

An adjourned meeting of the Board of Supervisors of Albemarle County, Virginia, was held on May 26, 2017, at 1:00 p.m., Lane Auditorium, County Office Building, McIntire Road, Charlottesville, Virginia. This meeting was adjourned from May 15, 2017.

PRESENT: Mr. Norman G. Dill, Ms. Ann Mallek, Ms. Diantha H. McKeel, Ms. Liz A. Palmer, Mr. Rick Randolph, and Mr. Brad Sheffield.

ABSENT: None.

OFFICERS PRESENT: Interim County Executive, Doug Walker, County Attorney, Greg Kamptner, Clerk, Claudette Borgersen, and Senior Deputy Clerk, Travis O. Morris.

Agenda Item No. 1a. Call to Order. The meeting was called to order at 1:01 p.m., by the Chair, Ms. McKeel.

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Agenda Item No. 1b. Closed Meeting.

At 1:01 p.m., **motion** was offered by Mr. Dill that the Board go into a Closed Meeting pursuant to Section 2.2-3711(A) of the Code of Virginia: Under Subsection (1) to interview, discuss, and consider prospective candidates for the citizen position on the proposed Albemarle County wireless service authority. Ms. Palmer **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek, Ms. McKeel and Ms. Palmer.  
NAYS: None.

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Agenda Item No. 2. Certify Closed Meeting.

At 1:50 p.m., the Board reconvened into open meeting and Mr. Dill **moved** that the Board certify by a recorded vote that to the best of each Board member's knowledge, only public business matters lawfully exempted from the open meeting requirements of the Virginia Freedom of Information Act and identified in the motion authorizing in the closed meeting were heard, discussed, or considered in the closed meeting. The motion was **seconded** by Ms. Mallek. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek, Ms. McKeel and Ms. Palmer.  
NAYS: None.

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Agenda Item No. 3. Call to Order. The meeting was called back to order at 2:02 p.m., by the Chair, Ms. McKeel.

Ms. McKeel then introduced the presiding security officer, Officer Joshua Wright, and County staff present.

#### **Joint Meeting with the Economic Development Authority**

PRESENT: Mr. James Atkinson, Ms. Lettie Bien, Mr. W. Rod Gentry, Mr. Donald Long, Mr. Elton Oliver and Mr. David Shreve.

ABSENT: Mr. James King.

At 2:02 p.m., Mr. Gentry called the Economic Development Authority to order.

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Agenda Item No. 4. Proclamations and Recognitions:

Item No. 4a. Joint Resolution Recognizing Vernon W. Jones.

Ms. Mallek **moved** to adopt the proposed joint resolution from the Board and the EDA recognizing Vernon W. Jones. Ms. Palmer **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek, Ms. McKeel and Ms. Palmer.  
NAYS: None.

Mr. Gentry, then offered **motion, seconded** by Mr. Oliver, that the EDA adopt the proposed resolution. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Atkinson, Ms. Bien, Mr. Gentry, Mr. Long, Mr. Oliver and Mr. Shreve.  
NAYS: None.  
ABSENT: Mr. King.

**Resolution Recognizing Vernon W. Jones**

- WHEREAS,** Vernon W. Jones served Albemarle County with distinction as a founding member of the Earlysville Fire Department and for twenty years as a Director of the Economic Development Authority from 1996 to 2016; and
- WHEREAS,** Vernon Jones's faithful attendance at Economic Development Authority meetings always ensured a quorum that enabled the Authority to conduct its affairs in an efficient and timely manner; and
- WHEREAS,** Vernon Jones's service as a Director enabled the Economic Development Authority to issue hundreds of millions of dollars in bonds to promote and foster economic growth in Albemarle County; and
- WHEREAS,** Vernon Jones's steadfast resolve assisted the Economic Development Authority's efforts to issue fourteen million dollars in bonds to a local education institution in a legal challenge that reached the Supreme Court of Virginia; and
- WHEREAS,** Vernon Jones's comments always focused the Economic Development Authority's deliberations on the most important matters before it. This keen insight earned him the nickname "The Hammer" from his fellow Directors.

**NOW, THEREFORE, BE IT RESOLVED** by the Albemarle County Board of Supervisors and the Albemarle County Economic Development Authority that Vernon Jones is hereby honored and commended for his many years of service to Albemarle County and its residents.

**Signed this 26th day of May, 2017.**

Mr. Jones accepted the recognition.

Mr. Gentry thanked Mr. Jones for his many years of service.

Item No. 4b. Proclamation proclaiming June 2017 as Business Appreciation Month.

Mr. Sheffield **moved** to adopt the proposed Proclamation proclaiming June 2017 as Business Appreciation Month. Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek, Ms. McKeel and Ms. Palmer.

NAYS: None.

**Business Appreciation Month**

- WHEREAS,** Governor Terry McAuliffe has recognized **Business Appreciation Month** in the **Commonwealth of Virginia**; and
- WHEREAS,** Economic vitality is a stated goal of Albemarle County's Strategic Plan and an important component of our Comprehensive Plan; and Albemarle County businesses play a pivotal role in strengthening our County by embracing job creation, innovative technologies, and employing a skilled and diverse workforce to preserve the economic well-being of all our citizens; and
- WHEREAS,** Albemarle County applauds the success of local businesses that provide economic opportunity while supporting the County's goals and values of resource protection and an attractive, vibrant, and livable community; and
- WHEREAS,** Albemarle County appreciates community partners including the Charlottesville Regional Chamber of Commerce, the Central Virginia Partnership for Economic Development, the Economic Development Authority, and the Charlottesville Business Innovation Council, who along with other organizations work collaboratively to support the many facets of the Albemarle business community; and
- WHEREAS,** Albemarle recognizes the achievements and contributions of our community's entrepreneurs, small and medium sized businesses, and major employers that contribute greatly to both our economy and our overall quality of life; and this year became one of the few counties nationwide to reaffirm our triple AAA bond rating (including Fitch, Moody's and Standard & Poor's) which reflects the positive contributions of our business in creating a stable and diverse economy.

