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— VISIT —
LYH
LYNCHBURG, VA
lynchburgvirginia.org

OFFICE OF
ECONOMIC
DEVELOPMENT
& TOURISM

CITY OF LYNCHBURG

2020
ANNUAL REPORT

A YEAR
OF RESILIENCE



We believe that when you build a City where people want to live, you have built a City where talent is drawn to work.

If you build a City where people want to work, you will have built a City where business needs to be.

And if you build a City where business needs to be, you will build a City where people have to visit.

COVER IMAGE:
"Make Waves," Christina Davis.
Painted June 2020 at
1208 Thurman Avenue

DEAR FRIENDS AND COLLEAGUES,

2020 has been a year of growth, unprecedented challenge and incredible resilience. Through it all, we have stood with you in commitment to the health and wellbeing of our City.

Companies continue to invest and have found new ways to innovate, our creative sector is spreading joy remotely, and our peoples' compassion for one another never ceases to inspire.

This year, we reached out to ask, "What does the future look like for the City of Lynchburg? How will we continue to serve our businesses, large and small? How will we position our city to welcome back visitors, conferences and sporting events?"

More than 75 business leaders across sectors stepped up as part of a task force to reset our economic development strategy. You offered solutions to challenges and reiterated your priorities for our community.

As we move into the future, the Office of Economic Development and Tourism is committed to supporting existing businesses first, to drive investment and

retain and create quality jobs. We will promote the City as a destination for business, students and visitors. We will continue to support the recovery of small business and invest in arts and cultural initiatives that build community and bridge differences. We will communicate with you and tell authentic stories that celebrate the fabric of our community.

We cannot do this work without our City's leadership, our partners and our stakeholders. We as a community care deeply about one another and the people that work each day to make Lynchburg the special place that it is. Together, we are serving on the front lines to make Lynchburg the best small city in America.

Thank you.



Marjette Upshur

Marjette Upshur, Director
Office of Economic
Development & Tourism



THE HIP TULIP

Reset for Resilience and Recovery

In March 2020, the world changed. Like other cities across the country, Lynchburg businesses, and the organizations that serve them, have had to make hard and fast decisions on how to function in this new normal.

At the beginning of this crisis, we quickly reached out to the business community to determine major pain points, immediate needs and concerns. We have engaged a Task Force comprised of leaders from across the community - CEOs, plant managers, organization executive directors, community advocates - all committed to the long, hard work of building a resilient Lynchburg.

WE BELIEVE IN:

- **Opportunity.** We commit to economic opportunity for all residents and enterprises.
- **Innovation.** We invest in the ideas and enterprises that create tomorrow's solutions.
- **Collaboration.** We build value-added collaborations among partners, businesses, and organizations.
- **Resiliency.** We prepare for long-term economic health and sustainability.
- **Inclusion.** We promote a sense of belonging and connection for all residents.
- **Public well-being.** We invest in community health and quality of life.

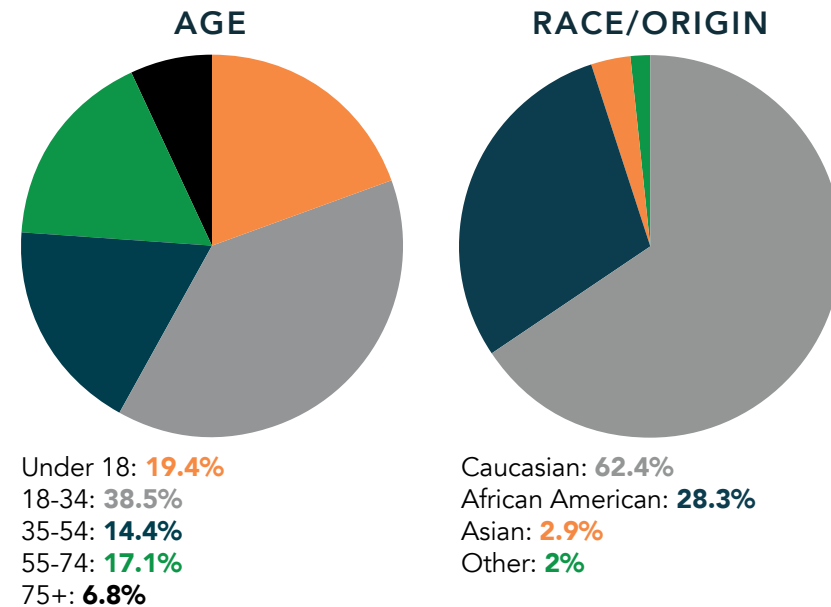
"How can we find opportunities in today's environment?"

