Colleagues and Friends:

Economic development offers little in the way of predictability, so for those of us that enjoy ever-changing challenges, this is a great field. The recently ended 2019 was no exception. It was a year full of varied work on behalf of the people of Wythe County, Wytheville, and Rural Retreat.

Most economic indicators point toward a very robust local economy. Here are some highlights:

- We were fortunate enough to work on several projects in Wythe County that yielded additional investment and job creation. Two of those yielded Governor’s announcements. Clarke Precision Machine and Appalachian Biomass Products are both investing in our County. Additional details are inside.
- Our Enterprise Zone was renewed in late 2019. This is a critically important tool that brings enhanced state and local resources to bear on certain projects in targeted areas.
- Quarters 2-4 in 2019 yielded the busiest prospect activity we’ve seen in this office in several years. The competitive environment that exists in site selection means that we only win occasionally, but the interest shown in Wythe County, Wytheville, and Rural Retreat is highly encouraging.
- The entrepreneurial spirit continues to thrive in our area. Small business assistance is a critical way we can work to support a balanced local economy.

So many economic development success stories are never heard. Investments in training and equipment don’t make the front page. This report, too, is not comprehensive. I can say with certainty, however, that our team works hard to support an economy in Wythe County that works for everyone.

Our underlying goal is to support a quality of life that benefits all citizens. Good paying, stable jobs and a healthy and diverse tax base are major contributors. It’s our privilege to work for our citizens to ensure that the Wythe County we leave behind is stronger and more prosperous than the one we found.

Special thanks are due to the members Board of Directors who support our work and advocate for a vibrant local economy. I also want to especially thank John Matthews and Ginny Crockett for being great teammates in this work we do.

Please contact me if we can be of any assistance or if you have any questions at all. My direct e-mail is david.manley@wytheida.org or call 276-223-3370.

All the best,

David Manley
Executive Director
WHAT YOU’LL FIND HERE

Below you’ll find a compendium of highlights from 2019. This is not meant to be an all-inclusive document.

Please contact our office at 276-223-3370 or office@wytheida.org if you have any questions or comments.

JIDA BOARD MEMBERSHIP

<table>
<thead>
<tr>
<th>Member Name</th>
<th>Appointing Government</th>
<th>Appointment Expiration</th>
</tr>
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<tbody>
<tr>
<td>David Kause</td>
<td>Town of Wytheville</td>
<td>2023</td>
</tr>
<tr>
<td>Chairman</td>
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<td>Wes Mabe</td>
<td>Wythe County</td>
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<td>Vice Chairman</td>
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<td>David Carpenter</td>
<td>Wythe County</td>
<td>2023</td>
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<td>Treasurer</td>
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<td>Dicky Morgan</td>
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<td>Michael Cole</td>
<td>Town of Rural Retreat</td>
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<td>Charlie White</td>
<td>Town of Wytheville</td>
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<tr>
<td>Matthew Clarke</td>
<td>Wythe County</td>
<td>2020*</td>
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*eligible to be reappointed
BUDGET

The Joint IDA is careful financial stewardship is a priority for the Joint IDA. A three-month cash reserve is maintained, and forecasting is undertaken carefully.

The 2019 audit undertaken by Robinson, Farmer, Cox Certified Public Accountants was a clean, unqualified audit. Corbin Stone, Managing Director, characterized the audit “as good as it gets” for an organization like the JIDA.

The 2020-2021 FY proposed budget is expected to change very little from the past year except for typical increases matching expenses. More resources have been requested for additional marketing and business development activities, as well as other outreach and recruitment efforts.

To the right is a graphic detailing the JIDA funding formula as set out by our creation ordinance.

