

AGENDA

ECONOMIC DEVELOPMENT AUTHORITY

| THURSDAY, FEBRUARY 3RD |

| 8:00 AM |

COUNTY ADMINISTRATION BUILDING @ BOARD OF SUPERVISORS MEETING ROOM

107 KENT STREET WINCHESTER, VA

1. Call to Order
2. Approval of Minutes – January 6th || ACTION
3. Treasurer’s Report || ACTION
4. Target Business Study || ACTION
 - *Process on identifying target business sectors will be briefed*
5. Virginia Business Ready Sites Program Results || DISCUSSION
 - *Results from most recent site characterization exercise*
6. Progress Report on Activities from Joint Meeting || INFORMATION
 - *Current status on planned activities from joint meeting will be reported*
7. Joint Meeting with Frederick County Board of Supervisors || DISCUSSION
 - *Discussion of possible topics/agenda for annual meeting with the Frederick County Board of Supervisors*
8. Such other business as may come before this Authority

MINUTES
ECONOMIC DEVELOPMENT AUTHORITY
| THURSDAY, JANUARY 6, 2022 |

A meeting of the Frederick County Economic Development Authority was held on Thursday, January 6, 2022, at 8:00 A.M. in the County Administration Building, Board of Supervisors Room, 107 North Kent Street, Winchester, Virginia.

PRESENT: Judy McCann-Slaughter, Doug Rinker, Susan Brooks, and Bryan Fairbanks. Stan Crockett participated remotely due to being out of state and his participation by this method was approved by the Board members present.

STAFF: Patrick Barker, Shayla Rickard, Wendy May (remote), and Donna McIlwee, Frederick County Economic Development Authority; Jay Tibbs, Deputy County Administrator; and Michael Bryan, Attorney

MEETING CALLED TO ORDER: Chairman Rinker called the meeting to order at 8:00 a.m.

ANNUAL MEETING

According to the EDA By-Laws, there is to be an annual meeting prior to March 1 for the purpose of electing officers.

Ms. McCann-Slaughter made a motion to nominate Doug Rinker for Chairman and Ms. Heather McKay for Vice Chairman.

The motion was seconded and approved by the following recorded vote:

J. Stanley Crockett	Aye
Susan Brooks	Aye
Bryan Fairbanks	Aye
Heather McKay	Absent
Doug Rinker	Aye
Judy McCann-Slaughter	Aye
Rick Till	Absent

Mr. Rinker made a motion to nominate Jay Tibbs for Secretary/Treasurer. Motion was seconded and approved by the following recorded vote:

J. Stanley Crockett	Aye
Susan Brooks	Aye
Bryan Fairbanks	Aye

Heather McKay	Absent
Doug Rinker	Aye
Judy McCann-Slaughter	Aye
Rick Till	Absent

Per the By-Laws, EDA Board meetings will continue to be held on the first Thursday of each month at 8 a.m.

APPROVAL OF MINUTES

The minutes from the November 4, 2021, meeting were presented.

On motion of Ms. Brooks, seconded by Mr. Fairbanks, the minutes were approved by the following recorded vote:

J. Stanley Crockett	Aye
Susan Brooks	Aye
Bryan Fairbanks	Aye
Heather McKay	Absent
Doug Rinker	Aye
Judy McCann-Slaughter	Aye
Rick Till	Absent

TREASURER'S REPORT

Mr. Barker submitted the following reports:

Checking Account - Bank of Clarke County as of October 31, 2021 - \$7001.45
Savings Account - Scott & Stringfellow as of October 31, 2021 - \$1,465,745.67

Checking Account - Bank of Clarke County as of November 30, 2021 - \$3793.56
Savings Account - Scott & Stringfellow as of November 30, 2021 - \$1,465,757.68

On motion of Ms. McCann-Slaughter, seconded by Ms. Brooks, the Treasurer's Reports were approved by the following recorded vote:

J. Stanley Crockett	Aye
Susan Brooks	Aye
Bryan Fairbanks	Aye
Heather McKay	Absent
Doug Rinker	Aye
Judy McCann-Slaughter	Aye
Rick Till	Absent



