



RURAL VIRGINIA ACTION COMMITTEE

Scott County

August 5, 2020

VEDP | Virginia
Economic
Development
Partnership
VEDP.org

AGENDA

Presentation: Vibrant Virginia	3
Opportunities for Engaging Rural Leadership	5
Update on LRCI Initiative	7

VIBRANT VIRGINIA



AGENDA

Presentation: Vibrant Virginia 3

Opportunities for Engaging Rural Leadership 5

Update on LRCI Initiative 7

OPPORTUNITIES TO ENGAGE RURAL LEADERSHIP

Current initiatives

- *Virginia Economic Review*
- Quarterly Partner Report
- Local and Regional Competitiveness Initiative
- impactED sessions with VEDA

Expanded initiatives

- ED 101 Video
- ED 101 session geared toward CAO's
- Virtual VEDP Orientation
- Talking points and resources list for Partner Relation Team Members

AGENDA

Presentation: Vibrant Virginia 3

Opportunities for Engaging Rural Leadership 5

Update on LRCI Initiative 7



LOCAL AND REGIONAL COMPETITIVENESS INITIATIVE

State Capitol

LRCI AGENDA

Overview of Effort

Overview of Peer Groups

Preliminary Survey Findings from Local Economic Development Organizations

Overview of Toolkit

Progress to Date and Next Steps

THE LRCI EMPOWERS ECONOMIC DEVELOPERS TO PUT THEIR COMMUNITIES IN THE BEST POSITION TO SUCCEED



Objective

The Local/Regional Competitiveness Initiative (LRCI) supplies **local and regional** economic developers with information and perspectives to help them understand the economic development preparedness and economic performance of their community (or region), including the competitiveness of existing economic development efforts, **in order to articulate what it takes to succeed** with stakeholders in their community and beyond.



Final Deliverables

The final deliverables unfold in two phases:

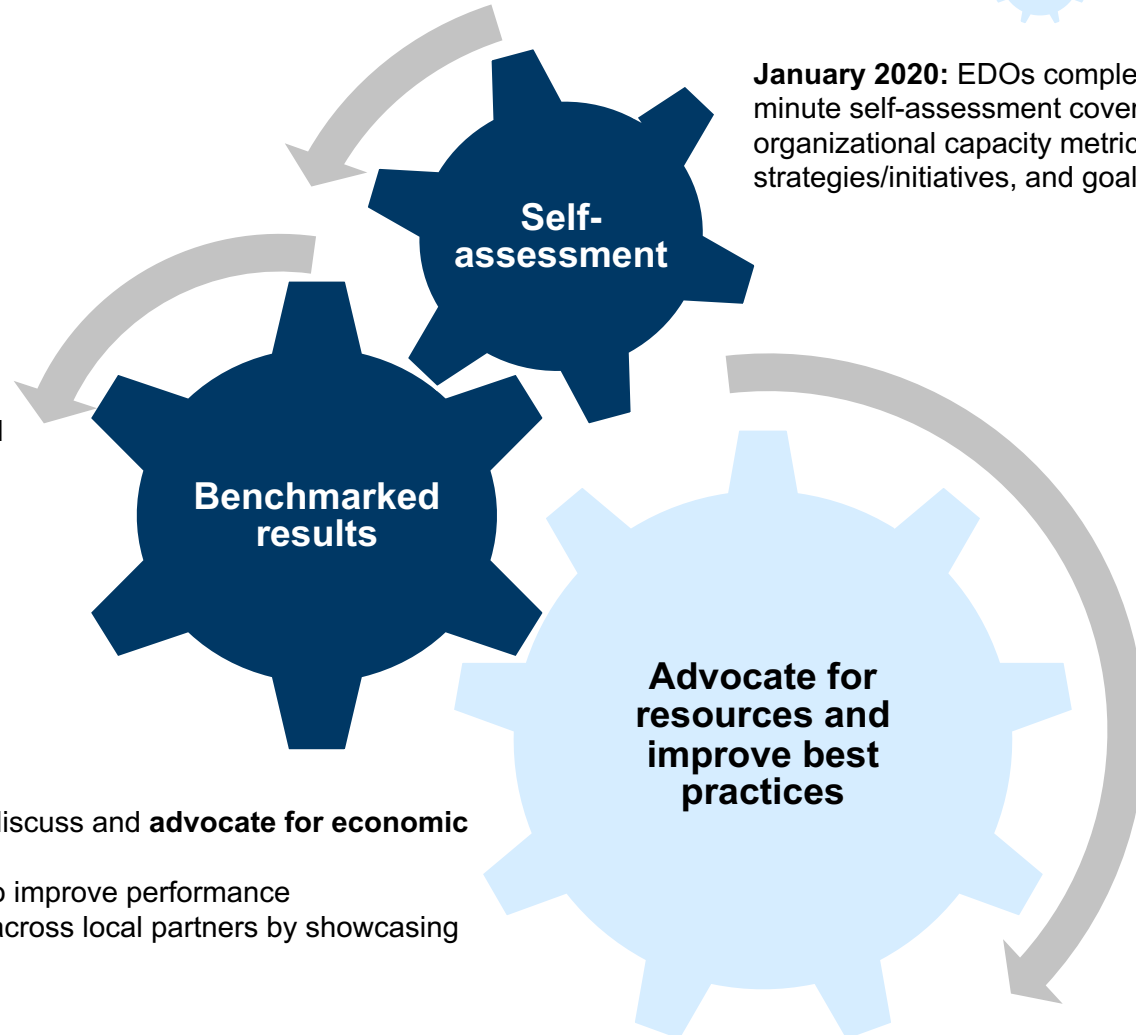
- 1. Detailed self-assessment and accompanying economic development toolkit**
 - Individual self-assessment survey results
 - Community-specific benchmarking against within-Virginia peers and against national best practices
 - Identification of opportunities – and likely resource needs – to enhance economic development practices to deliver desired results
- 2. Regional in-person (or virtual) roadshows** similar to the Enhanced Sites Characterization effort where we (VEDP's Economic Competitiveness team) can engage with regional and local partners more deeply on the content and insights from the effort