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Wythe County</td>
<td>$236,900.00</td>
<td>$241,870</td>
<td>$4,970</td>
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<tr>
<td>Town of Wytheville</td>
<td>$97,547.00</td>
<td>$99,549</td>
<td>$2,002</td>
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<td>Town of Rural Retreat</td>
<td>$13,935.00</td>
<td>$14,221</td>
<td>$286</td>
<td>2.01%</td>
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<td>TOTALS</td>
<td>$348,382.00</td>
<td>$360,640.00</td>
<td>$13,556</td>
<td>4.2%</td>
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</table>

Careful financial stewardship is a priority for the Joint IDA. A three-month cash reserve is maintained, and forecasting is undertaken carefully.

REVOLVING LOAN FUND

Fifteen loans have been made to small businesspeople in Wythe County that are supporting 25+ jobs. The 12 active loans in 2019 account for $459,693 that has been lent out to a variety of local businesses and entrepreneurs. This activity represents a significant increase in community support since the redesign of RLF program. We expect the trend to continue as inquiries are ongoing and increasing.

Business sectors represented in our borrower pool include: retail sales, safety services, agribusiness, foodservice, and tourism.

- 12 Active Loans
- 25+ Jobs Supported
- $459,693 working in our community
ANNUAL IDA INDUSTRY AWARDS

An important part of the Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat’s annual industry appreciation activities is our recognition of companies that have had a presence in Wythe County for a multiple of five years. Our tenure awards give us an opportunity to recognize and acknowledge the important contributions made by these businesses to our community.

25 YEARS
Dalton Enterprises, Inc.
Electro Finishing
J.J. Haines and Company
R.H. Sheppard Company

30 YEARS
Sand Mountain Sand

35 YEARS
Hutchinson Sealing Systems
S & W Fertilizer

45 YEARS
Quadrant Engineering Plastic Products

SPECIAL RECOGNITION AWARD
Southern Pharmacy Services
In December 2019, Executive Director David Manley was elected Secretary of the Virginia Economic Developers Association.

“It was an honor to be selected by my peers from across the Commonwealth to help lead Virginia’s leading economic development group. I will use this opportunity to make sure the needs of Wythe County and Southwest Virginia are well-known and to maximize the visibility of our numerous resources.”

VEDA has over 500 members and represents public- and private-sector economic development professionals throughout Virginia.

DIGITAL MARKETING ACTIVITIES

As more and more of site selection is digitally-based, we decided to more aggressively market our product in places where more eyes would see the information. For example, we ran a year-long campaign using Waze, the Google-owned navigation app. In that time and for a very modest price, we were able to make over 2 million impressions on travelers and approximately 30,000 clicked the ad to learn more. Because this is a digital campaign, we were able to track behavior, as well. Interestingly of that large quantity, we know that just over 200,000 users saw our ad an average of three times. Of course, targeting isn’t a strong suit of Waze advertising, but based on the sheer volume of traffic for the cost, it was hard to beat. As part of our advertising partnership in Virginia Business and in Site Selection magazine, our ads were visible on those respective websites, as well. This is but one example of how the Joint IDA markets our strong local assets in effective, relevant ways.
INDUSTRIAL PROSPECT ACTIVITY

Progress Park’s Lot 24 is still considered one of the best industrial sites in this part of the country and its reputation is well-known. Pursuant to our strategic plan, marketing to industry and manufacturing is the primary function of the Joint IDA and we make commensurate effort to do so.

Multiple Wythe County companies are undertaking expansions either currently or imminently. Industrial prospect activity picked up in the first quarter of 2019 and indicators point to continued elevated activity through the first quarter of 2020. Multiple lots in Progress Park and locations in Rural Retreat, Fort Chiswell, and Fairview have been considered for projects in the past year. Sectors of interest include automotive, food and beverage, data centers, advanced manufacturing, among others. Prospect investment potential peaked with one prospect considering investment of $1 billion with over 2,000 jobs. Most projects, however, are in the $5-50 million dollar range with 25-150 employees. Continued recruitment of target sectors is ongoing.

Lot 24 in Progress Park (Wytheville, VA) is a fantastic site that’s pretty dang close to the Holy Grail”

-Didi Caldwell – Founding Principal of Global Location Strategies (Site Selector Guild Chair)

PRINT MARKETING

Below is one of our marketing pieces that was printed in Virginia Business Magazine and Site Selection Magazine, which is an internationally circulated publication.