Simon Lott,
CEO of American Hofmann

American Hofmann balances impellers, parts used in many types of ventilators and respirators. Early in February, Hofmann implemented stringent safety measures to ensure operations as an essential supplier to the medical market. With orders to balance parts for more than 60,000 respirators, the company extended their in-house balancing capabilities, added two dedicated balancing cells and hired staff to operate in a two shift environment so that they could start production on time.

About the City

POPULATION CHARACTERISTICS

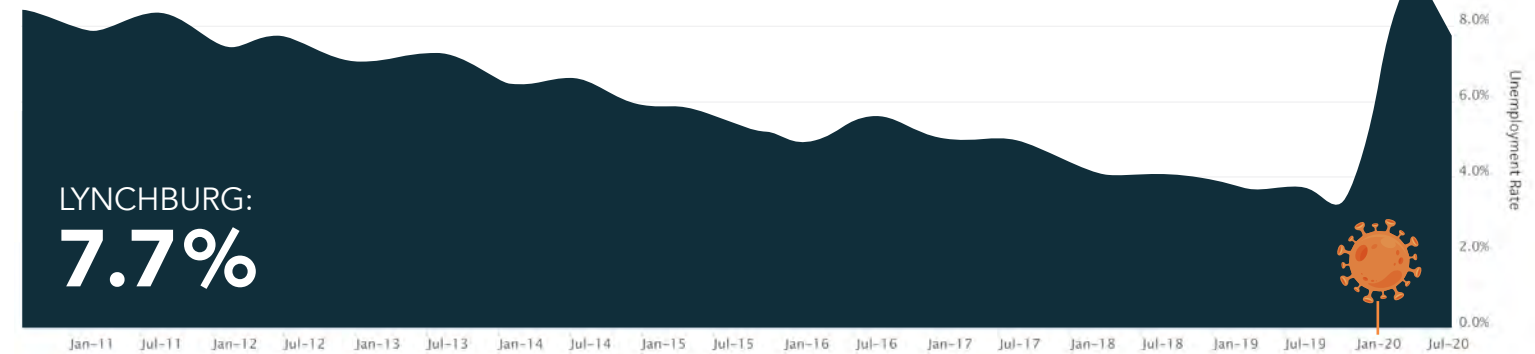


Median age is
28.2
years old
Source: JobsEQ

2019 population is
80,783
a 7% increase since 2010.
The City of Lynchburg is projected to grow an additional 17.1% by 2040.

Source: Weldon Cooper Center for Public Service

SEASONALLY ADJUSTED UNEMPLOYMENT RATE FOR THE CITY OF LYNCHBURG



Source: JobsEQ. Data as of Sept. 2020.

Of individuals **25** to **64** in the City of Lynchburg, VA, **45.7%** have an associates degree, bachelor's degree or higher which compares with **42%** in the nation.

Source: JobsEQ

71.6% of the workforce in the City of Lynchburg commutes into the City each day. The average commute is 24 minutes.

Source: Virginia Employment Commission, Forbes

The cost of living is **12.4%** lower than the national average.

Source: JobsEQ

Economic Health

Average annual wages per worker increased

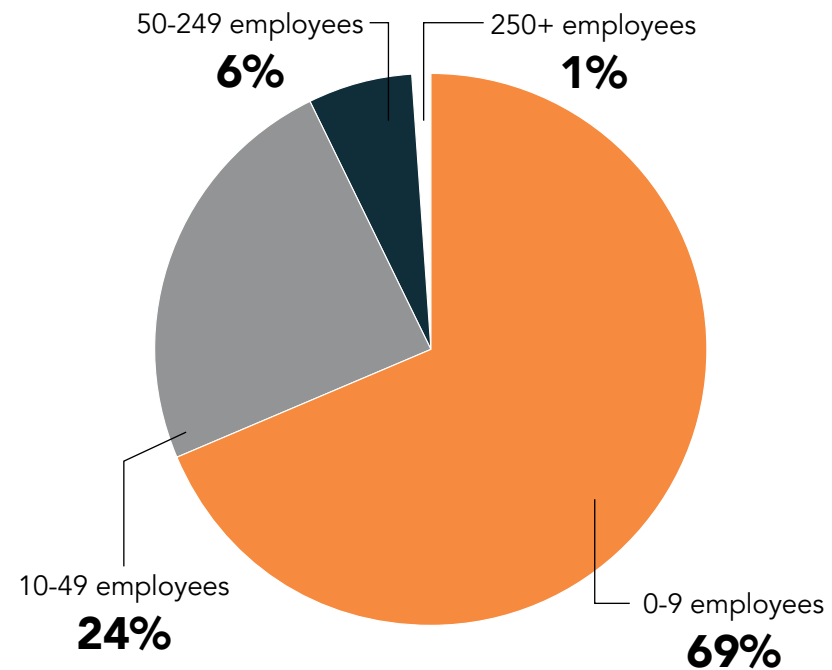
1.2%

in the City of Lynchburg in 2019, from 2.3% growth in 2018.