**NOW, THEREFORE, BE IT RESOLVED** that, we, the Albemarle County Board of Supervisors, do hereby recognize

**June 2017**  
**As**

## **BUSINESS APPRECIATION MONTH**

in the County of Albemarle, and express our appreciation to our local, regional and state business partners for their valuable contribution to our community.

Signed and sealed this 26th day of May 2017.

Mr. Gentry accepted the resolution on behalf of the EDA.

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### **Agenda Item No. 5. Draft Economic Development Strategic Plan.**

The Executive Summary as presented states that an Economic Development Strategic Plan was partially completed prior to the departure of the County's Economic Development Director in November, 2016. DecideSmart, a consultant team from Richmond with significant experience in local government economic development, was selected to work with staff to complete a draft strategic plan. The draft plan including recommended focus areas will be reviewed with the Board of Supervisors and the Economic Development Authority (EDA) on May 26 (included as Attachment A). Following this initial review, community stakeholders will have an opportunity to provide feedback prior to bringing a final draft plan back to the Board for consideration in July. Approval of a draft strategic plan, along with the hiring of the new County Executive, are key milestones in the process of hiring the Economic Development Director as outlined below:

Joint work session to review draft concepts - May 26, 2017  
Opportunity for feedback from key stakeholders/public - June, 2017  
ED Director profile/key skill sets under development - June, 2017  
Draft plan with suggested revisions based on stakeholder input back to BOS - July, 2017  
ED Director hiring plan finalized - July, 2017  
Hiring of New County Executive - on-board by September, 2017  
Selection process initiated for new Director of Economic Development - October, 2017  
Adoption of final plan and development of additional necessary action steps - pending hiring of County Executive and Director of Economic Development

Consultant team DecideSmart was selected in February to continue work on the County's draft Economic Development Strategic Plan. The team has completed the following steps in developing a draft plan including key focus areas to bring to the May 26 joint work session with the Board and the EDA for discussion:

- review of foundational documents critical to the direction of the County's Economic Development program including the Comprehensive Plan, the Three Year Economic Vitality Action Plan, and the Target Industry Study
- review of data compiled by Faith McClintic and the Economic Development Department staff prior to her departure (included as Attachment B)
- review of Board meeting materials and minutes related to economic development topics
- interview of 31 stakeholders including elected officials, appointed officials, business community, education community, advocacy groups, and staff
- day long work session with key County staff

At the joint work session, staff and the consultant team will highlight key data points that illustrate critical economic development realities, report on themes that emerged from the material review and stakeholder interviews, and introduce draft mission and focus areas for discussion by the Board and EDA members. As mentioned above, following this joint work session and an opportunity for stakeholder feedback, a full draft plan will be brought back to the Board for further consideration in July.

There is no direct budget impact associated with this agenda item.

Staff recommends that the Board and EDA provide initial reaction to the mission and key focus areas presented by the consultant in preparation for consideration of a full draft plan in July.

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Mr. Walker stated that he will review the agenda and desired outcomes for the meeting, with Ms. Catlin providing background and the consultant reviewing the document provided to both Boards. He said the majority of time will be spent on discussion following the presentation of the report.

Ms. Lee Catlin, Assistant County Executive, stated that Ms. McKeel and Mr. Sheffield had presented this material several times at their town hall meetings, and said she will provide an update on progress to date. Ms. Catlin stated that the plan is a continuation of a very focused and intentional effort to build a strategic approach to economic development that works within the framework of the community's vision as established in the Comp Plan and other policy directives, which have had significant community engagement over time.

Ms. Catlin reported that in 2008, the Economic Development chapter of the Comp Plan was updated to reflect a more current strategic focus on the types of industries desired for the County. Ms. Catlin said that in 2009, the Board of Supervisors established an economic development opportunity fund, which is the first designated source of funding to help support desirable economic development activities. She noted that the County has received AFID grants and a GOF award to match state grant funds for

desired capital investment and above average wage jobs. Ms. Catlin said that in 2010, the County adopted a three-year economic vitality action plan, with a regional target industry study commissioned to identify the industry groups with the chance of success, considering community assets, workforce, existing industry clusters, and other factors. She noted that in 2012, the County did an extensive modernization of the zoning ordinance, which was another outcome of the action plan as it recognized they needed to modernize and provide more location options for the industries identified in the study. Ms. Catlin added that in 2015, the Economic Development Office was created, with the first director, Faith McClintic, hired in April. She mentioned that Ms. McClintic is present at this meeting.

Ms. Catlin stated that the County had accelerated the momentum over the last year or two, with a lot of work done in restructuring the Economic Development Authority and its relationship to the Board of Supervisors, in an effort to ensure that processes in place allow the EDA to operate as an effective economic development partner. She said that in the Board's FY17-19 strategic plan, they identified economic development as a critical focus, with redevelopment and revitalization of urban areas being the top two priorities of the plan. Ms. Catlin said they also initiated work on the economic development strategic plan, which was started last year with data collected and several work sessions with the Board, as well as focus groups. She added that most recently, they designated significant support for economic development in the FY18-22 plan and FY18 annual budget.

