

**AMHERST INDUSTRIAL DEVELOPMENT AUTHORITY**

Monday, March 7, 2022

**AGENDA**

5:15 PM

1. Call to Order & Determination of Quorum - Town Hall at 174 S. Main Street
2. Approval of the minutes from the February 7<sup>th</sup>, 2022 meeting-----Chairman
3. Review of information gained from business visitation ----- Chairman
4. Other Business
5. Adjournment

**Town of Amherst  
Industrial Development Authority**

Town Manager Sara E. Carter called a meeting of the Town of Amherst Industrial Development Authority to order on February 7, 2022, at 5:15 p.m. in the Council Chambers of the Town Hall at 174 S. Main Street.

It was noted that a quorum was present, with Mr. Mahler participating remotely from his home office located in the Town of Amherst, Virginia, in accordance with §2.2-3708.2(b), as follows:

P	Sharon Turner	P	Jacob Bailey
P	C. Manly Rucker	P	Kim Stein
A	Clifford Hart	P	Richard Wydner
P	Aaron Mahler - Remote		

Town Manager Sara E. Carter, in her capacity of secretary, and Clerk of Council Vicki Hunt were also present.

Secretary Carter opened the floor to nominations for Chairman. Mr. Wydner nominated Ms. Turner, seconded by Mr. Bailey. There being no additional nominations, Mr. Rucker made a motion to close the nominations, seconded by Mr. Wydner, and elect Ms. Turner Chairman.

There being no discussion the motion to close the nominations and elect Ms. Turner Chairman carried 6-0 as follows:

Sharon Turner	Aye	Jacob Bailey	Aye
C. Manly Rucker	Aye	Kim Stein	Aye
Clifford Hart	Absent	Richard Wydner	Aye
Aaron Mahler	Aye		

Ms. Turner opened the floor to nominations for Vice Chairman. Mr. Bailey nominated Mr. Rucker, seconded by Mr. Wydner. There being no additional nominations, Mr. Wydner made a motion to close the nominations, seconded by Mr. Bailey, and elect Mr. Rucker Vice Chairman.

There being no discussion the motion to close the nominations and elect Mr. Rucker Vice Chairman carried 6-0 as follows:

Sharon Turner	Aye	Jacob Bailey	Aye
C. Manly Rucker	Aye	Kim Stein	Aye
Clifford Hart	Absent	Richard Wydner	Aye
Aaron Mahler	Aye		

Mr. Rucker made a motion which was seconded by Mr. Wydner to approve the minutes of the December 6, 2021, meeting of the Industrial Development Authority.

There being no discussion, the motion carried 6-0 as follows:

Sharon Turner	Aye	Jacob Bailey	Aye
C. Manly Rucker	Aye	Kim Stein	Aye
Clifford Hart	Absent	Richard Wydner	Aye
Aaron Mahler	Aye		

After Secretary Carter gave a report on a proposed policy that addresses remote participation in a meeting by board members, Mr. Bailey made a motion that was seconded by Mr. Rucker to adopt a Participation in Meetings by Electronic Communication Policy, as recommended by staff.

After discussion, the motion carried 6-0 according to the following:

Sharon Turner	Aye	Jacob Bailey	Aye
C. Manly Rucker	Aye	Kim Stein	Aye
Clifford Hart	Absent	Richard Wydner	Aye
Aaron Mahler	Aye		

A copy of the policy is attached to and made a part of these minutes.

Mr. Bailey made a motion that was seconded by Mr. Rucker to approve remote participation by Mr. Mahler due to a personal matter, i.e., employment.

After discussion, the motion carried 6-0 as follows:

Sharon Turner	Aye	Jacob Bailey	Aye
C. Manly Rucker	Aye	Kim Stein	Aye
Clifford Hart	Absent	Richard Wydner	Aye
Aaron Mahler	Aye		

The Secretary presented status reports on the Brockman Park Recoupment program per the October 2, 2001, agreement whereby the County would direct monies to the Town to defray Brockman Park development costs, and on the costs of maintaining the common areas at Brockman Park that are to be shared among all tenants per the “homeowners association” section of the Brockman Park deed restrictions.

