



EXECUTIVE SUMMARY

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs)

VIRGINIA'S REGION 2000

NOVEMBER 2016

Submitted by Market Street Services Inc.
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PROJECT OVERVIEW

Business and community leaders from Virginia's Region 2000 have come together to update the region's five-year Comprehensive Economic Development Strategy (CEDS). The new strategy will help elevate the region's competitiveness for new jobs and talent, guiding the region's investments in support of economic improvement and prosperity. Upon completion, it will ensure the region's continued eligibility for federal funding from the Economic Development Administration (EDA) in support of such investments. The four-phase research and strategic planning process will last roughly eight months, concluding in October 2016.

PHASE I: STAKEHOLDER ENGAGEMENT

Effective strategies are well-informed strategies. Quantitative research about the region must be complemented by qualitative input; the knowledge and opinions of stakeholders and the public at large are invaluable when identifying the assets to leverage, challenges to overcome, opportunities to pursue, and relevant investments around which the region can unite. Accordingly, the first phase of the process seeks to engage key stakeholders and the public at large through a series of interviews, focus groups, and an online survey to inform all subsequent phases of the process.

PHASE 2: REGIONAL ASSESSMENT

The Regional Assessment will provide a detailed examination of Region 2000's competitiveness as a place to live, work, and do business. The Assessment will present a set of "stories" that frame the issues facing Region 2000 as it seeks to further develop the area's economic prosperity and livability. Collectively, these stories will highlight the region's strengths, weaknesses, opportunities, and challenges as identified by resident and business input and key trends in demographic, socioeconomic, economic, and quality of life indicators. The region's competitiveness will be benchmarked against other metropolitan areas with which it competes for both jobs and workers.

PHASE 3: COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDS)

The third phase of the process carefully considers the strategic implications of the findings from the first two phases in developing a new five-year Comprehensive Economic Development Strategy (CEDS) to guide collaborative initiatives and proactive investments that support the community's economic development objectives. Strategic recommendations will leverage and reference best practice programs, policies, and initiatives from communities and regions around the country when relevant and appropriate. The resulting CEDS will complement a variety of other plans and initiatives that collectively help define a roadmap for the region's preferred future.

PHASE 4: IMPLEMENTATION PLAN

The final phase of the strategic planning process is the development of an Implementation Plan that supports the effective and efficient implementation of the various CEDS recommendations. Specifically, it will identify lead implementers, key partners, potential costs, and timelines for implementation of each recommendation. Performance metrics for gauging the effectiveness of implementation efforts will also be included.

STEERING COMMITTEE

The following individuals volunteered their time during 2016 to serve on the CEDS Steering Committee and/or provide staff expertise and guidance to the Committee during 2016.

Committee Member

Fred Armstrong
 Sarah Bell
 Carl Boggess
 Alton Brown
 Damien Cabezas
 John Capps
 Stephanie Cox
 Kenneth Craig
 Michael Elliott
 Mayor Joan Foster
 Hon. Scott Garrett
 Brian Goldman
 Todd Hall
 Laura Lacy Hamilton
 Eric Hansen
 Larry Jackson
 Bob Leveque
 Nat Marshall
 Susan Martin
 Jim Mercandante
 James Mundy
 Heather Reynolds
 Jim Richards
 Dean Rodgers
 Frank Rogers
 Douglas Schuch
 Karen Simonton
 Bonnie Svrcek
 Jeff Taylor
 Luke Towles
 Sergei Troubetzkoy

Representing Organization

Wiley | Wilson
 Young Professionals of Central Virginia
 County of Bedford
 News & Advance
 Horizon Behavioral Health
 Central Virginia Community College
 Consensus Real Estate
 Liberty University
 Centra Health
 Lynchburg City Council
 Virginia House of Delegates
 Goldman Design
 First National Bank
 Beacon of Hope Lynchburg
 Innovative Wireless Technologies
 Appalachian Power
 RR Donnelly
 Region 2000 Workforce Development Board
 Bedford Area Chamber of Commerce
 CINTAS
 Lynchburg Community Action Group
 Altavista Chamber of Commerce
 Petty, Livingston, Dawson & Richards
 County of Amherst
 County of Campbell
 Bedford County Schools
 OrthoVirginia
 City of Lynchburg
 County of Appomattox
 Wells Fargo Bank
 Discover Lynchburg

