

Notes from CEDS Committee Meeting 12-18-15

Committee members present: Peter Anderson, Eric Bucey, Gary Forget, Marty Holliday, Mack Hilton, Charlie Jewell, Susan Kidd, Michael Miller, Kevin Reeder, Gary Reedy, Rick Weaver, John White

NRVRC staff: Kevin Byrd, Patrick O'Brien

The New River Valley CEDS Committee met for the first meeting of the 2016 CEDS update process. The meeting began with a review of the CEDS process and brief discussion of CEDS projects that have seen developments over the past year (powerpoint attached). A brief description of these projects appears on page 2.

The committee spent the remainder of the meeting discussing the SWOT analysis component of the CEDS, which was last updated during the 2011 CEDS process. The members broke into two groups to discuss how conditions in the region have changed over the past five years, and the updates to the CEDS document that may be necessary to reflect current regional strengths, weaknesses, opportunities and threats more accurately.

The existing SWOT analysis component of the CEDS is shown on page 3 for reference. Pages 4-6 provide a summary of the SWOT components that the CEDS committee discussed during the meeting. Page 7 provides an updated version of the SWOT based on the input from the CEDS committee.

Brief description of CEDS projects with activity in the past year:

New River Valley Passenger Rail Station- NRVRC has conducted research on demand analysis and potential station locations. Final report to be completed in January.

Support for agriculture/agribusiness/agritourism- Several community-specific projects to develop shared commercial kitchens and networks of growers to support local farmers. NRVRC and regional partners completed regional agribusiness strategic plan- available soon on NRVRC website (contact me if you would like a copy now).

Unmanned systems ‘center of excellence’- Regional economic developers, universities, and unmanned systems businesses meeting regularly to work toward shared interests and brand the region as a hub for unmanned systems technology development.

Improved broadband infrastructure/accessibility Multiple projects including pilot projects in Blacksburg for ‘last mile’ development and potential to expand for projects to reach rural areas.

Downtown redevelopment/revitalization- Continued investment and planning in many towns around the region, including Blacksburg, Pulaski, Pembroke and Narrows.

Support for entrepreneurship/small business development- Regional business plan competitions and associated small business skills training in Floyd and Pulaski. Potential to expand these programs to other localities in the upcoming year. (Info on the Pulaski program at: http://www.roanoke.com/news/local/pulaski_county/pulaski-s-beans-and-rice-to-administer-investment-grant/article_b96ffb13-a437-52fd-af0c-68c2dac5d40d.html)

Develop an integrated workforce curriculum- NR-MR Workforce Development Board beginning ‘sector strategy’ project to engage regional businesses in process of identifying the training programs they need to get the skilled workforce that is necessary for their industry.

In addition, several committee members brought information about new or growing programs that are important to regional economic development efforts:

The ‘**Community in Schools**’ counseling and referral program for K-12 students in Floyd and Pulaski to access resources- Roanoke Times article available at: http://www.roanoke.com/news/education/floyd_county/pulaski-and-floyd-county-schools-partner-for-new-program/article_9cee6a43-fcd7-57df-8e7e-71b20af4c47f.html

ACCE (Access to Community College Education) program to provide free tuition to Giles County high school students who meet certain requirements- flier attached below.

WVTF radio story about **advanced manufacturing** career opportunities and efforts to train the next generation of workers in our region. Available at: <http://wvtf.org/post/not-your-grandparents-factory>

1.6 SWOT ANALYSIS (existing SWOT from previous CEDS document)

Strengths

- Interstate-81 Transport Accessibility
- Middle mile broadband fiber network
- Water resources
- New River
- Clean air
- High quality of life
- Access to range of healthcare options
- Geographic proximity to large east coast population centers
- Available industrial space/land
- Low taxes
- Virginia Tech
- Radford University
- Access to local foods/agriculture
- Appalachian Trail and Mountains
- Music, arts, and cultural resources
- Engaged community organizations
- Foreign Trade Zone
- Natural resources/beauty
- Recreation opportunities
- Blue Ridge Parkway
- Temperate climate
- Economic diversity
- Low utility costs
- New River Community College
- VT Corporate Research Center
- NRV Economic Development Alliance
- Southwest Virginia tourism – i.e. Crooked Road
- Elected officials

