

Meeting Minutes
Roanoke Valley Allegheny Regional Comprehensive Economic
Development Strategy Committee

March 7, 2008

8:00 AM, Lecture Hall at Greenfield Education and Training Center
57 South Center Drive, Daleville, VA 24083

Committee Members:

Present:

Phil Sparks (representing Beth Doughty), Jennifer Durling, Steve Mullins, Randy Foley, Brian Townsend (representing Darlene Burcham), Gary Keener, Carl Brinkley, Diane Akers, Brenda Walker, Carolyn Fidler, Judy Cunningham (representing Hal Mabe), Kevin Persinger, Don Assaid, Rebecca Walter, Hunter Young, David Preston, Rob Erdman, Ned McElwaine (representing Gerald Burgess), Richard Flora, Doloris Vest, Tori Williams (representing Joyce Waugh), Mark Taylor, Claire Collins, John Strutner, Dave Price, Consuella Caudill.

Absent:

Elmer Hodge, Ken Lanford, Kevin Boggess, Joseph McNamara, Ione Callender, Leanna Tyler, Mayor James Houff.

Others Present:

Wayne G. Strickland, Executive Director, RVARC
John Hull, Regional Economic Resources Planner, RVARC
Laura Williams, Economic Development Specialist, RVARC

Proceedings:

-Meeting called to order at 8:10am

Welcome and Introductions:

-Mr. Wayne G. Strickland welcomed members to the first meeting of the Roanoke Valley – Allegheny Regional Comprehensive Economic Development Strategy Committee. He explained that the Roanoke Valley – Allegheny Regional Commission serves the region of 11 governments stretching from the Allegheny Highlands through Roanoke Valley. Mr. Strickland stated that work is mainly focused on economic planning, transportation planning, community development, and environmental planning. Wayne explained that the Commission is designated as a regional transportation planning organization and as a State Data Center affiliate by the state and federal governments.

Mr. Strickland stated that the Commission works with a number of partner groups and local governments in many other areas, such as economic development. Mr. Strickland noted that the Commission works closely with the Roanoke Valley Economic Development Partnership and the Western Virginia Workforce Development Board as well as with the Chambers of Commerce that serve the region. He noted that several of

the partner agencies are represented on the new CEDS Strategy Committee. Mr. Strickland explained that the Commission in supporting these regional economic development organizations and is not duplicating efforts but simply supporting ongoing economic development initiatives and programs.

Mr. Strickland noted that the commission has been around for almost 40 years now. Mr. Strickland thanked the committee members again for their service and asked everyone to introduce themselves.

Presentations:

-Introduction to the CEDS Planning Process

Mr. John Hull presented on the CEDS planning process including information on what a CEDS strategy is, why a region should develop a CEDS, CEDS Committee Membership Requirements, an organizational chart describing the relationship between the CEDS Committee and the Roanoke Valley – Alleghany Regional Commission, and necessary elements of a CEDS Strategy document.

-Review of Demographic and Economic Data

Mr. Hull segued into a discussion of data by reading a 'Regional Call to Action' statement prepared after preliminary data analysis. Mr. Hull presented on regional population growth, median age, age cohort change, unemployment, industry clusters, labor shed data, commuting patterns, and educational attainment. Mr. Hull also presented a proposed project schedule that would keep the group on schedule to complete the CEDS document by February 2009. He explained that after the document is complete it must be approved by the Strategy Committee, the Roanoke Valley – Alleghany Regional Commission, and the area local governments (in that order) before being submitted to the US Economic Development Administration's Philadelphia Region Office.

Mr. Hull also informed the Committee that a project web site has been established at <http://www.regionalstrategy.org> where all meeting information and project documents will be posted throughout the project process. He also stated that internet discussion forums have been established there for the public, committee members, and other interested parties to comment and hold discussion on the CEDS document.

The complete presentation has been attached to these minutes.

Comments/Questions:

- Committee Member Foley asked what kind of projects can the region actually pursue through a CEDS planning process? What can the region implement and what kind of strategies can we, as a committee, look at to get funded that may help the region?

- Mr. Hull answered that CEDS planning process can address a large variety of projects. The EDA has traditionally been focused more on infrastructure investments (i.e. gas, water, sewer and even broadband). He noted that the EDA has a lot of experience building business incubators and the like. Mr. Hull noted that a CEDS should include these traditional projects but that the group can also think outside the box. He noted that, a couple of years ago, the Regional Commission worked on a CEDS document in the Alleghany Highlands that had a varied project package that included not only the traditional infrastructure projects but also planning projects, economic studies, entrepreneurial investments, a branding initiative, and other initiatives. He explained that the goal in the end is to look at any public investment that will strengthen the economic base of the region.

- Mr. Strickland noted that projects included in the CEDS document do not have to be funded by EDA. There are other sources of funding through the state and federal government that can be considered. He noted that projects that can be funded almost exclusively through local funds should also be included as long as the project is a regional priority. He explained that the CEDS should not be limited to site development or site and road improvements. Projects can and should address workforce development issues as well, for instance.

- Committee Member Vest noted that there are also a number of Department of Labor (DOL) grants that require exactly the same information as has been presented in the CEDS document and could also reasonably be included in a CEDS list of projects. .

