

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
Minutes of Meeting
September 22, 2016

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, September 22, 2016, at 3:00 p.m. in the Council Room of the Wytheville Municipal Building at 150 East Monroe Street, Wytheville, Virginia.

MEMBERS PRESENT

David Kause, Chairman
David Carpenter
Wes Mabe

Charlie White
Jennifer Atwell

MEMBERS ABSENT

John Silva
Dicky Morgan

EX-OFFICIO MEMBERS PRESENT

C. Wayne Sutherland, Jr., Wytheville Town Manager

EX-OFFICIO MEMBERS ABSENT

R. Cellell Dalton, Wythe County Administrator
Jason Childers, Rural Retreat Town Manager

JOINT IDA STAFF PRESENT

David Manley, Executive Director
John Matthews, Associate Director
Virginia Crockett, Administrative Assistant

DETERMINDATION OF QUORUM

Chairman Kause called the meeting to order and determined a quorum to be present. Chairman Kause offered the invocation and led the Pledge of Allegiance.

CITIZENS' TIME

Chairman Kause welcomed Wayne Sutherland, Wytheville Town Manager, Patricia Bevil and Karen Akers from the Virginia Employment Commission to the meeting and asked if there was anyone present who would like to address the Board. Ms. Akers spoke briefly about the 2016 Employer Conference being held in Roanoke on September 13, 2016. With no further comments Chairman Kause continued with the meeting.

APPROVAL OF MINUTES—August 25, 2016

Chairman Kause asked if there were any questions or discussion regarding the August 25, 2016, meeting minutes. Mr. Carpenter stated that there was an email transmission about a correction. Mr. Manley stated that it will be taken care of. Mr. Carpenter added that it was just regarding the verbiage of the sentence. Chairman Kause asked if there were any further discussion and if there was a motion to approve the minutes as amended. Mr. Made made a motion, seconded by Mr. Carpenter, to approve the minutes as amended. With no further discussion the motion passed unanimously.

FINANCIAL REPORTS AND APPROVAL OF INVOICES

Chairman Kause stated that he would like for the Board to make a decision as to whether the financial information should be handed out each month or since there is the ability to show them on the monitors in the chambers, would that suffice as presentation of the reports. Mr. Carpenter stated he would like to see how it works.

Mr. Carpenter stated that he had contacted Ms. Crockett earlier in the day regarding the loans receivable for the Smyth-Wythe Airport. He mentioned that he did not understand the loan, but that it was explained. Mr. Carpenter also asked about the AEP Data Center Marketing, what guidelines are there for using the funds. Mr. Manley stated that there were most likely no written guidelines because it was before he began as Director. He mentioned that he has been consulting with John Smolak with AEP because they restricted the monies to be used for marketing and activities toward the certified data center site. He stated that it could include information classes that are about data centers. Mr. Manley added that the funds are restricted just for the Data Center activities and that he will be using most of the funds in the upcoming year. Mr. Carpenter asked if some of the marketing that has currently been done would be subtracted from these funds, such as the Waze ads. Mr. Manley stated yes, because two of those have been targeted towards the data center. Mr. Carpenter asked if site visit costs could be included. Mr. Manley said it could be a possibility if it were for the data center, and he mentioned that Mr. Smolak stated that the funds are also to be used to attend site consultant conventions concerning data centers.

Chairman Kause mentioned that there was a pass-through to Branch Botanicals. Mr. Mabe asked about the engineering charges. Mr. Manley mentioned it was for the Business Ready sites application and inspection. Chairman Kause asked if they approved two sites and Mr. Manley answered three. Ms. Atwell asked where the cost for the active shooter training was coded. Mr. Manley stated it was in business retention and expansion activities. He mentioned that they were able to lower the cost and that around two-thirds of the attendees were from Wythe County. Mr. Carpenter asked if that would be the best place to code it. Mr. Manley stated he thought it was and added that it was made cheaper for the Wythe County businesses to come and that was the Joint IDA's portion. The reason the class was being held in Wytheville was because the Joint IDA was a co-sponsor, otherwise it would have been held in Abingdon.

Further discussion was held regarding invoices and reports. Mr. Manley pointed out that the check written in the amount \$9,977.00 is a pass-through to Wythe County for the proceeds from the sale of Lot 20 in Progress Park. Ms. Atwell asked about the check for SVAM being coded to meeting expense. Mr. Manley stated that meeting expense was an old category and that the amount was moved prior to the meeting. However, new reports were not printed. Mr. Carpenter asked what IEDC was. Mr. Manley answered that it was the International Economic Development Council who teaches the certification classes. Chairman Kause asked about the aCorridor luncheon mileage. Mr. Manley stated it was mileage to and from the quarterly economic developers meeting in Abingdon. Mr. Manley stated the meeting was last held in Wytheville, this one in

Abingdon, and it would more than likely move to another county the next quarter, every county gets represented.