Ms. Catlin said the draft economic development strategic plan was grounded in vision, community preferences, and established County policy. She stated that the information before them responds to data that indicates some very necessary areas of concern or focus, and as mentioned last year, the Board received a very thorough presentation from Ms. McClintic with full data, which is attached to the report provided. Ms. Catlin said she is not going to revisit all of that information, but wants to emphasize that the data informs the development of the focus areas before them today, and will continue to impact how the specific goals and strategies are developed from the focus areas based on board feedback. She stated that these areas include population and demographic information, labor force, commuting patterns, wages and job creation, cost of living, and the cost of doing business in the County.

Ms. Catlin stated that recently there was information provided at the GO Virginia Region Nine meeting, prepared by the George Mason University Center for Regional Analysis. She said that GO Virginia is the state program established by Governor McAuliffe to create higher paying jobs through incentivized collaboration, primarily through out-of-state revenue that diversifies and strengthens the economy in every region. She noted that Albemarle is in Region Nine, along with the City of Charlottesville and nine surrounding counties. Ms. Catlin said at the meeting, there was statewide data presented that showed state revenues, which are important to the County's budget and indicate trends that can impact the community. She referenced a chart of the U.S. gross domestic product (GDP) compares to Virginia's gross state product (GSP), noting that in the years ahead of the recession, Virginia GSP was tracking well ahead of the U.S. GDP. Ms. Catlin stated that during the recession, the state did not dip as low as the U.S., and as the recovery started in 2009 and 2010, Virginia was not matching the national recovery pace of the U.S. GDP. She referenced a graph showing the GSP during recession years of 2007 to 2009, with Virginia having a much less significant dip, but surrounding states that compete with Virginia general having a more robust recovery.

Ms. Catlin said the research shows average job contribution to GSP, with differing impacts depending on the jobs, and the jobs at the top of the scale, leisure and hospitality services, retail, and other sectors, demonstrating a much less significant impact than things like manufacturing, information services, and financial services. She noted that the job change numbers since the recession showed a loss of 293,300 jobs, with a gain of 335,400 jobs, for a net difference of 42,000 new jobs. Ms. Catlin pointed out that regarding the GSP value of those jobs, the jobs that were lost had an average value of \$152,000+, with the jobs gained having an average value of \$114,000, so what appeared to be job gain was actually a loss of \$6 billion in GSP because of the types of jobs that were coming in.

Mr. Randolph stated that he and Chip Boyles had attended a planning conference in Williamsburg over the summer on behalf of the TJPDC, with a presentation done by the Virginia Commerce Foundation that included the data on job contribution to the GSP. He said that one of the explanations for the reduction in overall loss in job value was the evisceration of manufacturing jobs, partly attributable to federal sequestration and the evaporation of those contracts, with the manufacturing sector in Hampton Roads and Northern Virginia devastated by that trend. Mr. Randolph commented that it is important to realize the political dimension that served as a variable, beginning in calendar year 2012 when the first sequestration occurred. He stated that this had a direct and dramatic effect on the Virginia economy, which is something for them to be mindful of in the context of Congress's consideration of debt extension and a budget for the coming year.

Ms. Catlin said that in terms of what they are seeing in Albemarle County, the highest level of new hires is happening in retail, food service, accommodations, and education services, which are sectors where wages are the lowest, with the lowest level of hires in higher paying jobs. She stated that the economic development strategic plan addresses the importance of target industry jobs, as the lower paying service jobs outpace the County's target industries, where the wages are strong but the hires are not.

Mr. Randolph commented that there has been a lot of discussion in the community of the necessity and value of resurrecting manufacturing in Albemarle County and Central Virginia, but there are no significant jobs in that sector, so the County is essentially chasing something that disappeared about 20 years ago. He noted that the target industries the County does have, including finance and insurance; professional, scientific and technical services; and business management and enterprises are areas

covered as target industries, offering some of the highest paying jobs available in the U.S. economy today. He added that the County is positioned to attract high caliber, technically oriented, skill-intensive jobs, but the problem is trying to find jobs for a population that may not be educated enough for the available jobs. Mr. Randolph stated that the solution for the County over the last 20 years has been to pursue a retail-intensive strategy, but now realize they are not producing as many higher paying jobs as are needed. Ms. Catlin responded that the issue with manufacturing jobs underscores the need to understand the kind of manufacturing addressed here, as it may appear differently than traditional manufacturing. She introduced Lane Ramsey with DecideSmart, the project consultant firm.

Mr. Lane Ramsey, DecideSmart Consultant Team, stated that DecideSmart is comprised of retirees from education or government, and he introduced team members Will Davis, who was the manager of domestic recruitment for the state of Virginia, as well as working for a private utility company; Dr. John Thomas, who headed the Weldon Cooper Center and Institute of Government at UVA for the past 20 years; Dr. Bob Holsworth; and Mr. Bill Leighty, who served as Chief of Staff for two Virginia Governors. Mr. Ramsey said that DecideSmart had been before the Boards nine years earlier, presenting a resource allocation study, and three of those team members are still with the firm. He stated that the group has been enlightened and encouraged in working with County staff, as it is clear they are approaching it as a team. Mr. Ramsey said that DecideSmart's task was to assist staff in pulling together all economic development work done for the last few years into a strategic plan, and they were able to condense that work down to the beginnings of a strategic plan. He stated that there was an initial meeting with staff to map out what the project would be, with his team reviewing the volumes of background material, much of which was compiled by Ms. McClintic. Mr. Ramsey stated that staff helped identify stakeholders to be interviewed, and staff was engaged in a two-day workshop that provided intensive work on the background material. He said the team interviewed 31 individuals, including all Supervisors, and met with representatives from the EDA, the business community, and the education community, obtaining feedback from them.