- Mr. Strickland noted that EDA funds have been used in the region for innovative projects. He noted that the Franklin County Workforce Development Center and the Advanced Manufacturing Center were partially funded by the EDA. He explained that it's entirely up to what this committee thinks is important. He noted that the EDA also has revolving loan programs for capital for small business development.

- Mr. Townsend noted that the local Economic Development Authority has some local funds for entrepreneurial development and that the City might be interested in utilizing US EDA funding in such a program.

- Mr. Strickland noted that federal and state funding sources will not fund every project and that the funding will not likely fund anything entirely but that the funding is good for "seed money." The sources offer an injection of money to be added with perhaps local, state or other federal sources to accomplish a project. He stated that it is likely that the local governments probably already have some ideas about possible projects, but one of the things that should be made clear is that the EDA funds will mainly go into eligible communities. However, he explained that does not mean that a project in Botetourt, which at this point is doing well economically and may not be eligible, would be excluded from the document. A project, for instance, in Botetourt that impacts the Highlands or Clifton Forge favorably may be considered eligible, or Salem could be doing a project that would impact Craig County favorably. He explained that the CEDS is really a regional effort.

- Ms. Collins noted that the Demographic and Economic Trends document suggests that there is a need for closer inspection of the workforce educational attainment issue. She noted that the group needs to look at changing these statistics in the near future-- five, ten, fifteen, or twenty years down the road. She noted that the group should also pay attention to those that are unemployed throughout the whole region and that data is needed on the age of those dislocated workers. She noted that the group should be striving to find what their true needs are. She noted that the group should also consider looking at what can be done to promote and market the region to specific higher educational institutions and students who will be graduating from existing institutions. She stated that regional economic developers should come up with a true package to say, "This is why you either need to stay in the region or move to this region." She said the region should evaluate what the private sector can provide in jobs and also further workforce educational attainment for those young people. She said she would like to see the group working on large and very unique projects from a regional standpoint. She said she would like the committee to be able to go to EDA and say, "This is what we want to do for the future of our entire region and all of our localities and private sector partners want to work towards that future."

-Ms. Collins stated that if the group doesn't do something these statistics are not going to change. It will be very status quo here. Historically, she said she believes we have boxed ourselves in. We need to start from the premise that the group needs to step outside the box and think creatively.

- Mr. Strutner noted that he was struck by the high underemployment rate in the region, being fairly new to the region. He stated that he believes that is certainly an area that needs to be addressed. He said that he agreed with Ms. Collins that the contributing factor is probably the educational attainment.

- Committee Member Vest stated that along with the underemployment rate is also the groups of people who are in "mismatched employment" These are people who have a lot of education but do not match up with what the employers in the area need.

- Committee Member Mullins asked what the typical percentage of success is in presenting a CEDS program of projects to the funding source. He wondered if the region was guaranteed a certain amount of project funding.

- Mr. Strickland explained that the region is not guaranteed the funds through the CEDS process. He noted that the EDA grants are competitive.

- Mr. Hull noted that the region does not have an extremely long track record working with the EDA, but that in the previous year the Regional Commission submitted two grants, one for the region and one for the Allegheny Highlands and that both proposals were funded. He noted that EDA staff has mentioned that half of the localities exhibit distress. This would suggest that the region will likely be successful in obtaining funding from the EDA and other federal funding partners.

- Mr. Strickland noted that the EDA can give up to \$1 million on most projects. He cited several projects funded in the past including funding assistance to some of the development surrounding the Orange Avenue/I-581 interchange, the Campbell Court bus station in downtown Roanoke, and the Commerce Center in the Alleghany Highlands. He explained that the committee needs to get everything down into a list of priorities. The EDA, he explained, needs to know what's most important to the region. He noted that if we can lay out a game plan to the EDA in the area of workforce development or in infrastructure development or broadband or whatever it may be, the whole region will benefit.

- Committee Member Assaid- stated that he believes educational attainment is the underlying issue. He stated that the jobs are declining in the blue collar sectors, and the dislocated workers are unable to re-educate themselves. He asked if the group is talking about initiatives being targeted at things to attract and retain people who have the higher educational achievements or if the group should be talking about also trying to do things to promote additional educational and higher educational organizations within the communities?

- Mr. Hull stated that he is not sure the group needs to pick between the two approaches.

- Mr. Strickland stated that the EDA has funded specialized programs for people at community colleges and other centers if that's what the need is. He explained that the committee needs to determine as a group what the need is. In other words, do we just need to attract people and we just aren't telling the story well enough? Or do we need to enhance our ability to educate?

- Committee Member Durling noted that in addition to higher education the group has to examine re-training dislocated workers. She stated that most of those people are a skilled workforce and they need to be re-educated so they can apply for jobs in another area.

- Mr. Strickland agreed stating that the Highlands has lost 600 jobs in the last two years and those workers need to be "re-tooled." He noted that manufacturing is declining across the nation and that the manufacturing that remains is focused on higher-end, niche, and higher value-added activities. He noted that the skill that we have to develop something and make something more specialized is what will keep us moving forward.

