



## *New River Valley Commerce Park Participation Committee*

6580 Valley Center Drive, Suite 124  
Radford, VA 24141  
Phone (540) 639-1524 FAX (540) 831-6093

### MEMORANDUM

**DATE:** November 5, 2008  
**TO:** NRV Commerce Park Participation Committee  
**FROM:** Dave Rundgren  
**SUBJECT:** November 12, 2008 Meeting – *Cancelled*

**The November meeting of the New River Valley Commerce Park Participation Committee has been cancelled.**

The next meeting will be held on December 10, 2008 at 4:30 p.m. at the New River Valley Competitiveness Center, Fairlawn.

If you have any questions, feel free to contact Christy Straight at [cstraight@nrvc.org](mailto:cstraight@nrvc.org) or 540.639.9313

#### **Bland County**

John C. Thompson  
Henry M. Blessing

#### **Craig County**

\*Jay Polen

#### **Giles County**

\*Chris McKlarney, Chair  
Richard McCoy

#### **Montgomery County**

Bob Isner  
\*Clay Goodman

#### **Pulaski County**

\*Peter M. Huber  
Shawn Utt

#### **Roanoke County**

Charlotte Moore  
\*Doug Chittum

#### **City of Radford**

Bruce Brown  
\*Basil Edwards

#### **City of Roanoke**

\*Brian Townsend  
Court G. Rosen

#### **Town of Dublin**

William H. Parker  
\*Doug Irvin

#### **Town of Pearisburg**

\*Kenneth F. Vittum  
Brad Jones

#### **Town of Pulaski**

\*Morgan Welker  
John Hawley

\* denotes primary member  
of the Participation  
Committee



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## **MEMORANDUM**

**DATE:** December 3, 2008  
**TO:** NRV Commerce Park Participation Committee  
**FROM:** Dave Rundgren  
**SUBJECT:** December 10, 2008 Meeting

A meeting of the New River Valley Commerce Park Participation Committee will be held on **December 10, 2008**, at 4:30 p.m. at the New River Valley Competitiveness Center in Fairlawn.

Please mark your calendar and contact me as to your plans for attendance.

### *Virginia's First Regional Industrial Facility Authority* **New River Valley Commerce Park Participation Committee** **Agenda**

**December 10, 2008, at 4:30 P.M.**  
**New River Valley Competitiveness Center**

1. Roll Call
2. Approval of the October 8, 2008 meeting minutes
3. Engineering Report
4. Administrative Staff Report
5. Old Business
  - a. Agreement for Water and Sewer project with Pulaski County PSA
  - b. Leak and Goforth proposals
6. New Business
  - a. Marketing Staff Report
7. Closed Session (if needed)
8. Other Business
9. Adjournment

**Next scheduled meeting: January 14, 2008**

**Virginia's FIRST REGIONAL INDUSTRIAL FACILITY AUTHORITY**  
**New River Valley Commerce Park Participation Committee**  
**Meeting Minutes**  
**October 8, 2008**

**1. Roll Call**

Chairman McKlarney opened the meeting by welcoming all those present. Roll call was taken and a quorum determined (see attached).

**2. Approval of the September 10, 2008 meeting minutes**

Motion: Mr. Chittum moved approval of the September 10, 2008 meeting minutes. Mr. Vittum seconded the motion.

Action: The motion carried.

**3. Engineering Report**

Mr. McCollum reviewed the distribution of funds among all of the categories. Board members asked several questions: Mr. Goodman asked about the certainty of the budget numbers; Mr. Rosen asked about a contingency for rock. Mr. Coake said that the project would be bid as unclassified.

**4. Administrative Staff Report**

Mr. Rundgren reported that the staff has been dealing with the regular grant-related questions and other items which will be discussed.

**5. Old Business**

**a. EDA grant offer – joint applicant acceptance**

Motion: Mr. Irvin moved the participation committee recommend Virginia's First accept the EDA grant offer. Mr. Polen seconded the motion.

Action: The motion carried.

**b. Water and Sewer project with Pulaski County PSA**

Mr. Huber is preparing a draft of the agreement between the PSA and Virginia's First. The grant provision performance measures were reviewed. The grant and project administration was also discussed: the PSA will contract with the PDC to provide grant administration and Ron Coake will administer the entire project.