TARGET BUSINESS STUDY

Mr. Barker explained that staff has now completed Step 3 of the study to identify main types of industry segments as priority targets and a November analysis confirmed those findings. In addition to these, he recommended the inclusion of existing industry manufacturing sectors with significant cluster value. He also reviewed sectors well positioned to thrive in a post-COVID economy identified in a VEDP study performed by Boston Consulting Group. One sector was EV batteries and parts and staff recommends this sector be added to the EDA study as a priority target. In summary, he recommended for additional analysis for additional analysis. Staff is seeking the Authority’s discussion and endorsement, if desired, of this recommendation.

Computer Systems Design and Related Services	Dairy Product Manufacturing
Data Processing, Hosting, and Related Services	Lime and Gypsum Product Manufacturing
Depository Credit Intermediation	Plastics Product Manufacturing
Management of Companies and Enterprises	Boiler, Tank, and Shipping Container Manufacturing
Management, Scientific, and Technical Consulting Services	Cement and Concrete Product Manufacturing
Medical and Diagnostic Laboratories	Spring and Wire Product Manufacturing
Navigational, Measuring, Electromedical, and Control Instruments Manufacturing	Animal Food Manufacturing
Nondepository Credit Intermediation	Veneer, Plywood, and Engineered Wood Product Manufacturing
Office Administrative Services	Architectural and Structural Metals Manufacturing
Other Professional, Scientific, and Technical Services	Grain and Oilseed Milling
Pharmaceutical and Medicine Manufacturing	Other Wood Product Manufacturing
Scientific Research and Development Services	Rubber Product Manufacturing
Motor Vehicle Parts Manufacturing	Fruit and Vegetable Preserving and Specialty Food Manufacturing
Other Electrical Equipment and Component Manufacturing	Printing and Related Support Activities
Petroleum and Coal Products Manufacturing	Other Nonmetallic Mineral Product Manufacturing
Bakeries and Tortilla Manufacturing	Converted Paper Product Manufacturing
Other Food Manufacturing	



Mr. Fairbanks asked Mr. Barker what kind of feedback he receives from industries looking to locate here; i.e. how do we rate with other areas, is workforce major issue now.

Ms. Brooks inquired if we are looking at what is needed to bring the needed workforce to the area; i.e. child care, dry cleaners, etc.

Mr. Barker stated these should be in step 4 when we start aligning drivers.

The EDA Board gave its consensus to staff's proposal of moving forward with industries confirmed in November for additional analysis.

Discussion then turned to the recommended sectors for additional analysis as proposed by staff.

Ms. McCann-Slaughter asked if those with a higher LQ would be given priority. Mr. Barker responded that all will be reviewed.

The Board then gave its consensus to the sectors proposed by staff for additional analysis.

Mr. Barker then reviewed staff's recommendation of 6 major sectors: Corporate Services, Information Technology, Finance & Insurance, Bio-Science, Advanced Manufacturing, and Food & Beverage. He also reviewed the timeline for the study.

Ms. Brooks stated she would like to know what is in those 6 sectors so the Board can stay updated.

LORD FAIRFAX SMALL BUSINESS DEVELOPMENT CENTER FOR BILINGUAL COUNSELING SERVICES TO FREDERICK COUNTY BUSINESSES

Mr. Barker reminded Board members that, in September, they authorized giving the Lord Fairfax Small Business Development Center \$15,000 for the purpose of providing bilingual counseling services in Spanish to Frederick County businesses. He then reviewed a quarterly progress report submitted by the Center.

EPA BROWNFIELDS ASSESSMENT GRANTS

Mr. Barker reported that, in October, staff provided an update on changes to the U.S. Environmental Protection Agency's Brownfield Assessment Grants application. The most significant change was the EPA would no longer be accepting coalition grant applications and only accepting "community-wide" applications. After discussion with Draper Aden and the City



of Winchester, staff's conclusion was to delay applying as additional research is required for a successful application.