Mr. Ramsey noted that there is a summary in Appendix 1 of the report that goes into a lot more detail about the feedback from the interviews, and he will elaborate on some of the key summary points. He explained that there seems to be a lack of understanding of the difference between development and growth, with economic development in the typical sense meaning business growth, high-paying jobs, and bringing wealth to a community, whereas growth was sometimes viewed as an imbalance of residential growth to business growth. Mr. Ramsey stated that in the feedback provided, his team has identified trouble points as "issues," with positive suggestions and aspirations labeled "opportunities." He said that roadblocks were typically referred to as policies, actions, culture, etc. that might hinder development, which some may perceive as happening in the County. Mr. Ramsey defined "regionalism" as how the County works with its partners in the region, short and long-term goals, with numerous conversations in this process focusing on the need to articulate goals for economic development in a manner that clarifies both short-term vision and long-term expectations and priorities.

Mr. Ramsey reported that emerging themes reflected the fact that no one interviewed felt Albemarle was not a good place to be and live, which was verified in the interviews done; and that the County needs a plan that identifies economic development direction as well as updated target industries and strategies for economic development, and measurements of success against those strategies. He said it is important that the Board of Supervisors be committed to those strategies once they are in place. Mr. Ramsey noted that there is support among individuals interviewed to implement and sustain an economic development effort, and there should be enhanced communication in the community from those efforts. He said the contributing policies and documents used in working with the staff are the County's vision statement, Comp Plan, economic development policy, economic vitality action plan, and the preamble to the target industry study and the study itself.

Mr. Ramsey read the County's mission statement related to economic development: "To foster and encourage responsible economic development activities that enhance the County's competitive position and result in quality job creation and career employment opportunities, increase the tax base, and an improved quality of life for all citizens while respecting Albemarle County's natural resources and unique character." He stated that staff identified guiding principles they felt were important in completing the economic development strategic plan, and he will characterize them as values the County will be using: economic diversity; respect for heritage and environment; organizational collaboration; organic growth, startup businesses, and growing businesses that are already here; building awareness of local opportunities; educational achievement and partnership leverage; intellectual capital; support critical infrastructure; results orientation; and measurements and metrics. Mr. Ramsey stated that focus areas include goals the Board would be considering as they move through development of the plan. He commented that vision is what they ultimately want to be, and it cannot be pinned down or measured, and a goal providing direction toward that, with objectives and strategies getting into more detail and measurable benchmarks.

Mr. Ramsey presented focus areas for the final development of the strategic plan: strengthen existing business, retention, expansion, and improve business climate; support startup entrepreneurial culture; improve readiness; maximize strategic partnerships; increase economic development; visibility; and communication. He said that in terms of strengthening businesses, the first objective would be to create active business visitation programs, which typically would include staff and representatives from the business community to provide two-way communication with businesses in the community, finding out what their issues and concerns are and explaining what the County is doing with its economic development efforts and other happenings. Mr. Ramsey stated this would also involve modernizing the County's zoning code and continuing to evaluate and improve other regulatory processes, and while some view this as a need to amend zoning and development policies to become less restrictive, it means

anything but that, and should be analyzed as to whether components are a help or a hindrance to economic development, but should not mean varying from standards set for development in the community. He said it will also include maintaining an ongoing dialogue with the business community, using a variety of tools, and many communities use business surveys and citizen satisfaction surveys. He stated that it is important to ask questions that provide good feedback to reveal what the issues are, as well as developing a plan for addressing those issues and putting it in place so the next survey could test whether the issues have been addressed.

Mr. Ramsey stated that in terms of supporting startup and entrepreneurial culture, this area generated a lot of comment from staff and interviewees, with a desire to develop a focused partnership with UVA; develop a proactive approach to help businesses take advantage of grant programs and state and federal financing opportunities available to startup companies; develop options to support incubator, shared workspaces, training opportunities, and other efforts. He said that under improved readiness, objectives include a reassessment and more clear definition of target industries, including site, building, and related infrastructure needs; insure that appropriate product, buildings and sites are available in the community, working with landowners and developers to see that the type of product is there for the target industries identified; develop incentives, which should include opportunities for a business to expand or locate here, such as an accelerated development review process. Mr. Ramsey emphasized that it is crucial to find out what is important to that company that may be looking at the community, and mentioned that the state offers a number of incentives for training.

Mr. Ramsey stated that in terms of working with partners to create a trained and skilled workforce, it is vital to work with the education community, community colleges, and the university. He said that maximizing strategic partnerships involves creation of public/private partnerships where it might advance the County's strategic plan, and cultivate relationships with state and regional partners. He stated that the Virginia Economic Development Partnership (VEDP) is represented at this meeting, as well as the regional EDP, the Chamber of Commerce, the EDA, and any other entities involved in business. Mr. Ramsey stated that these efforts should also involve working collaboratively with the University as a partner, supporting existing business expansion, and working with the regional EDP. He said that in terms of increasing economic development, visibility and communication, objectives include creating a community education outreach program that communicates the strategic plan to the community, ensuring that the community understands the plan. Mr. Ramsey stated that they should also define and develop marketing strategies that communicate what is unique about the County and what provides an edge for economic development. He said that launching a new website will provide increased functionality, and tracking and publishing regular reports that will inform the community and stakeholders what is being accomplished.

