



GO VIRGINIA REGION ONE COUNCIL MARCH 30, 2017 Minutes

The GO Virginia Region One Council held its first meeting on March 31, 2017 at the Southwest Virginia Higher Education Center located in Abingdon, Virginia.

Members present were Allan Funk, Beth Rhinehart, Cathy St. Clair, David Leonard, David Olive, Dean Sprinkle, Donna Henry (via conference call), Duane Miller, George Cridlin, Joe Gary Street, Josh Lewis, Lois Clark, Mike Quillen, Moir Beamer, Richard Edwards, Ron McCall, Sam Cassell and Travis Staton. Members absent were Kyra Bishop, Mike Stollings and Marc Ammen.

Welcome and introductions: Chair Mike Quillen presided over the meeting and Ms. Becki Joyce recorded minutes. Mr. Quillen called the meeting to order, provided a welcome and invited the Council members to introduce themselves.

Election of Chair and Vice Chair: Mr. Quillen opened the floor for nominations of chair of the Region One Council. George Cridlin nominated Mike Quillen, Duane Miller second the nomination. The nomination received unanimous approval.

Duane Miller nominated Allan Funk as Vice Chair and Moir Beamer seconded the nomination. The nomination for Vice Chair received unanimous approval.

Confirmation of Support Organization: Mr. Quillen made a motion to confirm The University of Virginia's College at Wise as the support organization for the Region One Council. Dean Sprinkle seconded the motion. The motion received unanimous approval and UVa-Wise was confirmed as the support organization.

Go Virginia Presentation: Ben Davenport, Vice Chair, Virginia Growth and Opportunity Board, provided an overview of GO Virginia indicating nine regions have been established with nine regional councils. Each region will define what success looks like for their locality. Mr. Davenport committed to sharing the presentation with Shannon Blevins, who will forward to all Council members. An orientation for board members and support organizations is scheduled for April 20 in Richmond.

Steve Smith, Virginia Growth and Opportunity Board member reinforced that collaboration is imperative for success. GO Virginia councils have a good mix of business leaders and economic developers who will work together to come up with ideas. There is an income gap across the state and we need to remove roadblocks and help industries understand that Southwest Virginia is open for business.

Discussion of by-laws: Mr. Quillen indicated that the Council is required to adopt the by-laws before the state board meeting in April. The Council was provided the by-laws to review in advance of the meeting. Mr. Quillen asked for any comments or recommendations. With no recommended revisions, Mike Quillen motioned the by-laws be approved as presented and Duane Miller seconded. The motion received unanimous support. Mr. Quillen discussed that the four-year staggered terms included in the by-laws would need clarification as to how to implement those terms. He suggested a lottery to draw names for two, three and four year terms might be a resolution. There is also a question of serving more than two, four-year terms,

should someone draw a two-year term initially. Shannon Blevins advised that Liz Rafferty with the Virginia Department of Housing and community Development indicated she did not think they could serve two years with two additional four-year terms. However, Ms. Rafferty was investigating the question.

Appointment of Executive Committee and Nominating Committee: The Chair, Mike Quillen and Vice Chair, Allan Funk were appointed to the executive committee along with Chancellor Donna Henry. George Cridlin (chair), Joe Gary Street, David Olive and Sam Cassell were appointed to the nominating committee.

Ad hoc committees: Mr. Quillen recommended additional ad hoc committees be created to encourage communication and gather input from stakeholders. Mr. Quillen recommended the following ad hoc committees and chairs:

- Duane Miller and Josh Lewis will serve as liaisons to align with all Economic Developers and IDA jurisdictions.
- Dean Sprinkle will serve as liaison to communicate with the four regional community colleges and encourage their involvement.
- Beth Rhinehart will serve as liaison to the Chambers of Commerce.
- Travis Staton will serve as liaison and coordinate with non-profits.

The Council agreed unanimously to the ad hoc committee assignments.

General discussion among Council: Mr. Quillen advised that the GO Virginia website is a good point of reference for news and reports. Mr. Quillen clarified that GO Virginia funds are not set up to do regional economic development marketing. The floor opened for a general discussion among the Council members about expectations and thoughts related to focus areas for the Council.