AT ITS CORE, LRCI IS A BENCHMARKING TOOL TO SUPPORT ECON. DEVELOPERS IN IMPLEMENTING BEST PRACTICES AND ADVOCATING FOR THE RESOURCES TO SUCCEED



Details to follow

January 2020: EDOs completed a 30-minute self-assessment covering organizational capacity metrics, strategies/initiatives, and goal alignment




Summer 2020: EDOs will receive individual, confidential score reports that show how their community compares to Virginia peers and relative to national best practices

Outcomes from LRCI:

- Equip our local partners to discuss and **advocate for economic development**
- Provide **actionable steps** to improve performance
- **Encourage collaboration** across local partners by showcasing strong EDOs

LRCI TOOLKIT WILL HIGHLIGHT KEY INSIGHTS AND PROVIDE A PATH FORWARD FOR LOCAL EDOS

 Focus for today's discussion

Methodology	<ul style="list-style-type: none">▪ Shows the full survey and rubric and explains how each measure was developed
Top performing EDOs	<ul style="list-style-type: none">▪ Highlights top performing EDOs in VA for each indicators
Regional and statewide trends	<ul style="list-style-type: none">▪ Highlights common strengths & weaknesses among EDOs at the state/ regional level and provides analysis on indicators and their relation to economic performance
Best practices	<ul style="list-style-type: none">▪ Explains each indicator in detail, including sections on: best practices, next steps, case studies, and resources
Individual score report*	<ul style="list-style-type: none">▪ Shows EDOs their stage for each indicator and demonstrates EDO capacity relative to their peers

*Reports will be sent individually to EDOs

LRCI AGENDA

Overview of Effort

Overview of Peer Groups

Preliminary Survey Findings from Local Economic Development Organizations

Overview of Toolkit

Progress to Date and Next Steps

THE PEER GROUPS PROVIDE A BENCHMARKING RESOURCE FOR EDOS AND A FRAMEWORK FOR ANALYZING DATA

The LRCI is...

- ✓ **A resource for EDOs to benchmark their work.** Peer and regional comparisons are provided in the score report to illustrate the programs and performance of other similar economic development organizations.
- ✓ **Data analysis.** VEDP will analyze the data for gaps and areas for improvement, so we can better advocate for initiatives and resources to close those gaps.

The LRCI is not...

- ✗ **A public ranking within your peer group. All individual data will remain confidential.** With their permission, top performing localities may be highlighted.
- ✗ **A reward/penalty system. The data will not be incorporated into lead generation efforts** at VEDP so that no locality is penalized or rewarded for how they answered the self-assessment.