Mr. Walker stated that what they see at next steps include this initial opportunity for feedback on the document presented; the business appreciation open house event scheduled for June 6<sup>th</sup>, which will provide an opportunity for engagement around this draft plan; direct solicitation of input from stakeholders who have participated in helping to develop this plan, including those who were engaged with DecideSmart and those who were involved with Ms. McClintic's economic roundtables, including the Board, EDA, and Planning Commission. He said that after today's feedback, they will move toward refinement of focus areas into goals and objectives for the Board's consideration at a meeting in July. Mr. Walker stated that one primary opportunity for this project is to position the County to have clarity in focus areas to be more fully developed by the next Director of Economic Development.

Ms. Catlin said they would like to open up the conversation for discussion, adding that many of the items seen in the focus areas are things already done to some extent, but are not as fully fleshed out, institutionalized, or robust as they need to be. She stated that, for example, Susan Stimart has done a business visitation program for many years, but there are about 500-600 businesses that need to be engaged. Ms. Stimart does this outreach as a small piece of many other things she does, so only about 60 businesses per year can be reached. Ms. Catlin emphasized that the priority for input now will be on the mission, guiding principles, and five focus areas.

Mr. Randolph suggested that the mission has an implicit zero-sum gain aspect to it, which says that enhancing the County's competitive position will respect the area's natural resources and unique character, with the thrust basically saying they would not destroy those amenities. He indicated that locally and nationally, there is demonstration that natural resources can actually be enhanced, so he would recommend changing the language to state, "while respecting and enhancing as much as possible Albemarle County's natural resources and unique character." Mr. Randolph stated this will clarify that projects can actually enhance those things, rather than assuming they would be harmed by economic development.

Ms. Palmer commented that this had struck her as well, and she added "enhancement and respect" to the list of things economic development would do, as stated in the mission, as well as "improve the quality of life of all citizens."

Ms. Bien stated that in the mission statement, the terms "foster and encourage" could be strengthened so they are more action oriented.

Ms. Mallek suggested "promote."

Ms. Bien agreed.

Ms. McKeel also agreed.

Mr. Shreve suggested that per Mr. Randolph's comments regarding zero-sum gain, the word should be something like "attractiveness" rather than "competitive position," so the focus is making the area more attractive to existing and new businesses.

Ms. Bien commented that their competitive position is what is holding them back currently, with benchmark cities and counties as comparisons, so it is important to address that.

Mr. Gentry agreed, emphasizing that Albemarle's competitive position is not where it needs to be, and as that becomes stronger, they will become more attractive to businesses looking to relocate or expand, so being competitive at this point is very important.

Ms. Bien said that being competitive does not necessarily mean stealing businesses, it acknowledges that Albemarle does not stack up in terms of available land, wage levels, taxes, etc., and they need to work with that in order to become more competitive, or businesses will locate elsewhere based on competitive metrics.

Ms. Catlin noted that the guiding principles are elaborated on in the draft plan.

Mr. Sheffield stated that this is a long list of principles, and his first reaction was to cut them in half because there are so many, and these are the driving force behind every action taken related to the plan. He said the one that is missing, which was somewhat covered by the goals, is preparedness and readiness, as he views that as a driving force behind what their decisions should be oriented around.

Mr. Gentry noted that results orientation would fall under readiness, as nothing can be done until you are ready to receive a business.

Mr. Sheffield said if that is the desired approach, they will need to reword some of the explanations related to that.

Ms. Bien agreed with Mr. Sheffield that it needs to be cut, and organizational collaboration, measurement, and metrics are really subcategories of every category, as there should be metrics for everything, enabling measurement as well as collaboration at all levels, whether it be entrepreneurship, organic growth, or educational achievement.

Mr. Dill suggested that the categories could be combined in terms of supporting existing businesses, fostering the educational components, and essentially helping people now living in the community to start and grow businesses.

Ms. Bien stated that they have included the defense industry under organic growth, and she does not feel as though they should give it a special mention, unless they say it is going to be a primary focus.

Ms. Palmer agreed, adding that it is obvious that defense is subject to political whims.

Ms. Bien said there are things they could do in the community to increase the defense base and support for that industry, but they are a long way off from doing those things. She stated there are opportunities for growth there, but it should not be indicated as something deserving special attention.

Mr. Randolph agreed that it is picking out one target industry and assigning it special status.

Ms. Mallek stated that there are 3,000 jobs at stake with the defense sector locally, and the County must focus on it or they risk losing it, and it is mentioned as one of many examples.

Ms. Catlin responded that perhaps it should be mentioned in the focus areas, since the guiding principles are intended to be bigger, broader things.

Mr. Randolph stated that this document will be online and accessible to the public, and federal budgets could change very rapidly. He stated that they are also competing with localities, such as Harrisonburg, that are also seeking intelligence community sectors to locate there. Mr. Randolph said it looks as though the defense industry will continue here, but a change of administration could cut back significantly in that area. Mr. Randolph emphasized that this document should not just be about this moment in time, but should guide them over the longer term.

