

THE LPRIFA FUSE PLAYBOOK

*HOW TO BUILD A REGIONAL STRATEGY
FOR DEFINING THE NEW
AMERICAN HYBRID WORKPLACE*

Lonesome Pine Regional Industrial Facilities Authority

VIRGINIA'S LPRIFA LOCALITIES EMERGE AS A CENTER FOR HYBRID WORKPLACE SUCCESS



Project Fuse is designed to define and execute a 2022 telework employment strategy for the Lonesome Pine Regional Industrial Facilities Authority (LPRIFA), which is comprised of the City of Norton and the Counties of Dickenson, Lee, Scott, and Wise. The Project Fuse Playbook is a tool that these localities, located in Virginia's Southwest, can use to help their communities work together in making the region ready for employers on the cusp of change.



TABLE OF CONTENTS

PREFACE

THE WORKPLACE OF THE 2020S AND THE ROLE OF VIRGINIA'S SOUTHWEST	4
--	---

INTRODUCING THE LPRIFA FUSE MODEL	13
-----------------------------------	----

- Purpose: Build industrial and community relevance in hybrid workplace strategies using the Southwest Region's distinct advantages
- Recognize the market shifts that signify opportunity for an LPRIFA teleworking strategy
- Meet the five conditions of readiness
- Take the seven actions for positioning LPRIFA localities as a resource for employers in competitive hiring situations

SUCCESS STORIES OF BUSINESS ATTRACTION IN LPRIFA LOCALITIES	33
--	----

- eHealth Technologies
- Big Stone Gap downtown coworking space
- EarthLink

RECOMMENDED READING	41
---------------------	----

ABOUT PROJECT FUSE	43
--------------------	----

A REGION DEFINED BY INNOVATION AND COLLABORATION

In September 2019, InvestSWVA, a public-private business research, attraction and marketing campaign for Virginia's Southwest, was initiated. Launched under the umbrella of the Virginia Tobacco Region Revitalization Commission and backed by private industry, the campaign was born out of a mandate from the senior legislators of the region: produce wins by welcoming new business-centric ideas and leveraging industry relationships. To the legislators, this meant taking economic development into their own hands by demanding an aggressive lead generation operation from a private firm and emphasizing performance metrics.

Our team declared on Day One that if our region desires different outcomes, then we must design new economic development strategies. So, we began the campaign with a leadership decision and named Delegate Terry Kilgore, Delegate Israel O'Quinn, Senator Todd Pillion and the late Senator Ben Chafin as our co-chairs. These leaders have since delivered on their word to take a hands-on approach with dozens of business executives, serving as key validators and deal closers. As a result, we have announced several hundred new jobs paired with significant private investment thanks to their leadership.

At the launch of InvestSWVA, we announced a partnership with the Northern Virginia Technology Council to help us tackle the “future of work”. Our focus: high-tech and higher-wage jobs to attract and retain young talent to the region. Coupled with the contributions of investing partners Dominion Energy, Appalachian Power and Scott County Telephone Cooperative, the result is an operating model for business attraction new to the region and designed to disrupt the status quo. The model emphasizes working collaboratively with like-minded economic development partners, particularly the Virginia Economic Development Partnership and others, because they know that, in today’s economy, managed disruption works.

For the past two years, local governments in the Lonesome Pine Regional Industrial Facilities Authority (LPRIFA), including the City of Norton and the Counties of Dickenson, Lee, Scott and Wise, have stepped up to embrace this mandate. They’ve joined the LENOWISCO Planning District Commission in pursuing unconventional ideas, in a coordinated fashion, to attract new industries to a region on the cusp of transformation. As a result, these ideas, backed by strategic relationships and a track record of success, bring momentum to a

Here are a few examples of the resulting projects.

- *Project Oasis defines the competitive advantage for Virginia's Southwest in the **data center** industry with the innovative use of geothermal mine water cooling and solar power designed to produce significant energy and cost savings. LPRIFA localities came together with expediency to jointly enact the lowest regional data center equipment tax rate in the Commonwealth. This unified approach strengthens the region's business case and opens up the opportunity for revenue sharing.*
- *Project Thoroughbred is creating a new **specialty grain** market in Virginia's Southwest, generating higher revenues for farmers and helping craft breweries and distilleries reduce transportation costs, food miles and the carbon footprint of grain and malt typically sourced from all over the world. Coordination among LPRIFA governmental, educational and private sector stakeholders reflects the drive to create new pathways to full-time, sustainable farming operations, especially benefiting the region's young people and those seeking a career change.*
- *Project Innovation is developing a first-of-its-kind network of **energy lab** sites on previously mined properties around the region. The project focuses on renewable, clean and zero-carbon projects, with a mission to make Virginia's Southwest the innovation capital of the East Coast. Legacy assets in the LPRIFA footprint will be repurposed to prove and ultimately commercialize next-generation technology. This includes energy storage and the extraction and processing of critical minerals, out of coal byproducts, for use in manufacturing.*
- *Project Veer is expanding the traditional manufacturing presence within Virginia's Southwest to the **wind energy** sector. The project is exploring entry points for the region's manufacturers into the onshore and offshore wind energy supply chains. In this case, manufacturing expertise in the LPRIFA localities – much of which was honed as suppliers to the coal sector – presents a competitive advantage over non-U.S. suppliers and companies with less energy industry experience. And with nearly 4,000 components needed to operate turbines and wind farms, the region has an undeniable rationale for pursuing an opportunity that is obviously in its wheelhouse.*

Much like these projects, in developing Project Fuse, we began with research. We held detailed, one-on-one conversations with C-level executives from more than two dozen companies both inside and outside the region. We specifically targeted key industries that align with GO Virginia Region One's Growth and Diversification Plan, including: IT, customer service, telehealth, technology, energy, agriculture and advanced manufacturing.