Mr. Rucker made a motion that was seconded by Mr. Wydner to direct the Secretary to transmit the 2021 Brockman Park Recoupment report to Amherst County, and to authorize the Secretary to bill Centra Health, Steven D. Clancy, LLC, and HBH Amherst, LLC for calendar year 2021 expenses.

There being no discussion, the motion carried 6-0 as follows:

Sharon Turner	Aye	Jacob Bailey	Aye
C. Manly Rucker	Aye	Kim Stein	Aye
Clifford Hart	Absent	Richard Wydner	Aye
Aaron Mahler	Aye		

Ted Cole, Senior Vice President and Manager of Public Finance, Davenport & Company, and F. Jesse Bausch, Esq., Sands Anderson, PC, came forward on behalf of the Region 2000 Radio Communications Board of the Central Virginia Planning District Commission, formerly Virginia's Region 2000 Local Government Council, to request the IDA consider modification/refinance of the 2012 Public Facilities Revenue Bond reducing the interest rate on the 2012 Bond from 3.04% to 1.37%.

Gary Christie, Executive Director at Region 2000 Local Government Council, was also present to answer questions.

Mr. Rucker made a motion that was seconded by Mr. Bailey to adopt a Resolution of the Industrial Development Authority of the Town of Amherst, Virginia, Approving Rate Adjustment and Refunding for the Central Virginia Planning District Commission, Formerly Known as the Virginia's Region 2000 Local Government Council, supporting the request.

After discussion, the motion carried 6-0 via roll call as follows:

Sharon Turner	Aye	Jacob Bailey	Aye
C. Manly Rucker	Aye	Kim Stein	Aye
Clifford Hart	Absent	Richard Wydner	Aye
Aaron Mahler	Aye		

A copy of the Resolution is attached to and made a part of these minutes.

Authority members discussed the Authority's Visitation Program for businesses. Authority Members will continue to submit their reviews to Town Manager Carter.

There being no further business, the meeting adjourned at 5:46 P.M. on motion of Mr. Rucker, seconded by Mr. Bailey.

\_\_\_\_\_  
Sharon W. Turner, Chairperson

ATTEST: \_\_\_\_\_  
Secretary



# TOWN OF AMHERST

Office of the Town Manager  
and  
Industrial Development Authority

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Telephone (434) 946-7885  
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## PARTICIPATION IN MEETINGS BY ELECTRONIC COMMUNICATION POLICY

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Adopted by Industrial Development Authority: \_\_\_\_\_

### **AUTHORITY AND SCOPE.**

This policy is adopted pursuant to the authorization of Va. Code § 2.2-3708.2 and is to be strictly construed in conformance with the Virginia Freedom of Information Act (VFOIA), Va. Code §§ 2.2-3700-3715.

This policy shall not govern an electronic meeting conducted to address a state of emergency declared by the Governor. Any meeting conducted by electronic communication means under such circumstances shall be governed by the provisions of Va. Code §2.2-2708.2(A)(3).

### **DEFINITIONS.**

- a. **"IDA"** means the Town of Amherst Industrial Development Authority.
- b. **"Member"** means any member of the Town of Amherst Industrial Development Authority.
- c. **"Remote participation", "remotely participate", or "participate remotely"** mean participation by a member of the IDA via telephonic, video, or other audio or combined audio and video electronic communication method where the member is not physically assembled with the other members of the IDA.

- d. **"Meeting"** means a meeting as defined by Va. Code § 2.2-3701.
- e. **"Notify" or "notifies,"** for purposes of this policy, means actual notice, including, but not limited to, email, text, telephone, or in-person notice.