Ms. Mallek said that including defense as 1 of 12 items listed does not strike her as overbearing in any way, and she does not understand why they are arguing about one word in the document.

Ms. McKeel clarified that Ms. Bien's objection seems to be its inclusion under organic growth as an industry that anchors the local economy, as it seems to be singled out in the text.

Ms. Bien responded that there are other industries that would fit into that category as well, including healthcare, and at this point it should be broad. She emphasized that she is a primary champion of growth with the defense industry here.

Ms. Catlin stated the text says, "Particular focus on supporting existing and future Department of Defense installations," so it is in the goal language.

Ms. Bien commented that she does not feel it should be included there either.

Ms. Catlin suggested that they note the concern, talk through the goals, and see if they still feel that way under guiding principles.

Ms. Palmer asked if the mention of “physical infrastructure” and “social infrastructure” in the context of support critical infrastructure under “economic development guiding principles” would be elaborated on.

Mr. Sheffield stated that he does not think it can be listed in this document, and infrastructure investments refer back to their economic plan, with this being one factor that supports that principle. He said that critical infrastructure is identified in the CIP processes, and identify them as economic critical infrastructure.

Ms. Palmer emphasized that she is trying to say that in their overall economic development plan, it needs to be established as to whether they are going to list things they have already done in the community that they have deemed to be important for business infrastructure support. Ms. Catlin responded that the intention was for the “improved readiness goal” to mention, reassess, and more clearly define target industries, including site, building, and related infrastructure needs. She said that as it is fleshed out, there will probably be further definition in that goal, also ensuring that appropriate product, building, and sites are at high level of readiness and available, including a focus on redevelopment opportunities that will also bring infrastructure into the discussion. Ms. Catlin emphasized that when they get down to the next level of it, there are more places in the plan where more specific examples of infrastructure will be called out.

Mr. Walker agreed, stating that as the hierarchy is fleshed out with guiding principles, focus areas that turn into goals, and objectives, strategies and action steps, it should be expected that they will include more specificity. He stated that to the extent that critical infrastructure is an important component of the overall economic development strategic plan, they should expect to see details as to how that translates in terms of short and long-term expectations for the implementation of the plan, and will be discussed and decided upon by the Board, EDA, and the community.

Ms. Palmer stated that it is also important to let people know what they are already doing, as well as what they need to do to improve.

Mr. Atkinson asked Ms. Catlin if they had already started on that process with the inventory studies already underway, understanding that efforts are being made to identify exactly which structures and sites are available and/or need improvement. Ms. Catlin confirmed that they have.

Ms. Palmer stated that they are referring to sites, but there are other issues such as the fact there is a transfer station with 35,000 people going across the scales last year, over half of which were small businesses, and yet it is only open four business days per week. She emphasized that she wants to make sure the County is looking at those kinds of support and physical infrastructure, defining those somewhere, as it is broader than just sites.

Mr. Randolph added that it would be helpful to include a glossary of terms in the document, as not everyone will have the same understanding of what the words mean, and they will want to have as many people as possible accessing and understanding them. He suggested including examples with each definition, as well as a page number cited as to where the term is used within the document to provide some context.

Mr. Gentry stated that the whole effort is communication based, and having the public better understand business, as well as having businesses better understanding public concerns can only help them build a better plan, so anything providing amplification or clarity would help. He noted that they spend a lot of time at EDA meetings talking about public education, which is a very daunting task because a lot of citizens do not come to meetings, and this is something that staff, the County, and the EDA need to embrace and address together.

Ms. Catlin said they will discuss the focus areas, stating that the first focus area addresses taking care of existing businesses, strengthening existing businesses, retention, expansion, and improving business climate, with the three items fleshed out in more detail in the report. She said this is not meant to be an exhaustive list, but if they agree it should be a focus area, staff will take it back and work on putting more detail, structure, and attention to it. She stated that staff does not want to do all of that without having clarity on the broad areas of concentration, and asked the Boards if these are the kinds of activities they thought would be reasonable to consider as part of the focus area.

Mr. Gentry responded that it has to be a focus area and may actually be the most important focus area, and everything they went through with the Rio/29 project demonstrated that the County did a wonderful job of communicating with businesses, and most of the businesses there had a positive experience, not a negative one, and survived the construction quite well. He said this increased confidence with both the businesses and the County, which was an area needing attention and fixing.

Mr. Randolph stated that in terms of strengthening existing businesses, there is an opportunity with the business visitation program to use ombudsman and community ambassadors, and there is an opportunity for Supervisors when there is a business in their district to also play a lead role in communication with that business, and the chances are very good that the Supervisors have had contact



with that business through many different venues. He said the Board should be added to the mix of the people listed in that focus area.

Ms. Palmer commented that under “modernizing the County’s zoning code,” the text related to milestones indicates that they had done a complete modernization, and she would suggest including an explanation of that, as there seems to be a disconnect.

Mr. Kamptner explained that the 2012 amendments dealt with the approval processes, and what is stated here is much more comprehensive.

Ms. McKeel agreed that some clarification would be helpful.

Ms. Mallek commented that it looks as though it was copied and pasted in, with no one reading anything the County has been doing for the last five years, which is frustrating. She emphasized that it seems to imply that all of these efforts are new, and this is true with several of the bullets within the document. Ms. Mallek stated that she was looking for a whole new level of approach, and this looks like a rehash of what they have already done, and she was looking for specific things.

Ms. Bien said this should include tangible tasks and metrics.