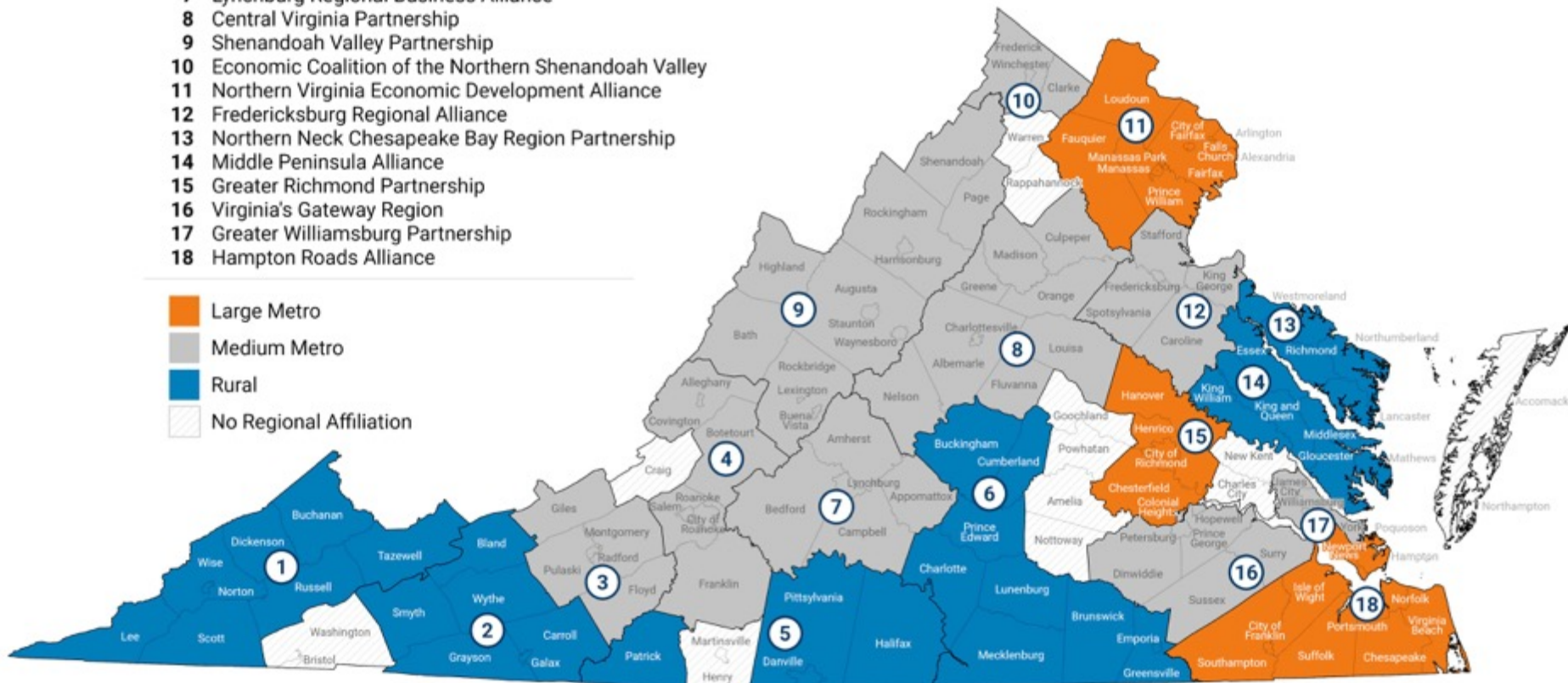
REGIONAL EDOS WERE DIVIDED INTO LARGE METRO, MEDIUM METRO, AND RURAL PEER GROUP CATEGORIES

Regional EDO	Population (000s)	Counties	Rationale for categorization	Category
Northern Virginia Economic Development Alliance	2,592	10	Covers the center of a large metro area in Virginia	Large Metro
Hampton Roads Economic Development Alliance	1,498	10		
Greater Richmond Partnership	1,013	4		
Fredericksburg Regional Alliance	370	5	Covers the area of a medium or small metro in Virginia, or is centered around a secondary city within a large metro area	Medium Metro
Shenandoah Valley Partnership	368	12		
Central Virginia Partnership	356	9		
Roanoke Regional Partnership	344	7		
Lynchburg Regional Business Alliance	263	5		
Onward New River Valley	184	5		
Greater Williamsburg Partnership	171	3		
Virginia's Gateway Region	156	8		
Economic Coalition of the Northern Shenandoah Valley	130	4	Region is not centered around a major metro area	Rural Region
Virginia's e-Region	190	8		
Southern Virginia Regional Alliance	153	4		
Virginia's Growth Alliance	137	10		
Virginia's Industrial Advancement Alliance	117	6		
Middle Peninsula Alliance	91	5		
Northern Neck Chesapeake Bay Region Partnership	49	4		

PEER GROUPS FOR REGIONAL EDOS (MAP VIEW)

Regional Economic Development Organizations

- Southwest Virginia's e-Region
- Virginia's Industrial Advancement Alliance
- Onward New River Valley
- Roanoke Regional Partnership
- Southern Virginia Regional Alliance
- Virginia's Growth Alliance
- Lynchburg Regional Business Alliance
- Central Virginia Partnership
- Shenandoah Valley Partnership
- Economic Coalition of the Northern Shenandoah Valley
- Northern Virginia Economic Development Alliance
- Fredericksburg Regional Alliance
- Northern Neck Chesapeake Bay Region Partnership
- Middle Peninsula Alliance
- Greater Richmond Partnership
- Virginia's Gateway Region
- Greater Williamsburg Partnership
- Hampton Roads Alliance



ANNUAL GROWTH RANGED FROM SLIGHTLY NEGATIVE TO A HIGH OF OVER 0.85% PER YEAR FROM 2013-2018

Peer Group Name	Number of REDOs (survey responses)	Average Population (000s)
Large Metro	3 (2)	1,701
Medium Metro	9 (4)	261
Rural	6 (6)	123
Total	18 (12)	455