Project Fuse thus begins with research that helped to catalog the region's assets: quality of life, robust educational resources, a dedicated workforce, high speed internet, affordable real estate and availability of grant dollars to pair with private investment. A new strategy we are introducing: a focus on relationships and working with industries and companies on their terms. The LPRIFA Fuse Playbook amplifies the region's set of advantages and illuminates its assets, by outlining the action set to make Virginia's Southwest a destination of choice for companies defining the new American hybrid workplace.

Will Payne

Managing Partner, Coalfield Strategies, LLC

Campaign Lead, InvestSWVA



THE WORKPLACE OF THE 2020S AND THE ROLE OF VIRGINIA'S SOUTHWEST

In 2021, Boston Consulting Group stated that the new global business environment *“presents leaders with two challenges: how to manage remote working conditions amid the uncertainty of today, and how to prepare for and optimize the hybrid working models of tomorrow, in which fully in-person and remote work will be two ends of a fluid spectrum of options. The former is a necessity; the latter, an opportunity. Hybrid work models, done right, will allow organizations to better recruit talent, achieve innovation, and create value for all stakeholders. By acting boldly now, they can define a future of work that is more flexible, digital, and purposeful.”*

This spells opportunity for the LPRIFA localities.

The distinction between telework and remote employment is no longer as important as the overall shift to what many call a hybrid or elastic workplace, in which employers and workers can strike a new definition of productivity and performance that is not location dependent. The deals struck to get the jobs to Virginia's rural regions have been made using tax incentives with an expiration date, which gives large companies little reason to imbed in Virginia – as jobs like these are easy to move for more lucrative incentives or even offshore. Teleworking deals could shift the economic development conversation in rural Virginia and especially in LPRIFA localities.

Teleworking is becoming more skill dependent, as companies shift customer service online. While many retailers will continue to rely upon physical locations in more densely populated areas, these companies know that they have customers everywhere, who will have problems that cannot be taken into physical locations. They must duplicate the in-person customer service experience digitally.

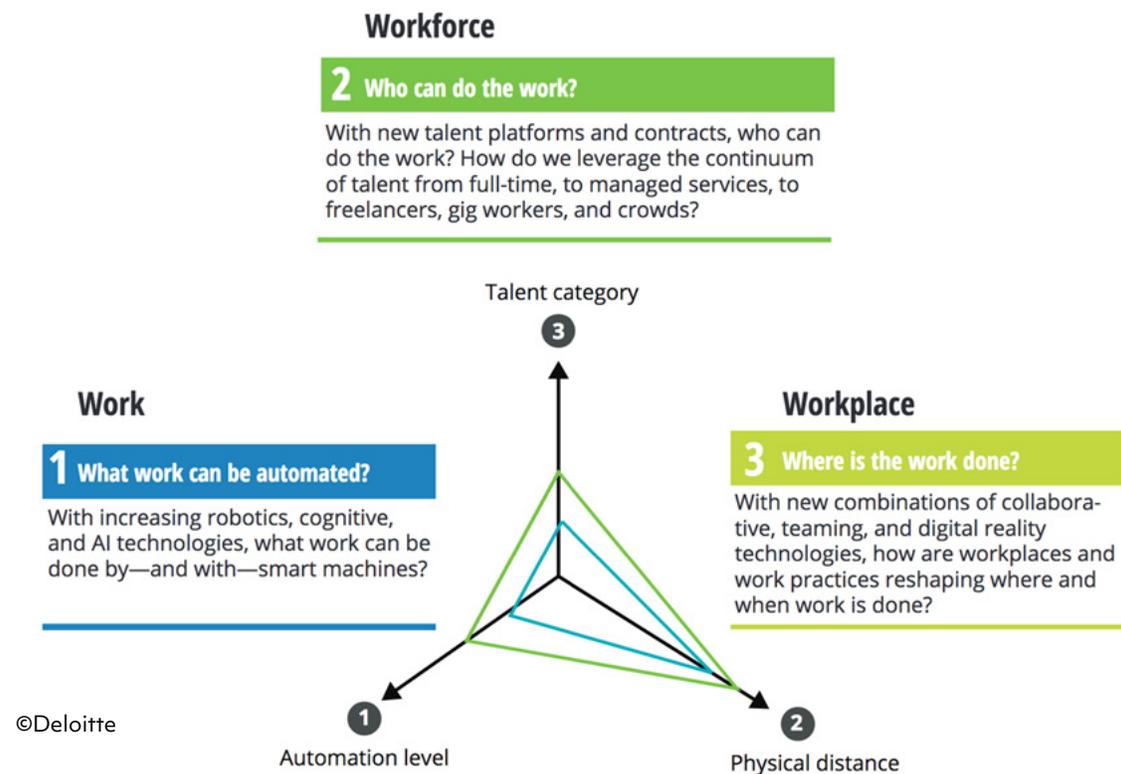
Beyond this in-the-making shift around telework is the major a-ha moment employers in every realm have shared: some work is better done by employees undistracted by water cooler gatherings and physical meetings – employees who can learn how to manage their time and escalate their own productivity. In some cases, these workers have done the educating upward, especially among knowledge workers. They are showing managers how to design their own tailored approaches to hybrid models. The hybrid models enable a maximization of productivity that parallels what companies learned in the first round of industrialization decades ago, with assembly lines. Machine technologies made those strides possible. Information technology is doing the same, across the wider landscape of business models, including manufacturing. Employers now have actual experience with work performed remotely. Employees have experience with managing their time and setting priorities with supervisors via technology, not only daily office interaction or direct supervision.

While companies are inventing new workplace and management templates, rural areas like Virginia’s Southwest Region can develop a new type of workforce at ease in a more diverse economic model – and form a new live-work environment that suits a new type of worker and an equally new breed of employer.

At the same time the region addresses shifts in energy, agriculture and manufacturing – and is inviting technology companies to start or expand in the region – its leaders seek private sector partners who have a desire to shape a new economy that includes knowledge work and workers. The Commonwealth of Virginia – recently recognized as “America’s Top State for Business” by CNBC – is making it possible for the Southwest Region to design strategies and incentives that invite partners to join in the landmark opportunity of designing the next workplace for every type of worker and company.

