

**Meeting Minutes**  
**Alleghany Highlands Comprehensive Economic Development Strategy**  
**Committee**

September 18, 2006

12 Noon, Conference Room B of the Alleghany Regional Hospital

**Committee Members:**

*Present:* Suzanne Adcock, Carolyn Barnette, Don Carter, Claire Collins, Stephanie Clark, Jack Hammond, Tom Harris, David Price, George “Chip” Snead, Mark Taylor, Tim Tobin, Bill Zimmerman

*Absent:* Annette Anderson, Glen Anglin, Doris Baker, Robert Daniel, Butch Kemper, Phil Sparks, Dr. Richard Teaff, Alan Williams, John Williams

*Others Present:*

Wayne G. Strickland, Executive Director, RVARC

John Hull, Regional Economic Resources Planner, RVARC

Courtney Lamie, Office of Congressman Rick Boucher

**Proceedings:**

· *Meeting called to order at 12:00 noon*

*Welcome and Introductions:*

John Hull, Regional Economic Resources Planner, welcomed the meeting participants and introduced Ms. Courtney Lamie from the Office of Congressman Rick Boucher.

*Updates:*

-Mr. Hull noted that some the initiatives covered in the Comprehensive Economic Development Strategy (CEDS) have been started since the Committee approved the CEDS last May. Additionally, he noted that all local governments approved the CEDS in June and the document was sent to the Economic Development Administration (EDA) for their review and approval.

- Mr. Hull updated the Committee on the August 4<sup>th</sup> meeting organized by Congressman Rick Boucher’s Office to help kickstart implementation of the CEDS process. Mr. Hull noted that representatives from several federal and state funding agencies were in attendance. He reported that in conversations with representatives from the Economic Development Administration (EDA) and in the remarks given by the EDA representative at the August 4<sup>th</sup> meeting, the CEDS Committee was strongly encouraged to pursue the development of cluster/industry targeting analysis before applying for construction funds from the EDA Public Works Program.

- Mr. Hull updated the group on efforts related to the Alleghany Highlands Cluster/Industry Targeting Analysis. He noted that an application was filed by the

Alleghany Highlands Economic Development Corporation to the Alleghany Foundation to fund the local match for an EDA Technical Assistance grant to fund the development of the Cluster/Targeting Analysis.

- Mr. Hull updated the group on a grant application to be submitted to the Appalachian Regional Commission to fund the development of a tourism trail concept for the Greater Alleghany Highlands region. He noted that Todd Christensen from the Virginia Department of Housing and Community Development (VDHCD) had encouraged the region to apply for funding to develop a brand/identity and marketing plan for the proposed tourism trail. Mr. Christensen saw this as a way to brand the larger region and to pursue tourism development. Mr. Hull noted that the Roanoke Valley – Alleghany Regional Commission (RVARC) staff are still in the process of collecting funding commitment letters and that the grant is due to be postmarked on September 20<sup>th</sup>. He stated that the grant would be mailed to VDHCD in Richmond by September 20<sup>th</sup>.

- Mr. Hull noted that Eddie Wells, Senior Planner at the RVARC, is working with Alleghany County's Planning Commission on updating the County's Comprehensive Plan. He reported that the Planning Commission has received a copy of the CEDS goals and objectives and the project package and that some of those elements will likely be incorporated into the County's Comprehensive Plan.

- Mr. Hull reported on efforts surrounding the organization of an entrepreneurial seminar to be called the "Enterprise Fair – Starting and Growing a Business in Western Virginia" to be held in May of 2007. He noted that Dabney S. Lancaster Community College, the Virginia Department of Business Assistance, the Alleghany Highlands Economic Development Corporation, the Alleghany Highlands Chamber of Commerce, Congressman Boucher's Office, the Roanoke Valley – Alleghany Regional Commission, and Virginia Small Business Development Centers are working collaboratively to organize the entrepreneurial seminar. Mr. Hull explained that this event would involve a number of informational sessions on subjects ranging from developing a business plan to business marketing and risk management. He also noted that a session would be held on e-Commerce, which would help to address the issue of educating people about the importance of broadband in promoting economic development.

*Discussion of Annual Priorities, Evaluation and Implementation Schedule:*

- Mr. Hull stated that the EDA has requested more information including a set of annual priorities and some evaluation information to include a work plan.

- Committee Member Snead asked if RVARC staff might have some idea when the EDA will issue final approval of the Alleghany Highlands Comprehensive Economic Development Strategy (AHCEDS) document. Wayne Strickland, Executive Director of the RVARC, responded that he thought final approval would come soon after submission of the evaluation information and work plan perhaps in early to middle October.

- Discussion moved to the Work Plan/Implementation Schedule. Mr. Hull asked about the milestones for the MLS Meetings in the draft implementation schedule provided to Committee Members.