Staff Member

Ben Bowman
 Gary Christie
 Christine Kennedy
 Megan Lucas
 Scott Smith
 Bob White

Representing Organization

Region 2000 Workforce Development Board
 Region 2000 Local Government Council
 Lynchburg Regional Business Alliance
 Lynchburg Regional Business Alliance
 Region 2000 Local Government Council
 Region 2000 Local Government Council

REGIONAL ASSESSMENT

As part of the Lynchburg region's ongoing efforts to make the metropolitan area as attractive and supportive as possible for small business growth, existing business expansions, and new business relocations, a Comprehensive Economic Development Strategy (CEDS) process has been initiated by Virginia's Region 2000 Partnership and its regional partners. Through honest and well-informed assessments of the region's competitive position and economic growth, this process will result in a new, holistic strategy that will help the region and the aforementioned organizations focus economic development resources in a manner that maximizes efficiency and effectiveness, enhances prospects for quality growth, and increases well-being for businesses and workers in the Lynchburg region.

This Regional Assessment is the first step in that process; it is a critical step in understanding the region's position and the issues that it faces in an increasingly competitive environment for new jobs, talent, and corporate investment. It examines a wide variety of demographic, socioeconomic, economic, and quality of life indicators to tell a story about the region and uncover the key strengths, weaknesses, assets, and challenges that must be leveraged and addressed in order to support a more vibrant future. This quantitative analysis is complemented by a tremendous amount of community input received from interviews, focus groups, and a public survey. In total, more than 1,200 residents, workers, and businesses from Virginia's Region 2000 shared their input to inform this Assessment and the forthcoming Comprehensive Economic Development Strategy (CEDS).

The Assessment presents this research through the lens of eight stories, each containing important insights that should influence the region's strategic priorities as they relate to community, economic, and workforce development. These eight stories which can be found in the full Regional Assessment are as follows:

1. Image, Identity, and Influence: The Lynchburg Region and Liberty University
2. Regional Growth Dynamics
3. Attracting, Retaining, and Developing a Future Workforce
4. Quality of Life: What Makes Us "Family Friendly?"
5. Quality of Place: Relative Appeal to Young Professionals
6. Connectivity in Region 2000: Threats to Competitiveness
7. Economic Composition, Diversity, and Resiliency
8. Translating Regional Prosperity to Personal Well-Being

Collectively, these stories present a simple truth: maintaining the status quo cannot be an option if the Lynchburg region is to be a more prosperous community for future generations. Although numerous input participants discussed an aversion to change among some portions of the population and its leadership, the region has already demonstrated a commitment to first come together in launching this CEDS process and advancing the recent merger that resulted in the formation of the Lynchburg Regional Business Alliance. Next comes the commitment to act. The Comprehensive Economic Development Strategy (CEDS) is predicated upon the quantitative and qualitative findings presented in the Regional Assessment.

The pages that follow provide a brief overview of the CEDS guiding vision, goals, and key initiatives.

STRATEGIC VISION AND GOALS

Through careful discussion and review of the Regional Assessment, and the quantitative and qualitative input that informed its findings, the Steering Committee identified a vision for the region's economic future, and the goals, objectives, and key initiatives that will help the region achieve this vision.

"Our vision is a prosperous, vibrant, and inclusive Lynchburg region recognized for the creativity of its workforce, the resilience of its economy, and its abundance of natural, cultural, and educational opportunities."