**c. Committee on sale of surplus property**

Motion: Mr. Rosen moved the participation committee authorize staff to accept the listing agreement with Woltz and Associates to sell the house. Mr. Edwards seconded the motion.

Action: The motion carried.

**d. Staffing committee report**

The committee report was reviewed. Ads were placed for the position and resumes will be accepted until October 31. Discussion on funding the position followed. It was proposed that funding for the position be based on the percentage of hours worked on

either Commerce Park participation committee efforts or Virginia's First assignments. The contractor would submit an invoice detailing the division of hours worked.

Motion: Mr. Goodman moved the participation committee recommend to Virginia's First that funding for the position be split between Virginia's First and Commerce Park budgets based on the percentage of hours worked for either group. Mr. Irvin seconded the motion.

Action: The motion carried.

**6. New Business**

**a. Marketing Staff Report**

Mr. Bopp reported to the committee on the range of proposals from Leak and Goforth. The committee discussed the options. It was agreed to wait for the proposal options to be formally presented.

**7. Closed Session**

No closed session was held.

**8. Other Business**

No other business was brought before the committee.

**9. Adjournment**

With no further business to discuss the meeting was adjourned at 6:05pm. The next meeting to be held on November 12, 2008.

Respectfully Submitted,

David W. Rundgren

Approved by,



Barry Helms

**New River Valley Commerce Park  
Participation Committee  
Attendance**

October 8, 2008  
New River Valley Competitiveness Center  
Radford, VA

<b>Jurisdiction</b>	<b>Member</b>	<b>Alternate</b>
Bland County	( ) John C. Thompson ( ) Henry M. Blessing	
Craig County	( ) *(x) Jay Polen	
Giles County	*(x) Chris McKlarney ( ) Richard McCoy	
Montgomery	( ) Mary Biggs *(x) Clay Goodman	(x) Bob Isner ( ) Carol Edmonds
Pulaski County	(x) Shawn Utt *(x) Peter Huber	( ) Joe Sheffey (x) Ronnie Coake
Roanoke County	( ) Charlotte Moore *(x) Douglas Chittum	( ) Jill Loope
City of Radford	*( ) Bruce Brown (x) Basil Edwards	
City of Roanoke	(x) <i>Court Rosen</i> *( ) Brian Townsend	( ) Anita Price
Town of Dublin	( ) Samuel Gregory Jr. *(x) Doug Irvin	
Town of Pearisburg	(x) Brad Jones *(x) Ken Vittum	
Town of Pulaski	*(x) Morgan Welker ( ) John Hawley	

\* denotes primary member of the Participation Committee

**Others Present:** Gary McCollum, Trevor Kimzey

**Staff Present:** Dave Rundgren



New River Valley Commerce Park Participation Committee  
December 10, 2008

**ADMINISTRATIVE STAFF REPORT**

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**REPORT ON**

- × Bank loan
- × Water and sewer project
- × Rural Development loan application
- × EDA activity
- × FY 07-08 audit
- × Engineering staff changes
- × Surplus property sale
- × Property leases

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**BANK LOAN**

- × Began discussions with Stellar One
  - + Variable to fixed rate
  - + Adjustment Caps

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**RURAL DEVELOPMENT**

- ✘ Discussed RD loan – need application as soon as possible – Applicant will be Pulaski PSA
  
- ✘ Environmental Report delivered to RD for review

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**EDA ACTIVITY**

- ✘ EDA working to higher a project manager for Virginia
- ✘ Pulaski PSA is the applicant issues are judged upon
- ✘ Working on the list of 21 conditions which must be met before grant funding – costs borne by PSA and Commerce Park
- ✘ Spreadsheet on status of conditions

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**FY 07-08 AUDIT**

- ✘ Copies will be sent to member localities
  
- ✘ Copies available for representatives

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**ENGINEERING STAFF CHANGES**

- × Trevor Kimzey has left A&A
  
- × Theron Barrineau
  
- × Lowell Bowman

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**SURPLUS PROPERTY SALE**

- × Signed agreement with Woltz
- × Pulaski supervise inmates to clean out house
  - + Probable cost \$500 to \$1000
- × Alternative divisions of property
- × Open house to be held in next few months

