), affordability and livability (affordability of housing facilitates in-migration of new workers, reduces upward pressure on wages, shortest commuting times of Virginia's regions), size of workforce (smaller workforce than major Virginian MSAs, however, workforce is larger than that of more rural regions), and distance from port (distance from port can increase the time and expense for firms to ship or receive products).

### ***Recommended Process to Prioritize Sites***

Recommended next steps to prioritize sites proposals could be initiated through a collaborative approach between REDOs or GO Virginia support org engagement with localities. REDOs or GOVA may request aggregated site data from VEDP, REDOs or GOVA then utilize aggregated data and local insight to create a list of high potential sites for development. VEDP offers support in workforce analysis, industry concentration, available funding programs, as well as engagement with an engineer or consultant's perspective.

David Devan asked if there were any additional questions. There were none.



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Adjournment occurred at 3:02p.m.