PROGRESS PARK

Just a few reasons why Wythe County, Virginia is home to many growing businesses:

- Certified, graded pads up to 166 acres
- Robust & ready infrastructure
- Rail-served sites
- Global manufacturing leaders
- I-81 / I-77 Crossroads
- Vibrant industry clusters

Wytheville, Virginia
(276) 223-3370
office@wytheida.org
progresspark.com
wytheida.org
**BUSINESS SERVICES UNIT**

Wythe County’s Business Services Unit (BSU), chaired by Associate Director John Matthews, continued to develop meaningful opportunities to meet the needs of area businesses. This organization consists of regional partners including People Inc., Southwest Virginia Alliance for Manufacturing, Virginia Career Works, VA Department of Aging and Rehabilitation Services, Virginia Economic Development Partnership Virginia Employment Commission, Virginia’s Industrial Advancement Alliance., Wytheville Community College, Wytheville-Wythe-Bland Chamber of Commerce, as well as other organizations who support regional workforce and business development.

BSU partners organized career fairs that focused on manufacturing, worked to resolve individual business, and offered a workshop series that addressed hiring special populations through the state bonding program, Work Opportunity Tax Credits (WOTC), and a presentation on Generations in Workplace.

The BSU also visits area manufacturing facilities to better understand their operation needs and to learn what the different positions look like in action to prepare job seekers and guide training programs.

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**NEW REGISTERED BUSINESSES**

<table>
<thead>
<tr>
<th>Year</th>
<th>1st Qtr.</th>
<th>2nd Qtr.</th>
<th>3rd Qtr.</th>
<th>4th Qtr.</th>
<th>Total</th>
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<tr>
<td>2019</td>
<td>12</td>
<td>15</td>
<td>--</td>
<td>--</td>
<td>27</td>
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<tr>
<td>2018</td>
<td>9</td>
<td>8</td>
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<tr>
<td>2014</td>
<td>10</td>
<td>7</td>
<td>7</td>
<td>6</td>
<td>30</td>
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Touring Somic America’s facility in Progress Park

Annual Industry Appreciation golf tournament

Marketing solutions workshop for business
WORKFORCE SIZE

<table>
<thead>
<tr>
<th>Year</th>
<th>Labor Force</th>
<th>Employed</th>
<th>Unemployed</th>
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<tr>
<td>November 2019</td>
<td>13,826</td>
<td>13,385</td>
<td>441</td>
</tr>
<tr>
<td>November 2018</td>
<td>13,711</td>
<td>13,239</td>
<td>472</td>
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<tr>
<td>November 2017</td>
<td>13,480</td>
<td>12,855</td>
<td>625</td>
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<tr>
<td>November 2016</td>
<td>13,713</td>
<td>12,918</td>
<td>795</td>
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<tr>
<td>November 2015</td>
<td>13,285</td>
<td>12,627</td>
<td>658</td>
</tr>
<tr>
<td>November 2014</td>
<td>13,421</td>
<td>12,609</td>
<td>812</td>
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LOOKING FORWARD

High performance economic development organizations are never idle and always strive for improvement. To that end, we develop a plan of work and endeavor to complete as much of it as we can annually. These efforts are in addition to any project-related work or the core activities we undertake on a daily basis. In 2020 and beyond, several areas have been identified for improvement including:

- Made Wythe Pride campaign in conjunction with Wythe County leadership and local industry
- Creating new aerial photography and footage, allowing for on-demand development of prospect materials
- Finalizing the website overhaul we began last year
- Developing enhanced marketing and printed materials
- Strategic planning for the next five years of economic development work
- Expansion of advertising activities
- Strengthening public-private partnerships
- Preparing for next-phase work in Progress Park and on other potential sites, including readiness assessments

Your Joint IDA staff is excited to undertake new activities to assure continued prosperity for all Wythe Countians, current and future generations alike.
AT THE CENTER OF PROGRESS