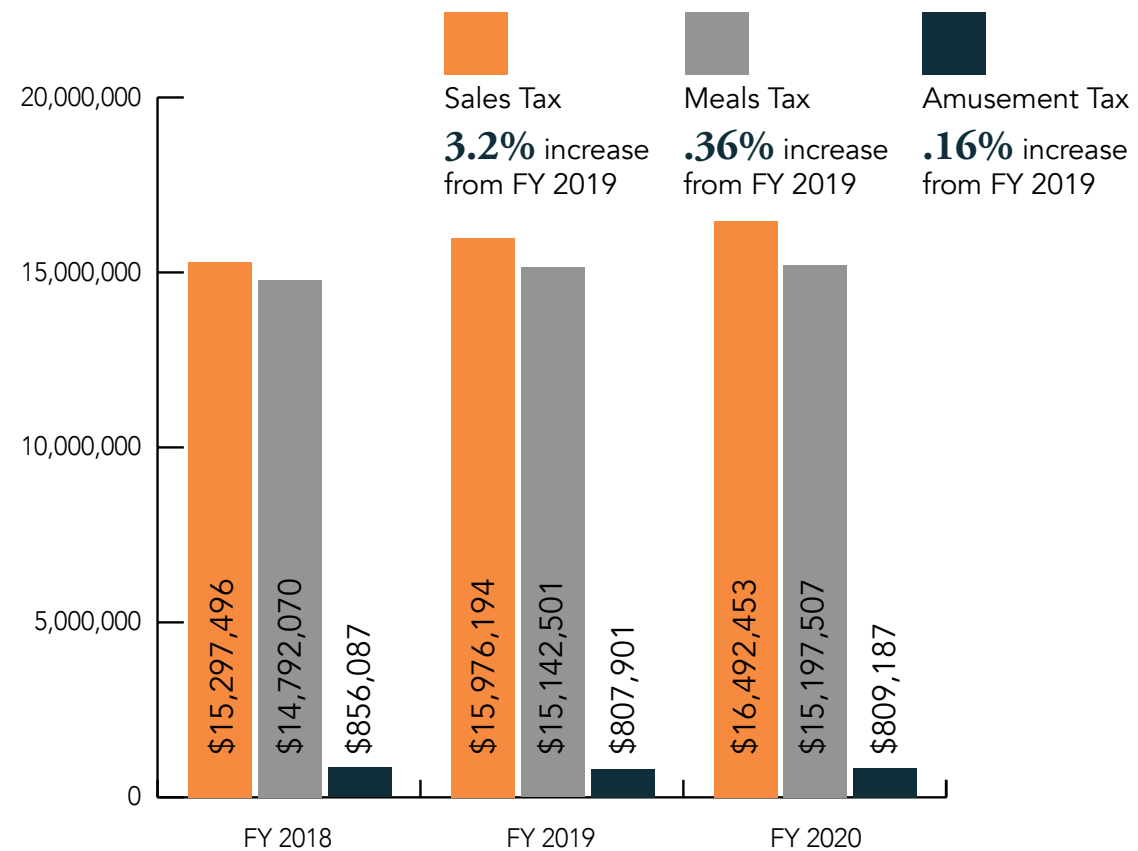
Source: JobsEQ

BUSINESSES BY SIZE

Source: Virginia Employment Commission



SALES/MEALS/AMUSEMENT TAXES



\$139.7

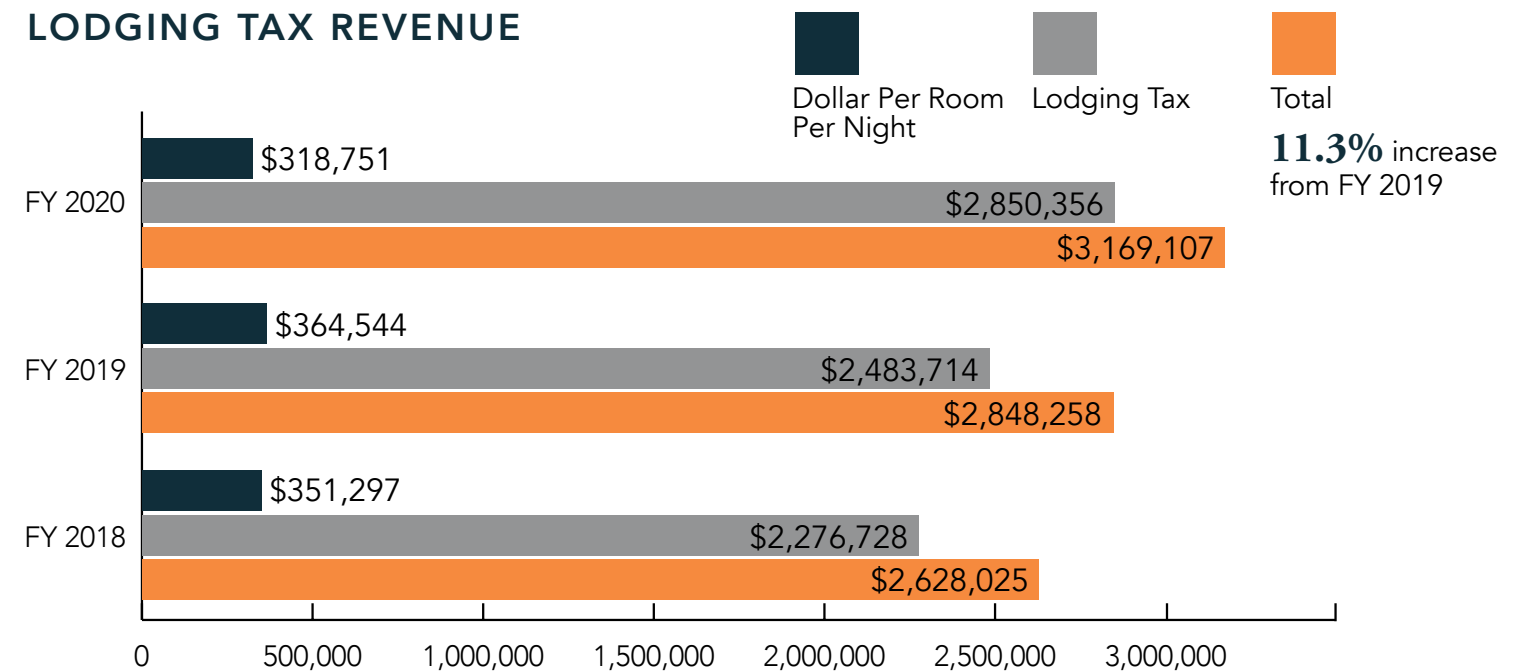
million in commercial construction permits issued July 1, 2019 to June 30, 2020.

Source: City of Lynchburg



CRADDOCK TERRY HOTEL AND EVENT CENTER, INAUGURAL LEVEL UP YOUNG PROFESSIONALS SUMMIT, SUMMER 2019

LODGING TAX REVENUE



LARGEST EMPLOYMENT SECTORS

Health Care & Social Assistance
 Retail Trade
 Manufacturing
 Accommodation & Food Services

Source: JobsEQ

2,573

businesses currently licensed in the City of Lynchburg.

50%

have been in business 10 years or more.

Source: City of Lynchburg

In April 2020, the **Lynchburg Regional Airport** saw only 13% passenger loads after what had been one of the best years to date. Airport director Andrew Lagala and his team quickly implemented a robust clean and safe program and by August 2020 were back to 70% passenger loads when compared to pre-COVID percentages. In September, American Airlines added an additional daily round trip flight to Charlotte Douglas International Airport.



TOURISM IN CITY OF LYNCHBURG TRENDS UP IN 2019

\$41.8 million local payroll - ▲ 5.7%

\$207.5 million in visitor expenditures - ▲ 5.1%

1,756 total employment - ▲ 1.6%

\$7.9 million local tax receipts - ▲ 5%

Source: Virginia Tourism Corporation

101 sales leads and assists
40,733 room nights
\$19.4 million economic impact

Lisa Meriwether, Tourism Sales Manager, was named a finalist for the Jim Ricketts Award-DMO/ CVB Employee of the Year in 2019 by the Virginia Restaurant Lodging Travel Association.

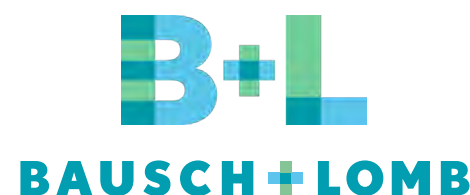


State Games of America
Sports tourism is a growing industry for the City of Lynchburg. In August 2019, Lynchburg hosted the State Games of America, an Olympic-style event held every two years, featuring competition between State Games medal winners from across the nation. More than 14,000 athletes, families and fans participated, generating \$7 million in total economic impact and an estimated \$223,228 in local tax revenues.