FREDCO EATS RESTAURANT WEEK

Ms. May reviewed plans for this event to be held January 31 – February 6, 2022. Restaurant Week seeks to showcase Frederick County's growing restaurant scene by sharing stories of local restaurants, featuring the diversity of local menus, increasing camaraderie among Frederick County eateries, and elevating the County's overall restaurant sector. Participating restaurants will offer special multi-course menus, meal deals and/or promotional discounts during that week.

GROCERY STORE ATTRACTION

Mr. Barker reviewed the monthly progress report of contacts with grocery stores encouraging their location in Frederick County.

SUCH OTHER BUSINESS AS MAY COME BEFORE THIS AUTHORITY

Mr. Barker introduced Shayla Rickard, the EDA's new Business Retention Manager.

ADJOURN

There being no further business to come before this Authority, the meeting was adjourned at 8:45 a.m.

Doug Rinker
Chairman

Jay Tibbs
Secretary



DATE: January 31, 2022

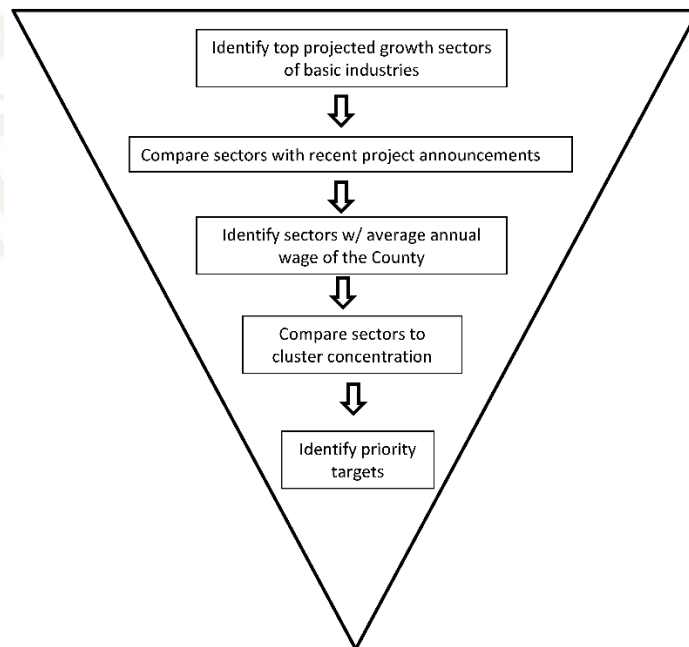
TO: Board of Directors,
Frederick County Economic Development Authority

FROM: Patrick Barker, CEcD
Executive Director

CC: Jay Tibbs
Deputy County Administrator

RE: Target Industry Analysis Update

Working through established steps (see the flow chart below), the staff led update of the EDA's Target Industry Analysis moves into the industry drivers and project needs steps. As a reminder, the effort's end goal is to quantitatively and qualitatively identify the County's best fits relative to traded-sector industries, being those industries that would most benefit from Frederick County's assets and would be willing to expand and/or relocate to the area. In addition, this analysis will identify those industries that bring value to Frederick County in the form of investment, jobs, payroll, and local purchasing.



Since the last meeting, the EDA Board endorsed and recommended the following sectors for additional analysis.

Computer Systems Design and Related Services	Dairy Product Manufacturing
Data Processing, Hosting, and Related Services	Lime and Gypsum Product Manufacturing
Depository Credit Intermediation	Plastics Product Manufacturing
Management of Companies and Enterprises	Boiler, Tank, and Shipping Container Manufacturing
Management, Scientific, and Technical Consulting Services	Cement and Concrete Product Manufacturing
Medical and Diagnostic Laboratories	Spring and Wire Product Manufacturing
Navigational, Measuring, Electromedical, and Control Instruments Manufacturing	Animal Food Manufacturing
Non-depository Credit Intermediation	Veneer, Plywood, and Engineered Wood Product Manufacturing
Office Administrative Services	Architectural and Structural Metals Manufacturing
Other Professional, Scientific, and Technical Services	Grain and Oilseed Milling
Pharmaceutical and Medicine Manufacturing	Other Wood Product Manufacturing
Scientific Research and Development Services	Rubber Product Manufacturing
Motor Vehicle Parts Manufacturing	Fruit and Vegetable Preserving and Specialty Food Manufacturing
Other Electrical Equipment and Component Manufacturing	Printing and Related Support Activities
Petroleum and Coal Products Manufacturing	Other Nonmetallic Mineral Product Manufacturing
Bakeries and Tortilla Manufacturing	Converted Paper Product Manufacturing
Other Food Manufacturing	