Ms. McKeel agreed, stating that she had a list of four things that were action items she would put on the table right now to see in July. She said they have been at this point before, and there is a frustration that they are just moving slowly. Ms. McKeel said they need action on items that already exist in the state, such as technology zones, economic revitalization zones, and Virginia jobs investment programs, and she would like to see a biotech incubator at CATEC, which could be shared with the City. She stated that she would like to discuss the staffing needs in economic development, perhaps increasing the part-time person to full-time, and while this report is great work, she is ready to do something in terms of action items.

Ms. Bien stated that the actual tangible tasks and programs should drill down to specific tools, such as social media, and a lot of the items mentioned in the report are outdated. She said they need to keep up with technology, as they are really behind, and in terms of a business council and advisory group, this could mean another commission for already understaffed personnel. Ms. Bien emphasized that they need to think through each task as it relates to a goal, and she suggests leaving things as broad goals, then bringing it down to specific tasks and actions with metrics, as that is what makes an economic development strategic plan an operational plan.

Ms. Catlin responded that staff is in complete agreement, and tasks such as “define and develop a marketing campaign” include social media, which has been discussed along the way, and the idea was to get buy-in from both the Board and EDA prior to embarking on specific actions. She emphasized that a lot of work has been done in these areas, but the typical approach with a Board is to check in for direction as to the focus areas, then coming back with the detail. Ms. Catlin said that their comments will be incorporated into the enhanced plan brought back to them, but staff knows this is not a strategic plan as it stands.

Ms. McKeel stated that perhaps they were anticipating another step, and they would like to see some hard action item coming forward within the next few months, not just rearranging the chairs again. Mr. Walker responded that staff is always eager for direction on things to do that are supportive of the Board’s priorities, and they try to take an iterative approach so they are well grounded in terms of understanding priorities and meeting expectations. He stated that they have also been engaging with the Board over the last few months about how to use the period between the departure of the previous Economic Development Director and the County Executive productively, so they are not losing the work that had been done while there is a transition to the next professional coming in. Mr. Walker said they also had conversations about the role of the County Executive as the supervisor of that Director and responsible for the ultimate outcome of that work. He stated that they do not want to proceed at a pace that requires tasks to be done without the right professionals in place to drive it further. Mr. Walker clarified that this step is to seek agreement on the focus areas, coming back in July with more specificity, and he does not want the Board and EDA to think that, in itself, would be all that was necessary to actually operationalize the goals and objectives. He stated they need to complete the transition with the new Economic Development Director, including a review of staffing capacity. Mr. Walker reiterated that staff agrees with the need for action, but wants to make sure they are doing it in a thoughtful and deliberate way.

Mr. Randolph stated that Ms. McKeel and Mr. Sheffield had a joint meeting with the EDA and a discussion with the community about economic development, which not every magisterial district had done. He said that the County has also invested much time in dialogue with the community advisory committees (CACs) about the Neighborhood Initiative Program that will provide \$1.3 million to neighborhoods, and they should be having discussion on a semi-annual basis with the business community regarding what they see as goals and objectives in magisterial districts, with the Board getting feedback from that process. Mr. Randolph stated that this would help inform the Board as the eyes and ears from constituents to communicate back to staff and the economic development office, as well as the EDA where appropriate. He said the Board is part of the solution, and more credit should be given in terms of opening the dialogue, and public engagement needs to begin with these Boards.

Ms. Mallek said this is happening in many places, and there are policy decisions the Board needs to make prior to the new Economic Development Director coming on, such as financing opportunities that

are already available and can help put them in the lead. She stated that those kinds of concrete discussions need to happen, and they need to do their homework to ensure they are prepared in the readiness category.

Ms. McKeel said she had mentioned the economic revitalization zone because the Board had requested it and agreed they wanted it, and went to Delegate Steve Landes and indicated the County wanted it. She stated that they have also talked, as a Board, about the technology zone, and some of these items have been discussed for two or three years, and she is ready for action items.

Mr. Mallek mentioned the HUB Zone possibilities, as there is at least one local company that needs that classification.

Ms. McKeel stated that enrollment at CATEC is down, but that facility has space and is a partnership between the City and County, and she feels strongly that they should pursue a biotech incubator there.

Ms. Palmer said they would all agree and had an expectation of something more elaborate, but she understands Mr. Walker's point that staff wants to ensure they are all on the same page. She stated that they had all agreed on the need for an enterprise zone, and everyone on the Board, as well as the EDA Board, had agreed that this would be coming soon.

Ms. McKeel stated that this was not intended to criticize the report at all, they were just hoping for more detail and action items.

Mr. Gentry commented that they are at the nexus of where they used to be and where they are going to go, and they will not get there without this type of enthusiasm. He applauds the Board for their efforts, stating that the EDA will work closely with them every step of the way.

Ms. McKeel thanked the DecideSmart representatives for energizing the process, adding that the report is excellent.

Ms. Catlin said that in looking at the improved readiness category, the bullet stating "develop incentives, strategic assets toolbox that provides options to support opportunities like specialized zones and financial incentives taxing structure" is intended to be the launching pad for the July discussion to address the exact things Board members have mentioned. She stated that there is also an item pertaining to "develop options to support incubator, shared workspaces," so hopefully these can be developed into more specifics for July, but staff would like to know whether there are concerns.

Mr. Gentry stated that the document needs to be dynamic, and thus there will be a lot of things missing that have not yet been discussed, so they need to reserve the right to supplement and modify the document going forward.