Chairman Kause asked if there were any further questions regarding the financial reports and if there was a motion to approve the invoices. Mr. Carpenter made a motion, seconded by Mr. Mabe, to approve the invoices. With no further discussion, the motion passed unanimously.

**Joint IDA of Wythe County
Check Register
For the Period from September 1, 2016 through September 30, 2016**

Check #	Date	Payee	Amount
EFT	9-22-16	Appalachian Power Co.	\$ 128.71
EFT	9-22-16	CenturyLink	193.82
EFT	9-22-16	First Bank – MasterCard	1,132.56
EFT	9-22-16	Robert G. Moore	1,100.00
EFT	9-22-16	Xerox Corporation	51.44
7436	9-15-16	Branch Botanicals	287,500.00
7437	9-22-16	Wythe County	9,977.00
7438	9-22-16	David Manley	125.48
7439	9-22-16	Draper Aden Associates	1,260.00
7440	9-22-16	IEDC	405.00
7441	9-22-16	John Matthews – Mileage	172.80
7442	9-22-16	SVAM	250.00
7443	9-22-16	Town of Wytheville	16,078.04
7444	9-22-16	Wytheville Office Supply	13.98
Total			\$ 318,388.83

STAFF REPORT – ASSOCIATE DIRECTOR

Workshops

Building Competitive Advantage to Win – AEP Workshop in Roanoke, September 13 and 14

Meetings

- Chamber Tourism Committee
- Downtown Wytheville Economic Vitality Committee
- Jordan Snelling (DHCD) – Enterprise Zone
- Project Holly Leaf
- Properties - Commercial Real Estate Agents
 - Crisp Manufacturing
 - Dale Umberger
- Revolving Loan Fund applicants & Inquiries
- Simply Home – Linda Rice
- Startup Wythe In Applicants and Event Planning
- Wythe-Bland Young Professionals and steering committee

Economic Vitality Committee

- Startup Wythe In – Finalists have been developing their business plans over the past several weeks in preparation for the final pitch night. On September 19 the finalists made their dry run presentations for the Economic Vitality Committee, and final presentations will be given October 4 at the Bolling Wilson Hotel. The committee has raised \$18,750 in cash and \$2,500 of in-kind services that will go towards winning prizes and the finale event.

Finalists

Kevin Dalton – CrossFit
Sarah Edmunds – Root’d Threads
Nick Edwards – BBQ Treat
Wendy Musick – Rockstar Gems
Cheryl Shaver – Pink Elephant
Matt Temple – Wiffle Pops
Deborah Wren – Gourmet Food & Market

Mentors

Chuck Swain
Matt Clarke
Rusty Jones
Donna Leonard
Hal Absher
Rusty Jones
Jason Manley

Enterprise Zone Reporting

Our office has been approached by DHCD to participate in an Enterprise Zone study funded by the General Assembly and administered by Virginia Commonwealth University. The study will include locality representative and business community focus groups. Wythe County is one of four localities that has been asked to participate based on our annual report. Other participating localities include Hampton, Richmond, and Halifax County. The focus groups will be scheduled for mid-October.

Somic America Ribbon Cutting

Somic will be having their ribbon cutting and open house this Saturday, September 2, from 10 am to 2 pm. The ribbon cutting will happen shortly after 10 am and the facility will be open for tours during the remainder of the event.

STAFF REPORT – EXECUTIVE DIRECTOR

New and Expanding Business Activity

- Responded to inquiries from
 - Appalachian Power Co.
 - ACorridor
 - Property owner
 - Commercial real estate broker
 - Downtown business owners
 - Entrepreneur/investor
 - VEDP
 -

Business Contacts and Meetings

- Joe Gillespie, VEDP Project Manager
- Josh Lewis, aCorridor
- Mary Jane Umberger, HR Alliance LLC
- Downtown Wytheville Economic Restructuring Committee
- Stacey Richardson, VaTRRC

- Cellell Dalton, County Administrator
- Stephen Bear, Asst. County Administrator
- John Smolak, Ec. Dev. Director – AEP
- Dann Tolley, Branch Botanicals
- Stephanie Surrect, SVAM CoE
- Jay Langston, VEDP
- Katherine Goodwin, VEDP
- Lennie Gail Dunlop, SVAM/Legislative council
- Scot Farthing, Wythe County Attorney
- John Loftus, VEDP
- Deborah Flippo, Draper Aden
- Carolyn Howard, Draper Aden
- Vivian Womble, Coffee & Crumbs
- Barbara Sewell, Three Rivers media
- Rosa Lee Jude, Wytheville CVB
- John Riddle, Norfolk Southern
- Albert Newberry, Town of Wytheville Cir. Of Public Safety
- Charles VanAtter, Town of Wytheville Building Official
- Rick DeHart, Wohlfahrt Haus Dinner Theatre