The future of work encompasses changes in work, the workforce, and the workplace

△ Current work options △ Future work options



Deloitte: The jobs of the future are expected to be more machine-powered and data-driven than in the past, but they will also likely require human skills in areas such as problem-solving, communication, listening, interpretation, and design. As machines take over repeatable tasks and the work people do becomes less routine, roles could be redefined in ways that marry technology with human skills and advanced expertise in interpretation and service. Techniques such as design thinking can help organizations define roles that incorporate the new types of capabilities, skills, activities, and practices needed to get the work done.



The Future of Work

5 priorities to consider

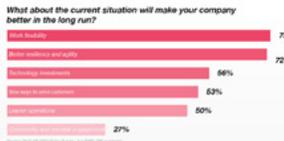
Forces such as digitalization are driving the next decade of workplace transformation.

The good news? Business leaders can start re-focusing their strategy and culture now to emerge stronger.

PwC has identified five priorities that help provide a path forward for a company's "Future of Work" plan.

1. Business strategy

Staying adaptable and resilient in the face of change is a key part of the future of work.

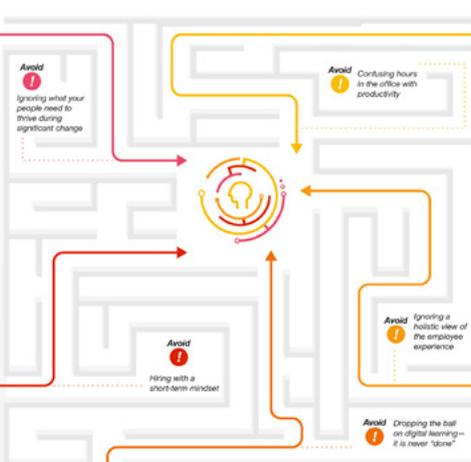
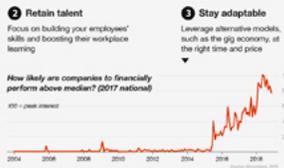


The flexibility it offers also helps boost productivity and work-life balance, further spurring this shift.



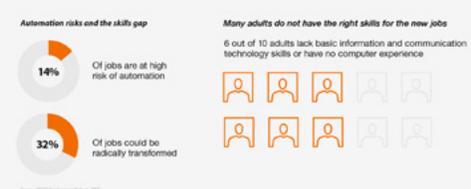
2. Talent planning

Hiring to accomplish workforce goals alone is not enough. Companies should think about three steps:



3. Learning & innovation

In the future, digital and human skills will be in high demand.



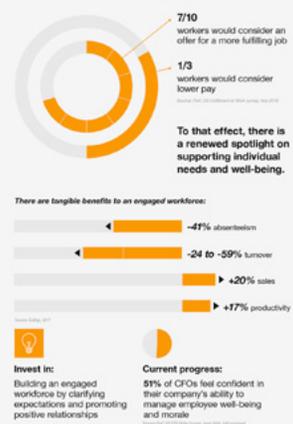
5. Work environment

Globally, flexible working is an essential part of the new normal.



4. Employee experience

Employees see their work as more than a "9 to 5"—they seek meaningful work, relationships, and experiences.



©PwC

PwC: The economic downturn and growing recognition that there will be no "back to normal" underscore the tremendous challenges companies will face to emerge stronger.

LONESOME PINE



AIRPORT

CUMBERLANDS AIRPORT COMMISSION

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP: TELEWORK INCENTIVES IN VIRGINIA

Many companies across the U.S. are shifting a significant portion of their workforce to permanent telework. That wave of increased telework also will affect how companies make decisions when evaluating locations for future projects. The Commonwealth of Virginia has adopted new statutory language that enables VEDP to take telework positions, held by Virginia residents, into account when offering performance-based economic development incentives for new, competitive site-selection projects. VEDP incentives that may apply:

- *Commonwealth's Development Opportunity Fund*
- *Major Eligible Employer Grant Program*
- *Virginia Economic Development Incentive Grants*
- *Virginia Investment Performance Grant*
- *Virginia Jobs Investment Program*
- *Virginia Talent Accelerator Program*
- *New Company Incentive Program*
- *Data Center Retail Sales & Use Tax Exemption*

Other regional and local incentives may be available in the Commonwealth.