Ron McCall stated there are many commonalities among the members including the need for a regional mindset. Many localities are struggling as the coal industry struggles. Having served on the VCEDA board, Mr. McCall encouraged the GO Virginia Council to distinguish itself from those other organizations involved in economic development.

Duane Miller stated he served on VCEDA board in the past and is a current board member. There are approximately 90 economic development entities in the region and he encouraged GO Virginia to complement not duplicate their efforts. Mr. Miller suggested GO Virginia be the catalyst to bring all economic development groups together in order to be successful.

George Cridlin has served two terms on the VCEDA board and encourages GO Virginia to clarify its role and find ways to complement other entities. Mr. Cridlin encouraged GO Virginia to identify the process for how ideas find their way to the Council and hopes the Council can be a liaison with PDCs and VCEDA.

Richard Edwards stated Dickenson County has high unemployment and there is a need to diversity and do something different. He stated that the region has people and assets that could be leveraged to move the area forward but we need to pull together to make that happen.

Cathy St. Clair expressed that the key to success is in communication. Communication must occur with all different economic partners and get them involved in the process. Ms. St. Clair emphasized that it is important for the committee to understand its role and try to remove the natural competition that exists in economic development.

Beth Rhinehart agreed that communication is important and that the Council's actions will be even more important. The region should collaborate like the legislators in that they look for what is best for the region as a whole. GO Virginia should leverage incentives to promote collaboration and in her current work with Bristol, TN and VA, collaboration takes practice and it forces you outside of your comfort zone. Birthplace of Country Music and the public library are examples of working across a state line to make something positive happen. Ms. Rhinehart also noted that K12 is not represented on the Council.

Ben Davenport added to the conversation that projects across state lines could be among those considered by the Council.

Moir Beamer encouraged the Council to look at the entire region, not just one county. He cited a strong collaboration effort that focused on five or six growers and not just one. Mr. Beamer encouraged the Council to look for "power points" in the region on which we could build.

Allan Funk commented that the financial industry is completely dependent on the health of the local economy. If the economy is not doing well, then there are fewer lending opportunities. Carroll, Grayson, and Galax joined forces over the past few years and are doing better now that they are participating more regionally. Regional cooperation is becoming more important. There needs to be a combination of local startups, technology industries and cooperation to create new ideas and job opportunities.

David Olive cited the loss of jobs in Tazewell County and explained the collaboration project his institution is working on with the two Bluefields regarding entrepreneurship.

Travis Staton impressed upon the Council that the United Way represents one of the diverse groups, from employer to governmental entities. Through his experience, he expressed the need to remove the silos and stressed the importance of building trust. Mr. Staton expressed the need to recruit high paying jobs to the region combined with the ability to meet the staffing demands of those high paying jobs. He also encouraged working with K-12 on credentialing and preparing tomorrow's workforce.

Sam Cassell discussed his experience with manufacturing and his involvement with the legislative delegation, the Southwest Virginia Alliance for Manufacturing (SVAM) and the Centers of Excellence (COE). Utility Trailer has employees traveling from four states and he indicated that a win for one county is a win for all counties. Jobs can grow and expand in Southwest Virginia and Utility Trailer is a prime example. However, it would be hard for a 500 person manufacturing to staff up right now due to the workforce challenges. He expressed that friendlier business regulations are needed and that he personally knew of one business that did not choose to expand here.

Joe Gary Street stated Buchanan County does not have a roadway good system and the Coalfield Expressway is key initiative for that part of the region. Buchanan County has one of the highest unemployment rates in Virginia. His experience with West River Conveyors and their company diversification will help provide some guidance to looking for opportunities outside of coal.

Josh Lewis indicated that as a regional practitioner of economic development the region shares the same plight in workforce as 3000 other rural areas across the nation. Rural areas lose projects to Texas, Georgia, and North Carolina. Mr. Lewis felt GO Virginia needed to target sectors and decide who we want to be. He cited the food and beverage industry as one of the top five growth industries in the nation. The Council will need to make tough decisions as well as strategic decisions. It is important we all come together and communication is key. We need to share information in order for our economic developers to make good decisions.

Dean Sprinkle indicated that there is a clear connection between the community college and K12. A good collaborative model can be found in Carroll, Grayson, and Galax. Community colleges also work with local business and industry on workforce training, and with economic development entities when they are recruiting business and industry to the area. There is a need for a deep labor pool and we cannot sustain an employer unless we have the workforce. There should be synergy with funding of VCCS workforce initiatives supportive of manufacturing. Soft skills are also important to employers.

