

July 25, 2024 Clarke County Industrial Development Authority 1:00 pm
Clarke County Board of Supervisors
Joint Meeting
Former Camp 7 Property

At a joint meeting of the Industrial Development Authority of the County of Clarke, Virginia and the Board of Supervisors of Clarke County, Virginia, held at the Former Camp 7 Property on Ray of Hope Lane in White Post, Virginia, at 1:00 pm on Thursday, July 25, 2024.

Industrial Development Authority Board of Directors Members Present: Brian Ferrell, William Waite, Isreal Preston, Marcy Cantatore, James George (arrived late), Ted Guarriello (arrived late)

Industrial Development Authority Board of Directors Members Absent: Rodney Pierce

Board of Supervisors Members Present: David Weiss, Terri Catlett, Doug Lawrence, Bev McKay, Douglas Shaffer

Board of Supervisors Members Absent: None

County Staff Present: Michelle Ridings, Catherine Marsten, Chris Boies, Jeremy Camp

Others Present: Donna Peake, Frank Lee, Ron King, John Milleson, Mark Gribble, Christine Kriz, Stephen Hartka, Cole Pearce, Douglas Griffin, Rachel Thornton

Press: Mickey Powell and Jeff Taylor, Winchester Star

1) *Call to Order*

At 1:05 pm, IDA Chairman Ferrell called the Industrial Development Authority meeting to order. Immediately thereafter, BOS Chairman Weiss called the Board of Supervisors meeting to order.

2) *Adoption of Agenda*

IDA Director Preston moved, seconded by IDA Vice Chair Waite, to adopt the Industrial Development Authority agenda as presented. The motion carried by the following vote:

Brian Ferrell	-	Aye
William Waite	-	Aye
Isreal Preston	-	Aye
Rodney Pierce	-	Absent
Marcy Cantatore	-	Aye
James George	-	Absent
Ted Guarriello	-	Absent

3) *Approval of Minutes*

IDA Vice Chair Waite moved, seconded by IDA Director Preston, to approve the minutes of the April 25, 2024 Industrial Development Authority regular meeting with corrections as provided to staff. The motion carried by the following vote:

Brian Ferrell	-	Aye
William Waite	-	Aye
Isreal Preston	-	Aye
Rodney Pierce	-	Absent
Marcy Cantatore	-	Aye
James George	-	Absent
Ted Guarriello	-	Absent

IDA Director Preston advised that there would be no Treasurer’s Report given at this joint meeting, but that no checks have been written since the last IDA meeting.

4) *New Business*

Laurel Ridge Small Business Development Center Civic Contribution Request

Christine Kriz, Director of the Laurel Ridge Small Business Development Center, presented the following:



Christine Kriz
July 25, 2024



The Virginia SBDC Network is a *partnership* between U.S. Small Business Administration, George Mason University, and institutions throughout Virginia



Virginia SBDC Office Locations

- | | | | | |
|--|--|-----------------------------------|--|--------------------------------|
| Potomac | Central | Hampton Roads | Southern | Southwest |
| 1. Alexandria SBDC | 7. Central Virginia SBDC | 13. Hampton Roads - Eastern Shore | 18. Craler SBDC of Longwood University | 24. Blue Ridge Crossroads SBDC |
| 2. Loudoun SBDC | 8. Greater Richmond SBDC | 14. Hampton Roads - Hampton | 19. Longwood University - Danville | 25. Mountain Empire SBDC |
| 3. Mason SBDC | 9. Lord Fairfax SBDC of Middletown | 15. Hampton Roads - Norfolk | 20. Longwood University - Farmville | 26. Radford SBDC |
| 4. SBDC of the Community Business Partnership | 10. Lord Fairfax SBDC of Culpeper | 16. Hampton Roads - Suffolk | 21. Longwood University - Martinsville | 27. Roanoke Regional SBDC |
| 5. University of Washington SBDC Frederickburg | 11. Lord Fairfax SBDC of Fauquier in Warrenton | 17. Hampton Roads - Williamsburg | 22. Longwood University - South Boston | 28. Southwest Virginia SBDC |
| 6. University of Washington SBDC Warsaw | 12. Shenandoah Valley SBDC | | 23. Region 2000 SBDC | 29. Virginia Highlands SBDC |

Small Business Development Center



- SBA grant funded program
- Matched by local funding
- Hosted by Laurel Ridge CC
- We serve Clarke, Fauquier, Frederick, Shenandoah, Warren, & Winchester

Mission:

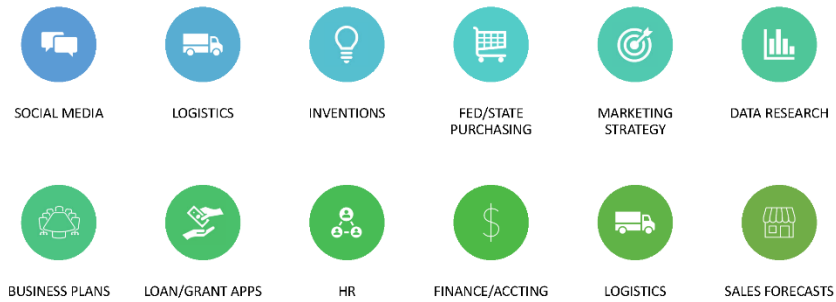
We exist to provide free confidential consulting to small business owners and entrepreneurs to improve the communities we serve!



We see all types of businesses...