- Mr. Snead noted that the group that is looking into this issue has faced a lot of resistance from realtors who are not willing to cooperate. Mr. Snead stated that he isn't sure a single meeting will produce any effective result.

- Committee Member Hammond stated that he thinks that the MLS project is an initiative that should be taken on by the Allegheny Highlands Chamber of Commerce. He stated that there are a number of stakeholders that should be involved and that there is quite a bit of preparation, including the collection of facts and cost figures, before the Chamber could realistically begin work on the process of getting area realtors together.

- Mr. Snead explained that in his conversations he has come to understand that there is no realtors association in the Highlands region and that many believe MLS will essentially lead to less business for local realtors and lead to splitting of commissions.

- Mr. Hammond stated that this is one reason why there must be an education process for area realtors to dispel some of the misconceptions regarding MLS in the region.

- Committee Member Tobin noted that he has spoken with several realtors and there is a resistance and refusal to work together among the realtors in the area. He noted that in his research he has found that even though there is no local realty association, local realtors could join an adjacent region's association. Association membership, explained Mr. Tobin, is a key to the process because it involves an agreement entered into by each individual realtor with the association that the realtor will share listings with other realtors. Mr. Tobin stated that he would like to work together with the other large employers in the region and the Chamber on this process.

- Mr. Strickland asked for clarification if the MLS was going to be a considerable expense for area realtors.

- Mr. Hammond stated that it is his belief that many local realtors simply believe the MLS system will cost much more than it might in reality.

- Several committee members commented on the importance of the project noting that increasingly one can find better and more plentiful listings in small areas adjacent to the Highlands due to the lack of an MLS. The Committee was in consensus that the Chamber should move the project forward with the assistance of the major employers.

- Mr. Hull asked specifically about changes to the milestones.

- Mr. Hammond suggested that the milestones be changed to reflect a more involved process including informational sessions to help educate local realtors on the advantages,

the costs and other issues involved. He also suggested that the process should begin in January.

- On the subject of the Community Profile/Collateral Production, Committee Member Collins noted that a marketing brochure was released in July but is now being revised.

- Discussion moved to the Magic in the Mountains/Annual Festival project. Mr. Strickland suggested that an economic impact analysis be done for the festival each year to track the 'success' of each year's festival. Several committee members noted that such an analysis could be used to determine if adjustments need to be made after each festival.

- Committee Members Harris and Collins noted that taxable sales data surrounding that period were submitted to their councils as updates.

- Mr. Snead asked if the Covington events from Magic in the Mountains would continue in addition to the Clifton Forge activities. Ms. Collins noted that Covington activities would continue.

- Committee Member Clark asked how the region plans to proceed with the tourism trail without the support of Botetourt County and the lack of a direct linkage to the Roanoke area or I-81.

- Mr. Hull noted that Craig County will be participating in the process and that there is a link between I-81/the Roanoke Valley and Covington via State Routes 311 and 18. He also noted that the grant funds being sought will be used to fund a planning process that will examine financial assets needed to move the project forward into a construction and collateral production phase. Mr. Hull noted that there would likely be a mechanism for other adjacent communities to join the trail by participating in the second phase of the project. He noted that other communities might elect to join the process at a later date.

- Mr. Strickland also stated that it is important to remember that due to the funding source used (ARC), Botetourt County could not have used grant funding for the development of its part of the trail.

- Mr. Hammond asked if the project included Bath. Mr. Strickland responded affirmatively and noted that the project also includes Highland County, Alleghany County, Craig County, the City of Covington, and the Towns of Clifton Forge, New Castle, and Monterey. Mr. Strickland also noted that support is very strong in the Bath and Highland County areas where the business community has elected to support the project by providing part of the grant match.

- Mr. Harris noted several specific changes to the Regional Water and Sewer Needs Project, suggesting that installation of water meters and installation of the new town water tank be moved back a number of months.

- Mr. Snead noted that Alleghany County is preparing a grant to the Virginia Department of Health for the installation of the new Iron Gate water tank to be submitted this month and that construction should be moved back a number of months.

- Mr. Hull noted that the projects listed under FY 2006-2007 are projects currently underway and asked if any projects listed for FY 2007-2008 should be moved forward. With there being no projects suggested to be moved forward, he asked the committee to begin discussing its priorities for this year.

- Mr. Hammond asked what that meant realistically for the project listing. Mr. Hull noted that the Committee and responsible parties for implementation would proceed on all the projects listed for FY 2006-2007. He noted that by choosing and ranking three priorities, the Committee is communicating with the EDA and stating that the priorities are those that are most important to the region in moving the implementation process forward and in improving the regional economy.

- It was noted that the Cluster/Target Industry Analysis should be a priority because its development should precede any construction application.

- Committee Member Price noted that a broadband project should be one of the top priorities because a community essentially loses business without broadband access.