Our Impact



5 years
1,164 JOBS CREATED
\$153.7 million in capital investment
\$1.7 MILLION LEVERAGED IN STATE FUNDS
\$5.1 MILLION IN SUPPORT
15 projects
1,025 jobs retained



Bausch + Lomb

In July 2020, Bausch + Lomb announced it will invest more than **\$35 million** to expand its manufacturing facility in the City of Lynchburg, creating **79 new jobs** over the next five years. The company's investment includes the purchase of 13 acres of land adjacent to its current site for a 190,000 square foot expansion to provide U.S. distribution for its contact lens products.



CloudFit Software

CloudFit Software will complete a **\$5 million renovation** to its new headquarter in the historic Carter Glass building in Downtown Lynchburg in 2021. Founded in 2018 by a group of Microsoft cloud pioneers, the company is a select Microsoft partner serving Fortune 500 and Department of Defense clients. CloudFit currently has hired 90 employees in 16 states and plans to add **139 jobs** in the first three years of operation in Lynchburg.



Flowers Foods

In January 2020, Flowers Foods, one of the nation's largest producers of packaged baked foods, announced a **\$25 million** investment to expand and transform its Lynchburg bakery into an organic facility, creating **15 new jobs**. The bakery, which the company has operated for more than 40 years, will serve the Mid-Atlantic market, producing Dave's Killer Bread products.

EXPAND AND SUPPORT THE CITY'S EXISTING COMPANY FOUNDATION

TESSY PLASTICS



Today, an estimated **70** percent of all jobs are created through the expansion of local companies.

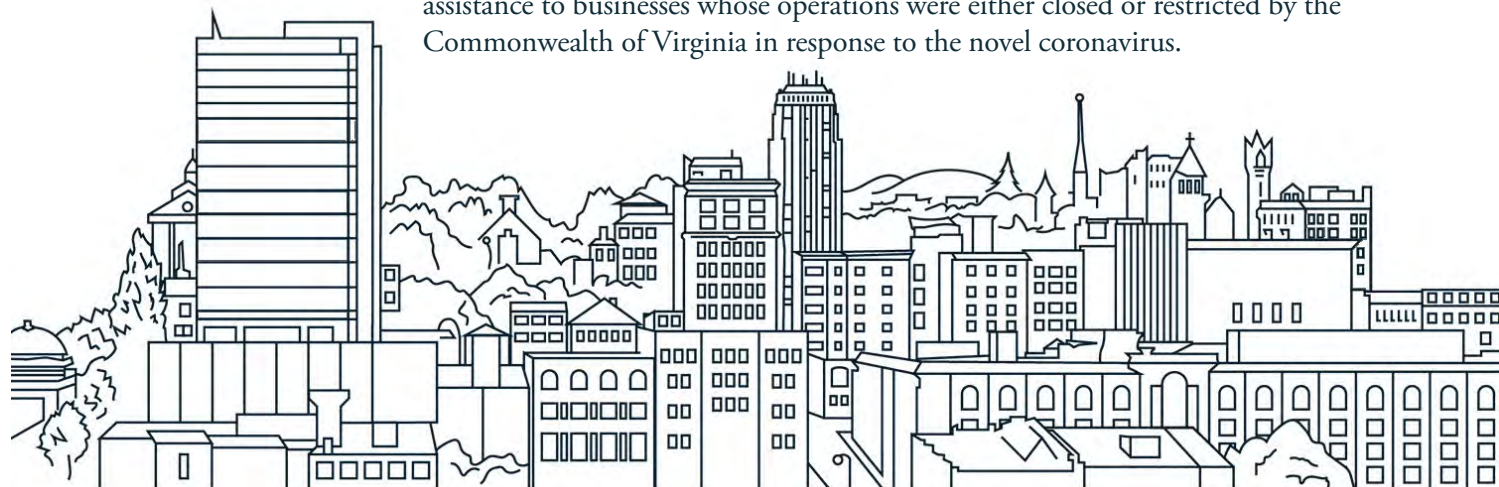


Givens Books and Little Dickens has been a Lynchburg institution for over 40 years and owner Danny Givens has learned that sometimes a little 'upside down' thinking is key to sustainability. When Givens realized the store "wasn't reaching the customer base of teens to middle age adults", he applied for the Local Redevelopment Program to assist with 'Down the Rabbit Hole,' a new in-store experience for young adults. During the pandemic, Givens implemented curbside pickup and even began using FaceTime to assist with their purchases.