Weaknesses

- Communities still affected by offshoring leading to deteriorating downtowns
- Loss of historic buildings from blight
- Downtown vibrancy
- Lack access to capital for start-ups
- Few entrepreneurial leaders
- Low population, lack critical mass
- Workforce skills not matching available jobs
- Low performing K-12 system
- Brain drain – losing young talent and families
- Lack of diverse energy sources
- Deteriorating housing in some areas
- Lack of racial/ethnic diversity
- Struggle to define regional identity
- Poverty
- Drug issues in some communities
- Marketing assets – tourism

Opportunities

- Public engagement
- K-12 partnerships with businesses
- Entrepreneurship mentoring
- Define competitive advantages
- Job shadowing/Apprenticeships
- Interregional collaboration
- Economic gardening
- Seed and venture funding

Threats

- Lack of influence at the state level
- Brain drain
- Rural/urban inequity or opportunity
- Current political climate – polarization
- Age of industrial building stock
- Age of residential building stock

Notes from CEDS committee discussion on current SWOT analysis factors, 12-18-15

Strengths:

Keep from previous version (specifically mentioned during meeting):

- Need to add the Governor's School and K-12/CC dual enrollment opportunities as a strength
- Need to move K-12 system from weakness to strength, and consider replacing with a weakness about the undeserved poor perception of the school systems
- Virginia Tech (applied research opportunities, ACC events/visitors, technology commercialization, technical assistance/support to local manufacturers)
- Radford University
- New River Community College
- Quality of life (outdoors/recreation, low cost of living, easy commutes)
- I-81 (and I-77) corridor provides easy access to east coast metros
- Tradition of successful regional collaboration among local gov'ts and PPPs
- Middle mile fiber network
- Available, affordable land for industrial development
- Relatively low tax rates
- Access to range of health care options
- New River (water/power resources and natural beauty/recreation asset)
- Natural beauty/recreation assets

Add new item or move/remove old (proposed):

- Strong expansion of broadband network speed and penetration
- Strong support for natural resource preservation/promotion
- Strong support for youth development/education/scholarship programs (e.g., Communities in Schools, ACCE)
- Strong base of large, stable employers (universities, manufacturers, gov't orgs)
- Engaged, collaborative community of existing businesses (civic engagement, chambers, etc.)
- Increasingly diverse economy with businesses from many new sectors
- Multiple NRV airports (Blacksburg, NRV Airport)
- Relationships with Roanoke ED organizations/initiatives (Carilion, RBTC)
- Strong manufacturing workforce with good soft skills
- Southwest Virginia people/culture
- Growing opportunities for small business and entrepreneurs
- Growing opportunities for innovation and business growth
- Tourism assets (outdoor recreation, cultural attractions, events)

Weaknesses:

Keep from previous version (specifically mentioned during meeting):

- Lack of diverse energy sources
- Deteriorating housing stock in some areas
- Lack of access to capital for start-ups
- Poverty
- Drug abuse
- Brain drain
- Few entrepreneurial leaders
- 'Blighted historic structures' is still a weakness, but need to include as an opportunity as well

Add new item or move/remove old (proposed):

- Add 'access to affordable child care'
- Add 'very few large (50+ acre) 'shovel-ready' industrial sites'
- Need to move K-12 system from weakness to strength, and consider replacing with a weakness about the undeserved poor perception of the school systems
- Remove 'offshoring leading to deteriorating downtowns' - consider with replacing with strength about economic diversification and 'reshoring' as communities receive investment by international firms
- Remove 'racial/ethnic diversity' as a weakness
- Lack of 'high end' amenities (restaurants/hotels, etc.) to offer to prospective clients and potential business attraction targets
- Absence of training programs in certain fields (e.g., culinary, mechatronics)

Opportunities:

Keep from previous version (specifically mentioned during meeting):