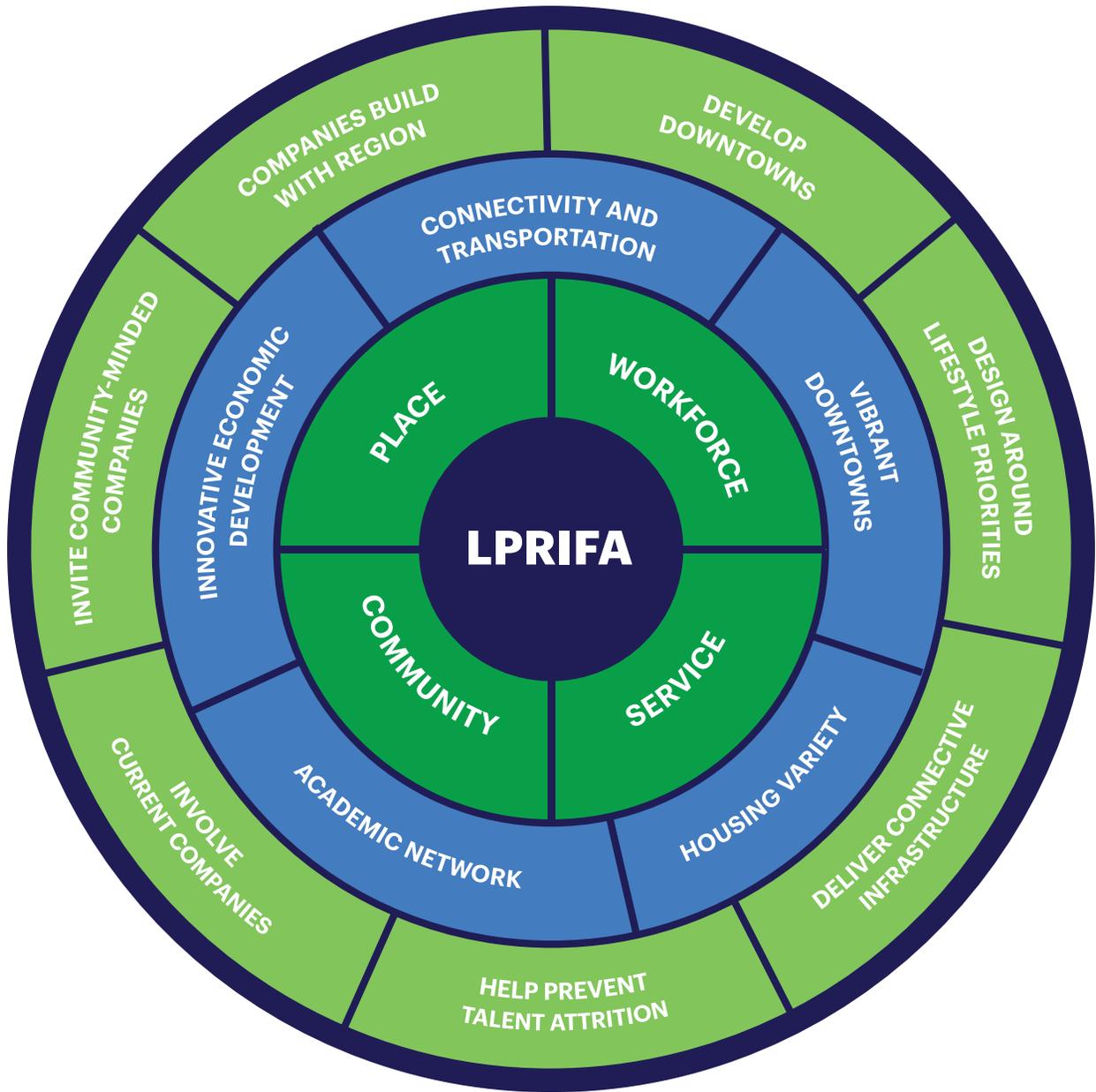


*TOBACCO REGION REVITALIZATION COMMISSION:
TALENT ATTRACTION PROGRAM -
STUDENT LOAN REPAYMENT*

The purpose of the Talent Attraction Program is to encourage recent graduates to live in the Tobacco Region and work in targeted, hard-to-fill occupations in the Tobacco Region by providing up to \$12,000 annually in student loan repayment with a two-year commitment. Loan repayment awards may be renewed for another two years if eligible (maximum award of \$48,000).

This program replaces and better targets the prior four-year loan forgiveness program by requiring that recipients have specific, desired credentials, contribute meaningfully to their communities, and work in occupations for which there is currently a workforce shortage. Moreover, by providing large individual awards, this program seeks to truly incentivize people to change their career plan and locate in the Tobacco Region.





INTRODUCING THE LPRIFA FUSE MODEL



Richard Florida and Adam Ozimek in The Wall Street Journal: Smaller cities, suburbs and rural areas must also up their games in other ways. Apartment buildings and condominiums can add workspaces and conference rooms for remote workers to book as needed. Underoccupied suburban malls, abandoned space in office parks and lagging rural town centers can be retrofitted as remote-work hubs. And to avoid the kind of catastrophe that Texas recently experienced, they need to ensure that they have functional infrastructure and power grids to serve new demand.

Purpose: Build industrial and community relevance in hybrid workplace strategies using the distinct advantages of the LPRIFA localities

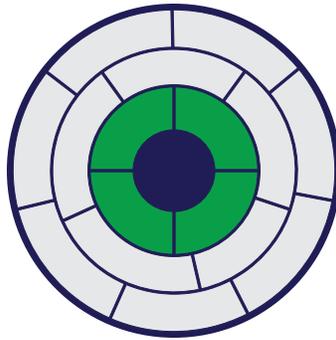
Companies may now include telework jobs held by Virginia residents, in complying with incentive performance agreements, so business leaders can explore locations new to them – like Virginia's Southwest – in packaging employment agreements that help them prevail in a highly competitive talent market. The strengths of the LPRIFA localities and their alignment with the priorities of employers and workers are important: affordability, arts and heritage-based entertainment, variety in outdoor recreation, close access to small cities, small primary and secondary class sizes, higher education institutions, minimal traffic, continuing professional education, growing housing options, aggressive broadband installation and a robust industrial and agricultural mindset.

Recognize the central market shifts that signify opportunity for an LPRIFA teleworking strategy.

In 2021 alone, national press reports indicate that at least 20 locations across the United States are aggressively publicizing revolutionary incentive packages inviting workers to move, with their jobs, out of major metropolitan areas. The packages are designed to attract high-salaried workers who can work remotely, and cash amounts are scaled to salary levels. It's expected that more programs will emerge in 2022, especially as states design incentives targeted not just to the workers but to their employers, with the chief goal of rewarding companies for supporting their talent in moving out of metropolitan areas. This category is separate from standing economic development practices in offering tax incentives for company relocations.

Beyond the purely monetary aspects, the incentive packages usually include some sort of coworking space access. This affords workers the ability to create hybrid working styles of their own – some days in a home office and others in a shared space, for example. On the company side, employers with multiple employees in a location might lease a smart conference room within a coworking space – or they might simply include a desk rental for an employee to use when desired.

Companies are grappling not only with the unavoidable reality that many people can work remotely, but they are also fighting a war for talent. This has heightened their sense of urgency for exploring new working models that incorporate accountability and productivity processes. Companies also require public sector partners who can help craft solutions that include remote work as well as non-metropolitan locations for all types of business models (from knowledge work to manufacturing, energy and agriculture).