Median average yearly employment growth (2013-2018)
0.85%
0.74%
-0.17%
0.50%

WE CLASSIFIED LOCALITIES INTO PEER GROUPS IN TWO WAYS

Details to follow



Details

- **Traditional urban/metro/rural classifications**
- We used the Census's urban, metro, and rural categories as the foundation
- We then further differentiated localities within those categories by population (for the urban category) and density (for metro and rural localities)

- **Rural-urban continuum codes (RUCCs)**
- RUCCs incorporate the Census's population and density measures but also includes proximity to a metro area

Similarities

- Urban categories are the exact same
- Counties did not go from metro to rural, or vice versa; they only shifted within metro or rural categories

WE USED RURAL-URBAN CONTINUUM CODES, CENSUS DEFINITIONS, AND POPULATION TO CLASSIFY LOCALITIES INTO PEER GROUPS

Peer Group Name	Peer Group Definition	Number of Localities (survey responses)	Average Population (000s)
Urban 1	Urbanized areas in a metro with populations >100k	15 (11)	304
Urban 2	Urbanized areas in a metro with populations <100k	23 (15)	30
Urban 3	Urbanized clusters (including towns), located outside of a metro area	17 (12)	10
Metro 1	Non-urbanized parts of a large metro area (RUCC: 1)	23 (19)	44
Metro 2	Non-urbanized parts of medium and small metro areas (RUCCs: 2 & 3)	22 (19)	47
Rural 1	Nonmetro area that is adjacent to a metro area (RUCCs: 4, 6, 8s adjacent to a large metro)	22 (17)	25
Rural 2	Nonmetro area that is not adjacent to a metro area (RUCCs: 5, 7, 9, 8s not adjacent to a large metro)	22 (10)	18
Total		144 (103)	60

PEER GROUPS USING THE USDA RUCCs APPROACH (MAP VIEW)

- Urban 1
- Urban 2
- Urban 3
- Metro 1
- Metro 2
- Rural 1
- Rural 2



PEER GROUPS USING THE USDA RUCCs APPROACH (TABLE VIEW)

Urban 1	Urban 2	Urban 3	Metro 1	Metro 2	Rural 1	Rural 2
Alexandria City	Blacksburg	Abingdon	Amelia County	Albemarle County	Alleghany County	Accomack County
Arlington County	Bristol City	Ashland	Caroline County	Amherst County	Brunswick County	Bath County
Chesapeake City	Charlottesville City	Buena Vista City	Charles City County	Appomattox County	Cumberland County	Bland County
Chesterfield County	Colonial Heights C.	Covington City	Clarke County	Augusta County	Essex County	Buchanan County
Fairfax County	Fairfax City	Culpeper (Town)	Culpeper County	Bedford County	Greensville County	Carroll County
Hampton City	Falls Church City	Danville City	Dinwiddie County	Botetourt County	Halifax County	Charlotte County
Henrico County	Fredericksburg City	Emporia City	Fauquier County	Buckingham County	Henry County	Dickenson County
Loudoun County	Front Royal	Franklin City	Gloucester County	Campbell County	King & Queen County	Grayson County
Newport News City	Harrisonburg City	Lexington City	Goochland County	Craig County	King George County	Highland County
Norfolk City	Herndon	Marion	Hanover County	Floyd County	Louisa County	Lancaster County
Portsmouth City	Hopewell City	Martinsville City	Isle of Wight County	Fluvanna County	Madison County	Lee County
Prince William Co.	Leesburg	Middleburg	James City County	Franklin County	Nottoway County	Lunenburg County
Richmond City	Lynchburg City	Norton City	King William County	Frederick County	Orange County	Mecklenburg County
Suffolk City	Manassas City	Radford City	Mathews County	Giles County	Page County	Middlesex County
Virginia Beach City	Manassas Park City	Strasburg	New Kent County	Greene County	Pittsylvania County	Northampton County
	Petersburg City	Vinton	Powhatan County	Montgomery County	Prince Edward Co.	Northumberland Co.
	Poquoson City	Wytheville	Prince George Co.	Nelson County	Rockbridge County	Patrick County
	Roanoke City		Rappahannock Co.	Pulaski County	Shenandoah County	Richmond County
	Salem City		Spotsylvania County	Roanoke County	Southampton County	Russell County
	Staunton City		Stafford County	Rockingham County	Surry County	Smyth County
	Waynesboro City		Sussex County	Scott County	Westmoreland Co.	Tazewell County
	Williamsburg City		Warren County	Washington County	Wythe County	Wise County
	Winchester City		York County			

WHILE PEER GROUPS SHARE SIMILAR CHARACTERISTICS, ANNUAL GROWTH FROM 2013-2018 VARIES WITHIN EACH GROUP

Peer Group Name	Number of Localities (survey responses)	Average Population (000s)	Average yearly employment growth (2013-2018)		
			10 th percentile	Median	90 th percentile
Urban 1	15 (11)	304	-0.2%	1.1%	2.9%
Urban 2	23 (15)	30	-1.0%	0.6%	2.8%
Urban 3	17 (12)	10	-1.8%	-0.2%	0.1%
Metro 1	23 (19)	44	0.1%	2.3%	2.8%
Metro 2	22 (19)	47	0.2%	1.8%	3.4%
Rural 1	22 (17)	25	-1.2%	1.6%	3.0%
Rural 2	22 (10)	18	-2.4%	0.7%	1.3%
Total	144 (103)	60	-1.4%	0.8%	2.8%

