

Listening Session
Interagency Task Force to Support Economic Development in SWVA
Thursday, December 8, 2022
2:00 - 4:00 PM
UVA Wise, David J. Prior Convocation Center

Summary:

In the first meeting at UVA Wise, 28 members of the community attended to discuss the barriers they see to economic development in SWVA. Kristen Dahlman gave an introduction and overview of the taskforce. Doug Jackson started the discussion and asked for everyone to introduce themselves and talk about what they see as a specific barrier related to the four factors identified by the task force. For “extra credit,” Doug asked for each organization to share what specific project they are working on to address these barriers. Andrew Malloy recorded responses. The meeting lasted 2 hours. We were able to get around the room once with a brief time at the end to share final thoughts (about 10 minutes).

Major Themes:

A common theme was the concern that projects are being planned that the public does not know about. Folks are concerned that outside entities/developers are making decisions without public input. The public learns about major developments at the last minute and residents must simply accept the result.

On housing, several attendees expressed concern about housing supply, affordability, and infrastructure for new housing developments. We heard some negative comments on mobile homes. Folks said they are frequently overcrowded, lack proper services, and are not good investments (wealth building tools).

On workforce, the students in attendance said they would be more willing to stay in SWVA if there were higher paying jobs. Others echoed this concern and added that many low-paying jobs (minimum wage) already exist. Students want to see examples of success and a positive career trajectory in the region. Older individuals in the room expressed their desire to listen to young people and hear their goals/desires for the future. We heard about efforts in workforce training at local correctional facilities, at UVA Wise, and other local groups.

A final theme was a desire to build cohesiveness between groups in the region. Non-profit organizations, local governments, and citizen groups are working toward the same goals but have different visions. These groups may not be communicating to the best of their ability. Sessions like this builds trust between groups.

Organizations Attending:

Town of Wise, Appalachian Community Action, Friends of SWVA, UVA Wise, GO Virginia, Wise County, Big Stone Gap, Committee for Constitution and Environmental Trail, Appalachian Voices, Clinch Coalition, New Economy Network, Stephens Community, Family Crisis Support Services, Office of Senator Tim Kaine, Russell BOS, LENOWISCO PDC.

Public Comment

1. Introduction

What a barrier to economic development looks like here. Give one example in any of the factor areas (workforce, housing, infrastructure, sites/business readiness). You can be as specific or as general as you want. We're looking for high-level here - sum it up in a sentence. Extra credit question...Current strategy if you're working one.

- We are experiencing a “taking” in the area from industries such as coal and lumber. We are working on educating residents on their rights. Other issues include road maintenance, housing for the elderly and retaining young workers in the area.
- There is too much corporate ownership of property.
- Big/regional ideas often come with only a few jobs for a few people. We need to focus on child care and transportation. Families have to commute far to get access to childcare.
- Everyday citizens hear about regional decisions late in the process. Communities are not included in the process.
- The region needs people to defend air and water. We have an opportunity to get the community engaged on environmental issues.
- Land use is an issue because much of it is owned by corporations. Land does not go on the market. Localities need flexibility to set tax rates.
- The region should use its natural resources to bring economic development.
- Sites needs to be identified for housing development. We need to identify the most suitable land to build more housing, this includes infrastructure for housing which should be developed by local workers. Barriers include water/sewer costs and household waste. EPA grants can be used for these environmental related projects. These issues need engagement from community from the earliest point in the project.
- Last mile infrastructure funding is a barrier for housing development. Current projects include a reused surface mine site being developed for a facility for sexually abused residents and Permanent Supportive Housing.
- The region needs housing for young people to draw them to the area rather than driving them away.
- A local organization, St. Paul Tomorrow is working to engage the community. They operate based on a three leg stool model, 1) community, 2) environment, 3) businesses. Internet is needed to finish projects. Housing (not mobile homes) supply needs to increase, this adds value to community/tax base. We needs homes for young family with children. Localities should work to attract businesses in new energy marketplace because the region has a culture of producing energy. One example is the Virtual Center for Economic Development, an old coal facility that will train workers for new economy. We should bring in partners to advance projects and teach other communities about lessons learned.
- Organizations and stakeholders should have meaningful, realistic and unselfish cooperation
- The taskforce's study should focus on positives (not negatives). An example of a positive is the over \$500K investments in infrastructure projects. We are seeing more activity in mixed use and middle income projects. Another example is the Vet school in Lee County which will be largest in U.S. Job in the area can be industrial and work-from-home. There are lots of studies happening including those focusing on building more industrial sites.