Collectively, the Lynchburg region will help advance this vision through the pursuit of five key goals:

1. *...projecting a positive image and cultivating our distinct identity;*
2. *...facilitating the growth and expansion of our business community;*
3. *...educating and developing a sustainable workforce;*
4. *...investing in the connectivity of our region, and;*
5. *...supporting the vitality of our diverse communities and downtowns.*

These five goals are interrelated and interdependent, reflecting the nature of comprehensive economic development today. The Regional Assessment illustrated the degree to which such issues as interconnected; the Lynchburg region could struggle to **develop a sustainable workforce** if it fails to adequately **project a positive image** and support the vitality of its diverse communities and downtowns. Similarly, the region would compromise its efforts to effectively **facilitate the growth and expansion of the business community** if it fails to adequately **educate and develop a sustainable workforce** and **invest in the connectivity of the region**.

STRATEGIC OBJECTIVES AND KEY INITIATIVES

These five statements reflect overarching goals that provide structure to the Comprehensive Economic Development Strategy (CEDS), its objectives, and a set of initiatives that support them. **Strategic objectives** define those issues that the region wishes to impact within a goal area and serve as guidance for the pursuit and refinement of key initiatives, both in this CEDS and in subsequent updates. **Key initiatives** are specific, actionable pursuits for the region and its implementation partners. They can be programs, services, events, or investments in physical developments. A series of "**best practices**" or "**case studies**" are referenced throughout the full CEDS document when relevant to a specific initiative. These best practices and case studies can help guide implementation.

While there is a desire among CEDS Committee members and regional stakeholders to develop and implement a truly *comprehensive* and *holistic* economic development strategy, there has also been an acknowledgement that the region needs focus in strategy. This focus is appropriate given the recent changes in organizational structure and capacity supporting collaborative regional economic development – notably, the formation of the Lynchburg Regional Business Alliance (LRBA). It is intended that such focus can be reinforced by narrowly focusing the region's strategy on these eleven key initiatives.

KEY INITIATIVES: OVERVIEW

1. Form an Image and Identity Partnership to guide and implement a new collaborative Regional Branding and Image Campaign.
2. Implement a collaborative, regional Business Retention and Expansion (BRE) program.
3. Implement a targeted economic development marketing and corporate recruitment program.
4. Launch a new regional Center for Entrepreneurship that can serve as a long-term anchor and catalyst for the region's entrepreneurial ecosystem.
5. Launch an Economic Gardening and Entrepreneur in Residence program to drive technology-based economic development.
6. Form a Regional Talent Coalition to coordinate sector-focused workforce development initiatives, address regional skills gaps, and enhance collaboration between the business community and educational institutions.
7. Establish a Regional Workforce Center on the campus of Central Virginia Community College (CVCC) to deliver necessary workforce training.
8. Update project priorities and implement the region's existing plans for transportation, broadband, and other infrastructure provision based on relevant takeaways from the Central Virginia Connectivity Study.
9. Develop and implement a regional Site Evaluation and Improvement Program to accelerate the preparation and availability of shovel-ready industrial sites in the region.
10. Advance a Regional Riverfront Vision that seeks to "unlock" the region's riverfronts, better connecting and integrating local communities with the James and Roanoke Rivers.
11. Expand the establishment of Arts and Culture Districts throughout the region to encourage and incentivize projects that improve the aesthetic, artistic, and cultural appeal of the region.

The full Comprehensive Economic Development Strategy includes detailed descriptions of the various components of each initiative and the tactics that can help advance them.

IMPLEMENTATION PLAN

The Comprehensive Economic Development Strategy (CEDS) defines eleven key initiatives, each comprised of many specific tactics that will help Virginia's Region 2000 fulfill its vision for economic development and competitiveness. The complementary Implementation Plan briefly discusses a few key considerations related to ensuring that the CEDS' initiatives are effectively and efficiently implemented. This includes but is not limited to brief commentary on the roles and responsibilities of specific organizations and entities in support of implementation, the financial and organizational resources that are necessary to support these roles and responsibilities, the appropriate schedule for implementation based on Committee prioritization, and the necessary mechanisms for performance measurement supporting implementation evaluation.