LRCI AGENDA

Overview of Effort

Overview of Peer Groups

Preliminary Survey Findings from Local Economic Development Organizations

Overview of Toolkit

Progress to Date and Next Steps

WE WILL FOCUS ON JUST A FEW OF THE QUESTION AREAS FOR TODAY'S DISCUSSION

Overview

The self-assessment, released in January 2020, resulted in 105 respondents across all Virginia counties and select Virginia cities and towns.

The following slides provide an overview of general trends in economic development across the state. This deck will specifically review:

- Highest priority economic development goals and pursuit of corresponding programmatic area
- Highest barriers to economic development

Priority takeaways

- Overall, LEDOs have a \$11 median per capita budget
- Median budgets and staffing varied widely, with budgets ranging from \$7-28 per capita and staff from 1-17 FTEs
- 93% of LEDOs selected business retention and expansion as a high priority goal for their locality
- 53% of LEDOs identified site or building availability as their highest barrier to economic development

MEDIAN BUDGETS AND STAFFING VARIED WIDELY, WITH BUDGETS RANGING FROM \$7-28 PER CAPITA AND STAFF FROM 1-17 FTEs

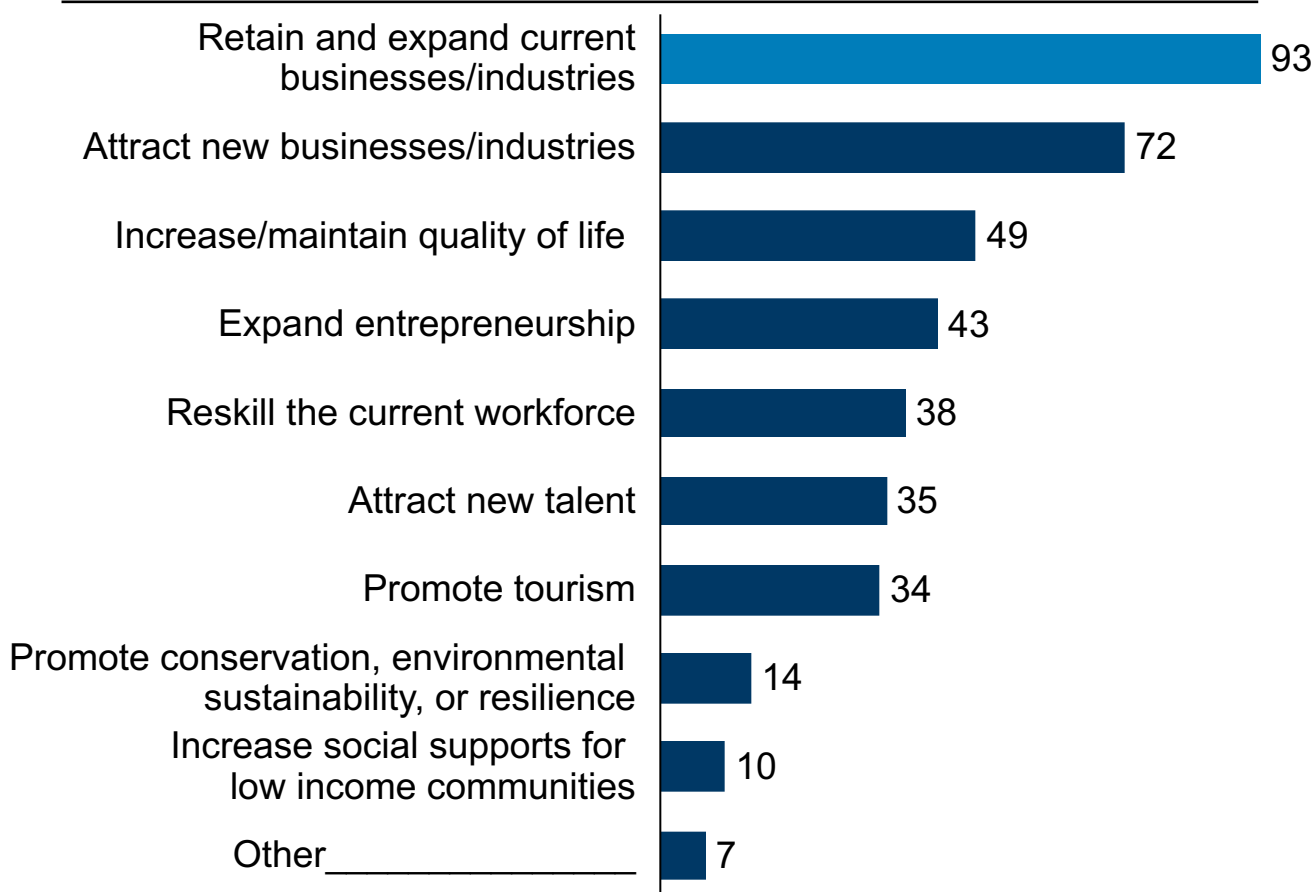
Peer Group Name	Number of Localities (survey responses)	Average Population (000s)	Median budget per capita (\$)	Median Total Staff (FTE)
Urban 1	15 (11)	304	8.70	17.0
Urban 2	23 (15)	30	17.80	3.0
Urban 3	17 (12)	10	27.60	1.0
Metro 1	23 (19)	44	8.10	2.0
Metro 2	22 (19)	47	7.70	2.0
Rural 1	22 (17)	25	12.50	2.0
Rural 2	22 (10)	18	6.70	1.5
Total	144 (103)	60	11.20	2.0