Project Fuse *Build industry and community relevance in hybrid workplace strategies using the distinct advantages of Virginia's Southwest Region*

Market shifts

Opportunities

Be the place where hybrid models thrive

Host the workforce ready for remote performance

Reinvent teleworking that heightens customer service

Be the communities of the immediate future

Opportunity: Demand for a better employment experience, through work-life balance, will be met by employers who use elastic models to achieve a competitive hiring advantage.

Knowledge workers have learned the value of organizing their working hours into segments around production, collaboration and decision-making. As workplaces become more elastic – affording employees the option of working in locations remote to central offices, on location, or in a hybrid format – employers will support valued employees by offering coworking subscriptions and community volunteering time as part of compensation packages. Manufacturers will begin to adjust production schedules around employees’ priorities as well, creating demand for sites that support nimble workers and afford a networked approach to production.

Opportunity: The need for workplace environments that integrate a variety of locations and formats has opened up corporate real estate planning.

As elastic workplaces enable companies to respond to global market opportunity, they will seek new areas that enable them to expand affordably and in step with the expectations of the emerging talent base. Many companies also have begun or are planning an overhaul of their facilities management and real estate plans – looking into what they need as a result of fewer workers in traditional offices and production schedule changes on factory floors. As a frontier new to companies that operate largely in major metropolitan areas, Virginia’s Southwest is in a position to help companies, from the ground up, train new talent and experiment with hybrid or full-on remote working settings at a much lower cost than saturated urban areas.

Opportunity: Teleworking-based customer service models that are more sophisticated and provide career paths that were not even on the radar screen two years ago.

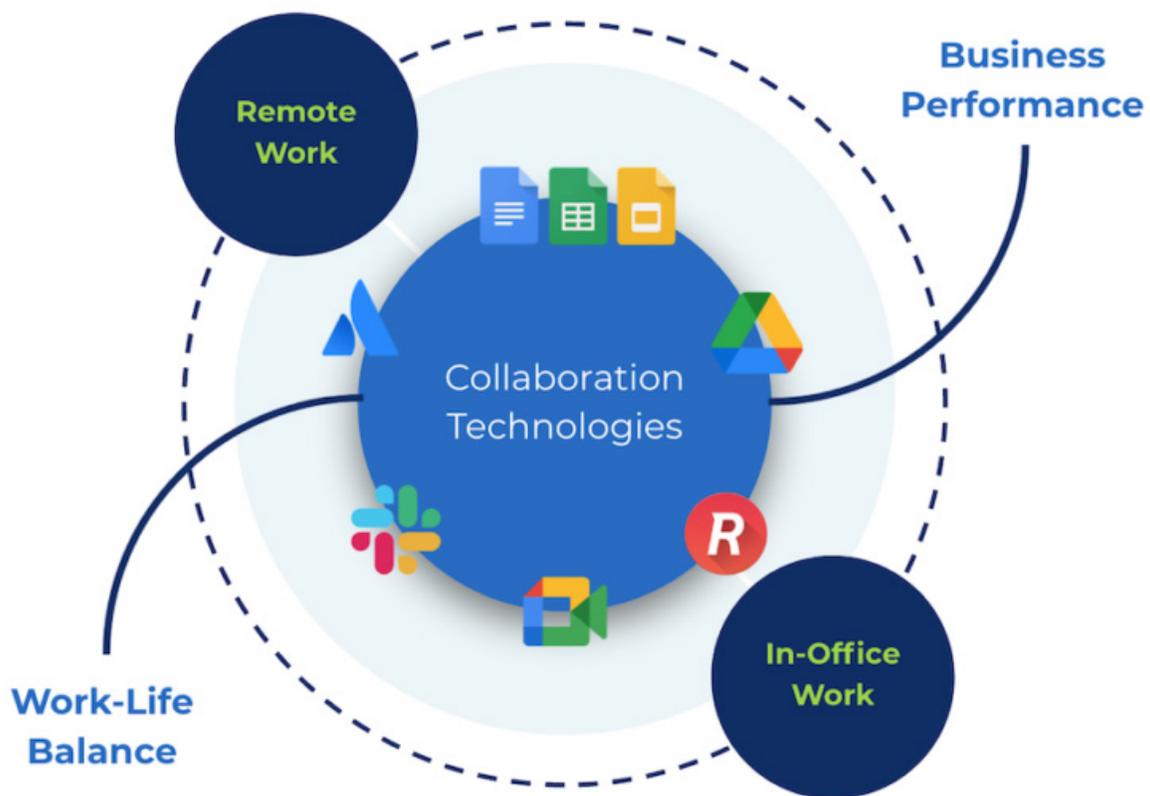
According to [Accenture](#), the nature of customer service will require more responsiveness, so contact centers will expand from the traditional format to include teleworking and systems powered by artificial intelligence. Call centers will mature, adding value to the customer service role and requiring employees to develop and hone their skills in relationships and decision making – which translates to higher forms of compensation.

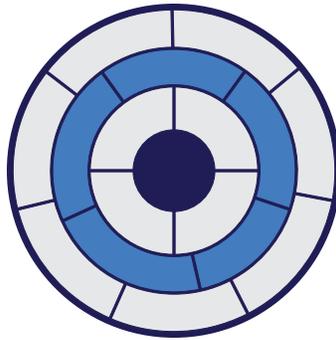
Opportunity: There are more jobs than applicants. Plus, many workers now actively plan their professional growth trajectories in the context of personal priorities – and they are willing to change companies frequently to reach their goals.

Companies are forced to reconsider position qualifications as well as look in new places for talent. They are designing new employment packages that include training and professional development programs, relocation packages and remote work options. Quality of life and family priorities, not just financial compensation, drive worker decisions. As a result, employers are more inclined to be partners with communities that need more jobs, by helping with primary, secondary and higher education strategies that prepare the contemporary workforce and make better communities.