While every community and region is different, with varying organizational capacities and working partnerships to support CEDS implementation, the communities and regions that are most effective in their implementation efforts are those that, by and large, adopt a truly collaborative model of implementation. That is to say, they create an expectation that the CEDS is a strategy for a community or region, and not a strategy for a single organization. They support shared accountability as it relates to implementation roles and responsibilities, and expect that CEDS implementation will be a "team sport." The most successful communities and regions also understand that this network of collaborative organizations and implementers needs day-to-day staff support. They invest in dedicated staff that can ensure that this collaborative network has the necessary support and access to resources to effectively and efficiently implement the CEDS.

The Steering Committee, inclusive of leadership from critical implementation partners, has helped identify the most appropriate organizations to lead and support the implementation of each initiative. It acknowledged and emphasized that the **Lynchburg Regional Business Alliance (LRBA)** should assume a substantive leadership position in the implementation of the CEDS' recommendations. This included staff-led implementation of many initiatives, but also, coordination of the various implementation partners and volunteers that will be necessary to effectively implement the CEDS. In this regard, the Steering Committee recognized that a collaborative group of implementation partners would be necessary to move the needle on certain initiatives for which the staff and financial resources at LRBA may be insufficient to support effective implementation. Accordingly, it is recommended that a **CEDS Implementation Committee** be convened by the LRBA immediately following the conclusion of the CEDS strategic planning process. As suggested by the CEDS Steering Committee, this new Implementation Committee would be derived from and report to the LRBA Board of Directors.

The LRBA has been identified as a necessary partner in every initiative but certain initiatives will be almost exclusively led by LRBA staff in partnership with the **Regional Economic Development Team** (also known as "The RED Team"), a working group of local economic development practitioners in the region. The LRBA will serve as the principal organization responsible for staff-driven implementation of relevant CEDS key initiatives. It will serve as the external "face" of the region's collective economic development community, and as such, the commitment of its staff and volunteer (board) leadership will be essential to the success of the implementation effort. But the LRBA's staff should not be expected to lead in all areas of the CEDS or advance certain initiatives in isolation. Furthermore, the organization and its staff cannot be reasonably expected to provide the necessary financial or staff resources to execute each element of the CEDS. The LRBA

staff will need to be supported by a commitment to advance implementation from the organization's board of directors and a variety of other partners. Filling this leadership role in advancing the region's CEDS will necessitate the acquisition of new resources at LRBA, both staff capacity and new financial resources will be needed to support new program implementation and expansion of existing programs in alignment with the CEDS' recommendations. A brief discussion of the necessary financial and staff resources to support CEDS implementation are covered in the full Implementation Plan.

The **Region 2000 Local Government Council (LGC)** will also play a critical role in implementation. The LGC is responsible for maintaining and updating the region's CEDS with the federal Economic Development Administration (EDA), ensuring that the region and its local governments remain eligible for certain federal funding opportunities and forms of planning or technical assistance afforded by the EDA's Economic Adjustment Assistance and Public Works programs. The LGC can serve as the principal organization responsible for communicating implementation progress and serving as the liaison between the region and the EDA for the purposes of CEDS updates and annual reports, EDA grant applicants, and other relevant matters. It will also serve as the principal organization responsible for advancing a few initiatives that align closely with the LGC's core mission and its existing service delivery to local communities in the region, notably those related to infrastructure provision, connectivity, and riverfront vision planning.

Performance measurement is critical to any economic development or community improvement initiative. The process of establishing and tracking performance metrics will allow the region and the CEDS Implementation Committee to assess and effectively communicate progress towards implementing the CEDS. Performance measurement can help determine if implementation is having the desired impact and producing the desired return on investment.

Many regions must start from scratch in designing their performance metrics and the mechanisms for communicating those results and outcomes to specific audiences and the general public. Fortunately, the Lynchburg region already has a viable mechanism for communicating performance as it relates to CEDS implementation: the Region 2000 Local Economy Dashboard (www.region2000dashboard.org). The dashboard has been used by the LGC to track regional performance on a variety of indicators that align with the region's CEDS. The full Implementation Plan includes recommendations regarding potential repositioning of the Local Economy Dashboard to support ongoing CEDS performance measurement and public reporting of implementation progress – the specific activities that have been undertaken by various implementation partners in activating the CEDS eleven key initiatives.