Notably, 20 localities out of the 103 surveyed do not have any full-time economic development staff

BRE IS AN OVERWHELMING PRIORITY OF LEDO ECONOMIC DEVELOPMENT GOALS

Q: Please indicate your locality's economic development goals by level of priority

Percent of respondents rating issue as a high priority goal



Highlight

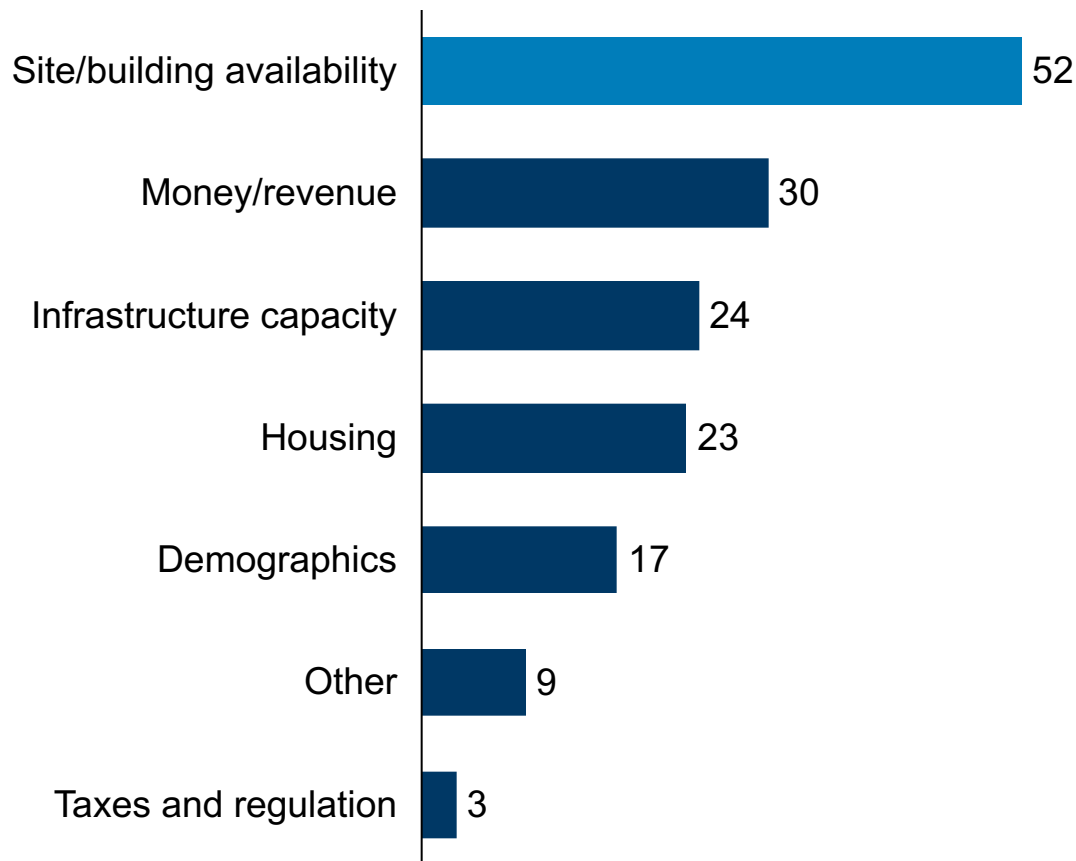
93%

of LEDOs selected business retention and expansion as a high priority goal for their locality.

SITE AND BUILDING AVAILABILITY WERE IDENTIFIED BY EDOS AS THEIR HIGHEST BARRIER TO ECONOMIC DEVELOPMENT

Q: Please rate the barriers your community faces to economic development

Percent of respondents rating issue as a major barrier



Highlight

52%

of LEDOs identified site or building availability as their highest barrier to economic development.