In addition, the EDA Board endorsed organizing subsectors into six (6) categories. These will serve as a baseline for many of the additional steps.

- Corporate Services
- Information Technology
- Finance & Insurance
- BioScience
- Advanced Manufacturing
- Food & Beverage



The following details how the individual sectors fall underneath the six categories.

- Corporate Services
 - Administrative Services
 - Management of Companies and Enterprises
 - Professional, Scientific, and Technical Services
- Information Technology
 - Computer Systems Design and Related Services
 - Data Processing, Hosting, and Related Services
- Finance & Insurance
 - Depository Credit Intermediation
 - Non-depository Credit Intermediation
- BioScience
 - Medical and Diagnostic Laboratories
 - Pharmaceutical and Medicine Manufacturing
 - Scientific Research and Development Services
- Advanced Manufacturing
 - Boiler, Tank, and Shipping Containers
 - Cement/Concrete
 - Control Instruments
 - Electric Vehicle and components
 - Lime/Gypsum
 - Metals
 - Petroleum/Coal
 - Plastics
 - Printing
 - Wood
- Food & Beverage
 - Animal
 - Dairy
 - Fruit and vegetable
 - Grain
 - Specialty

Next steps in the EDA's Target Industry Analysis involve acquiring background information for the further filtering of the identified sectors. First, industry drivers and location criteria will be determined. Next, prototype project needs, and specifications will be developed. Then, benchmark locations for Frederick County will be identified. Staff is providing for the results from these steps for the EDA's review and comment.



Understanding the industry drivers and location criteria (qualitative and quantitative) of the priority targets provides a basis for comparing Frederick County's competitive status. This knowledge will assist with some remaining steps in arriving to most promising industry segments.

Overall, the primary selection factors (industry drivers) are as follows:

- Quality, availability, and cost of target workforce
- Proximity to key customers and suppliers
- Availability of target real-estate solution (size, cost, control, water/sewer/rail connectivity, etc.)
- Tax and regulatory climate
- Transportation infrastructure
- Operating costs (electricity, insurance, workers comp, etc.)
- Quality-of-life factors (public K-12 options, regional amenities, crime rate, etc.)
- Accurate and thorough RFI, RFP, and proposal requests

Staff will note the priority of selection factors varies from sector to sector; however, quality and availability of workforce is almost always one of the top three considerations.

The following lists some secondary selection factors (industry drivers):

- Availability and quality of customized recruitment and training solutions
- Customized (discretionary) incentives
- By-right financial incentives
- Level of state-and-community support (e.g., fast-track permitting)
- Personal preferences of executives involved in decision process (e.g., affinity for a particular place)
- Strong business retention program to assist with corporate intelligence and after care
- Creative and innovative solutions to key project decision factors

What size of land? How many people will a company hire?? What is the capital investment? The answers to these questions will provide some guidance in to understanding the impact of a project and thus their potential selection as a promising industry segment for Frederick County, VA. Information from Conway Analytics' database on corporate expansion projects will shed some light on some of these answers. Staff performed analysis of the Conway database with two key filters, only those corporate activities September 2019 to September 2021 and only NEW locations East of the Mississippi River.