CITY OF lynchburg CARES

BUSINESS RECOVERY PROGRAM

Lynchburg's small and local businesses are the "soul of our city," employing local residents and providing the experiences vital to living and working in Lynchburg. In August 2020, we launched the CARES Business Recovery program to offer financial assistance to businesses whose operations were either closed or restricted by the Commonwealth of Virginia in response to the novel coronavirus.



FOSTERING DEEP RELATIONSHIPS THROUGH MEANINGFUL PROGRAMS

Our staff is committed to a robust business visitation strategy that fosters connection, identifies company needs and breaks down barriers to success.

\$181,792

in Enterprise Zone Job Creation Grants

\$993,740

in Enterprise Zone Real Property Improvement Grants to 11 Companies & Organizations

\$138,750

in Local Redevelopment Grants to 12 Small Businesses supporting 34 jobs

38

commercial properties active in the Real Estate Rehabilitation Program adding \$41 million to the City's tax base



Site Characterization Reports with the Virginia Economic Development Partnership to assess, improve and market available industrial and commercial property

ENGAGE AND COLLABORATE WITH CITY ANCHOR INSTITUTIONS

CENTRA LYNCHBURG
GENERAL HOSPITAL

Anchor Institutions:

Large organizations deeply rooted in their communities, such as colleges, universities, healthcare centers or cultural nonprofits. Anchors employ residents, make significant real estate investments and build quality of life.

More than

2,600

degrees conferred last year by Lynchburg higher education institutions

Source: JobsEQ



The Economic Development Authority serves as a conduit for the issue of Industrial Revenue Bonds to support the expansion of facilities at many of the City's anchor institutions, including Centra Health, Randolph College, Westminster-Canterbury and Virginia Episcopal School.

5
years

\$278 million
for capital projects

7 BOND
ISSUES

The Sports Tourism Strategic Plan works to maximize the impact of existing events and strengthen the City's ability to compete for tournaments and events that drive tourism revenue. In December 2019, the Sports Tourism Working Group formed with representation from local colleges and universities, facilities and events rights holders.

\$25,000

Virginia Tourism Corporation Marketing Leverage Grant for Sports Tourism

Office of Economic Development & Tourism Partners with Centra Health, HealthWorks and PCHP to provide health and safety information during COVID-19 Recovery Efforts

The Office of Economic Development & Tourism has partnered with Centra Health, HealthWorks and PCHP to provide a unified message to the business community on health and safety issues. In May, as Virginia entered into Phases 1 and 2 of the Forward Virginia Recovery Plan and restaurants and other service industry businesses began to reopen, this partnership assisted businesses with vital information on best practices, provided up-to-date health and safety guidelines, and "Return to Work Safely" Town Halls.

SUPPORT TALENT DEVELOPMENT FOR THE CITY’S TARGET INDUSTRY CLUSTERS



CO.STARTERS is a nine-week program that equips aspiring entrepreneurs with the insights, relationships and tools to turn ideas and passion into sustainable and thriving businesses.

5

years of CO.STARTERS

100

graduates

“This program was invaluable and I'm so thankful to have a city that believes in its entrepreneurs!

- Amy Corbett,
Owner of allbelong.co

”



Cultivating Artists as Small Business Owners
Create Virginia, a partnership with the Small Business Development Center, the Academy Center of the Arts and the Virginia Center for the Creative Arts, focuses on educating artists and makers on how to create and grow a sustainable, small creative business. In 2020, 85 participants convened for a day of workshops and panel discussions to grow their small, arts based businesses.

“The Women in Machining program is the only one of our many classes and programs still running during this time. As a service to provide job training for under-employed (and now several unemployed) individuals that typically do not have access to high-skill, well paid occupations, this program is now a lifeline for these students and their families. We are working with local employers, whose manufacturing facilities are essential, to place these women in open job positions once their training is complete.

- Elise Spontarelli
Executive Director of Vector Space

”



CREATE, EMBRACE, AND PROMOTE COMMUNITY

Art on the Fence

The Arts District supported “Art on the Fence” to enhance construction fencing in the Main Street Renewal project. A partnership of the Downtown Lynchburg Association, Riverviews Artspace and Appalachian Power Company, the project turned public space into public art in support of local artists.

JAMES RIVER ARTS & CULTURAL DISTRICT

The James River Arts & Cultural District provides support for local arts and cultural activities in and around Downtown Lynchburg. Grants are funded by amusement tax generated in the District.

33 *projects* **\$89,400** IN GRANTS
ECONOMIC IMPACT **\$1,047,989**



There is so much uncertainty in this moment {about the pandemic} but one thing I am certain of is that the arts are essential in this moment and will be a part of making us stronger, healthier, smarter, and kinder when this is all done.