LRCI AGENDA

Overview of Effort

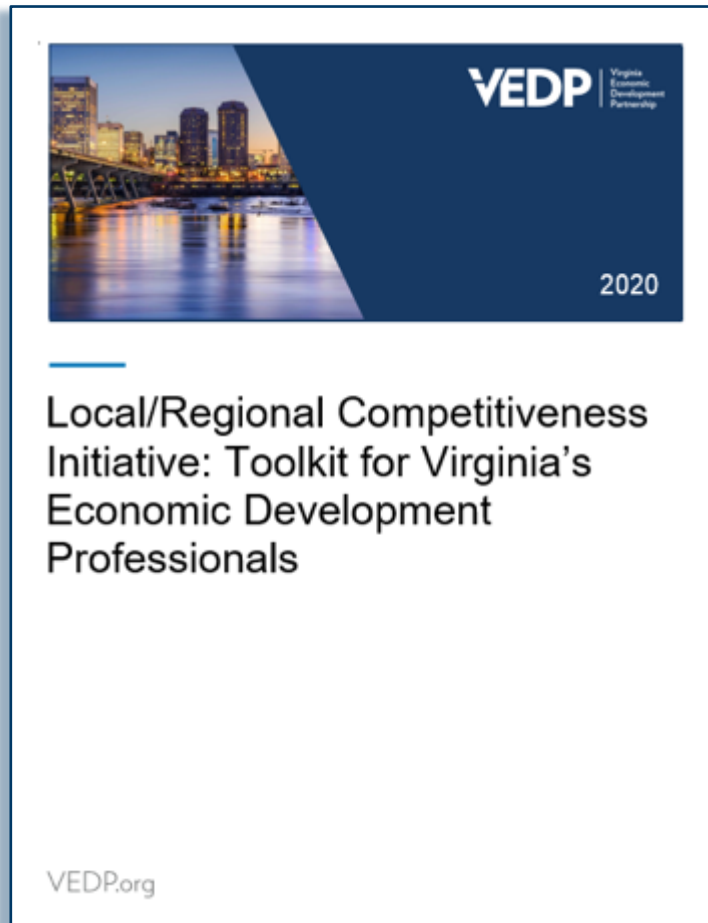
Overview of Peer Groups

Preliminary Survey Findings from Local Economic Development Organizations

Overview of Toolkit

Progress to Date and Next Steps

THE TOOLKIT COVERS ALL MAJOR ECONOMIC DEVELOPMENT PRACTICE AREAS COVERED IN THE SELF-ASSESSMENT (1/2)



 Introduction

 Best Practices

 Appendix

THE TOOLKIT COVERS ALL MAJOR ECONOMIC DEVELOPMENT PRACTICE AREAS COVERED IN THE SELF-ASSESSMENT (2/2)



Introduction

Executive summary
Quick Guide
Guide to Reading Best Practices Section



Best Practices

Staffing
Budget
Economic Development Plan
Target Industry Analysis
Marketing Material
Prospect Hosting
REDO Engagement
Economic Development
Partnerships
Stakeholders Education
Training
Business Attraction
Available Sites

Available Buildings
Workforce/Talent Development
Talent Attraction
Infrastructure Capacity
Business Retention and Expansion
Export Assistance
Entrepreneurship
Placemaking
Low-Income Community Supports
Sustainability, Conservation, and Resilience



Appendix

Appendix A: Methodology
Appendix B: General Trend Analysis
Appendix B: Peer Group Analysis
Appendix C: Stakeholders Interviewed
Appendix D: Bibliography
Appendix E: Local Economic Development Self-Assessment
Appendix F: Local Economic Development Rubric

EVERY INDICATOR INCLUDED IN SELF-ASSESSMENT IS COVERED IN THE ACCOMPANYING TOOLKIT

Staffing

Best Practices

According to studies, having an experienced, full-time, economic development staff is linked to economic growth and job creation in a community. For this reason, staffing from a volunteer or part-time staff to an organization with at least one full-time staff person is the most important step an EDO or government should make to support economic development in their community. Expert consensus recommends the following for economic development organizational staff structure:

- The majority of organization staff are full-time forces that dedicate 100% of their time to economic development.
- Organizations pursuing additional initiatives should have 2x total staff, depending on the number and scope of initiatives.

Professional expertise is another essential element in a strong organization. The core functions of an economic development organization (outlined in more detail over the next several indicators) can only be done in a full-time job, even when excluding the pursuit of additional strategies or initiatives. An experienced chief economic developer can enhance and streamline these organizational functions.

Steps to Consider

Here you can find specific **steps to consider** for how an EDO should go about improving in this indicator. The steps guide an EDO through an action-oriented process. Some EDOs may be farther along in the process than others, however the steps are designed to benefit everyone that is looking to improve.