Consulting We Provide:



Consulting
 Free Seminars
 Specialty Programs

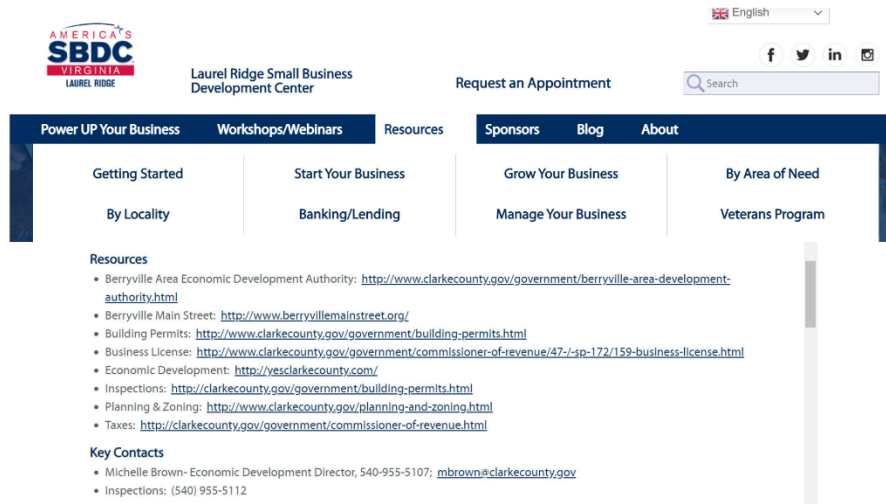
Clarke County Return on Investment: Yearly Contribution: \$6000

One-on-One Consultations:

Fiscal Year to Date 2024	# of clients	Hours	Start-ups	Jobs		Investments or Loans Obtained	Reported Sales Increase
				Created	Retained		
Location:							
VA: Clarke	58	84	2			\$ 300,600.00	\$ 853,000.00
VA: Fauquier	190	238	5	13	5	\$ 310,500.00	\$ 145,000.00
VA: Frederick	389	699	14	26	3	\$ 3,938,300.00	\$ 349,000.00
VA: Shenandoah	175	229	5	12		\$ 232,300.00	\$ 10,000.00
VA: Warren	78	99	3	4		\$ 15,264.00	\$ 156,000.00
VA: Winchester City	272	527	5	35	144	\$ 2,049,300.00	\$ 855,000.00
	1,162	1,877	27	77	152	\$ 6,846,264.00	\$ 2,368,000.00

Additional Training Attendees: 33

Website features: laurelridgesbdc.org



Monday, October 21, 2024
 Laurel Ridge Community College

	Marketing	Sales	People	Finance	Experts
8:30 - 9:15AM	AI for Marketing	Pricing	Transparency Culture	Business Valuations	Ask an Insurance Agent
9:15 - 9:30AM	Break				
9:30 - 10:15AM	Branding	Closing a Sale	Communication Skills	Quickbooks	Ask an Attorney
10:15-10:30AM	Break				
10:30 - 11:30AM	Canva	Sales funnels	Networking	Financial Strategy	Ask an Accountant
11:30 - 12:00PM	Break				
12:00PM - 12:30PM	Lunch				
12:30PM - 1:00PM	Roger Coles, Canva Extraordinaire				

\$29 until 10/1/24
 \$59 after 10/1/24



- February 4, 2025 – Laurel Ridge Fauquier Campus
- February 20, 2025 – Laurel Ridge Middletown Campus
- Featuring:
 - Agritourism Seminars – Make Your Location a Destination
 - VDACS
 - Financial Tips
 - Va Cooperative Extension
 - Marketing/Social Media
 - And more...

IDA Director Guarriello entered the meeting at 1:10 pm.

IDA Director George entered the meeting at 1:11 pm.

IDA Vice Chair Waite thanked Christine Kriz for her presentation and for the services the Small Business Development Center provides to the area.

IDA Vice Chair Waite moved, seconded by IDA Chairman Ferrell, to approve the annual civic contribution of \$6,000 from the Industrial Development Authority to the Laurel Ridge Small Business Development Center as presented. The motion carried by the following vote:

Brian Ferrell	-	Aye
William Waite	-	Aye
Isreal Preston	-	Aye
Rodney Pierce	-	Absent
Marcy Cantatore	-	Aye
James George	-	Aye
Ted Guarriello	-	Aye

Resolution for the Purchase of the Former Camp 7 Property

IDA Vice Chair Waite moved, seconded by IDA Director Preston, to adopt the “Resolution for the Purchase of the Former Camp 7 Property (Tax Map Parcel 27-A-10A)” as presented. The motion carried by the following vote:

- Brian Ferrell - Aye
- William Waite - Aye
- Isreal Preston - Aye
- Rodney Pierce - Absent
- Marcy Cantatore - Aye
- James George - Aye
- Ted Guarriello - Aye



**Industrial Development Authority of
Clarke County, Virginia**

*Brian Ferrell, Chair Rodney Pierce Isreal Preston, Treasurer
William Waite, Vice Chair Marcy Cantatore Ted Guarriello
James George*

**Resolution for the Purchase of the Former Camp 7 Property
(Tax Map Parcel 27-A-10A)**

WHEREAS the Industrial Development Authority of the Clarke County, Virginia (“IDA”) was formed to promote economic development activities in Clarke County; and

WHEREAS by letter dated November 16, 2023, attached hereto as Exhibit A, the Commonwealth (the “Commonwealth”) of Virginia Department of General Services (“DGS”) notified Clarke County, Virginia (the “County”) of certain surplus property comprised of 40.57± acres available for possible acquisition located on Ray of Hope Lane (Tax Map Parcel 27-A-10A; the “Property”); and

WHEREAS the Property was formerly used by the Virginia Department of Corrections and has been owned by the Commonwealth; and

WHEREAS in accordance with Code of Virginia Section 2.2-1156, as it may be amended from time to time, the County was invited to submit a proposal for the use of the Property for a bona fide economic development activity; and

WHEREAS the County prepared such a proposal as outlined in a letter dated December 20, 2023, attached hereto as Exhibit B, which was subsequently accepted by DGS; and

WHEREAS the Clarke County Board of Supervisors approved Resolution 2024-09R by unanimous vote on June 18, 2024, which approved the purchase of Tax Map Parcel 27-A-10A, a budget amendment to use county funds for the purchase, and that the IDA shall hold title to the property; and

WHEREAS the DGS is willing to quitclaim whatever right, title, and interest it has to the Property to the IDA, in its “AS-IS, WHERE-IS” condition;

NOW, THEREFORE, BE IT RESOLVED that the IDA hereby approves the purchase of the Property for \$100,000:

1. Authorization of Transactions. The acquisition of the Property described above in the Recitals to this resolution is hereby approved, together with all related and incidental transactions not specifically recited that may be necessary or appropriate to give effect to the transaction, as determined by County staff or legal counsel (“Transaction Documents”).
2. Authorization for the Execution of Documents. The IDA Chair and Vice Chair are each independently authorized to execute and deliver on behalf of the IDA, and if required, the Secretary is authorized to affix and attest the seal of the IDA to the Transaction



Industrial Development Authority of Clarke County, Virginia

Documents as may be necessary to effect the approvals herein granted. The above named officers of the Authority are further authorized to execute and deliver on behalf of the IDA such other instruments, documents, or certificates, and to do and perform such things and acts, as they deem necessary or appropriate to carry out the transactions authorized and contemplated by this resolution, and all of the foregoing, previously done or performed by such officers of the IDA, are in all respects, approved, ratified, and confirmed.