Moviri: Elastic Workplace will help us work better and get more satisfaction out of work. Ultimately, our future will be defined not just by the products and services that we bring to our customers, but also by doing the work the right way, as an agile, transformative, conscientious employer and as employees equipped with the tools to help the organization move faster and succeed.





Project Fuse *Build industry and community relevance in hybrid workplace strategies using the distinct advantages of Virginia's Southwest Region*

Market shifts	Be the place where hybrid models thrive	Host the workforce ready for remote performance	Reinvent teleworking that heightens customer service	Be the communities of the immediate future
Opportunities				

Five conditions of readiness	Ubiquitous connectivity and transportation	Vibrant downtowns	Housing variety	Academic network	Innovative and responsive economic development
-------------------------------------	--	-------------------	-----------------	------------------	--

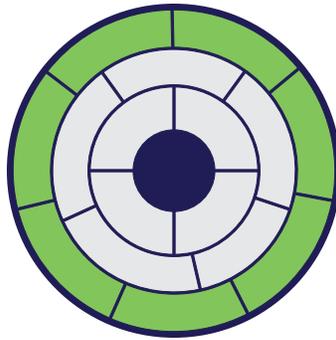
There are five conditions that will make the LPRIFA localities ready for private partners and attractive to them.

1. *Ubiquitous internet connectivity and a reliable transportation network*
2. *Downtown buildings with cutting-edge office space options that can offer connectivity and meeting space*
3. *Diverse housing options that are affordable and walkable to retail and entertainment venues*
4. *A tight network with academic partners to help companies with talent planning through upskilling and reskilling programs and employee experience strategies*
5. *The innovative mindset necessary to tailor Virginia's telework incentives to the broader aspects of the elastic workplace*



EarthLink[®]

403b



Project Fuse *Build industry and community relevance in hybrid workplace strategies using the distinct advantages of Virginia's Southwest Region*

Market shifts
Opportunities Be the place where hybrid models thrive | Host the workforce ready for remote performance | Reinvent teleworking that heightens customer service | Be the communities of the immediate future

Five conditions of readiness Ubiquitous connectivity and transportation | Vibrant downtowns | Housing variety | Academic network | Innovative and responsive economic development

Seven positioning actions Companies build with the region | Develop the downtowns | Design around lifestyle priorities | Deliver connective infrastructure | Help prevent talent attrition | Involve current companies | Invite community-minded companies

Project Fuse has outlined the seven actions required for positioning the LPRIFA localities to the benefit of companies, workers and communities alike.



RAILROAD
CROSSING

THE DUSTY HORNET
ANTIQUES JEWELRY GALLERY & ART

MAIN ST

ONE WAY

food

Action 1: Invite companies to build *with* the region, not just *in* it.

The center of influence in economic development has shifted from conference- and association-based marketing around site competitiveness and tax incentives alone. Economic development strategies now address how to connect with corporations over purpose, strategy and cost effectiveness. This is about relationships forged in centers of activity and influence. Besides finding tax-positive situations and the ability to plug-and-play within months instead of years, companies must now consider building new workforce sectors in places new to them – and they can do it because of changing worker expectations and the reach afforded by contemporary technology. What matters today in constructing development deals is the ability to build long-term relationships that naturally begin with competitive incentives but that are sustained through shared benefits such as skilled workers and strong communities.

Action 2: Move downtown.

Use existing downtown properties – publicly and privately held – for two purposes. First, create coworking and meeting spaces that companies or the newly self-employed can use as hubs. Second, ensure the design of such spaces enables communities to use them as anchor projects for revitalizing their downtowns. At the same time, consider how to leverage Enterprise and Opportunity Zones and use historic tax credits to further attract new company entrants to the region. The LPRIFA region is home to several downtown business districts – including Appalachia, Big Stone Gap, Clintwood, Coeburn, Gate City, Jonesville, Norton, Pennington Gap, St. Paul, Weber City and Wise – that all are home to properties ready for this type of use. In coining the phrase *The Great Resignation*, Professor Anthony Klotz of Texas A&M University explained that pandemic-fueled epiphanies are provoking entirely new sets of actions by workers – actions for which most employers are unprepared. LPRIFA localities can provide an antidote, by creating a sustainable live-work experience in Virginia’s Southwest. This type of experience speaks to the newly self-employed as well.





Andrew Dehan for [Rocket Mortgage](#): “The term ‘zoom town’ is a play on the old term boomtown, which referred to towns and cities that experienced large growth due to oil discovery. The ‘zoom’ in zoom town refers to the virtual conferencing software, Zoom, which many remote workers use. So instead of oil, zoom towns are communities growing due to increased remote work opportunities. This shift toward remote work has resulted in changes in housing market trends. With fewer people having where they live dictated by their jobs, they’re freer to live in areas of their choosing, as long as there’s broadband internet access.”

Action 3: Plan community design around worker and employer lifestyle priorities.

[LinkedIn](#) reported that three cities within a three-hour-or-less drive from the LPRIFA region – Roanoke, Virginia; Johnson City, Tennessee; and Asheville, North Carolina – are among the most likely USA cities where job seekers apply for remote work. This puts LPRIFA localities at the center of a sweet spot for employers. As companies tailor employment packages for sought-after employees, two aspects of remote work are taking hold: hiring new employees already in locations remote to the companies, and full-on relocation of employees to smaller cities and towns. Communities must be able to present affordable housing and entertainment options. Virginia’s Southwest can leverage its physical beauty and community heritage as it becomes a new ground for a variety of housing options that address house size; walkability to entertainment, shopping and coworking; and transportation. Workers can present the region to their employers as a desirable remote workplace – and employers can construct packages that offer what a large segment of early- and mid-career employees want.

Action 4: Deliver universal connectivity ahead of schedule.