There are lots of good workforce projects at community colleges and at UVA Wise. There is too much focus on the region's decrease in population. This is a nationwide trend in rural areas and it is not as bad as media portrays. We are focusing on efforts to help folks recover from opioid addiction and bring them back into workforce.

- All four focus areas [workforce, housing, infrastructure, and sites] are related. Permanent Supportive Housing projects work in SWVA. These projects are expanding and help individuals experiencing housing instability. They help individuals with set incomes or with minimum wage jobs. There are more family support services. Homeless and eviction rates are increasing and there is over-capacity in mobile homes. There is untreated drug abuse and mental illness which requires more support services. Permanent Supportive Housing includes efforts to treat health issues.
- Public transportation and childcare is needed to support the workforce. Childcare in the area is not affordable and has poor hours. Current childcare support services leave gaps. Both parents are working and driving far to drop kids off at daycare. Childcare helps parents with their own personal wellness.
- The area needs transportation, health services, and higher paying jobs. There are already low level jobs. High paying jobs will help keep young people and recent graduates. There is a gap between median income and housing prices.
- Students like the area but are afraid to start their life in SWVA. Jobs and housing are concerns for recent graduates. Students need to see a model of success to motivate them to stay.
- There are several barriers to find and afford housing for young professionals in the area. Mixed use development (living and businesses) is an opportunity for communities.
- In order to attract better paying jobs, we need locations for companies to come into. The county is investing in site readiness including a new technology park and improving infrastructure. Site readiness is a process and can take up to 3 years. We are missing projects if business cannot have a ready site. VDEP can focus on the availability of power, marketing and branding to attract business to the area.
- We are working on a housing market study for Wise County. Demand, location, and affordability are being analyzed. Working on a free online entrepreneur course on how to start small businesses and working on connecting folks to small business grants.
- GO Virginia is investing in all four areas. The Growth and Development plan shows the investments made in workforce. Predicts we will see population trends reverse. Folks in Wise County correctional facility are getting welding training and gaining employment after time served. GOTEC is coming to middle schools and engaging kids with STEM education. These efforts help current business and will help market the region.
- There is a project in Clintwood focused on affordable housing. Focus is on low/moderate income. State funding is needed for that development.
- The Community Builders program at UVA Wise is working to place young professionals through the region. A major barrier for these young people to stay is the availability of housing.
- There is a lack of cohesiveness between groups (public, private, non-profit).
- Southwest Virginia has a low cost living. This is an opportunity for folks to move here for more affordable housing. Concerned with investors (not residents) buying up housing/land.

- Internet access is limited - no fiber (still on copper wire). Community is applying for grants for broadband funding.
- Concerned with the age of housing inventory (1976 average). We need to bring old housing up to modern standards (i.e. energy efficiency). The state should look at providing more financing options for new homebuyers. The financial opportunity center does housing counseling - helping folks in their unique situation - helping educate young people on renting/buying homes.
- It is hard to find sites for businesses to expand.
- Many organizations with different visions are working toward the same goals. Energy is being divided and it hard to bring people together. The perceptions of other groups can get in the way of working together. Communication helps bring down the barriers.
- Recommends the group read the book “Upstream” - it is about how to change culture “upstream” by getting children involved with home and community work. This helps fix negative associations.
- Young people should be brought together and talk about their wants/needs for their future.
- We should support locals, the folks that have always been here. Issues like opioid addiction are exacerbated by other issues like infrastructure and lack of jobs, etc.
- Networking can help break down trust issues.
- Land availability problems are due to outside corporate investment. The opioid crisis is deliberately caused by outside organizations.
- \$1.3 million has been distributed through PDCs to help with housing, homelessness, and opioid crisis. Reach out to director@family-crisis.org
- Wise county has made improvements to drug-court. This includes 10-20 rooms in the recovery house for folks to live to get back on their feet. Money is coming to help this effort. “If we don't recover inside we will not fix our communities.” Rooms like this builds trust. Socializing should be a priority.
- The Interagency Task Force should open next meeting to public comments and hear input on the 4 programs mentioned in the legislation.
- The culture of central Appalachian mountains is collaborative. We need a cooperative development of resources because of the concerns over outside developers coming in. The region needs resources for local communities to find funding/grants/assistance. Take a “holistic” approach.
- Communities need broadband access to help with the workforce. Recently took a work from home job because of difficulty finding childcare. Fiber will help with employment because of work from home options.

Listening Session
Interagency Task Force to Support Economic Development in SWVA
Thursday, December 8, 2022
6:00 - 8:00 PM
UVA Wise, David J. Prior Convocation Center

Summary:

In the second meeting at UVA Wise, 8 members of the community attended to discuss the barriers they see to economic development in SWVA. Kristen Dahlman gave an introduction and overview of the taskforce. Doug Jackson started the discussion and asked for everyone to introduce themselves and talk about what they see as a specific barrier related to the four factors identified by the task force. For “extra credit,” Doug asked for each group to share what specific project they are working on to address these barriers. Andrew Malloy recorded responses. The meeting lasted 1 hour 45 minutes. With the smaller group we were able to explore the outlined questions.