- 3. General Authority. From and after the execution and delivery of the Transaction Documents and other related documents, if any, hereinabove authorized by this resolution, the proper IDA officers, agents, and employees are authorized, empowered, and directed to do all such things and to execute all such documents and instruments as may be necessary to carry out and comply with the provisions of the documents executed, and further are authorized to take any and all additional actions and to execute and deliver any and all other certificates and documents as may be necessary in the execution and delivery of the Transaction Documents.
- 4. Effect of Resolution. This resolution shall take effect immediately upon adoption.

APPROVED AND ORDERED ENTERED in the official records by the unanimous vote of the IDA members assembled on the 25th day of July, 2024.

IDA Chairman Ferrell

- Thanked County Administrator Chris Boies for bringing the opportunity about by negotiating with the state for the sale of the property.

BOS Chairman Weiss

- Shared that the Board of Supervisors appreciates the partnership opportunity with the Industrial Development Authority and is excited to be a part of this project.

Camp 7 Project Presentation by Virginia Economic Development Partnership (VEDP)

Stephen Hartka, VEDP Vice President of Research, presented the following:





ECONOMIC DEVELOPMENT: POLICIES AND PROGRAMS DESIGNED TO ENCOURAGE GROWTH IN JOBS, WAGES, AND INVESTMENT

VEDP accomplishes this through:

	Marketing Virginia to raise awareness of the Commonwealth's advantages for business		Lead Generation and Recruiting out-of-state firms to select Virginia for new job-creating projects
	Encouraging and assisting the retention and expansion of existing Virginia firms		Assisting Virginia companies to establish and/or expand international sales (i.e., trade development)
	Encouraging coordination of economic development efforts among local, regional, and state partners		Developing recommended economic development policies and strategies to position Virginia and its regions for growth
	Conducting research to understand and effectively present Virginia's competitive advantages		Administering performance-based incentives that encourage job creation and capital investment
	Providing grants or custom workforce solutions to address recruitment and training needs, and analysis and insight on education and labor market alignment		Collaborating with localities to develop project-ready sites for manufacturing and supply chain projects

VEDP 4

VEDP DOES ITS WORK IN COLLABORATION WITH HUNDREDS OF ECONOMIC DEVELOPMENT PARTNERS ACROSS VIRGINIA



Core VEDP partners include the Governor, Administration, Virginia General Assembly, other state agencies, 17 regional economic development organizations, over 100 local economic development partners, utilities, railroads, and trade associations

VEDP 5

LIKE ALL OTHER STATES, VIRGINIA'S ECONOMY IS COMPRISED OF TRADED AND NON-TRADED INDUSTRY SECTORS

Traded sector: Businesses that generate most of their sales from out-of-state customers, resulting in new jobs, wages, and tax revenues for the Commonwealth



Non-traded sector: Businesses that primarily serve local (i.e., in-state) customers, typically competing with other non-traded sector businesses for in-state sales



Job breakdown by sector

1/3
of Virginia employment is in **traded** sector jobs

2/3
of Virginia employment is in **non-traded** sector jobs

*For example: Data Centers, Software Development, Cloud Computing, Cybersecurity

VEDP 6

TRADED SECTORS DRIVE JOB CREATION WITH HIGH EMPLOYMENT MULTIPLIERS AND GENERATE NEW REVENUE



Employment multiplier

Additional jobs created for every 1 direct job

Direct jobs Plastic resin manufacturer		Indirect jobs Suppliers to company		Induced jobs Where employees spend money		Total jobs
1.0	+	0.9	+	1.9	=	3.8

Example: Plastic resin manufacturer						
25	+	23	+	48	=	96

Source: Lightcast, 2023

vEDP 7

NON-TRADED SECTORS GENERALLY DO NOT GENERATE NET JOB GAINS OR CREATE NEW REVENUE IN A COMMUNITY



Employment multiplier

Additional jobs created for every 1 direct job

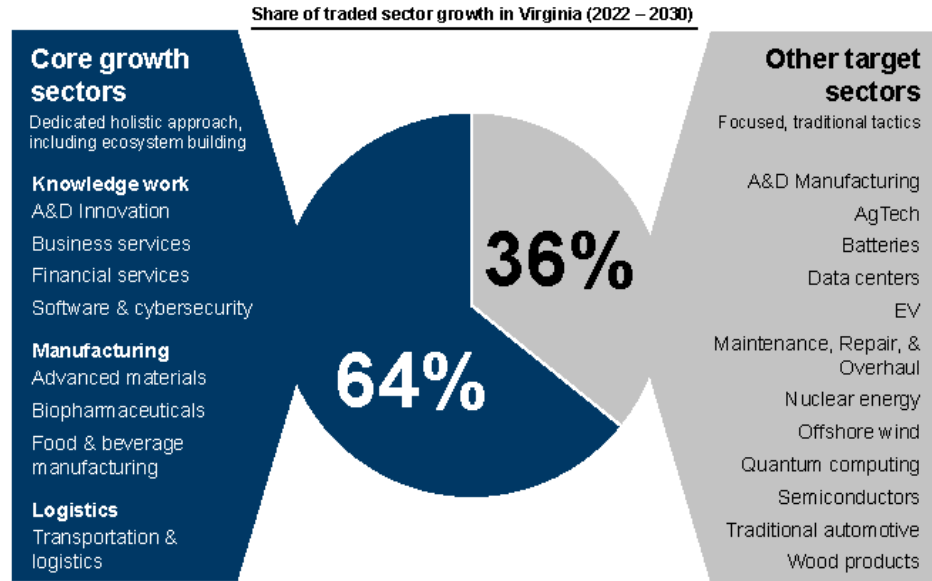
Direct jobs Full-service restaurant		Indirect jobs Suppliers to company		Induced jobs Where employees spend money		Total jobs
1.0	+	0.2	+	0.3	=	1.5