- Geoffrey Kershner, Director, Academy Center of the Arts

The Lynchburg Museum opened Part I of its new exhibit, *We the Women: Commemorating 100 Years of the 19th Amendment* in March, 2020.

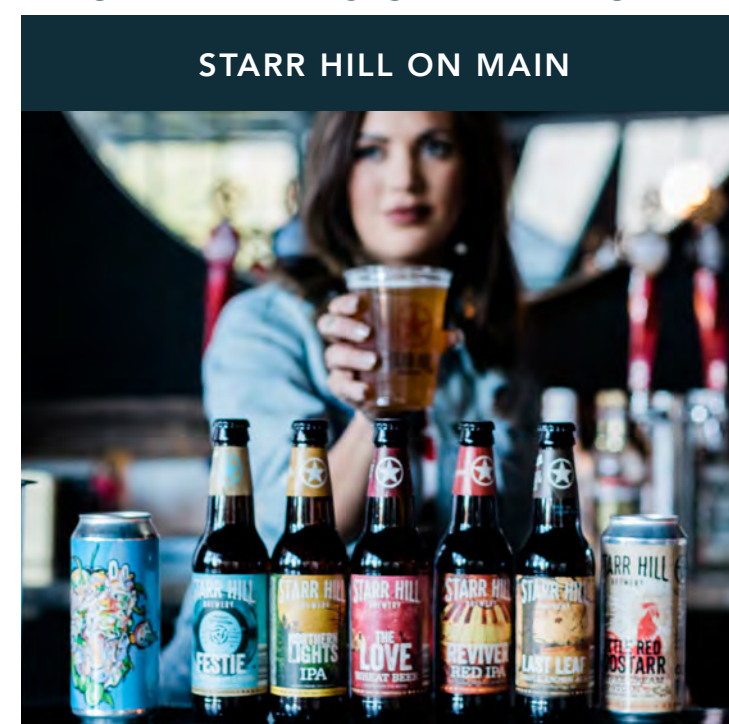
The Lynchburg Museum is grateful that *We the Women* is generously supported by the James River Arts & Cultural District Grant program, Greater Lynchburg Community Foundation, Virginia Humanities, and Lynchburg Museum Foundation.

- Ted Delaney,
Lynchburg Museum Director and Chief
Public History Officer

The Water Dog received the 2019 “Ordinary Award” from the Virginia Restaurant, Lodging & Travel Association for Restaurant of the Year.



TWO BREWERIES OPEN IN DOWNTOWN DURING THE PANDEMIC



STARR HILL ON MAIN



THREE ROADS BREWERY

TELL THE CITY'S STORY

"AMERICAN WOMAN?,"
MICHELLINE HALL.
INSTALLED SEPTEMBER 2020
AT 2520 FORT AVENUE



To attract new talent, companies and visitors, the Office of Economic Development & Tourism tells stories that celebrate the fabric of our community. We deploy smart, authentic messaging that highlights Lynchburg's unique assets and positions us as the best small city in America.

opportunitylynchburg.com

99%

of visitors were new
to the website

lynchburgvirginia.org

99.5%

of visitors were new
to the website

16,573 website sessions

79.6%

increase from 2019

136,998 website sessions

22%

increase from 2019

74 print/digital ads and advertorials

23 publications

Targeted Campaigns on Facebook
and Instagram

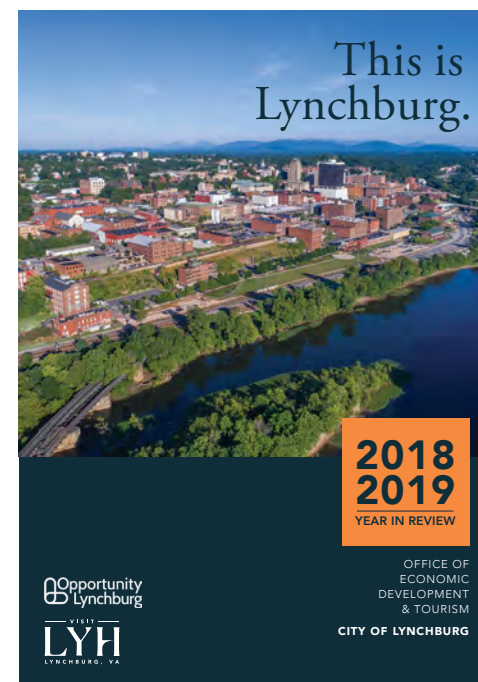
68 earned media articles

Conde' Nast Traveler
Philadelphia Sunday Sun
Charleston Home & Living
Forbes
Business View Magazine
MSN

During the week of September 21-29, 2019, **Visit Lynchburg** hosted five journalists for a familiarization tour before and after the annual Mid-Atlantic Tourism Public Relations Alliance Marketplace. Articles placed include *Philadelphia Sun*, *Ansa Italian News Wire* and *Mid-Atlantic Day Trips*.