- Keep 'K-12 partnerships with businesses' and add 'higher education partnerships with businesses'
- Modify 'job shadowing/apprenticeships' to a broader 'work experience opportunities for students'
- Keep 'economic gardening'

Add new item or move/remove old (proposed):

- "New River Valley" can become a strong 'brand' for regional marketing efforts
- 'Blighted historic structures' is a weakness, but need to add 'restoring blighted historic structures to revitalize downtown areas' as an opportunity
- Small business 'pitch competitions' help provide business development services to entrepreneurs
- 'Reshoring' of manufacturing jobs and/or investment by foreign firms
- Regionalizing K-12 programs (dual enrollment, ACCE, STEM offerings, etc.)

- Regional collaboration among businesses (RBTC, NRV-EDA, unmanned systems, etc.)

Threats:

Keep from previous version (specifically mentioned during meeting):

- Keep 'brain drain' and add 'shortage of young skilled workers to replace retirees'
- Lack of influence/attention from state-level agencies/officials
- Unequal opportunity for residents in rural vs urban areas (uneven distribution of poverty and aging residents creating divides)
- Aging industrial, commercial and residential building stock means many options are obsolete or inappropriate needed uses (aging in place, small business development, etc.)

Add new item or move/remove old (proposed):

- Worsening congestion and decreased reliability of Interstate 81
- Too much growth too quickly may affect rural character and quality of life
- Worsening substance abuse issues creates social and health problems
- Lack of civic engagement and low awareness of regional resources among some residents
- Lack of coherent regional identity and 'brand' to showcase region to outsiders (risk of perception as 'hillbilly' region)
- Gaps in worker skill sets for current and future industries' growth- educational institutions need to be flexible to adapt to changing skills training needs
- Competition from other regions to attract skilled workers
- Generational differences in technology aptitudes, cultural norms (youth 'soft skills' often lacking for current jobs/civic engagement)
- Shortage of affordable housing in certain areas
- Shortage of 'aging in place' options for older residents
- School systems losing ground by international standards
- Online competition for retail stores and local businesses
- Increasing costs of environmental and other regulations may hamper development efforts

Decreasing commercial air travel options

1.6 SWOT ANALYSIS (existing SWOT from previous CEDS document)

Strengths

- Interstate 81 and 77 Accessibility
- Middle mile broadband fiber network is strong and expanding both speed and access
- New River is a recreation asset, and ample source of water/power
- Clean air/water
- Low cost of living and high quality of life
- Access to range of healthcare options
- Available, affordable industrial space/land
- Virginia Tech (especially applied research and support for innovation)
- Radford University
- Access to local foods/agriculture
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- Manufacturing workforce and strong work ethic of residents generally
- Multiple airports (private)
- Music, arts, sports, and cultural events/resources attract visitors and promote the region
- Engaged community organizations
- Engaged, collaborative business community
- Foreign Trade Zone
- Natural beauty and outdoor recreation assets
- Recreation opportunities
- Temperate climate
- Growing economic diversity and strong base of large, stable employers
- Low utility costs and tax rates
- New River Community College
- VT Corporate Research Center
- NRV Economic Development Alliance
- Southwest Virginia tourism – i.e. Crooked Road
- Elected officials
- Strong track record for collaboration among region’s business and gov’t.
- K-12 system is relatively strong and is growing options for students

Weaknesses

- Loss of historic buildings from blight
- Lack access to capital for start-ups
- Few entrepreneurial leaders
- Low population, lack critical mass
- Workforce skills not matching available jobs
- Few ‘high-end’ amenities (hotels, restaurants, etc.)
- Lack of affordable child-care options
- Few ‘shovel-ready’ large (50+ ac.) industrial sites
- Brain drain – losing young talent and families
- Lack of diverse energy sources
- Deteriorating housing in some areas
- Struggle to define regional identity
- Poverty
- Drug abuse issues in some communities
- Lack of coordination and resources at regional level for many marketing efforts