Example: Full-service restaurant						
25	+	4	+	8	=	37

Source: Emsi 2022

vEDP 8

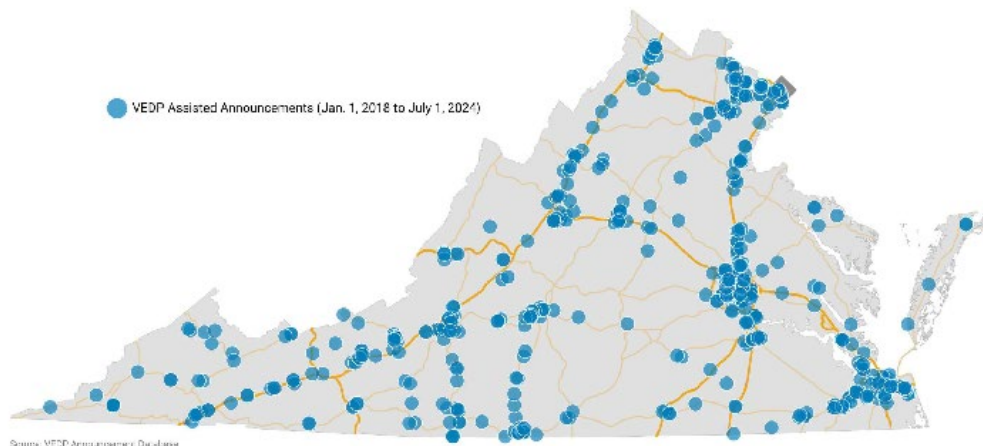
WE ARE FOCUSING WHERE WE SEE MORE OPPORTUNITIES FOR IMPACT



Source: Lightcast

VEDP 9

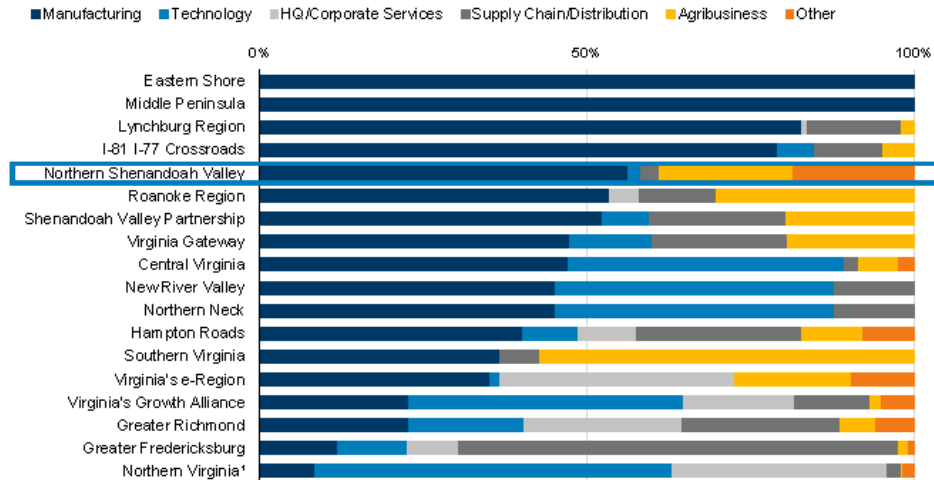
SINCE FY17, VEDP HAS HELPED SECURE 830+ PROJECT WINS THAT ARE CREATING ~126,000 NEW JOBS AND \$106B+ IN CAPEX



VEDP 10

REGIONAL PROJECT ANNOUNCEMENTS REFLECT SIGNIFICANT DIFFERENCES IN REGIONAL ECONOMIES

Total new regional employment, including expansions
VEDP marketing regions, new jobs announced (FY19-FY23)



*Excluding Amazon HQ2 & Project Tricycle
Source: VEDP Announcements Database

VEDP 11

VEDP has announced 12 projects representing 1,000+ jobs and \$238 million in investment in the Northern Shenandoah region since FY18

Source: VEDP Announcements Database



CareerBuilder
\$2.5M | 250 jobs
Frederick County | 2019



Silent Falcon UAS Technologies
\$6M | 249 jobs
Warren County | 2020



TFC Poultry
\$31.5M | 111 jobs
City of Winchester | 2021



Evolve Services, Inc.
\$1.2M | 84 jobs
Frederick County | 2021



Nature's Touch Frozen Foods LLC
\$40M | 67 jobs
Warren County | 2021



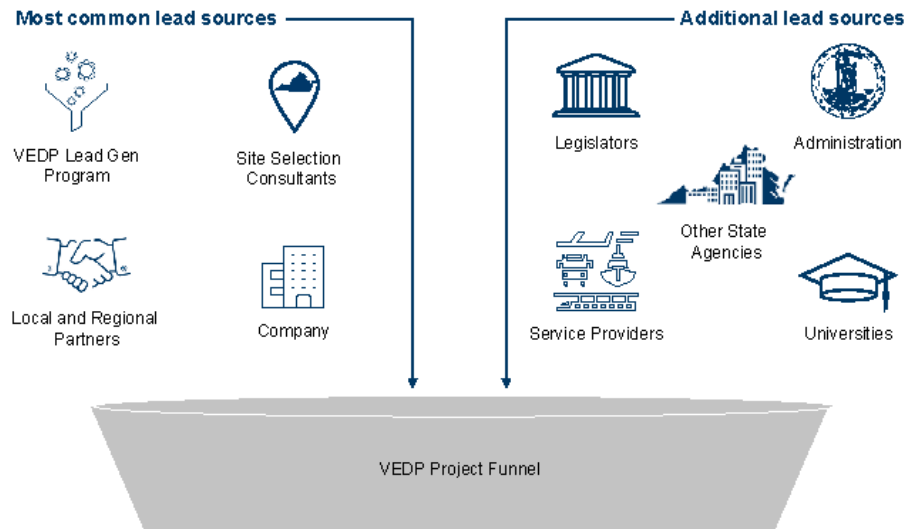
O'Sullivan Films Corporation
\$10.4M | 61 jobs
City of Winchester | 2018



Ashworth Bros., Inc.
\$4.5M | 45 jobs
City of Winchester | 2022

VEDP 12

PROJECT LEADS COME TO VEDP FROM A VARIETY OF SOURCES



VEDP 13

BOS Supervisor Lawrence

- Asked if any of the 12 projects referenced were located close to Route 522 or the Double Tollgate area.
 - o Mr. Hartka replied that two were located in Frederick County and three in the City of Winchester.