Broadband expansion in the LPRIFA localities is already strong and scheduled to reach universal status by 2024. Meeting this milestone ahead of time would give employers a reason to consider putting hubs of every size into the region – and attract companies to participate in coworking spaces as a long-term strategy or as a way to park in communities and test the water. Setting an aggressive schedule for seamless connectivity sends the right message to business leaders seeking to offer employees more workplace options. For example, in December 2021, the LENOWISCO Planning District received \$28.5 million from the Virginia Telecommunication Initiative (VATI) to build fiber broadband for more than 10,000 unserved locations, which will achieve universal coverage for the LPRIFA localities.

Action 5: Help companies erect barriers to talent attrition.

One element of *The Great Resignation* is the pursuit of training experiences that equip workers for new or better positions. This is a shared pursuit, valued by employers and employees alike. A robust academic presence in the LPRIFA localities affords the promise of ongoing continuing education – a resource for employers, a perk for employees. Essential both to employee satisfaction and companies' own competitiveness, professional development is an established feature of life in Virginia's Southwest. Partnership with private companies who relish the opportunity to help workers shape careers will help to keep talent in the region, engaged in the possibilities available to them through a diverse industrial base. LPRIFA localities and their education partners have the template that incorporates group corporate training programs, for companies located here, and promotes individual programming for employees who happen to live in the region. The anchor academic partner for LPRIFA companies is Mountain Empire Community College, which offers both its own curriculum as well as the ability to help employers create customized offerings.



Virginia Governor Glenn Youngkin in Virginia Business: “the workplace has changed. For so many industries, their employees can live remotely. This is a great opportunity for us to leverage and market the great quality of life that exists in Virginia....One of my big initiatives is personally to be engaged with those areas in Virginia that could benefit the most from a focused economic development effort. That is a promise that I have made... to make sure that many of these more rural areas in Virginia are going to get attention from me as governor.”



MOUNTAIN EMPIRE COMMUNITY COLLEGE: A TRAINING RESOURCE FOR VIRGINIA EMPLOYERS

Mountain Empire Community College's Workforce Solutions provides state-of-the-art workforce training and services to individuals, businesses, industries, and government agencies. Workforce Solutions collaborates closely with regional employers to maintain a workforce that can compete in a global economy. The program delivers customized job training offered at MECC or the client's site and open enrollment courses for professional and personal development.

- *Organizational productivity (team building, management and leadership, coaching, or lean manufacturing)*
- *Individual productivity (time management, managing stress, communication, or customer service)*
- *Computer skills (cybersecurity, networking, technical certifications, or customized applications)*
- *Job specific skills (manufacturing and trade skills, logistics and transportation, health and wellness, CPR, OSHA)*





Action 6: Invite regional business leaders to help set a regional positioning campaign that includes relationship building.

For corporate powerhouses seeking ready access to researching and communing with entrepreneurs and rural customers, access to already-established companies with dynamic business leaders is a boon. It helps new entrants to the region shorten their learning curves and build networks of support after deals are signed – and it helps the region to deliver its promises.

Action 7: Invite ambitious private sector players, of all sizes and shapes, to help strengthen the regional economy without changing its character.

In a region that has excelled, due to work ethic and vision, for more than a century in energy production, manufacturing and agriculture, it is tempting to stay with the known quantities. There is no question that the legacy strengths of Virginia's Southwest are vital and part of its commercial future. However, they will become stronger if the ecosystem expands its own horizons by forming partnerships with new types of companies that seek both to offer intriguing employment options and to contribute to their communities.



Richard Florida and Adam Ozimek in The Wall Street Journal: "Over time, the competition for talent could shift to places that offer the best combination of quality of life, affordability and state-of-the-art ecosystems to support remote work."



SUCCESS STORIES OF BUSINESS ATTRACTION IN LPRIFA LOCALITIES



*Virginia Senator Mark Warner on what is coming for Virginia's infrastructure:
"More than \$100 million to help expand access to affordable broadband to as many as 473,000 Virginians. Additionally, 1.9 million Virginians will be eligible to receive assistance to lower the cost of their Internet bills. \$7 billion for Virginia highway projects like I-81 and I-95, along with \$537 million to repair many of Virginia's 577 bridges in poor condition to improve safety and efficiency for travelers across the Commonwealth. More passenger rail across the state, including Amtrak and Virginia Railway Express."*

For the leaders of economic development initiatives in the LPRIFA localities, the mission must be to present the region as a strong partner for implementing hybrid workplace strategies. Foundational aspects of the mission include a ready workforce and a flexible public infrastructure that integrates technological reach, housing and community.

The global business community seeks options for attracting the employees they want and managing their costs within the post-pandemic scenario of elastic work models. Virginia's Southwest can be an answer, a resource and the place to be, as three stories from the LPRIFA localities already show.



eHealth Technologies: focusing on relationships first, lead generation second

The 2020 establishment of a hub location for Rochester, NY-based eHealth Technologies in Scott County's Crooked Road Tech Center, located in the town of Duffield, demonstrates the willingness of investment firms and their portfolio companies to experiment with new formats. The result of a conversation between Aldrich Capital Partners and InvestSWVA, the selection by eHealth Technologies of Virginia's Southwest – instead of its original plan to look at metropolitan areas – reflects the shift happening in business attraction practices.

Economic developers recognize that traditional lead generation tactics are giving way to relationships built over time, which reflects a newfound parity between companies and communities. As a result of workers asserting their freedom to choose where they live and work and communities equipping themselves for lifestyle choices, business and community leaders can develop agreements in the context of relationships, not tax incentives that evaporate over time. eHealth's decision to replace a metropolitan real estate model with a new rural one, in Virginia's Southwest, is proof positive that the region is not just in step with workplace trends but ready to put deals together that help private companies grow in place, thus delivering return on the taxpayers' investment in economic development.

As the nation's leading medical record retrieval service, eHealth's choice of Duffield shows how to use incentive agreements to expand and test new working models.