**POLICY:**

- A. Members may participate in meetings of the IDA by electronic communication means from a remote location that is not open to the public, provided that such participation is approved by the Chairperson, or other presiding officer, (hereinafter referred to as the "Chairperson"). Such participation shall comply with this policy and Va. Code § 2.2-3708.2.
- B. On or before the day of a meeting, a member desiring to participate remotely shall notify the Chairperson that:
  - 1. Such member is unable to attend the meeting due to:
    - i. a temporary or permanent disability or other medical condition that prevents the member's physical attendance (in which case, the minutes shall record this basis for remote participation, but need not record the exact nature of the disability or medical condition); or
    - ii. a family member's medical condition that requires the member to provide care for such family member, thereby preventing the member's physical attendance (in which case, the minutes shall record this basis for remote participation, but need not record the exact nature of the family member's disability or medical condition); or
  - 2. Such member is unable to attend the meeting due to a personal matter (in which case, the member shall identify, with specificity, the nature of the personal matter; and the IDA shall include in its minutes the specific nature of the personal matter cited by the member). However, participation by a member pursuant to this paragraph shall be limited each calendar year to two meetings or 25 percent of the meetings held per calendar year rounded up to the next whole number, whichever is greater.
- C. An individual member may participate from a remote location only if a quorum of the IDA is physically assembled at the primary or central meeting location, and the IDA has made arrangements for the voice of the remote participant to be heard by all persons at the primary or central meeting location.
- D. The location from which a member participates remotely shall be recorded in the IDA's minutes; however, the location need not be open to the public.
- E. This policy shall be applied strictly and uniformly, without exception, to the entire membership of the IDA, and without regard to the identity of the member requesting remote participation or the matters that will be considered or voted on at the

meeting. The Chairperson shall approve the request if the member qualifies for remote participation under this policy. If a member's participation from a remote location is disapproved because such participation would violate this policy, the reasons for such disapproval shall be recorded in the minutes with specificity.

**RESOLUTION OF THE INDUSTRIAL DEVELOPMENT AUTHORITY  
OF THE TOWN OF AMHERST, VIRGINIA APPROVING RATE ADJUSTMENT  
AND REFUNDING FOR THE CENTRAL VIRGINIA PLANNING DISTRICT  
COMMISSION, FORMERLY KNOWN AS  
THE VIRGINIA'S REGION 2000 LOCAL GOVERNMENT COUNCIL**

**WHEREAS**, the Counties of Amherst, Bedford and Campbell, the Town of Bedford (formerly City of Bedford) and the City of Lynchburg (**collectively, the “Member Jurisdictions”**) acting through a committee, the Central Virginia Radio Communications Board, formerly known as the Region 2000 Radio Communications Board (**the “Radio Board”**) of the Central Virginia Planning District Commission, formerly Virginia’s Region 2000 Local Government Council (**“CVPDC”**) owns and operates an emergency communications system (**the “Facilities”**) serving the Member Jurisdictions with portions of the Facilities located in each of the Member Jurisdictions;

**WHEREAS**, in 2012, CVPDC upgraded and replaced the existing emergency communications system (**the “Existing System”**) serving the then Member Jurisdictions through a financing with the Industrial Development Authority of the Town of Amherst, Virginia (**the “Authority”**) by the Authority’s issuance of its \$13,100,000 Public Facilities Revenue Bond (Virginia’s Region 2000 Local Government Council Project), Series 2012 (**the “2012 Bond”**) pursuant to a Loan Agreement, dated as of May 1, 2012 (**the “Loan Agreement”**) among the Authority, CVPDC and Banc of America Public Capital Corp (**the “Lender”**);

**WHEREAS**, simultaneously with the issuance of the 2012 Bond, CVPDC issued its promissory note (**the “2012 Borrower Note”**) in the same amount as the 2012 Bond, reflecting the undertaking of CVPDC to provide the source of revenue for payment of the 2012 Bond;

**WHEREAS**, pursuant to a Security Agreement, dated as of May 1, 2012 (**the “Security Agreement”**) between CVPDC and the Lender, CVPDC assigned certain payments under a Cooperative Agreement with the Member Jurisdictions for the benefit of the Lender and granted the Lender a security interest in the Facilities, including the Existing System, with the Existing System to be released upon the final installation of the portion of the Facilities to be financed with the proceeds of the 2012 Bond;

**WHEREAS**, Davenport & Company LLC (**the “Financial Advisor”**) on behalf of CVPDC, requested the Lender to consider a refunding or rate reduction of the 2012 Bond and received a proposal from the Lender dated December 28, 2021 (**the “Proposal”**) reducing the interest rate on the 2012 Bond from 3.04% to 1.37%, which the CVPDC has reviewed and considered as the most advantageous manner to refinance the costs of the Facilities for debt service savings;