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**PROPERTY LEASES**

- × Expire in July
- × Two agricultural leases
- × Two house rentals

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## Commerce Park Water/Sewer Project Tasks

action	detail	lead responsibility	status	date completed	EDA special award condition #
Project time schedule (start construction within 12 months)			no action required yet		1
Project time schedule (construction period: 24 months)			no action required yet		1
Goals for women & minorities in construction			no action required yet		2
Expiration of availability of grant funds	must be completed by 9/30/2013				3
Performance measures					4
Annual report on unliquidated obligations			first report due 9/2009		5
Delayed progress notice			no action required		6
Title opinion	must be done before initial EDA disbursement				7
A/E agreement submitted to EDA	must be done before initial EDA disbursement				8
Program income (use of)	submit income reutilization plan for a&b to EDA		no action required yet		9
Matching share (assure matching funds available)	submit evidence to EDA before construction award		no action required yet		10
Grant administration services agreement	agreement must be approved by EDA				11
FAA authorization of water tank	must submit form 7460-1 to FAA, and FAA approval to EDA		no action required yet		12
USFWS clearance	Submit HA and mitigation plan for approval				13
Habitat assessment, mitigation for smooth coneflower	habitat assessment is needed for further review		proposal received from USFWS approved surveyor (DCR)		13
DGIF clearance for endangered snail	Submit HA and mitigation plan for approval				14
Habitat assessment, mitigation for snail	habitat assessment is needed for further review		proposal received from USFWS approved surveyor	13, 14	
DGIF directional drilling approval	submit geotechnical analysis to DGIF, DGIF letter of approval to EDA				15
DGIF construction activity schedule	based on assessment of birds' habitat, mitigation or DGIF letter of approval to EDA				16
Habitat assessment, mitigation for birds	habitat assessment is needed for further review				17
NRCS farmland preservation compliance			finding of no impacts from NRCS	10/30/2008	18
DHR archaeological survey approval	for project area, see #20 for further requirements				19
Archaeological survey					19
DHR approval of sales agreement re archaeo surveys	language in agreement must provide for archaeo surveys on CP sites		no action required yet		20
UST removal, Groundwater remediation	letter from qualified contractor verifying removal				21
Secure RD loan	matching funds (\$3.4 million)				
Submit ER and PERs for RD Loan			application in progress ER and PERs submitted	12/3/2008	

*Proposal to the  
New River Valley Economic Development Alliance  
for a  
Strategic Development Plan for the New River Valley  
Commerce Park, Pulaski, Virginia*

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*November 5, 2008*

*Submitted by  
Leak-Goforth Co, LLC  
Raleigh, NC and Jacksonville, FL  
And  
Bruce Facility Planning Consultants, LLC  
Nocross, GA*

## ***Proposal Contents***

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November 10, 2008

Mr. Shawn Utt  
Community Development Director  
County of Pulaski  
143 Third Street, NW Ste. 1  
Palaski, VA 24301

Dear Shawn,

Enclosed please find our proposal to provide an in-depth evaluation of the New River Valley Commerce Park as requested by the Board of the New River Valley Economic Development Alliance. The Leak-Goforth Company with offices in Raleigh, NC and Jacksonville, FL is a leading site location consulting firm having assisted such international companies as Texas Instruments, Micron Technologies, Hyundai Electronics, ZF Lemforder, Majestic Sportswear, Eastern Chemicals, C&F Foods and many others. The firm is also engaged in assisting communities in their efforts to improve the competitive climate for the attraction of desirable business and industry.

Leak-Goforth is joined in this proposal by Bruce Facility Planning Consultants of Norcross, GA whose principal, Jim Bruce, has many years of experience siting major companies throughout America and beyond. We believe the combination of talents and experience offered by Bob Leak, Bob Goforth and Jim Bruce will be important in repositioning the Commerce Park for future economic development success. The consulting team is also skilled at developing marketing strategies that will resonate with businesses seeking optimum locations for their facilities. One possible industry for the Commerce Park could be the polysilicon wafer and chip business as it strives to keep up with the burgeoning demand for solar chips and panels.