Major Themes:

“Making it easy for people to live in the region” in this conversation applied to young families, recent graduates, professionals recruited to UVA-Wise and other businesses. It’s not easy to afford quality housing because of limited supply. Housing is a major limiter, and combined with other challenges of a rural mountain life including cell phone coverage, access to fresh food, long travel times for work, healthcare, childcare, and other life necessities, “We don’t make it easy to live here.”

Bright spots include solar / electrical apprenticeship training programs at Mountain Empire, the Lonesome Pine Regional Industrial Facilities Authority, and the Abandoned Mine Land Program, downtown mixed use projects completed and underway.

Housing is needed in all categories, from incentives and support for homeowners to reinvest in existing stock to new multifamily project to attract those who want to take advantage of the region’s assets without caring for a yard. While homes in the \$175-250K range is needed, so are homes at \$100K. What would a ‘self-help’ housing program look like in the region?

On infrastructure, sewer investments should to be a new priority to protect waterways and repair aging systems. Additionally strides have been made in technology for rural septic, but regulatory structures may not be keeping up. Keeping up with expectations for a region and quality of life point to ongoing broadband investments and electric car charging stations. Power remains an issue both for small businesses in a rural setting and for larger site development.

Prioritizing and coming together on key strategies is essential. Outlook due to progress in towns, word about new housing developments, and collaborative effort like the regional industrial facilities authority make attendees optimistic. That’s also in the nature of a resilient region. Optimism includes a sense that the region would be welcoming to people from other countries making a home here.

Organizations Attending:

Coalfield Progress, Southern Appalachian Mountain Stewards, Clinch Coalition, Virginia Department of Energy, Town of Wise, UVA Wise, VCEDA.

Public Comment

1. Introduction

What a barrier to economic development looks like here. Give one example in any of the factor areas (workforce, housing, infrastructure, sites/business readiness). You can be as specific or as general as you want. We're looking for high-level here - sum it up in a sentence. Extra credit question...Current strategy if you're working one.

- There are limited sites for businesses to come into.
- Educational institutions (UVA Wise in particular) needs housing for students, faculty and staff. UVA Wise hired 80 employees in past year with plan to hire 30 soon. Had to pass on folks for limited housing.
- Transportation is an important part of infrastructure. Supports the “innovation highway” which will connect Route 58 and the Lonesome Pine Regional Business and Tech Park. This will be an important corridor because parents/students at UVA Wise rarely pass through town.
- When considering the downtown revitalization matching fund concept, the Task Force should look at the Community Builder program as an example – gives young professionals an opportunity to try new career in the region.
- We need to have more information sharing between agencies because things can fall through the cracks. In local government, folks wear many different hats and they may not have time or resources to pursue beneficial projects and funding. The renewed energy between the town and UVA Wise is a positive. That relationship is an economic asset.
- The four focus areas are interwoven. Housing and workforce and very connected. The history of coalfields show that when the workforce came, then housing came. We need to have the housing for the workforce that is coming with the big projects. In order to attract a trained workforce we need to have good housing with “all the bells and whistles.” Infrastructure is very important for housing development. The abandoned land mine program is a positive effort.
- Housing is expensive and in poor condition (cost and quality). There is low supply.
- The region needs good technical training for a better workforce. Many students go to school but cannot get good paying jobs. The electrician apprentice program prepares students for good paying full-time jobs.
- Agencies should communicate and share information. Please share information for the Task Force with young people. Conversations with the future workforce are important. Newsletters and traditional ways to communicate may need to change. We need to reach young people and get them involved.
- Site preparation is not just for businesses, they can be for housing, mixed use, etc.

2. Infrastructure

What recent current infrastructure investment has resulted in industry or business expansion or location?

- Project Interstation – This is the first project of the Regional Industrial Facilities Act (RIFA). The project is utilizing prior mine sites which are dangerous situations. It is a collaborative approach between localities and each county gets a portion of the tax revenues.
- The Abandoned Mine Land (AML) program which provides federal funding to reclaim abandoned mines.
- Broadband development is helping sell the region to businesses. “We have the same speed as NOVA without the traffic.”

What untapped infrastructure do you see as an opportunity for economic development in the region?