**WHEREAS**, CVPDC have requested that the Authority (a) issue, offer and sell its public facilities revenue refunding bond in the principal amount of not to exceed \$6,200,000 (**the “2022 Bond”**) to refund and refinance the 2012 Bond issued to finance the costs of the Facilities, plus accrued interest through the next payment date on the 2012 Bond and the cost of issuing the 2022 Bond, (b) secure the payment of the 2022 Bond through amendments to the Loan



Agreement and the Security Agreement (the “Existing Financing Documents”) to secure the 2022 Bond on the same basis as the 2012 Bond;

**WHEREAS**, there have been presented to this meeting, drafts of the following documents (collectively, the “Documents”) in connection with the transactions described above, copies of which shall be filed with the records of the Authority:

1. An Amendment Agreement (the “Amendment Agreement”) among the Authority, CVPDC and the Lender amending the Existing Financing Documents to reflect the terms of the Proposal and the 2022 Bond and releasing the Existing System from the provisions of the Security Agreement;
2. a Specimen Public Facilities Revenue Refunding Bond (CVPDC Radio Board Rate Adjustment), Series 2022 in the maximum aggregate principal amount of \$6,200,000, maturing on or about May 1, 2027 from its date of issuance with an interest rate of 1.37% per annum; and
3. a Promissory Note of CVPDC corresponding to the terms of the 2022 Bond.

**NOW THEREFORE, BE IT RESOLVED** by the Industrial Development Authority of the Town of Amherst, Virginia:

1. The Authority hereby finds and determines that the refunding of the Facilities through the issuance of the 2022 will be consistent with the purposes of the Act and that the Facilities are “authority facilities” within the meaning of the Act.
2. All costs and expenses in connection with the issuance of the 2022 Bond, including but not limited to the Authority’s expenses, the fees and expenses of CVPDC, bond counsel, the Financial Advisor, the Authority’s counsel, the Bank and its counsel for the sale of the 2022 Bond, shall be paid from the proceeds therefrom or other funds of CVPDC through payments made by the Member Jurisdictions. If for any reason the 2022 Bond is not issued, it is understood that all such expenses shall be paid by CVPDC (through payments made by the Member Jurisdictions) and that the Authority shall have no responsibility therefor.
3. The Authority hereby approves the Documents, the Proposal and the form of the 2022 Bond in the maximum aggregate principal amount of up to \$6,200,000 with the 2022 Bond amortizing over 5 years with a maturity date on or about May 1, 2027, payable as to interest semiannually at the rate of 1.37%, subject to such adjustment as set forth in the form of the 2022 Bond, and payable as to principal annually, as set forth in the form of 2022 Bond, with such changes, including but not limited to changes in the amounts, dates, payment dates and rates as may be approved by the officer executing them whose signature or signatures shall be conclusive evidence of his or their approval of the same.

4. The Chairman or Vice Chairman of the Authority, or either of them, and Secretary of the Authority are each hereby authorized and directed to execute the Documents and such other instruments and documents as are necessary to create and perfect a security interest in the Collateral in favor of the Bank, to refund the 2012 Bond and to issue the 2022 Bond.
5. The officers, agents and representatives of the Authority are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in their sole and absolute discretion in connection with the issuance and sale of the 2022 Bond, including without limitation (a) execution and delivery of a certificate setting forth the expected use and investment of the proceeds of the 2022 Bond to show that such expected use and investment will not violate the provisions of Section 148 of the Internal Revenue Code of 1986, as amended (**the “Code”**), and regulations thereunder, applicable to “arbitrage bonds,” (b) making any elections, at the request of CVPDC that such officers deem desirable regarding any provision requiring rebate to the United States of “arbitrage profits” earned on investment of proceeds of the 2022 Bond, (c) providing for CVPDC to pay any such rebate amount and (d) filing Internal Revenue Service Form 8038-G, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the 2022 Bond, refunding of the 2012 Bond, refinancing of the Facilities and the release of the Existing System from any lien of the 2012 Bond and providing a lien on the Facilities as additional security for the 2022 Bond.
6. The Authority agrees to the recommendation of CVPDC, and in turn, the Radio Board that Sands Anderson PC, Richmond, Virginia, serve as bond counsel and hereby appoints such firm to supervise the proceedings and approve the issuance of the 2022 Bond.
7. Any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto and to record such document where appropriate.
8. All other acts of the officers of the Authority that are in conformity with the purposes and intent of this resolution and in furtherance of the issuance and sale of the 2022 Bond, the refunding of the 2012 Bond and the refinancing of the Facilities are hereby approved, ratified and confirmed.
9. CVPDC, and in turn, the Radio Board by acceptance of this financing, to the extent permitted by law, will be deemed to have agreed to indemnify, defend and save harmless, to the extent permitted by law, the Authority, its officers, directors, employees and agents from and against all liabilities, obligations, claims, damages, penalties, fines, losses, costs and expenses in any way connected with the Authority and the issuance of the 2022 Bond and financing of the costs of the Facilities.
10. Nothing in this Resolution, the 2022 Bond, or the Documents shall constitute a debt or a pledge of the faith and credit of the Authority or the Town of Amherst and the Authority shall not be obligated to make any payments under the 2022 Bond or the Documents except from payments made by or on behalf of CVPDC under the Loan Agreement and