- Committee Member Durling noted that when you look at the workforce at those that were traditionally in manufacturing jobs or skilled labor, a lot of them have little or no computer skills. Today, almost all jobs in the business sector require some computer skills.

- Committee Member Vest noted that one important issue is that the region has a lot of dislocated workers and the federal programs that traditionally served them are shrinking very rapidly. In addition, there is not always the appropriate resource for education either. The Alleghany Highlands is the most devastated of our areas and other than Dabney there

are not a lot of higher education institutions in the area. So the place that needs the educational resources the most doesn't necessarily have it.

- Mr. Strickland noted that part of this committee's job is to work with your local governments and others in your community to bring out ideas. He noted that members need to bring ideas to the table that they think are important. He stated that a number of ideas have been thrown out today including workforce development and enhancing skills, attracting young people and professionals. He stated that these ideas need to be brought out in our meeting discussions. If you have any ideas, as you are talking with your colleagues, run it by them and get their perspective on what needs to be done. He also noted that the most important thing to think about for the next meeting was what our vision and goals should be.

- Mr. Hull mentioned that item #3 on the agenda related to the formation of a Nominating Committee for the Chair and Vice-Chair is going to be postponed until remaining appointments are made to the committee. He also mentioned that there may be a few additional groups that the committee might want to invite to some of these meetings coming up that aren't represented currently. For example, the VEC is not currently represented on the committee but certainly staff could invite someone from the VEC to come.

-Mr. Strickland noted that these would be non-voting members.

- Mr. Hull agreed that they would be non-voting members in order to maintain our proportion to meet the EDA regulations. We might also consider inviting local economic development divisions as well.

- Ms. Collins asked if staff could also invite the industry sectors such as healthcare. She stated that staff should determine which sectors are not represented.

ACTION ITEM: Invite additional nonvoting private sector members to ensure representation of all industry sectors in the upcoming visioning session and in the meetings focused on project formation. (*RVARC staff*)

- Mr. Strickland noted that once staff has received all of the appointees, the Commission will prepare a list of representatives and distribute that to everyone.

- Committee Member Erdman asked staff to prepare a more in-depth analysis of what is happening in the education and knowledge creation cluster.

ACTION ITEM: Look at the components of the decline of the Education and Knowledge cluster to better understand why this cluster seems to be suffering. (*RVARC staff*)

- Committee Member Vest asked to receive a set of industry cluster definitions to aid in the understanding of the clusters.

ACTION ITEM: Supply the definitions for each of the employment clusters. (*RVARC staff*)

-Mr. Strickland noted that although the New River Valley influences the economy here in the Roanoke Valley, the New River Valley is not included in our regional CEDS document. The New River Valley has its own CEDS so their higher education materials are not reflected in the Demographic and Economic Trends document. It is only our higher education or private sector.

-Committee Member Brinkley asked if we have the same situation in the east with the Lynchburg area?

-Mr. Strickland answered yes, Bedford is not in this CEDS or any CEDS at all, and is not involved in this project. Rock Bridge County just to the east of Alleghany County is involved in this process with Stanton and Augusta. That doesn't mean we can't work together, in fact, we have some data that comes out of West Virginia. We have talked about working with the people in Greenbrier and other areas right across the state line. We are having some conversations with them but they are not part of this service area.

-Committee Member Taylor suggested that staff of RVARC provide committee members with an example of the CEDS document from Alleghany Highlands.

-Mr. Hull stated that committee members can access the whole CEDS project from the Alleghany Highlands at <http://rvarc.org/ceds>.

ACTION ITEM: Review the Alleghany Highlands CEDS document and projects to gain a better understanding of the CEDS document and process. (*Committee Members*)

-Mr. Hull suggested that committee members can also "Google" "CEDS" and look at CEDS documents from across the country.

-Mr. Taylor stated that even though the Alleghany Highlands area has now been wrapped with the regional CEDS effort, the Alleghany Highlands has decided to take the CEDS committee and wrap them into their EDC. The CEDS committee has become a subcommittee of our EDC. Alleghany Highlands is still moving forward with what we planned in our CEDS document, even though we have now become part of this great regional effort.

-Mr. Strickland thanked the committee for attending the first meeting. He suggested if the committee members had any questions that they could contact John Hull or go to the website to participate in discussion forums.

-Mr. Hull stated if there was any other sort of analysis information that committee members would like to see for the vision and goal setting meeting to please let him know.

Future Meeting Schedule:

-Committee tentatively set next meeting for May 7th, 2008 and asked staff of RVARC to procure the location and check with other committee members to officially schedule the meeting. Committee asked that we set the next meeting for afternoon or evening tentatively from 2pm – 5pm. Committee asked that staff check with the localities to make sure there are no conflicts with their organization or government meetings. Committee discussed a preferred location- although, it was decided that the Greenfield Education and Training Center was satisfactory to all committee members present, it was not selected as the only meeting location available to the committee.

-Meeting adjourned at 9:09am

-Minutes submitted by Laura Williams, Economic Development Specialist.

Website: <http://www.regionalstrategy.org>

Allegheny Highlands CEDS website: <http://rvarc.org/ceds>