- We are working to identify where businesses are getting their products with the goal to manufacture those products locally. The region can attract other businesses to fill those needs.
- Electric car charging stations. More than 50% of people say they want their next car to be electric.
- Broadband - progress has been made but there are areas of Wise and Lee Counties who do not have access. Extremely rural, low income do not have access yet. Important for work/school.
- Water/sewer in Lee Co. - there is opportunity for investment here. The regulatory environment for sewer needs to be addressed or else rural areas will not grow. DHCD and USDA should start funding sewer (they have helped a lot in the past with rural public water). It is expensive but it is needed to protect waterways.
- Virginia Tech is publishing a study to build/maintain new septic systems. It is hard to get permits to build new septic systems.

3. **Housing**

What housing success has the area seen recently?

- Big Stone Gap center (where Cirklands is) - mixed use, shops, housing. Benefits students.

Are there current housing development projects in planned that are in need of resources?

- UVA Wise efforts to tear down townhouses and build mixed use (living and retail). This is a way to get the campus to feel closer to town. Funding needed to rebuild. Need to plan what exactly is needed to build.

Is there a particular type of housing that you believe should be addressed as a first priority?

- All of the above - single family, townhouse, multifamily, condo...etc. Housing for all incomes is needed (not just low-income). The region needs a variety to support companies coming to region. We need starter homes and homes to age in.
- This region does not make it easy for young people to stay. Housing a big part of this issue.
- Some big landlords overcharge and do not maintain properties. There is a general lack of housing supply.
- Lack of childcare, transportation, healthcare are barriers for young people staying.

- Interested in estimating the number of people working in Wise County but not living there. It is hard to gauge the real number due to living arrangements with family, etc.
- The area needs transitional shelters.
- Workforce housing - there are houses in the price ranges for higher-paid professionals, but we need more for affordable options. This includes more supply under \$100K. This will help keep students in the area who are getting their first job.
- Addressing cost of construction - builders should focus on condo, townhomes...etc. Buyers are not looking for huge homes. It is hard to find local workers to build housing. We should invest in trade schools.
- Owning a home is financially beneficial for young people.
- The permitting and inspection issues in Scott County make it more expensive to build.
- The housing supply is aging. The area needs money and expert help for housing rehabilitation.
- We should consider a loan or grant program to bring homes up to standards.
- Abandoned homes - communities need help to address these structures (resources, tax strategies, etc.). Efforts should incentivize owners of these properties to fix/clean sites.

4. **Business**

What are the critical challenges your business faces today?

- Power outages in winter. Internet, utilities, rely on steady power.
- Owns a seed company - No laws in VA regarding rare and endangered plants. Cannot legally sell inventory. Cross-border regulatory issues.

What is the geography of your customer base?

- Out of state due to legal challenges in Virginia.

What is the geography of your supply chain?

- Sourcing seeds locally, some materials from NC, WA, OR. Drives to terminal in Kingsport to pick up supplies. City water.
- Promotes a successful business model for growing native plants, every small town can adopt this model. Greenhouses for fruits and vegetables are expensive projects but vertical farming is an opportunity. European companies are looking for regions with reliable power in the US.

5. **Workforce**

What are the strongest tools or programs currently preparing the workforce?

- Electrician apprenticeship program - getting schools in other counties around coalfields to sign-on.

Lineman program - placing workers with power companies

UVA Wise programs produce students with high technical skills. Needs to introduce students to these programs. Efforts introduce middle school students to trades, opportunity to expand.

OSHA limits ability to bring hands-on experiences in trades to students.

Looking for a job?

- It was difficult finding jobs for graduates during pandemic. We should focus on the trades, rather than liberal arts education. The advice given to young people does not align with the jobs that are available.
- We need to align funding with the skills that need to be taught.
- Support all skills in education. One is not better than the other. The skills taught in universities and trades schools are all positive.
- Address the issues with certification/license requirements.

How do you feel about the future. Is the economy growing/thriving? Recovering/stabilizing? Or other?

- “Growing” because we are meeting in formats like this. We are looking at energy in a new way. We are addressing housing, reversing the population loss trend, and people will move here. There is an opportunity for a more diverse culture, encourage immigrants to bring their talents here.
- “Growing” with a little bit of “other.” The region is making progress in Big Stone and Norton. Global trends of income inequality and technological disruptions is a threat for the next ten years. Predicts rapid displacement of workers across industries from technology. Social cohesion can improve.
- “Other” - thriving not likely without real fundamental change. We need social change, consideration for the environment, and addressing historical harms.
- “Recovering” but our trend line is going up. We tend to shy away from the dynamic tension when groups begin to talk. We try to be outcome focused and need to try doing a better job listening to each other. There is an opportunity to have good project managers bring all stakeholders together. Managers are needed with the ability to build large regional projects.