



WYTHE Economic Development News

**JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
OF WYTHE COUNTY, WYTHEVILLE, AND RURAL RETREAT**

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Note from the Executive Director

Don't fight the Fed. This Wall Street adage reminds us that the trend implied by the Federal Reserve policy is a good predictor, with a six month or so lag, not only of the direction of the stock market but of the economy as well. Hence, it should not be a surprise that the economy has slowed substantially



WTI construction progressing.

after the Fed raised interest rates six times over the course of a little more than a year. The good news is that with a full percentage point cut in less than a month, a change in bias, and a high likelihood of a stimulative tax cut the return to a more positive growth rate for the economy is on the horizon.

The disappointing aspect from a local perspective is that Southwest Virginia is often among the last to feel the boom times and the first to feel the bust. Our challenge is to reverse this tendency.

Annual Industry Appreciation Dinner

The Joint IDA Annual Industry Appreciation Dinner and Awards will again be held in conjunction with the Wytheville-Wythe-Bland Chamber of Commerce Annual Member Meeting. The dinner will be April 24, 2001, at the Wytheville Community Center and will feature Dr. Gary Bradt on the topic of "Who Moved My Cheese." See Chamber newsletter for additional information or contact Joint IDA office.

Magnetic Technologies Buys Lightnin Building

At a February 1 press conference, Tom Hough, President of Magnetic Technologies Corporation, announced the purchase of the 77,000 sq. ft. Lightnin Building on Fairview Road in Wytheville. Magnetic Technologies will move its primary business of dry-type electrical power transformer

production and repair from a smaller facility in Wytheville into the purchased facility. A portion of the building will be leased to the Lightnin Service Division, which will continue to service Lightnin customers from the facility. MTC will also produce some machined components for Lightnin's Rochester plant. Lightnin had previously announced the consolidation of production operations to their headquarter facilities in Rochester, NY. The employee total at the new Magnetic Technologies facility is expected to soon be approximately 50.

Construction Projects Advance

As seen in the photos, progress is being made on the new Wytheville Technologies, Inc., building in Progress Park and the Horizon HealthCare building in Fairview Industrial Park. WTI hopes to move into their new building in May and begin production this summer. Horizon HealthCare employees are looking forward to moving into their new facility as soon as possible.



Horizon HealthCare building under way.

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www.WytheIDA.org

Progress Park Highlighted as a SuperSite

Southern Business and Development magazine, in its recent winter issue, highlighted Progress Park as a SuperSite (SB&D, p. 95). "In the purest definition of a super site, Progress Park is indeed it" begins the assessment of the new 1210 acre industrial park. The article, part of a multi-volume assessment of super sites, identifies the location, infrastructure attributes, and characteristics that qualify Progress Park as a true super site. For additional information, contact the Joint IDA office.



Bixby Zimmer Expands Facility

U.S. Filter's Wytheville facility of Bixby Zimmer, a manufacturer of filtering screens primarily for the mining industry but also for others such as waste treatment filtration, completed a facility expansion last fall. Additional production space of approximately 5,000 sq. ft. was added, which increased their Wytheville facility by 34%. Approximately 10 additional jobs have been added locally as some work was relocated here from facilities in Ohio.

Progress Park Designated as an Enterprise Zone

The Virginia Department of Housing and Community Development has recently approved Wythe County Progress Park as a new Enterprise Zone. The new industrial park and an area immediately surrounding the park will be eligible for state and local incentives for businesses to locate within the zone. The area was designated as a noncontiguous addition to the existing joint Wythe/Carroll Enterprise Zone in Ivanhoe. Businesses

locating within the Enterprise Zone will be eligible for state incentives that include a real estate improvement credit of 30% of qualifying improvements up to a maximum of \$125,000, a general income tax credit equal to 80% of state income tax liability in the first qualifying year and a 60% credit for the next nine years, and a jobs tax credit of \$500 per employee (\$1000 if the new employee lives within an Enterprise Zone) hired above an increase of 10% over the base year number of employees. Local Enterprise Zone incentives, including rebates on water and sewer connection fees, reduced water and sewer usage rates, building permit fees, and expedited permitting, are available for businesses creating more than 25 new jobs and investing more than \$2.5M. Any business wishing to learn more about the Enterprise Zone Program should contact the Executive Director of the Joint Industrial Development Authority of Wythe County, who is the local zone administrator.

Joint IDA to Add Associate Economic Developer

The Joint IDA of Wythe County is seeking a full-time associate economic developer. The position description is available at www.WytheIDA.org or by fax or mail upon request (540-223-3370). Interested candidates should submit a VA State application and resume to the Joint IDA, PO Box 569, Wytheville, VA 24382.

Unemployment for Region Among Highest in State

The Virginia unemployment rate at about 2.0% is among the lowest in the nation. While many areas are challenged with very low unemployment rates, the counties surrounding Wythe are currently experiencing some of the highest rates in the Commonwealth. Of the 135 reporting jurisdictions in November, 7 of the 15 highest unemployment rates are represented by the Wythe region jurisdictions with Grayson County having the highest unemployment rate in the state in December.

Location	Oct-99	Oct-00	Nov-99	Nov-00	Dec-99	Dec-00
Wythe	4.2%	6.2%	5.3%	5.7%	4.8%	5.7%
Bland	4.5%	3.8%	4.7%	4.9%	10.4%	3.4%
Smyth	7.2%	5.4%	6.4%	5.6%	5.9%	5.9%
Carroll	6.7%	6.7%	6.7%	7.2%	6.8%	6.7%
Grayson	5.6%	10.4%	7.4%	9.7%	5.4%	9.3%
Pulaski	4.8%	3.5%	7.2%	4.9%	6.3%	5.1%
Galax	4.2%	4.8%	3.9%	6.2%	5.3%	6.7%
Virginia	2.7%	2.3%	2.6%	2.0%	2.6%	1.9%
United States	3.8%	3.6%	3.8%	3.8%	3.7%	3.7%

Presentations Available

If your civic or other community group would like to have a presentation on Progress Park or on Wythe County economic development in general, please contact the Joint IDA office to schedule a presentation for your organization.

Wythe Economic Development News is published quarterly by the Joint Industrial Development Authority of Wythe County to inform interested parties of industrial development activities in the county and its incorporated towns. If you are not on the distribution list and would like to be added, please let us know at JointIDA@wytheville.org or call 540-223-3370.