-Mr. Hull suggested that the broadband education should be combined with the entrepreneurial seminars into one priority since the activities are coinciding in the same event -- the upcoming Enterprise Fair. The committee agreed.

- Ms. Collins noted that one recommendation that will likely come out of the entrepreneurial seminars would be something regarding the upgrade of physical space in the downtowns. She suggested that material be presented on resources available to improve buildings that are leased to small businesses.

- Mr. Hammond asked if physical space needs for entrepreneurs can be something examined in the Cluster Analysis.

- Mr. Strickland noted that the goal of the Cluster Analysis is to look more broadly at the needs of clusters but also to look at the needs of certain target industries. He explained that needs of entrepreneurs are a bit different but noted that a part of the Cluster Study could look at physical space needs for different industries and clusters.

- Mr. Snead noted that the Highlands Regional Enterprise Business Plan, a previous economic development plan, placed priority on the Alleghany Regional Commerce Center and on improving the visual appearance of the park. He noted that he and others from the region had met with John Loftus, a buildings and sites expert from the Virginia Economic Development Partnership, earlier and that Mr. Loftus noted that the community simply must improve the way it markets its product. Mr. Snead noted that some of the fundamental tasks that should be done to improve each site might include

curb and gutter work, grading pads on each lot, signage to indicate the location of each individual lot, entrance signage, and improving the general “curb appeal” of the entrance.

Mr. Snead noted that these are issues, that if addressed, will help the region get short listed on more projects instead of being eliminated early in the decision-making process of companies and site selection professionals looking for possible business sites.

- Committee Member Carter noted that he believes this comes down to marketing and that the region doesn't market its product very well.

- Committee Member Taylor commented that he believes the brochure should include industry specific information for marketing.

- Ms. Collins noted that industrial sites are presently being marketed by the Virginia Economic Development Partnership and by the Roanoke Valley Economic Development Partnership. She stated that what Mr. Snead is referring to is improving the curb appeal of the physical location of each site, which will make the site more visible and more appealing to business prospects.

She stated that web sites should also have maps and diagrams of each site. She stated that many site selection professionals simply drive to a community's site without letting local economic development professionals know. Without entrance signage and without signage on each individual lot, it is difficult for the professional to know what he/she is looking at when they travel to see the sites in the community.

- Mr. Snead agreed. Mr. Hammond noted that the point is well taken and that he believes such professionals do indeed travel through a community without letting local economic development professionals know.

- Mr. Hull noted that so far he has heard three distinct priorities: Alleghany Regional Commerce Center Improvements, Entrepreneurial Seminars/Broadband Education, and the Cluster Analysis. Mr. Hull asked the committee to rank the priorities. The committee came to consensus on the following ranking:

1. Cluster/Target Industry Analysis
2. Alleghany Regional Commerce Center Improvements
3. Entrepreneurial Seminars/Broadband Education

- Mr. Snead noted that Alleghany County has made application to the Alleghany Foundation to develop a master plan for improving the Alleghany Regional Commerce Center Park. He also noted that he believes the region should be looking at getting money for a unique pilot program to try to improve one particular area and to try an innovative approach in solving some issue.

- Mr. Snead also noted that the region's image is a critically important issue and that image change must be pursued.

- Committee Member Adcock noted that one of the region's main selling points is the low price of its real estate. She noted that information regarding available real estate should be provided in commercial areas and/or areas convenient to travelers.

- Mr. Price agreed with Mr. Snead's comments regarding a pilot project and noted that localities without reliable broadband access are in second place when it comes to economic development. He noted that Boiling Springs, Crows-Hematite and other areas in Alleghany County are all behind in terms of telecommunications and are not on the telecommunications company's screen. He noted that the region needs wireless broadband and noted that the only access to broadband now provided to residents is through a satellite internet provider known as HughesNet and that the setup costs for that service are prohibitive for many of the residents of his district. He also notes that not everyone can benefit from satellite based systems because they often require a certain 'line-of-sight' with satellites that cannot always be achieved in mountainous, rural terrain.

He noted that localities without broadband are going to be bypassed. Mr. Price suggested that committee members get in touch with state and federal officials on the issue because many existing telecom companies are simply not interested in serving the area until urbanized areas are more completely served.

- Ms. Collins noted that an electrical cooperative, a small regional utility, or even a local government or authority could provide broadband access in rural areas. She noted that the region should be looking at all options for potential providers.

- Ms. Lamie with Congressman Boucher's office noted that a regional cooperative provides broadband access in the Bristol area.

- Mr. Hull asked if the Warehouse Relocation Project was still viable. Several committee members indicated that the project was no longer viable since MeadWestvaco has decided to move their new warehouse near Staunton.