Opportunities

- Public engagement
- Proximity to large east coast population centers
- K-12 and higher education partnerships with businesses
- Strong support for entrepreneurship development, and growing network for mentoring and support
- Growing momentum to define regional 'brand' for both internal and external marketing
- Downtown revitalization is gaining momentum in most towns
- 'Reshoring' and international investment in manufacturing
- Growing interest in incorporating work experience components into educational programs
- Interregional collaboration
- Economic gardening
- Seed and venture funding are growing
- Growing collaboration/partnership with nearby regions (especially Roanoke and 'Southwest Virginia')
- Strong support for preservation/promotion of natural resources
- Strong support for a growing array of youth development programs in communities, but need to 'regionalize'
- Businesses in similar sectors are uniting to support each other and address common needs

Threats

- Lack of influence at the state level
- Competition with other regions for talented youth and college graduates (brain drain)
- Lesser opportunities/resources in rural areas of region vs. urban areas
- Increasing congestion/worsening commutes on key routes (esp. I-81)
- Worsening substance abuse and related social/economic issues
- Unequal civic engagement/access to regional opportunities among citizens
- State/federal regulations can increase cost of doing business
- Uncertainty about regional 'brand' identity (perception as 'hillbilly' region)
- Aging building stock needs maintenance/replacement
- Aging of skilled workers with insufficient pipeline of young workers with right skills to replace them
- Shortage of affordable housing and 'aging in place' options in some areas
- Fast or uncontrolled growth may threaten natural resources or quality of life
- Online competition can threaten local retailers and other businesses

New River Valley Comprehensive Economic Development Strategy

CEDS COMMITTEE MEETING

DECEMBER 18, 2015

Agenda

CEDS overview

Update on 2015 CEDS project progress

CEDS 2016 process and meeting topics

Group discussion- review and update CEDS SWOT analysis

CEDS overview

NRVRC designated an 'Economic Development District' eligible for US Economic Development Administration (EDA) grant programs

CEDS process helps regional partners to:

- characterize regional economic trends through data analysis and engagement of regional stakeholders
- Identify and develop solutions to address regional problems
- Develop and promote CEDS projects that reflect regional priorities for economic and community development

CEDS strategies reflect goals and objectives in 7 key topics

1. Support for small business and entrepreneurial development
2. Preparation and support of qualified workforce
3. Available land, quality infrastructure, and affordable housing
4. Attracting new business to the region
5. Regional marketing and publicity to promote the NRV
6. Preserve natural and historic areas
7. Business friendly governance and representation

Project ranking criteria reflect regional and EDA goals

Point system based on many factors:

- Regional scope and relation to EDA priorities
- Relation to regional economic clusters/strengths
- Extra points for private partnership/investment

Last year's revisions increased emphasis on downtown development, promoting foreign trade, and

CEDS committee to review and update at upcoming meetings

Top ten project from 2015 CEDS update

1. Graded site at NRV Commerce Park
2. Development of broadband infrastructure/accessibility
3. Consortium to develop integrated workforce curriculum
4. Regional entrepreneur and small business development
5. Promote/develop NRV passenger rail station

Top ten project from 2015 CEDS update

6. Implement agri-business strategic planning process
7. Regional DMO and arts marketing coordination
8. Unmanned systems 'center of excellence'
9. Wheatland (Giles Co.)/ Radford industrial park infrastructure
10. Rocky Knob Interpretive Center

Other CEDS projects underway

Route 460/Southgate Dr. interchange project

Commercial kitchens in local projects- Floyd, Prices Fork

Growers networks in local projects- Floyd

Downtown redevelopment projects in several localities

2016 CEDS update process

CEDS updates to NRVRC Commissioners

Update SWOT analysis and project package

Data dashboard development

Additional CEDS committee meetings on above topics

NRV SWOT Analysis

SWOTs related primarily to economy/economic development

Strengths- characteristics of the NRV that give us a competitive advantage

Weaknesses- characteristics of the NRV that place us at a disadvantage

Opportunities- chances for regional improvement or progress, often external in nature

Threats- chances/occasions for negative impacts or regional decline