Ms. Palmer said she would like to have clarity on the immediate focus, and whether those are things that are supposed to happen in the next year.

Ms. Catlin responded that the Board's strategic plan and small area plan both set up activity in that area in the next year.

Ms. Palmer said that text on page 11 in the booklet states, "Ensure that the appropriate product, building, and sites are at a high level of readiness with an immediate focus on redevelopment opportunities that support small area planning and strategic planning goals, and also on longer term greenfield options that will require significant time and resources to development." She said they have all agreed on redevelopment as a top priority, and have also received comments from staff as to the potential for the Hydraulic Small Area Plan to compete with the Rio Small Area Plan as they develop. She stated that she is not sure if the text refers to greenfield options in the development area. Ms. Catlin confirmed that it definitely means greenfield options in the development area.

Ms. Mallek said that they should put a comma in front of the "and," as it seems to cover two separate categories.

Ms. Palmer asked that the language be clarified. Mr. Sheffield suggested switching out "greenfield" with "development area."

Ms. Bien asked how "high level" was defined, and what level in the readiness scale they are talking about. Ms. McKeel responded that this was placed there because the County had been caught several times not being ready.

Ms. Bien said there are specific categories.

Ms. Palmer agreed, stating that she assumed it referred to those categories.

Ms. Bien stated that it should say "at an appropriate level," and then assign the site readiness scale.

Ms. Mallek said they currently have nothing, so higher could be anything.

Ms. Bien said that one could be higher, but that is not really a sufficient standard.

Mr. Randolph suggested that the term “high level” be included in the glossary.

Ms. Mallek commented that the tourism industry was completely ignored here, which she feels was a mistake because surrounding counties have tourism as a very important part of their economic development structure. She said there is only mention of it in the appendix, and she wants to ensure that the County focuses on this more as a benefit for the community.

Ms. Catlin noted that this is listed under “Maximize strategic partnerships” as a bullet that says, “Work with CACVB and other regional partners like arts and cultural entities to maximize tourism opportunities for the region.”

Ms. Mallek said her comment is something completely different, and they need to step out and look at it.

Mr. Walker asked if she feels it fits in with a previously identified focus area, or whether it needs to be set aside as a sixth focus area.

Ms. Mallek stated it could possibly fit under readiness, but she is not sure yet.

Ms. McKeel suggested including it under strategic partnerships.

Ms. Mallek said they have been in a partnership, but are not getting anywhere, so she does not necessarily want it to stay there.

Mr. Walker suggested that it could be structured as an objective of a focus area or identify it as a separate goal.

Ms. McKeel asked Ms. Catlin if she feels comfortable moving onto next steps. Ms. Catlin responded that she does, noting that she agrees with Mr. Gentry’s point that this is not a work done in stone but is fluid, and staff wants to make sure they are embarking on the most important steps to meet the Board’s expectations. She stated that the immediate use for this draft plan is for the hiring of the new Economic Development Director so they know what is important to the Board, and so the Board knows the skill sets needed to bring about what they want to see happen, as it will dictate who is interested in the job.

Ms. McKeel commented that she would like that person to know the action items the Board desires to take forward. Ms. Bien responded that this person should come forward with the action items, and they should be able to demonstrate in an interview process how they would approach it, as it reveals the dynamism of candidates. She stated that she had attended a cybersecurity conference the previous day, and a comment was made that the volume of data is exploding, and in the last two years there had been more data than in the entire previous history of the human race. Ms. Bien emphasized that they can do the best they can today, understanding that it is a moving target, and she is encouraged to see the Board energized behind a number of initiatives.

Ms. Catlin reiterated the next step as staff coming back in July with a more expanded plan.

Mr. Walker added that this is an initial feedback of this phase of the work, and there will be some outreach to stakeholders who participated in the process, not just most recently, but going back to Ms. McClintic’s roundtable work, as well as the business appreciation open house to take place in early June.

Ms. Mallek stated that over the last 10 years, the business community has wanted various things to change, but they also need to step up. She said the County has encouraged them to get involved. She mentioned that facilities that have been built in Montgomery County were done by investment from the business community, and she encourages people to get involved rather than wait for things to be done for them.

Ms. McKeel said the business appreciation event on June 6 conflicts with Albemarle High School graduation, which several Supervisors will be attending, and the times overlap.

Ms. Palmer asked if they had received any information on the business event.

Ms. Mallek said there was an email sent around and a calendar item put on their Outlook calendars.

Ms. McKeel responded that she had not received a personal invitation from the County, but put it on her calendar separately.

Mr. Randolph stated that he had not received anything about it.

**Note:** At 3:52 p.m., the EDA adjourned its meeting.

There were none.

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Agenda Item No. 7. From the County Executive: Report on Matters Not Listed on the Agenda.

There were none.

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Agenda Item No. 8. Closed Meeting (*if needed*).

There was no need for a Closed Meeting.

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Agenda Item No. 9. Adjourn to June 7, 2017, 9:00 a.m., Lane Auditorium.

At 3:52 p.m., **motion** was offered by Ms. Palmer to adjourn to June 5, 2017, at 5:00 p.m. at Riesen Brewery in the Comdial Building. Ms. Mallek **seconded** the motion. Roll was called and the motion carried by the following recorded vote:

AYES: Mr. Randolph, Mr. Sheffield, Mr. Dill, Ms. Mallek, Ms. McKeel and Ms. Palmer.  
NAYS: None.

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Chairman

Approved by Board
Date 09/06/2017
Initials CKB