- 1. eHealth is creating telework opportunities as it revisits how common workspaces can be used for essential gatherings and how communication models can keep home-based and coworking-based teleworkers close via technology.*
- 2. Company management reports lower turnover and higher levels of satisfaction among employees based in LPRIFA localities.*
- 3. Finally, the construction of the incentive agreement included the key component of a relationship developed between eHealth and Mountain Empire Community College (MECC) in Wise County's Big Stone Gap. As the partner responsible for the upskilling and continuing education, MECC has demonstrated how community colleges can work early-on with companies to help them tailor training processes directly to companies' operating models.*







George Anders, senior editor at large of [LinkedIn](#): “In Bend [Oregon] — and many other remote-work favorites — coworking facilities have sprung up or expanded, catering to people who like the bucolic life but still need a quiet desk or an occasional conference room to get things done. While shared-office coworking sites can be formed (and dismantled) relatively quickly, their steady rise suggests that a more durable ecosystem for remote workers is taking shape, across the U.S.”

Big Stone Gap Coworking: delivering the downtown experience in a small-town setting

The rejuvenation of a legendary coalfield community that is also a legacy force in Virginia arts is at the heart of downtown revitalization in Big Stone Gap. In 2019, civic leaders began development of a coworking space in a town-owned multi-purpose building that includes rental apartments and a restaurant. Funded in part by the Tobacco Region Revitalization Commission, the town and its partners worked with Deloitte Consulting’s Smart Rural Communities Practice to explore the best ways to integrate the efforts of public and private partners around meeting the challenge of diversifying the town’s economy. Two years later, the effort is on time for a changed world and the complete pivot in how companies organize and manage employees.

The coworking space offers open desks, private offices and a shared meeting room. There is room for it to add more workstations. It is scaled to meet the needs of a small town while it’s powered, technologically, in exactly the same way metropolitan counterparts are.





EarthLink: making a home for business expansion, revenue sharing and collaboration

EarthLink, a top internet service provider in the United States that is headquartered in Atlanta, decided to re-shore a customer support center. CEO Glenn Goad is a native son of Wise County and worked with LPRIFA developers, Virginia developers, and the region's legislators to locate the center in Wise County. The decision means 285 jobs in the city of Norton and Wise County and a \$5.4 million investment from the company. With a 30,000-square-foot facility, EarthLink will be a marquee tenant of a new 200-acre development on reclaimed mine land, itself a revenue-sharing endeavor among LPRIFA localities.

Key factors in the choice were low turnover rates and high levels of commitment, including work ethic among the employees from LPRIFA localities; EarthLink's own drive to bring jobs to a rural location in the United States; and the company's recognition of the changing employment landscape. The LPRIFA localities prevailed over other sites around the United States, as EarthLink executives noted the strength of the collaborative public-private, intra-governmental effort and the desirability of the location and the workforce.





RECOMMENDED READING

SmartIncentives.org: "Virginia has changed the statutory language defining which jobs incentive recipients may count under its major economic development incentive programs. Companies may now include telework positions held by Virginia residents to comply with their incentive performance agreements."

Visual Capitalist and PwC: "This infographic from PwC identifies five priorities that can help provide a path forward for a company's Future of Work plan — strengthened by responses from an ongoing survey of U.S. CFOs on their workforce strategy." (Iman Gosh)

George Anders of LinkedIn: "remote work opportunities as of August (2021) were capturing 30.2% of all applications to paid U.S. job postings on LinkedIn. There's been plenty of anecdotal evidence of remote work's rise, but the LinkedIn data makes it possible to see just how substantial this rise has been. August's remote-application activity turns out to be more than triple the rate of 9.8% in August 2020. It's up nearly 10-fold from remote work's mere 2.8% share in January 2020, before COVID-19 hit."

Missing Middle Housing: "The Missing Middle Housing types provide diverse housing options, such as duplexes, fourplexes, cottage courts, and multiplexes. These house-scale buildings fit seamlessly into existing residential neighborhoods and support walkability, locally-serving retail, and public transportation options. They provide solutions along a spectrum of affordability to address the mismatch between the available U.S. housing stock and shifting demographics combined with the growing demand for walkability."

Tulsa Remote is a unique recruitment initiative aimed at attracting talented individuals to Tulsa. The program brings remote workers and digital nomads to the community by providing \$10,000 grants and numerous community-building opportunities. Each grant is distributed over the course of a year to eligible remote workers or entrepreneurs living outside of Oklahoma. Funding is currently provided by the George Kaiser Family Foundation. The City of Tulsa and other community organizations lend their support to ensure program participants are fully immersed and engaged in the community."



ABOUT PROJECT FUSE

In early 2021, the Lonesome Pine Regional Industrial Facilities Authority (LPRIFA) initiated Project Fuse to examine and define a telework employment strategy for its localities in Virginia's Southwest, including the City of Norton and the Counties of Dickenson, Lee, Scott and Wise. Economic development firm Coalfield Strategies, LLC was selected to design this playbook based on complementary work of its flagship initiative InvestSWVA, a public-private business research, attraction and marketing campaign launched under the umbrella of the Virginia Tobacco Region Revitalization Commission and backed by private industry. Project Fuse is funded by GO Virginia, the bipartisan, business-led initiative designed to change the way Virginia's regions address economic development and workforce development, and the U.S. Economic Development Administration.

THE TEAM

Duane Miller, LENOWISCO Planning District Commission
Craig Seaver, Lonesome Pine Regional Industrial Facilities Authority
Jimmy Adkins, LENOWISCO Planning District Commission
Will Payne, Coalfield Strategies, LLC
Mary Yolanda Trigiani

THE PARTNERS

City of Norton, VA
Dickenson County, VA
Lee County, VA
Scott County, VA
Wise County, VA
GO Virginia Region One Council
U.S. Economic Development Administration
Mountain Empire Community College
InvestSWVA

LPRIFA scenes by photographers Tim Cox, Brad Deel and Earl Neikirk



2022