the Security Agreement from payments made by the Member Jurisdictions under the Cooperative Agreement.

11. This resolution shall take effect immediately.

Adopted this 7<sup>th</sup> day of February, 2022.

**CERTIFICATION OF ADOPTION OF RESOLUTION**

The undersigned Secretary of the Industrial Development Authority of the Town of Amherst, Virginia hereby certifies that the Resolution set forth above was adopted in an open meeting on February 7, 2022, by the Authority with the following votes:

Aye:

Absent:

Nay:

Abstentions:

Signed this \_\_\_\_ day of February, 2022.

By: \_\_\_\_\_  
Secretary

# 'Behind the eight ball'

## Officials rush to correct looming site shortage

Published February 27, 2022 by [Greg Weatherford](#)



Site preparation began in January for Blue Star NBR LLC's \$714 million nitrile glove manufacturing complex at Progress Park in Wytheville. Photo by Earl Neikirk

David Manley had a good feeling. The site visit was going well.

During their spring 2021 tour of the Progress Park industrial site in Wytheville, the leaders of a manufacturer of nitrile gloves — those blue, disposable pieces of personal protective equipment that have become ubiquitous during the pandemic — seemed intrigued by the prospect of the location serving as the future home of their factory, which would bring with it 2,500 jobs.

During that visit, “their eyes essentially lit up,” recalls Manley, executive director of the Joint Industrial Authority of Wythe County in Southwest Virginia.

With a graded site, a rail hub, utilities and telecom infrastructure ready to go, the location clearly appealed to the glove execs. The county had begun work on the 233-acre parcel in the 1990s. Over the years, with support from the county, the state Tobacco Region Revitalization Commission and others, about 165 of its acres had been graded and infrastructure put in place.

But would it be enough?

### Room for improvement

If you build it, they will come — that has long been the driving philosophy of site development, the work done by economic development agencies and authorities to identify and prepare industrial sites for future businesses.

But lately in Virginia that mantra has shifted. Business leaders have become increasingly concerned that if they don't build it, businesses will go elsewhere.

Since 2016, Virginia missed out on more than 42,000 jobs and \$75 billion in capital expenditures because companies were unable to find acceptable ready-to-build locations in the commonwealth, according to a September 2021 analysis by the Virginia Economic Development Partnership, the state's economic development arm.



“Until recently, [Virginia] just didn’t invest in sites,” says Chris Lloyd, chairman of the national Site Selectors Guild and a senior vice president with McGuireWoods Consulting. The current site shortage, he says, “has been 30 years in the making.”  
Photo by Rick DeBerry

Those losses have come despite Virginia’s business-friendly reputation and high marks on metrics such as governmental support for business, not to mention its world-class seaport, well-educated workforce and desirable mid-Atlantic location.

“Virginia has been pretty heavily underperforming on the bigger projects,” says Stephen Moret, who was VEDP’s president and CEO from 2017 through the end of 2021 and played a key role in Wythe County landing the Blue Star NBR LLC nitrile glove factory last year. “And the vast majority of the time the biggest factor has been the lack of a well-prepared site.”

One recent example: a \$5.6 billion Ford Motor Co. factory with 5,600 jobs. Ford decided against building in Virginia — largely, Moret says, because Virginia didn’t have a site ready to go within the company’s timeline. In September 2021, Ford announced it would open the plant near Memphis, Tennessee.