IDA Chairman Ferrell

- Inquired if all the available properties listed in the VEDP database [sites.vedp.org] were surplus or state-owned.
 - o Stephen Hartka answered that many of them are privately owned.

Mr. Hartka continued the presentation:

SNAPSHOT OF NORTHERN SHENANDOAH REGION PROJECT ACTIVITY

12 properties currently marketed in Northern Shenandoah region from 15 – 189 available contiguous acres

129 projects were recommended sites in the Northern Shenandoah region in the past three Fiscal Years

Largest industries:

- Other tradeables
- Advanced Materials Manufacturing
- F&B Manufacturing
- Battery Manufacturing
- Data Centers
- Logistics
- Biopharmaceuticals



PROCESS OF SECURING A PROJECT DECISION



NOT COMPREHENSIVE

PRIMARY AND SECONDARY SELECTION FACTORS FOR SITE-SELECTION COMPETITIONS

Primary selection factors*	Secondary selection factors**
<ul style="list-style-type: none"> ▪ 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 	<ul style="list-style-type: none"> ▪ 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

*Priority of selection factors varies from project to project; however, quality and availability of workforce almost always is one of the top three considerations

**Typically these factors come into play when multiple locations offer relatively comparable characteristics relative to primary site-selection criteria; however, a large incentive package can represent a primary selection factor
 Source: VEDP CEO experience with hundreds of site-selection projects; Site Selection (January 2018); VEDP analysis

VEDP 16

TOP REASONS VIRGINIA IS NOT CONSIDERED OR LOSES PROJECTS

If Virginia not considered	<ul style="list-style-type: none"> ▪ Company executives unaware of Virginia's advantages for their industry* ▪ Company only considers states with substantial incentive offerings ▪ Company and/or site consultant screen out states based on high state/local tax burdens on new investment** ▪ Concern over potential shift in public policy environment
Virginia considered but not selected	<ul style="list-style-type: none"> ▪ Lack of suitable site or building option (e.g., not pad-ready, insufficient infrastructure, incomplete due diligence) ▪ Availability of skilled workforce (typically in smaller regions) ▪ Much smaller incentive packages compared to competitors (e.g., Georgia, North Carolina, South Carolina, Alabama, etc.) ▪ Operating costs and regulatory burden (e.g., machinery and tools taxes, market-based sourcing versus cost of performance for service based/HQ projects, zoning, permitting, licensing, reporting requirements) ▪ Inadequate utility/transportation infrastructure

*Largely due to a lack of awareness of Virginia's advantages for business, the Commonwealth typically ranks well below most of its leading competitors in surveys of corporate execs (e.g., in the latest Chief Executive survey, Virginia ranks no. 13, while Texas, Florida, Tennessee, and North Carolina rank nos. 1, 2, 3, and 4, respectively, i.e., all at least 9 spots ahead of Virginia)

**While Virginia is a relatively low-tax-burden state for existing businesses, it is a relatively high-tax state for most types of new business investment due to its lack of statutory tax credits/incentives for new business investment and job creation
 Source: Tax Foundation; interviews with site consultants; Salesforce records; VEDP analysis

VEDP 17

VEDP Economic Competitiveness Manager Cole Pearce presented the following:



SITE DEVELOPMENT MAY SUPPORT CLARKE COUNTY'S GOALS BY GENERATING LONG-TERM REVENUE AND JOBS

Site development is a long-term investment to generate revenue and job opportunities

- Site development does so by preparing market-ready sites that enable communities to compete for traded sector firms' investment

What is a market-ready site?

- A market-ready site¹ minimizes risk and allows a company to focus on their own construction
- Market-ready is typically defined as "operational within 12-18 months."
- To be market-ready, sites generally need to have appropriate zoning, utilities, and transportation infrastructure in place
- Square sites with limited topography are typically preferred



¹Under the Virginia Business Ready Sites (VBRSP) Tiering system, Tier 4 and 5 sites are market-ready. More info on slide 23 VEDP 19

SITE DEVELOPMENT MAKES COMMUNITIES MORE ATTRACTIVE TO EXPANDING TRADED SECTOR BUSINESSES

Reduced risk

- Site due diligence, preliminary site engineering, and development significantly mitigate risks for firms
- Site engineering inspires firms' confidence that the site will not present development risks

Reduced time-to-market

- Firms look for sites that allow the company to be operational in 12-18 months from decision
- The faster an end-user can construct its facility, the faster a company is able to output its products or launch services. This allows the community to benefit from new jobs and property taxes

Reduced cost

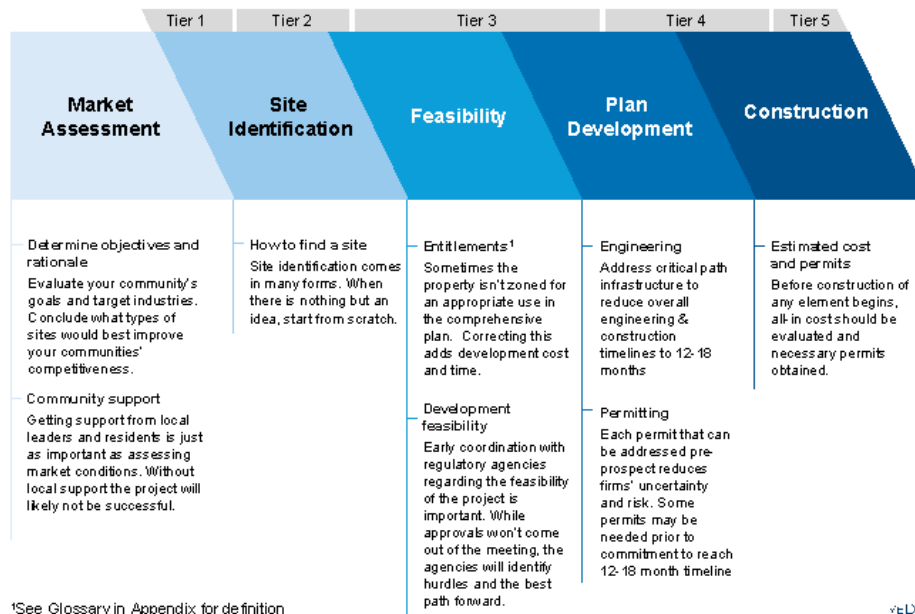
- Up-front site development reduces businesses' costs to create their facility, which is particularly attractive for them given their large capital expenditure on building(s) and equipment