Lois Clark agreed that the whole area needs jobs, jobs, jobs. It is going to take a lot of work to get people to cooperate. Communication is key, as is the need for the Council to focus. It will take partnerships. The Council should focus on executing the mission statement. We need jobs and good paying jobs to keep our younger generation here, or allow them an avenue to go away for college and return to a career at home.

David Leonard stated he sees a glimmer of light in the coal business. There has been some improvement in regional cooperation and there are great assets with VCEDA and within the coalfield region. There are opportunities if we can tie it all together. Having worked in economic development for 20 years, he impressed that personal contact and relationships are important. Meetings are good but somewhere the rubber has to meet the road. The region needs dollars to attract big industries and we have to create a plan to offer to them. We need contact teams that communicate the assets, labor force, and incentives, but we have to get them (prospects) here. We need one, two or three big sites to bring in big corporations.

Chancellor Henry expressed that UVa-Wise is here to serve the Southwest Virginia region. The college looks forward to working and finding better ways to create jobs so that the students who graduate can stay and work in the region. All organizations must come together. That is one of the main objectives of the upcoming SWVA Economic Development Forum scheduled for May 10, 2017 at UVa-Wise.

Mike Quillen stated that the Council's primary mission is not to recruit industries or market the region. It vets opportunities and recommends them to the state board. He recapped some of the comments around the table by addressing a few points:

- K-12 representation is missing from the board. Good things are happening in workforce training and certification. A large number of our workforce does not have certifications but manufacturers want industry-recognized credentials. K-12 is important because some industries question our workforce availabilities because of our 8th grade graduation rate.
- The revenue sharing process will not be an easy task to develop but it is necessary.
- Statistics on the region's health metrics has a significant impact on our area.

Steve Smith remarked that grocers and bankers depend on others to do well. Food City needs to do a better job of communicating what it takes to run the back office of its corporation both in technology and administration. He emphasized the region's need to do a better job of preparing people for the available jobs.

Steve stated that through great leadership and working together GO Virginia can be successful, but cautioned it will not happen overnight.

Ben Davenport discussed the importance of internships in developing the next generation for the workforce and cited Southern Virginia's machining program in high school vocational schools as an example.

Moir Beamer also provided Carroll County's agriculture internship program as a good model.

A draft work plan for completing the Growth and Diversification Strategic Plan was distributed for feedback.

Public Comment period:

Mike Quillen opened the floor for public comment

Scott Robertson with Tri Cities Business Journal for Northeast Tennessee and Southwest Virginia expressed that communication is vital. He encouraged the Council to communicate with local media often and clearly. He advised to take media's call and give them the opportunity to get it right. Mr. Robertson stated this was attempted in Northeast Tennessee a few years ago and it failed due to silos and lack of trust. He advised the Council to communicate clearly what it is trying to do and give equal attention to what it is not trying to do. If this does not take place, there will be a lack of trust from the start.

Michelle Jenkins stated that the Council has full support from Congressman Morgan Griffith.

Carl Snodgrass pointed out that economic development is tough. The disappointments can be much greater than the rewards. He left the Council with one word of advice "perseverance."

Shannon Scott asked the Council to have the courage to become blind to county and regional lines and cluster together for success and leveraging regional assets. He also encouraged the Council to understand "the road out of poverty runs by the school house" and to pay attention to education.

Jason Berry thanked the Council members for serving and described Washington County's discussions with Wise County. He emphasized that, "Hope is what people look for. Jobs and opportunities give people hope."

After allowing all attendee from the public opportunity to speak, the public comment period closed.

Mike Quillen encouraged Council members to communicate to their networks and be spokes of the GO Virginia wheel, encouraging stakeholders to identify issues.

Next meeting dates:

GO Virginia Council Member Orientation will be held April 20 in Richmond, Virginia. Mr. Quillen explained that the April 20 session in Richmond will provide more guidance on what can and cannot be done by the Council.

Council meetings will rotate around the region with the second one at UVa-Wise.

2017 meeting dates include:

- June 1 – UVa-Wise
- September 7 – TBD
- December 7 – TBD

The meeting adjourned.