- Mr. Hull noted that the future meeting schedule of the CEDS Committee was written into the work plan and that the meeting schedule as proposed is on a quarterly basis. He asked if the Committee was comfortable with that meeting schedule. Committee members indicated that they were comfortable with that schedule.

- Mr. Hull asked if the Committee was comfortable with the implementation schedule. The committee indicated that it was comfortable. Mr. Hull recommended that the Committee adopt the 'Committee Work Plan and Evaluation Measures: 2006-2011' document with changes indicated in the meeting as an amendment to the CEDS document, adopt the annual priorities suggested earlier in the meeting, and remove the Warehouse Relocation Project from the CEDS project listing.

**MOTION:** Committee Member Zimmerman made the motion.

**SECOND:** Mr. Hammond seconded the motion.

**APPROVAL:** Committee members voted unanimously to adopt the work plan and evaluation measures, adopt the annual priorities and to remove the warehouse relocation project.

**ACTION ITEM:** Submit the approved evaluation measures and work schedule information to the EDA including information on annual priorities for FY 2006 - 2007 (*RVARC staff*).

*Comments/Questions*

- Mr. Snead noted that he wanted to thank the staff of the Regional Commission for all of its assistance on different projects in the Allegheny Highlands area, including updating Allegheny County's Comprehensive Plan. He noted that the County is going to have a very in-depth Comprehensive Plan Review Process.

- Mr. Strickland noted that Mr. Hull has worked tirelessly on a number of the grants and projects in the area and thanked Mr. Hull for his work.

- Mr. Tobin updated the Committee on matters involving the Allegheny Regional Hospital. He noted that the Hospital has just signed a new pediatrician and that there are 3-4 more doctors coming in for interviews at the hospital this week. He mentioned that he would like to work with the Chamber on hosting a welcoming event for the new doctors. He noted that doctors are a vital asset to the area and that the hospital tries to encourage new doctors to live in the region. He noted that their salaries have a tremendous impact on the region.

Mr. Tobin also noted that the hospital is trying to receive designation as a Medically Underserved Area (MUSA), which would help the hospital by granting it access to an additional group of candidates, J1 candidates. He noted that J1 candidates are medical professional candidates who are seeking citizenship and need to meet residency requirements to be granted citizenship.

Mr. Tobin noted that some local residents have been upset by the presence of foreign doctors and often will make complaints. He noted that it is increasingly a trend at medical schools, medical school campuses, and hospitals in larger areas that medical professionals are more diverse racially, ethnically, and culturally. He stated that this trend is not unique to the Highlands.

- Ms. Collins noted that campuses are diverse. She noted that education equals power and future prosperity in the minds of many children across the world. She also noted that many events occurring in the region are not unique to the area but are a part of larger trends nationally. She noted that the recent closing of the Covington Kroger was a business decision based on profitability and that such things happen everywhere.

Residents must understand that these things happen in all parts of the nation. She agreed that local residents should embrace diversity.

- Mr. Tobin noted that Committee Members, as community leaders, should deliver the message that the community should embrace diversity on all fronts including religion, culture, race, and ethnicity.

- Mr. Zimmerman noted that many of the local residents working in service sector employment need that sort of training.

- Ms. Clark agreed, stating that the region must embrace diversity so that the owner or manager of a business looking to locate can feel comfortable in the region. She stated that the region must be open-minded to different cultures and different groups of people. She stated that the Alleghany Highlands couldn't be only a place for Caucasians and African-Americans. The region must embrace all groups of people.

- Mr. Snead noted that any large employers seeking to bring key employees in for interviews should let the localities know because there are certain extra efforts that can be made to make the community more attractive. He stated that he would be glad to help get new hires acclimated to the area however he can.

- Mr. Tobin expressed his appreciation and stated that housing is one of the biggest issues. When a candidate comes in for an interview, oftentimes clippings from the local newspaper's Saturday edition are the only information he can give on available housing. He stated this is one reason for his passion on the MLS issue, as it would assist in improving the image of the region to new hires.

- Discussion moved to a 'Buy Local' Campaign. Mr. Price noted that before residents can be encouraged to buy only locally, certain issues must be dealt with involving the level of service provided by some local firms. He noted that he must often go outside the region for service due to the low quality of service provided locally.

- Mr. Tobin suggested that pledge forms be issued to participating businesses that state that the business owner will provide a high level of service and will put the customer first as a part of any new or improved 'Buy Local' Campaign initiated by the Chamber.

- Mr. Strickland and Mr. Hull thanked Mr. Tobin and Alleghany Regional Hospital for hosting the luncheon meeting today, and they thanked the Committee members for attending. Mr. Hull noted that the next CEDS Committee meeting is tentatively scheduled for December 7<sup>th</sup>, location TBA.

· Meeting adjourned at 2:00 p.m.

· Minutes submitted by John M. Hull, Regional Economic Resources Planner.