Sector	Capital Investment	New Jobs	Acreage
Corporate Services	\$10.0*	244*	60.2*
Information Technology	\$159.8	22	65.0
Finance & Insurance	\$7.8	145	<i>Insufficient data</i>
BioScience	\$36.6	64	81.5*
Advanced Manufacturing	\$46.0	71	131.0*
Food & Beverage	\$74.0	171	121.6

*NEW location Entire of United States

When deciding on site location, companies need to gauge regional/community advantages and disadvantages to determine the most competitive regions/communities for their operations. Frederick County, VA needs to understand its competitors (benchmark locations) in order to construct a strong value proposition. Through discussion with some key site consultants and individuals at the Virginia Economic Development Partnership, the following are generalized benchmark locations for Frederick County, VA.

- NY 81 Corridor
- PA 81 Corridor
- Hagerstown/Martinsburg
- North VA 81 Corridor
- Middle VA 81 Corridor
- South VA 81 Corridor
- Northern Virginia Region
- Richmond Region
- Columbus, OH
- Cincinnati, OH
- Greensboro I-74
- NC I-95
- NC I-73/74
- SC I-95



DATE: January 31, 2022

TO: Board of Directors,
Frederick County Economic Development Authority

FROM: Patrick Barker, CEcD
Executive Director

CC: Jay Tibbs
Deputy County Administrator

RE: Virginia Business Ready Sites Program Results

As discussed at the recent Joint Meeting with the Board of Supervisors, available land remains a top factor in site selection by corporations. For a community to succeed, they need ready to go sites.

In an effort to address this need, the EDA Board provided funding to assess four (4) business sites in Frederick County following the guidelines of the Virginia Business Ready Sites Program. Draper Aden Associates, a licensed civil engineering firm, completed the past site assessments for the EDA.

- Winchester Regional Airport’s Northern Property | 60 acres
- Milton Ray | 45 acres
- Stonewall Industrial Park | 27 acres
- Payne Property | 21 acres

In summary, most all of the studied business sites were categorized as Tier 2. The following table provides more details. The full report on each site is enclosed.

Business Site	Tier	Needed to Next Tier (Tier #)	Costs for Tier 4
Winchester Regional Airport	1	<ul style="list-style-type: none"> • Preliminary Geotechnical Exploration & Report • Boundary Survey • Topographic Survey • Phase I Environmental Site Assessment • Waters of the US (WOUS) Delineation and Determination (within past 5 years) • Cultural Resources Review • Threatened & Endangered Species Review • Master Plan Development • Preliminary Engineering Report 	\$310,000

Virginia Business Ready Sites Program Results

Milton Ray	2	<ul style="list-style-type: none"> • Preliminary Geotechnical Exploration & Report • Boundary Survey • Topographic Survey • Phase I Environmental Site Assessment • Waters of the US (WOUS) Delineation and Determination (within past 5 years) • Cultural Resources Review • Threatened & Endangered Species Review • Master Plan Development • Preliminary Engineering Report 	\$160,000
Stonewall Industrial Park	2	<ul style="list-style-type: none"> • Preliminary Geotechnical Exploration & Report • Boundary Survey • Topographic Survey • Phase I Environmental Site Assessment • Waters of the US (WOUS) Delineation and Determination (within past 5 years) • Cultural Resources Review • Threatened & Endangered Species Review • Master Plan Development • Preliminary Engineering Report 	\$150,000
Payne Property	2	<ul style="list-style-type: none"> • Preliminary Geotechnical Exploration & Report • Boundary Survey • Topographic Survey • Phase I Environmental Site Assessment • Waters of the US (WOUS) Delineation and Determination (within past 5 years) • Cultural Resources Review • Threatened & Endangered Species Review • Master Plan Development • Preliminary Engineering Report 	\$140,000

Staff will touch base with contacts for each property to confirm the items needed to for next tier do not exist. Any information discovered will be shared to Draper Aden. Staff is seeking the Authority's questions/comments to the reports.



DATE: January 31, 2022

TO: Board of Directors
Frederick County Economic Development Authority

FROM: Patrick Barker, CEcD
Executive Director

CC: Jay Tibbs
Deputy County Administrator

RE: Joint Meeting with Board of Supervisors | Update to Activities

On Wednesday, January 13, 2021, the EDA and Board of Supervisors held their annual discussion and review of Board of Supervisors' expectations for economic development.