Improved ability to visualize facility

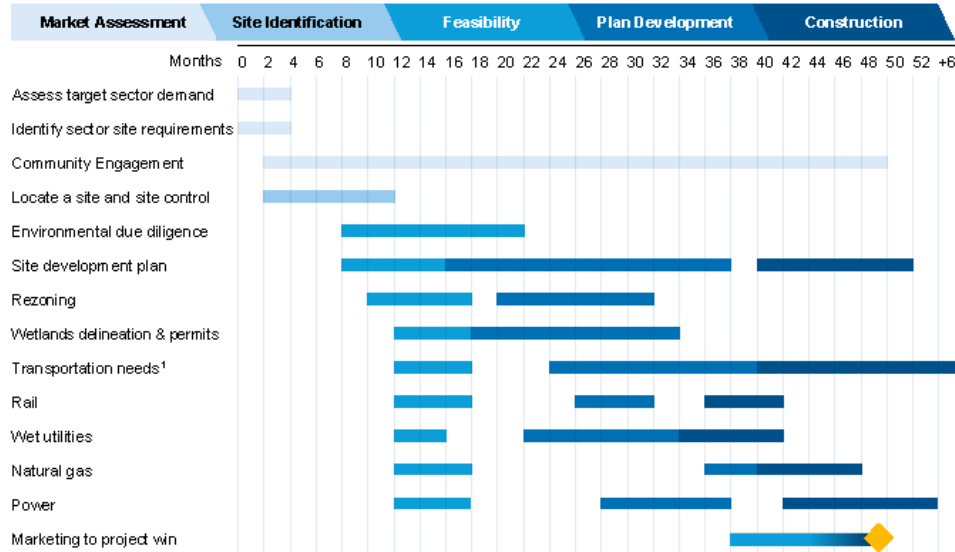
- A site selection objective is for an end-user to visualize its facility and operations on-site
- When a site is cleared and graded with key utilities and infrastructure in place, a prospect is more easily able to envision business operations and success on the site

VEDP 20

ROADMAP: BEST PRACTICES FOR SITE DEVELOPMENT



SITE DEVELOPMENT IS COMPLICATED WITH MULTIPLE WORKFLOWS TO MAKE A SITE 'MARKET-READY': REPRESENTATIVE TIMELINE



Note: This is a representative list for a large or complex site and timelines or specifics may vary significantly, Camp 7 may have unique development items relating to the existing structures on-site
 ¹Includes: Roads, Transit, etc.

vEDP 22

THE VBRSP TIER SYSTEM WAS CREATED TO IDENTIFY SITES THAT ARE MORE PREPARED AND MORE COMPETITIVE



Raw land

- Raw land identified for development and marketing to prospects



Tier 1-2

- Site controlled for marketing and development



Tier 3

- Zoned industrial/commercial, due diligence completed



Tier 4-5

- "Project-ready"
- Infrastructure can be in place within 12-18 months



Note: Formal Tiering framework in the Appendix
 Source: Timmons Group

vEDP 23

BOS Chairman Weiss

- Questioned if Tier 4 and 5 readiness applies to both traded sector and non-traded industry sectors.
 - Cole Pearce answered that it does; Tier 4 readiness is often enough.

SPECIAL CONSIDERATIONS FOR SITE DEVELOPMENT TIMELINES TO MINIMIZE RISK FOR PROSPECTS

All Utilities

- Ideally, utilities should be at the site and appropriately sized for the acreage and target sectors
- However, utilities engineered and designed so that a project could be served in 12-18 months are competitive

Power

- Power lines may be adjacent to the site, but accessible capacity on those lines must be determined
 - High-capacity transmission lines require a substation to step down the power to a distribution level or distribution would need to come from the nearest distribution line
 - Building lines or substations could require SCC approval

Roads

- Road needs can vary significantly depending on the type of project or prospect
 - Smaller industrial parks may require turn lanes

Wetlands

- First, wetlands must be delineated by an accredited engineering firm
- Once wetlands are delineated, they must be approved by the Virginia Department of Environmental Quality (DEQ) and Army Corps of Engineers (ACoE)
- Stream, wetlands permitting is only required when potentially impacting streams, ponds, or wetlands
- When considering wetland impacts, avoidance is the first and best option, minimizing wetland impacts should be the second step, and if both of those cannot be achieved, mitigation is the final option

VEDP 24

BOS Supervisor Lawrence

- Asked if the existing jail building changes the site's marketability.
 - Mr. Pearce advised that every site is different and site development is a lengthy process that involves substantial work. Some users may want to rehabilitate the current building and some may want to demolish it; it would depend on what kind of user the county wants to work with.

Stephen Hartka presented the following:



CAMP 7 IS A STRATEGICALLY PLACED SITE OFFERING ACCESS TO A STRONG POOL OF TALENT AND EXCELLENT CONNECTIVITY

Site

- 40-acre brownfield site under public control

Workforce (45-minute laborshed)

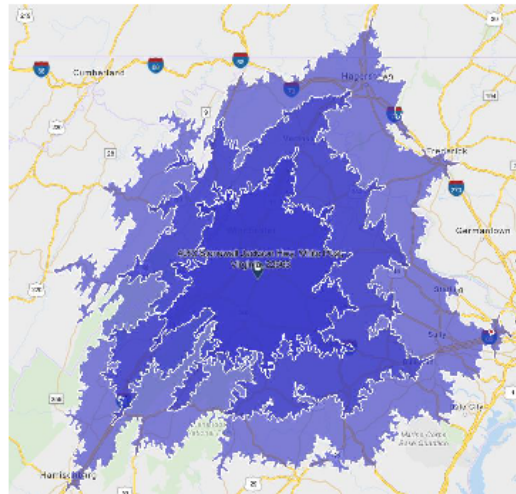
- Population of 600,000+
- Civilian labor force of 320,000
- Existing manufacturing workforce of 20,900
- Average wage of \$56,800 (\$62,900 for manufacturing)

Transportation

- Adjacent to 4-lane arterial highway (US-522)
- 5 miles to the Virginia Inland Port
- ~6 miles to I-81 and 7 miles to I-66
- ~50 miles to Dulles International Airport