#TravelConfidently

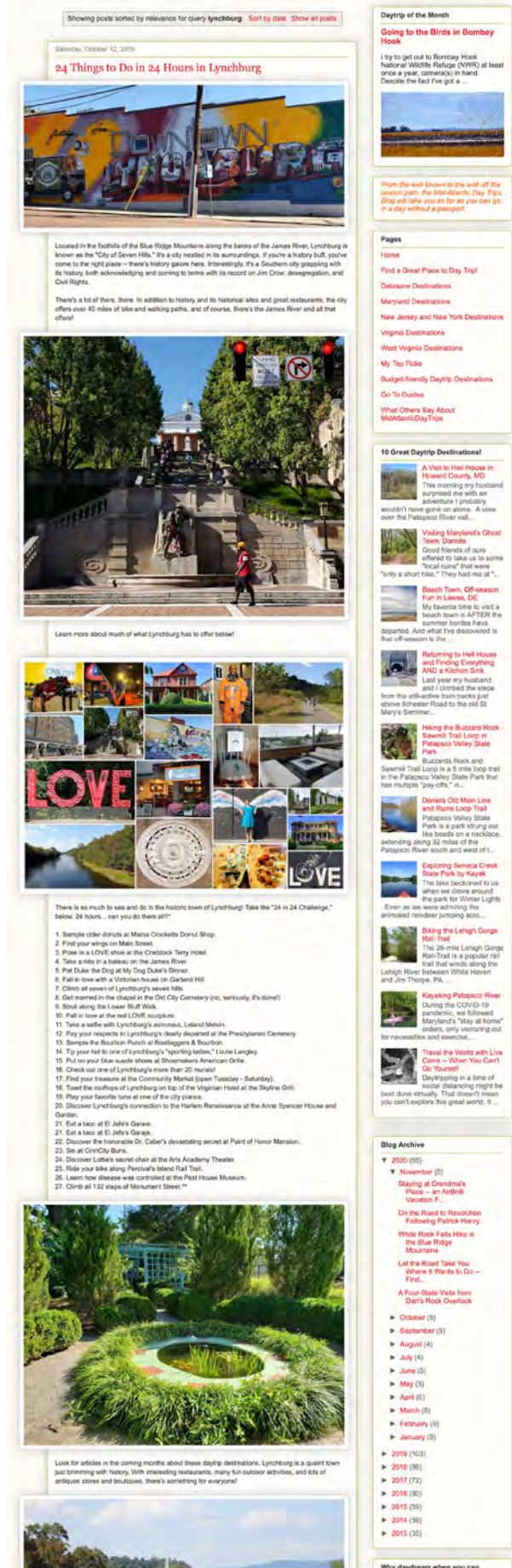
A healthy and safe travel experience is a shared responsibility and that visitor confidence is key to getting the economy moving again. The U.S. Travel Association brought sectors from across the tourism industry together, and working with health and medical experts, created the Travel Confidently Toolkit that we worked to adapt and implement to support Lynchburg businesses.



Both the 2018 and 2019 Annual Reports have received awards from the International Economic Development Council. The 2019 report was also recognized by the National Association of Government Communicators.

MidAtlantic DayTrips

MidAtlantic DayTrips explores the midAtlantic states of the United States, finding the best and most interesting daytrip destinations in Maryland, Pennsylvania, Virginia, Washington DC, Delaware, West Virginia, New Jersey and New York.



Connect with Us!

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ECONOMIC DEVELOPMENT:



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@lynchburgEDA



Opportunity Lynchburg



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Travel Counselor

Emily Baker
Travel Counselor

Kiera Height
Travel Counselor

Judi Harvey
Travel Counselor

Sandy Inscoc
Travel Counselor

THE ECONOMIC DEVELOPMENT AUTHORITY

The Economic Development Authority of the City of Lynchburg is a political subdivision of the Commonwealth of Virginia and serves as the incentive arm of the City. The Authority takes an active role in economic development efforts, pursuing investment and development opportunities, and elevating the economic profile of the City.

Mark Strosnider
Chair

John M. Stone
Vice Chair

William T. Lovern
Secretary-Treasurer

Gerard E. Swienton
Assistant Secretary-Treasurer

Louise E. Mitchell

Georgeann Snead

Andrew T. Mueller, MD