We would be proud to represent the New River Valley Economic Development Alliance in this important undertaking.

Sincerely for the Team,

Robert E. Leak, CEcD  
Leak-Goforth Co., Partner

*Section 1*  
*Proposed Approach to the Project*

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## 1. Proposed Approach to the Project

### *BACKGROUND*

In the mid 1990's the New River Valley Economic Development Alliance—comprised of the Counties of Floyd, Giles, Montgomery, and Pulaski and the city of Radford, Virginia—obtained a substantial parcel of land, nearly 1,000 acres, adjacent to the New River Valley general aviation airport and the city of Pulaski. At that time, it was expected that the fast-growing semiconductor wafer fabrication industry or related microelectronics cluster of businesses might be attracted to this New River Valley Commerce Park.

The park is exceptionally well located in proximity to Virginia's leading technical university, Virginia Tech, as well as Radford University and the New River Community College. Excellent access is provided to the site by Interstate Highway 81, located within 3.5 miles. Interstate 64 is a reasonable distance to the North and Interstate 77 is nearby to the South.

In spite of these favorable location attributes and the Alliance and Commonwealth's efforts at attracting the semiconductor industry, a major downturn occurred in the microelectronics industry in the United States due in part to off-shoring as well as over production. As a consequence, the New River Valley Commerce Park has not received the hoped for investment and job creation in the high tech industrial sector.

Perhaps the time has come for the development of a new economic development strategy regarding the planning and management of the Commerce Park and the effective marketing of the property. Other uses for this attractive site can be determined with the proper evaluation of the strengths the New River Valley offers to a wide variety of businesses and industries.

The team of Bruce Facility Planning Consultants, LLC (BFPC) and the Leak-Goforth Company, LLC (L-G) are capable and desirous of providing the professional economic development services to the New River Valley Economic Development Alliance in conducting a thorough investigation of the physical site and the economic and demographic conditions of the New River Valley Region. This effort will lead to specific recommendations on how to best position the site and how to successfully market the property. From conversations we have had with several economic developers involved with the New River Alliance we believe there is a high level of interest in having a team of skilled plant location consultants help devise a plan of action and a path forward for the development of the New River Commerce Park.

The semiconductor industry may still be a viable target for the site but it is important to look realistically at opportunities for other uses. BFPC and L-G have experience to conduct a study that will lead to favorable results. We will strongly consider the polysilicon industry as it relates to the production of wafers and chips for the fast growing solar industry.

*Section 2*  
*Scope of Services*

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## *2. Scope of Services*

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The team is aware that much study and effort have been expended in offering the site to the semiconductor industry. However, changes in the industry have diminished the near to medium term possibilities of the site being occupied by a microelectronics company. There is broad interest on the part of the alliance's economic development people to pursue other viable opportunities for the site's development. What is needed is a clear direction as to the types of businesses that should be targeted and the most effective means of reaching that audience.

With this interest in mind we propose the following services:

- Determination as to the potential of the site as a semiconductor location, or polysilicon wafers and chips used in the solar industry.
- Identify and assess specific site and community factors, which would affect potential industrial/business uses, including site size, location, development potential, road and utility infrastructure and relationship to other land uses. For the region, we would evaluate labor, taxes, location, community attitudes, and livability, among other items.
- Identify and assess types of industries/ businesses for which Southwestern Virginia and the New River Valley have proven to be competitive or have realistic prospects.
- Identify the types of industries/ businesses for which the site is or can be made competitive and assess their comparative feasibility based on a combination of factors, including their presence in similar locations and site and infrastructure requirements in relation to the site.
- Recommend a strategy and timeline for attracting the most promising industries/ businesses favored by the site and community leaders, including types of site improvements, if needed, and types of marketing to be undertaken by the community.
- Prepare and present a report detailing the site and marketing assessments and recommended strategy for going forward.

*Section 3*  
*Project Team Involvement and Schedule*

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### ***3. Project Team Involvement and Schedule***

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The investigative team will be composed of three senior professional economic development consultants- Jim Bruce, principal of BFPC with offices in Norcross, Georgia, Bob Leak, partner of L-G in Raleigh, North Carolina, and Bob Goforth, partner of L-G in Jacksonville, Florida.