The issue, Moret and others in Virginia economic development say, is a historic lack of funding for site development in the commonwealth. That has left Virginia lagging other states in the current era of high-speed business decision-making, a point emphasized by Virginia’s new governor, Glenn Youngkin, while on the campaign trail.

“Until recently, [Virginia] just didn’t invest in sites,” says Chris Lloyd, a senior vice president and director of infrastructure and economic development at McGuireWoods Consulting LLC who serves as chairman for the national Site Selectors Guild. The situation, he adds, “has been 30 years in the making.”

### **Shovel-ready shortage**

Virginia has a few structural disadvantages when it comes to landing coveted large-scale industrial projects like multibillion-dollar chip factories, Lloyd says. One is Virginia’s unique governmental structure in which cities and counties, by law, are independently governed. This can create a disincentive for, say, a county government to partner on a development project in a neighboring city for which it would not see any direct tax benefit. Another impediment is the way Virginia’s utilities regulation can discourage investment in projects that do not have a clear, foreseeable outcome.

But those hurdles can be overcome, Lloyd says. A little-noticed aspect of the state law governing economic development authorities — the Virginia Regional Industrial Facilities Act — allows them essentially to set up revenue-sharing agreements, for example.

More significant has been Virginia’s historic lack of urgency around the issue, say Lloyd and others. Virginia has luxuriated in a healthy tax base and heavy federal spending in Northern Virginia and Hampton Roads, and in the past few decades, the work of luring large factories seemed less than critical.

But in recent years that attitude has changed as, one after another, companies planning large industrial projects have surveyed Virginia and found it lacking.

In the past five years, Virginia has ranked ninth out of 11 states in the South — ahead of only West Virginia and Maryland — in the number of manufacturing jobs from “greenfield” construction projects (those built on previously undeveloped land), VEDP found in a recent internal analysis.

Since 2015, of the 81 new industrial projects in the Southeast United States that required 250 acres or more, Virginia has won exactly zero, according to VEDP. Those projects generated more than \$22 billion in capital expenditures and an estimated 38,000 jobs; North Carolina won seven of them, totaling more than \$1.4 billion in investments and creating 5,600 jobs.

The situation is largely because of Virginia’s shortage of shovel-ready, large-scale industrial sites, say development experts. Between 2018 and 2021, large projects requiring 250 acres or more comprised 15% of companies’ site-search requests in Virginia, but 51% of total jobs and 78% of potential capital expenditures, VEDP found.



Even though it was half-developed just a few years ago, Virginia Beach's Corporate Landing Business Park is now fully under development. Photo by Mark Rhodes

Economic development officials are looking to land such large projects because “that’s what really moves the dime,” says Shenandoah Valley Partnership Executive Director Jay Langston. “That is where we’re spending a lot of effort. There are a lot of companies now that are looking for the larger acreage.”

One problem: When Langston’s team looked at 46 sites in its region that might meet that criterion, just two were shovel-ready, with sites prepared and equipped with infrastructure like power and water lines. The rest required years of work.

The issue goes far beyond the Shenandoah Valley, adds Langston, who in 2015 was a lead author on a statewide report drawing attention to Virginia’s looming site shortage. “This is something that we are going to have to work at for probably the next 10 to 20 years, probably beyond my tenure in economic development.”

### **Megasite investment**

The shortage began decades ago. As existing development sites found tenants, Virginia lagged in spending on establishing and preparing new sites.

“We all of a sudden found ourselves behind the eight ball,” says Joe Hines, senior principal and director of economic development at Richmond-based engineering firm Timmons Group Inc. “All the smart money had bought up the good dirt.”

Hines, who has worked extensively in site development and analysis, has conducted research indicating that competing states have been spending consistently to develop sites in the past decade, with North Carolina spending up to \$100 million and Georgia up to \$75 million annually. Virginia, meanwhile, has spent far less, and far less consistently per year, on site development, Hines says.

It takes up to 10 years to ready a site for shovel-ready occupancy, Hines says, which means Virginia will continue to lose projects — including enormous ones, such as the two semiconductor manufacturers currently shopping for homes for their \$20 billion, 3,000-plus-employee factories.