Regional assets

- 13 higher education institutions within 45-minute drive



Source: JobsEQ; VEDP analysis

VEDP | 26

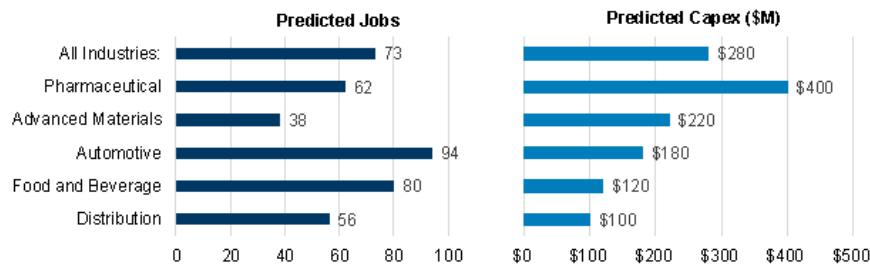
COMPARING CAMP 7 TO WINNING SITES SUGGESTS BROAD COMPETITIVENESS ACROSS INDUSTRIES, HIGH CAPEX OUTCOMES

Comparing this location to the location of over 10,000 past economic development projects, the Camp 7 site falls within the Exurban, High-Skilled project archetype¹:

- Broad industry suitability, with a mix of many possible industries
- Higher than average likelihood of food and beverage and logistics
- Some likelihood of pharmaceutical manufacturing
- Lower than average likelihood for advanced materials, natural resource-based, and knowledge work

Within this archetype, the site is uniquely well-positioned in multiple respects

- Flat sites directly on four-lane highways are rare and attractive within Virginia and its peer states
- The property will be the only publicly-owned site in its region², a key consideration for some firms



¹Project archetypes are determined through a k-means clustering algorithm. In our analysis, there are six major project archetypes in the United States: Large Metros, Small/Medium Metros, Exurban/High-Skilled, Small City/Large Town, Rural Manufacturing Communities, Resource-Based Rural Developments

²Defined here as Clarke, Warren, Winchester, and Frederick counties

IDA Vice Chair Waite

- Queried if the size of the site (at 40 acres) would eliminate any potential industries.
 - Cole Pearce replied that the site is in the small to mid-range for most industries.

IDA Chairman Ferrell

- Inquired, if the property was developed as an industrial park, how many viable lots could it be subdivided into?
 - Mr. Pearce responded that it could likely fit up to eight lots, but it would be wise to stay flexible and market the option of combining lots as well.

BOS Chairman David Weiss

- Advised that the Planning Commission will be tasked with creating a zoning district for the property to define the allowable uses. The Board of Supervisors will be responsible for approving that zoning and will want it to align with the county’s Comprehensive Plan.

IDA Director Guarriello

- Asked if publicly-owned properties had a competitive advantage.
 - Cole Pearce answered that the process is usually quicker with privately-owned properties, but publicly-owned properties can offer better deals or incentives.

Mr. Hartka continued presenting the following:

FUNDING OPPORTUNITIES FOR SITE DEVELOPMENT [1/3]**Local Government Funding**

Local support and funding of site development or redevelopment is key to the success of any project. Many grants require matching funds, so it is key to have local leaders committed to investing in the site.

Virginia Business Ready Sites Program (VBRSP)

Administered by VEDP to fund site development pre-prospect.

- **Recommended first step: Discuss Site Characterization, and Site Characterization Grant, with VEDP Real Estate Solutions team**
- Characterization will determine the current state of Camp 7 and plan a path to market-ready status

Virginia Brownfields Restoration and Economic Redevelopment Assistant Fund (VBAF)

Administered by VEDP and DEQ to promote restoration and redevelopment of brownfields sites and to address environmental problems or obstacles to reuse so these sites can be effectively marketed to new economic development prospects.

- Prison could qualify for Brownfields property assessment as well as to address any identified asbestos or lead paint

DHCD and GO Virginia

DHCD has a number of grants to communities to drive economic growth such as: [Industrial Revitalization Fund](#) and [Regional Water and Wastewater Fund](#). Go Virginia offers site readiness grants through the regional councils.

FUNDING OPPORTUNITIES FOR SITE DEVELOPMENT [2/3]**Economic Development Access Program (EDAP)**

Administered by VDOT to fund adequate access to qualifying development sites. Funds can be used for design and/or construction of road access projects in consideration of the type and volume of traffic anticipated to be generated by the subject site.

Virginia Powerline Extension Program

The Electric Infrastructure Program allows electric utilities to recover costs incurred to construct, operate, and maintain transmission lines and associated substations installed to provide service to a business park when found eligible for a rate adjustment approved by the State Corporation Commission (SCC). The program allows for three sites in each utility's certificated service territory.

Virginia Utility Right of Way Program

The Rights-of-Way Certification Program may allow the utility to acquire rights-of-way for the ordinary extension of utility facilities in the normal course of business to one or more qualified economic development sites and to recover costs incurred, subject to approval by the State Corporation Commission (SCC).

FUNDING OPPORTUNITIES FOR SITE DEVELOPMENT [3/3]

U.S. EPA (Brownfields)¹

US EPA Brownfields Program provides grants and technical assistance to communities to assess, safely clean up, and sustainably reuse contaminated properties. EPA offers a number of grant opportunities such as – assessment, revolving loan fund (RLF), cleanup, multipurpose (MP), and jobs training (JT).

U.S. Department of Transportation

US DOT provides a variety of grant funding opportunities from surface transportation, safe streets, transit, rail, air, water, and even pipeline transport projects and safety. Many opportunities require a national, regional, or local significance and a financial commitment by the impacted communities.

¹US EPA also offers a variety of grants related to ideas that support the EPA's mission that may be beneficial to your community, but are not directly related to site development.