The team could begin the study immediately and produce a report in 90-120 days. We would intend to stay in close contact with the New River Valley Economic Developers with every step of the process. Bob Leak will serve the team as project manager.

*Section 4*  
*Compensation*

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#### 4. Compensation

Fees for services shall be \$28,000 plus reasonable expenses of travel, maps as needed, clerical, graphics and printing. We estimate that the expenses will not exceed 18% of the contract amount or approximately \$5,000. We request an advance payment of 25% of the fee or \$7,000 upon execution of an agreement and three payments of \$7,000 as the study progresses to completion. We would invoice for expenses on a monthly basis.

If additional work is indicated by our study such as a conceptual master plan of the Commerce Park we would recommend how to obtain such a plan but the fee would be paid to the service provider. In addition, if it is recommended that a list of prospective companies for recruitment be obtained by the Alliance from a qualified vendor, the cost of obtaining such a list will be negotiated and paid directly to the provider.

*Appendix*

*Bruce Facility Planning Consultants, LLC  
Qualifications*

*Leak-Goforth Co, LLC  
Qualifications*

***PARTICIPANT OVERVIEW***

The following outlines the background and capabilities of the participating companies.

***Leak-Goforth Company, LLC*** is among the most prominent site location and economic consulting firms in the US. Established in 1995 in Raleigh, the firm has conducted projects worldwide. L-G is especially active in siting wafer fabrication and chip manufacturing plants. Both Leak and Goforth are former North Carolina state directors of economic development. Bob Leak also served as state director in South Carolina and as President of Research Triangle Foundation, developer of the renowned Research Triangle Park.

Bob Leak is a graduate of Duke University and has a master's degree in geology from the University of Tennessee. He has served as President of the American Economic Development Council and the National Association of State Development Agencies.

Bob Goforth is a graduate of the University of North Carolina at Chapel Hill and has completed executive programs at UNC and Clemson University. For 17 years, he was Vice President of J.E. Serrine Company, Greenville, SC and conducted numerous site selection and other consulting projects.

The Leak-Goforth Company and BFPC have extensive experience working with each other for clients such as the Virginia Tobacco Commission, a major electric utility, the US Energy Department, and others.

***BFPC*** specializes in providing management and economic consultation in the areas of planning new business facilities and other large capital investments. The firm's staff has conducted over 300 consulting assignments, in every US state, half the provinces and states of Canada and Mexico, and 12 other nations.

Jim Bruce will assist Bob Leak as project manager for the assignment. He has served as the project manager for multiple site selection projects in Virginia including the 1978 location of AT&T in Pulaski (since closed) and an office project in Manassas. In the early 1990's, he worked on behalf of Volvo Truck to analyze its production operations in Dublin, concluding with a recommendation to do a major rebuild of the existing plant rather than relocate it.

His economic development consultation projects in Virginia include assignments for Halifax County/ South Boston, Pittsylvania County, and the Virginia Tobacco Commission. His most recent site selection project in the Commonwealth was a confidential study for a new manufacturing plant for a US client, for which he studied several communities in the central and western parts of the state (on hold, due to the client having been acquired by a new owner).

Jim has been a consultant to site selection projects such as:

- Toyota's first US assembly plant, which located in Georgetown, Kentucky;
- the United Airlines maintenance base which chose Indianapolis;
- the National Wind Tunnel Complex, a joint venture of NASA, Boeing, Lockheed Martin, and other major US aerospace companies;
- the Mallinckrodt vaccines plant in Raleigh;
- the Amgen/BioNext Plant in West Greenwich, Rhode Island; and
- a new truck assembly plant by Navistar/ International in Escobedo, Nuevo Leon, Mexico, which has recently been expanded to accommodate the new "Blue Diamond" joint Venture with Ford.

Jim completed his undergraduate work at Emory University and has an MPA from Harvard University. He has taught at the IEDC Economic Development Course at Georgia Tech as well as Princeton, Carnegie-Mellon, West Point, and other schools; and has been a speaker at many seminars.