On a quarterly basis, staff provides the following update on the status of the planned activities which were presented and discussed at that joint meeting.

- Activity #1 | Partner with appropriate local and regional partners to create solutions for current and projected workforce needs.
 - Implementation of Shenandoah Valley Talent Solutions Strategy (digital aspects – website and resource showcase)

UPDATE | Site is complete enough for launch with temporary job portal complete. A social media campaign will commence once new Project Specialist has been properly onboarded and reviewed site and plan

- Assist the Workforce Initiative Board with project implementation
 - A workforce model for manufacturing, information technology, and construction similar to the existing career model focused on medical.
 - Enhanced community outreach/advocacy to parents, guardians, coaches, teachers, counselors

UPDATE | Workforce model activities paused until secure new chair and vice chair for Workforce Initiative Board. This should take place in 30 days.

- Activity #2 | Continue refinement of the business sites program.
 - Loan Program is in place.
 - Waiting to finalize a Business Ready Sites Loan Program Agreement with one or more of the characterized sites (Artillery Business Center & Carbaugh Business Center)
 - Commencement of Renaissance Drive is a key component for development of those sites.
 - Complete additional site characterizations when additional sites matching the approved criteria come to market.

UPDATE | Characterizations of four additional sites completed.

- Activity #3 | Cooperative marketing match program with agribusiness entities
 - Creation of a program where two or more agribusiness entities agree to market an event/activity together (i.e. peach/apple festival) as a result the EDA would provide a cash match and Lord Fairfax Small Business Development Center would provide assistance with the marketing plan.

UPDATE | Some visits to be scheduled shortly, but likely after a planned regional information and idea session for agribusinesses organized in partnership with Tourism Board, Clarke County and VA Tech Cooperative Extension.

- Activity #4 | Expansion of retention activities
 - Identify “gazelle” businesses to add to call team rotation and other retention activities. “Gazelles” are very fast-growing companies. These types of companies maintain consistent and rapid expansion of both employment and sales.

UPDATE | Existing Business Manager is commencing business retention visits and deciding best avenue to complete visits.



- Activity #5 | Collaborative marketing with Winchester Regional Airport
 - Partner with the Winchester Regional Airport (WRA) to identify realistic development opportunities for WRA, develop marketing materials and a marketing plan and engage companies with large government portfolio and direct government user.
 - UPDATE | Postcard mailers finalized. Tentative goal to start campaign in early March. Staffing issues created a delay.



DATE: January 31, 2022

TO: Board of Directors
Frederick County Economic Development Authority

FROM: Patrick Barker, CEcD
Executive Director

CC: Jay Tibbs
Deputy County Administrator

RE: Joint Meeting with Board of Supervisors | Preparation

The 2014 MOU between the EDA and Board of Supervisors calls for an annual discussion and review of the Board of Supervisor's expectations for economic development. The last joint meeting was held on January 13, 2021.

Like last time, staff recommends structuring an agenda for this year's joint meeting to provide an overview of core EDA functions and recent projects, then an update to planned activities from last year.

- General overview of EDA's mission
- Talent strategy implementation
- Targeted Business Analysis status update
- FredCo Eats
- Grocery store attraction status update
- Update to planned activities from last year

At last year's meeting, the following planned activities for the next 12 months were presented and discussed.

- Activity #1 | Partner with appropriate local and regional partners to create solutions for current and projected workforce needs
- Activity #2 | Continue refinement of the business sites program
- Activity #3 | Cooperative marketing match program with agribusiness entities
- Activity #4 | Expansion of retention activities
- Activity #5 | Collaborative marketing with Winchester Regional Airport

While much forward movement has been accomplished on these activities, they require a long-term focus. Staff recommends these activities continue as the planned activities for the ensuing 12 months. Staff suggests adding an item that addresses any recommended actions to enhance Frederick County's competitive nature toward promising industry segments identified in the Targeted Business Analysis.

Staff is seeking EDA Board feedback on the proposed agenda and planned activities for the next 12 months. EDA staff will coordinate with County Administration to secure a date for the joint meeting.