VIRGINIA'S SITE READINESS TIER SYSTEM HELPS MEASURE PROGRESS TOWARD 'MARKET-READY'

Tier	Description	Estimated Timeline
1	<ul style="list-style-type: none"> Raw land with interested seller No established sales price Not zoned for economic development use (i.e. industrial or commercial) 	0 years
2	<ul style="list-style-type: none"> Site controlled and marketed for development Option agreement with commitment to a competitive sales price Comprehensive Plan reflects industrial or commercial land use 	1-2 years
3	<ul style="list-style-type: none"> Property zoned for industrial or commercial land use, due diligence completed <ul style="list-style-type: none"> Wetlands delineation with ACOE approval within last 5 years Geotechnical borings & preliminary evaluation Boundary survey w/ easements & encumbrances identified (ALTA preferred) and 1' topographical survey Cultural resources review Threatened & endangered species review Phase I ESA within last 5 years Floodplain Study or Geological / Karst Evaluation (if necessary) Preliminary engineering work completed with associated reports Estimated costs and timelines for development have been quantified 	"Soft" Costs 1-2 years
4	<ul style="list-style-type: none"> All infrastructure permit issues identified and quantified (wetlands, E&S, T&E, etc.) Plans for necessary infrastructure improvements have been completed and approved 	1-4 years
4+	<ul style="list-style-type: none"> Any infrastructure needed to reduce timeline to 12-18 months is in place 	"Hard" Costs 1-2 years
5	<ul style="list-style-type: none"> "Shovel Ready" – site cleared and rough graded All site permits in place or identified (E&S, stormwater mgmt., etc.) such that building construction can begin as soon as necessary land disturbance permits can be obtained by prospective industry 	

Total estimated time to win a project once a site is identified: 5-10 years

GLOSSARY [1/2]**12-18 Months**

Prospect could start construction and could be operational within 12-18 months from start of construction. A site does not necessarily have to all infrastructure at the door to the site, if all plans are in place and it could be completed within the same time as a prospect's construction and does not hold up their operation plans.

Approved Jurisdictional Determination (AJD)¹

A process used by the Corps to make a definitive, official determination whether aquatic resources in the review area are or are not jurisdictional. The only process for determining that an aquatic resources is NOT jurisdictional is an AJD. Obtaining an AJD is separate from the permitting process, but the Corps does prioritize permit applications.

EA – Environmental Assessment

An EA is a requirement under National Environmental Policy Act (NEPA) and is a comprehensive study that identifies environmental impacts of land development. The assessment describes the purpose and need of the proposed development and potential impacts of the development as well as alternatives to those impacts. An EA may not require a public comment period. An EA can result in a Finding of No Significant Impact (FONSI) or that a significant impact will occur.

EIS – Environmental Impact Statement

An EIS is required under NEPA if it is found that a significant environment impact will occur as a result of the land development. It is similar to an EA, but more substantial and in-depth review of the project and its impacts. An EIS requires a public comment period.

Note: EA or EIS are required for any federal project. When working land development for non-federal uses, those sites may require EA or EIS due to the magnitude of impacts the project requires and potential federal agency jurisdiction.

¹All decisions are on hold until further guidance can be given after the Sackett ruling from the US Supreme Court 2023

GLOSSARY [2/2]**Entitlement**

The legal process of gaining all necessary approvals to develop a piece of property for a specific use. Entitlement encompasses items such as rezoning, density, permit approvals, utility approvals, plan of developments, etc.

Go/No-Go

Designating the decision to continue or abandon a course of action. For example, a company may require "x" amount of natural gas in their process and there is no alternative. If that is the case, having gas to the site and the required amount is a go/no-go decision during the site selection process.

Market Ready

Refers to a site's ability to be attractive and marketable to prospects. Sometimes can be interchanged with "shovel-ready" or "certified site", which all typically mean the site is proved to have utilities in place, transportation improvements complete, proper land use, proper pricing so end users could start construction immediately after purchase

Preliminary Jurisdictional Determination (PJD)

A Corps determination that does not address the questions of jurisdiction thereby treating all aquatic resources within the review area that could be jurisdictional as if they are jurisdictional for purposes of permit processing. PJDs are just an approximation and an assumption that all aquatic features are jurisdictional.

Shovel Ready

There is no standard definition of "shovel-ready", but common characteristics include: site is available to sell or lease; full service by utilities; transportation infrastructure in place or plans for immediate construction; site is cleared of all impediments; proper entitlements; environmental, geotechnical, and archeological studies complete, and any risk identified or mitigated accordingly.

EXAMPLES OF OTHER SITES CURRENTLY BEING MARKETED / DEVELOPED ACROSS VIRGINIA

- [Valley Innovation Park & Graystone Commerce Center](#) (Frederick County)
 - Larger, developer-owned sites in neighboring Frederick County
- [Kings Creek Commerce Center](#) (York County)
 - Publicly-owned (former state property) that is currently being marketed
- [Harrisonburg Technology Park](#) (City of Harrisonburg)
 - Publicly-owned park that has mixture of office and local services.
- [Tech Center Research Park](#) (City of Newport News)
 - Publicly-owned, mixed use development
- [Staunton Crossing](#) (City of Staunton)
 - Publicly-owned (former state property) site that the city is redeveloping for industrial use
- [Southern Virginia Multimodal Park](#) (Pittsylvania County)
 - Publicly-owned site being developed for industrial use

BOS Chairman Weiss

- Thanked the VEDP team and added that the information they presented was encouraging.

5) *Adjournment*

IDA Chairman Ferrell moved, seconded by IDA Vice Chair Waite, to adjourn the meeting of the Industrial Development Authority. The motion carried by the following vote:

Brian Ferrell	-	Aye
William Waite	-	Aye
Isreal Preston	-	Aye
Rodney Pierce	-	Absent
Marcy Cantatore	-	Aye
James George	-	Aye
Ted Guarriello	-	Aye

At 2:33 pm, IDA Chairman Ferrell adjourned the Industrial Development Authority meeting BOS Chairman Weiss adjourned the Board of Supervisors immediately thereafter.

6) *Camp 7 Building & Property Tour*

Those present received a brief tour of the building and property while exiting the meeting.

7) *Next Regular Meeting Date*

The next regular meeting of the Industrial Development Authority will be held on Thursday, October 24, 2024, at 1:00 pm in the Berryville Clarke County Government Center, Main Meeting Room, at 101 Chalmers Court, Berryville, Virginia.

The next regular meeting of the Board of Supervisors will be held on Tuesday, August 20, 2024, at 1:00 pm in the Berryville Clarke County Government Center, Main Meeting Room, at 101 Chalmers Court, Berryville, Virginia.

ATTEST: July 25, 2024

David S. Weiss, Board of Supervisors Chairman

Chris Boies, County Administrator

Recorded and Transcribed by Catherine D. Marsten