Resources

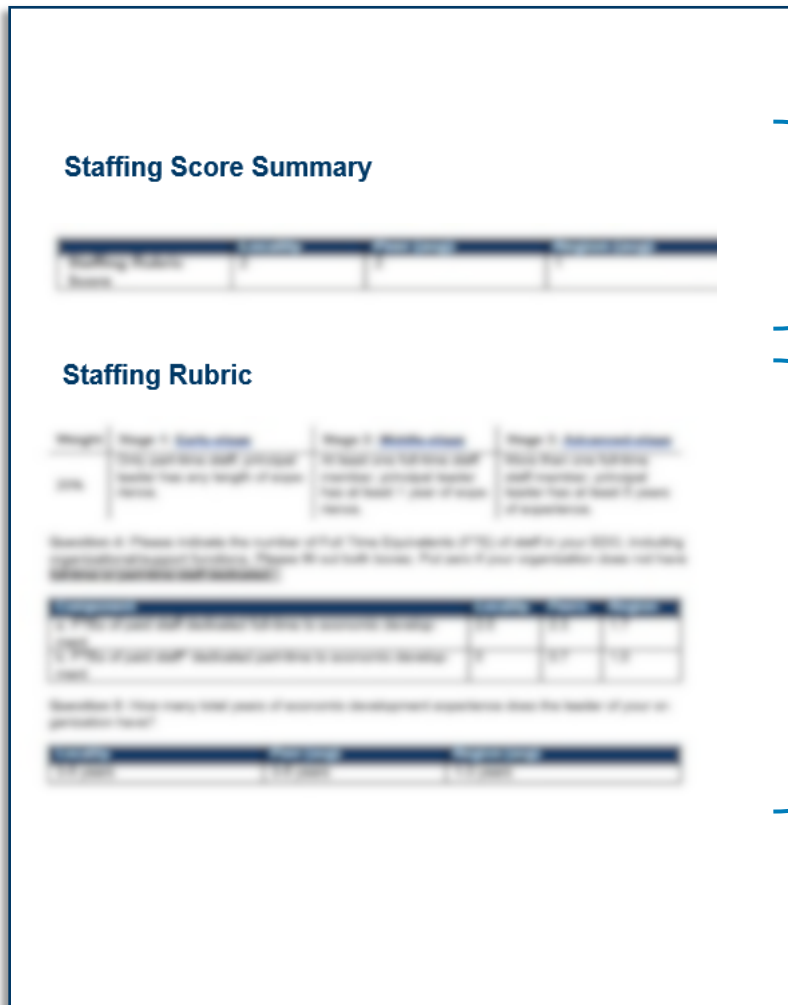
The **resources section** provides links to resources with more guidance on how to pursue improvements on the indicator.

The **best practices section** describes what the indicator is, why it is important, and what are generally accepted as best practices for implementing in your organization.

Here you can find specific **steps to consider** for how an EDO should go about improving in this indicator. The steps guide an EDO through an action-oriented process. Some EDOs may be farther along in the process than others, however the steps are designed to benefit everyone that is looking to improve.

The **resources section** provides links to resources with more guidance on how to pursue improvements on the indicator.

EVERY INDICATOR INCLUDED IN SELF-ASSESSMENT IS COVERED IN THE ACCOMPANYING TOOLKIT



The **score summary** shows how your locality scored on that specific indicator based on the rubric. The scores 1, 2, or 3 correspond to the categories Early, Middle, and Advanced-stage. Below your score and category, you will find what percent of your peer EDOs and EDOs in your region received each score.

This section provides the indicator-specific rubric along with a summary of your responses for each question that goes with that rubric item below. You see how your answers led to the **rubric score**. Additionally, you can find what your peer EDOs and EDOs in your region said they do for each question (as a percent or average, depending on the question type).

LRCI AGENDA

Overview of Effort

Overview of Peer Groups

Preliminary Survey Findings from Local Economic Development Organizations

Overview of Toolkit

Progress to Date and Next Steps

DEVELOPING AND SHARING HIGH QUALITY RESULTS OF THE SELF-ASSESSMENT AND TOOLKIT ARE PRIORITY FOR VEDP

From August – December 2019, EC team members:

- Researched leading academic papers and interviewing prominent economic development practitioners to inform the self-assessment for LEDOs and REDOs
- Collaborated with a representative pilot group of Virginia economic development professionals to inform and define cutting edge economic development practices.

From January – February 2020, VEDP:

- Released the economic development self-assessment to 146 localities across Virginia, including all counties and selected cities, and towns and collected responses

From January – July 2020, EC team members:

- Created and wrote the Local and Regional Competitiveness Initiative's accompanying Economic Development Toolkit
- Prepared score summaries to share with respondent LEDOs and REDOs

From August 2020 onward, VEDP:

- Will share and present results of LRCI across Virginia
- Support LEDOs and REDOs to improve competitiveness across the state

Q&A

THANK YOU



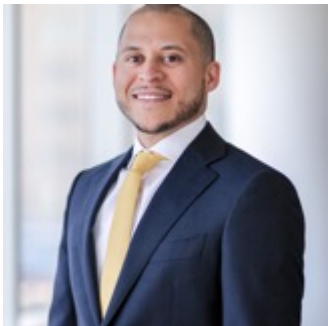
Adam Watkins

Manager, Economic
Competitiveness
awatkins@vedp.org



Emily Fay

Senior Analyst, Economic
Competitiveness
efay@vedp.org



Sean Brazier

Vice President, Economic
Competitiveness
sbrazier@vedp.org