And these projects are moving fast. Hines recently took a close look at 11 large development projects in Virginia, South Carolina, Georgia and Alabama totaling \$8.5 billion in capital expenditures and 14,725 jobs.

He found that nine of those projects took less than five months from initial contact to a publicly announced deal. The largest of them, a joint venture Mazda-Toyota factory now slated to open near Huntsville, Alabama, comprises \$1.6 billion in capital expenditure and 4,000 jobs. That project moved from first contact to final deal in five months.

State officials have taken notice. In January, at the end of his term, Gov. Ralph Northam announced \$7 million in state grants to support development of sites larger than 100 acres across Virginia.

More dramatically, Northam’s proposed state budget included \$150 million to support site development. That figure matched VEDP’s 2021 recommendations: \$100 million toward developing “megasites” of 250-plus acres and another \$50 million divvied up across the state. The partnership highlighted five megasites across Virginia that would require a total of \$118 million to be project-ready on short notice, including a 2,100-acre site in Pittsylvania County and the 1,000-acre Mid-Atlantic Advanced Manufacturing Center in Greenville County.

In all, the partnership said in its unpublished report, this new state expenditure could result in up to 58,000 new jobs and \$179 million in state revenue per year.

In an amendment to the 2023-24 biennial budget, Youngkin proposed spending an extra \$29 million for site development, plus establishing a \$20 million baseline for annual site investment.

### **On the ground level**

While budget talks go on in Richmond, economic development officials are fielding contacts from prospects and wooing potential investors. But they're fighting to keep pace.

In Virginia Beach, the 35-year-old Corporate Landing Business Park was no more than half developed a few years back. Today, all of it is under construction or under a letter of intent, says Taylor V. Adams, the city's deputy city manager and director of economic development. A new location, the 155-acre Innovation Park, has all of its 90 developed acres entirely under negotiation or under a letter of intent, Adams adds.

With the upgrades and expansions of developed parcels, "we thought we'd have an inventory," Adams marvels. "But we found that every time we got a parcel upgraded ... we sold it."

Adams agrees that when opportunity knocks, economic developers have to open the door fast — or lose the sale.

"If your site is shovel-ready, you've got a chance," Adams says. "If it's not, you're at the back of the line."

Back in Wythe County, Manley's initial optimism was borne out. A few months after that spring 2021 visit, the company — Alexandria-based Blue Star Manufacturing LLC — announced it would build its \$714 million factory in the prepared development.

Blue Star NBR's first manufacturing facility broke ground in January. The first gloves are expected to roll off the line by early 2023.

The romance of Wythe County and Blue Star had been a whirlwind courtship. But it was one that had been decades in the making. By the time Manley showed the site to Blue Star last spring, the deal needed only a relatively small nudge from state coffers in the form of \$8 million to upgrade water and wastewater facilities.

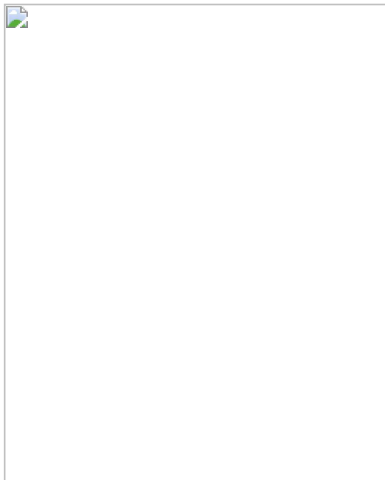
The lesson? Be ready, Manley says. "Site readiness is no longer an option. It's imperative if you want to compete."

## Site readiness

To evaluate site readiness, Virginia uses a tier system based on a framework developed by Joe Hines with Richmond-based Timmons Group Inc.

Readiness level	Development time	Major consideration	Investment
Tier 0	4-10+ years	Locate sites	\$20,000 to \$100,000
Tier 1	3-7 years	Willing seller ID'd	Minimum
Tier 2	2-4 years	Zoning and acquisition	Cost of acquisition
Tier 3	2-3 years	Master plan/due diligence	\$50,000 to \$250,000
Tier 4	9-12 months	Infrastructure	\$5M to \$50M
Tier 5	3-9 months	Shovel-ready	\$100,000 to \$150,000/acre

Source: Timmons Group Inc.



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