Other Activities

- Hosted VEDP presentation to aCorridor members on reorganization
- Attended aCorridor luncheon with counterparts Audit – answered questions
- Reviewed and edited minutes
- Reviewed financial reports
- Credit card reconciliation
- Set up loan committee meeting Met with potential loan applicant ongoing development of draft marketing plan
- Branch Botanicals – TROF fund release
- SVAM CoE Board of Directors meeting
- Developed new maps/handouts for site visit
- Site visit prep
- WC BOS Economic Development Committee
- Completed application VEDP for Business Ready Sites program
- Prepared handout and presentation for Joint Governing Bodies
- Attended meeting and reported to Joint Governing Bodies
- Attended public input session on Progress Park Connector Road
- Attended legal luncheon w/CowanPerry
- Attended active shooter class w/SVAM
- Reviewed Business Ready Sites assessment
- Gave tour of Progress Park to team from VEDP
- Gave tour of Progress Park to assessing engineer from Draper Aden
- Updated labor figures in handouts for prospects
- Site visit, lunch, presentation
- Developed new materials for site visit
- RFI response development (new this week)
- Developing press release for Startup Wythe In

Website Stats

- This month vs. last month
 - Page views up 18% to 791
 - Pages per session up 14.40%
 - Single page visits down 23%
 - Visits from UK up 14%
 - Other places of interest: Latvia, Portugal, the Netherlands, Brazil, India, Norway, Portugal

OLD BUSINESS

MARKETING PLAN DEVELOPMENT UPDATE

Mr. Manley reported that he had made the changes on the Marketing Plan. His intention was to distribute the copy at this meeting, but the high activity level during the last two weeks have precluded him adding a lot of new content. Mr. Manley stated that he has added approximately three or four paragraphs, but it wasn't really enough to discuss in the meeting. He will return with more information during the October meeting. He did add that he had made all of the changes that were discussed during the August 2016 meeting and mentioned that if there were any further additions to wait until the next version comes out because it may have already been addressed. Chairman Kause asked if he had gotten the input from Mr. Silva, that he was interested in giving some information. Mr. Manley stated he had not heard anything.

STARTUP WYTHE IN UPDATE

Updated during the Associate Director's activities report.

BANKING PROPOSALS

Mr. Manley mentioned that he had thought over the situation regarding the banks. He noted that Mr. Morgan and Ms. Atwell were appointed to a committee to discuss the banks. He added that since it was already September his recommendation was, if everyone agrees, the Joint IDA not make a banking change until the end of the fiscal year and not be switching accounts and accounting this time of year. Mr. Manley noted that he had started in the Spring collecting information regarding other banks in the area, but it took a while to receive all of the information and he does not want to make accounting any more difficult than it is already. Mr. Manley stated that if it would be the Board's pleasure he suggested that the Joint IDA reinvestigate the banking situation in the Spring for a July 1st change, if a change is necessary. Mr. Carpenter feels that yearly banking should be reviewed, not necessarily a change, but if a Board motion is needed, he is glad that Mr. Manley decided to go in that direction. He noted that if it is costing money, it should be changed, but again it can be done within the Board itself. Mr. Carpenter made a motion, seconded by Dr. White, to accept the decision that Mr. Manley suggested and that was to stay with the current bank and re-evaluate the situation again in the Spring. With no further discussion, the motion passed unanimously.

BUSINESS READY SITES ASSESSMENT

Mr. Manley passed around a copy of the application for the business ready sites with a copy of the Draper Aden report inside. He told the Board members that the sites included are Lot 1 which made it to a Tier 4, Lot 24 is a Tier 4 data center sites (35 & 36) were rated at a Tier 2.5 (because they are ungraded and not all utilities are installed). Mr. Mabe asked which lots the site visit guests were looking at. Mr. Manley stated they were 2, 3, 8, 18, and lot 30.

RECAP OF JOINT GOVERNING BODIES

Mr. Manley spoke about the governing bodies meeting during his activities report.

OTHER

Thank you card – Mr. Manley passed around a thank you card from the Wythe-Bland Animal Welfare League for the memorial donation for John Matthews' aunt. Mr. Matthews thanked everyone for the kind donation.

NEW BUSINESS

SPECIAL RECOGNITION AWARD NOMINATION

Mr. Manley mentioned that as far as the Special Recognition Award goes, this is typically given annually at the Chamber of Commerce's Annual Dinner. The award recognizes achievements in our business community, but has no specific set of criteria. He added that last year Coperion was awarded the award because they had announced in the previous year their expansion. Mr. Manley stated that what was discussed after that point was maybe choose Schaffner because of what they have done this year with their expansion, but that is at the Board's pleasure whom they would like to receive that award. He added that the only other possibility would be Branch Botanicals, but they are not finished. Mr. Mabe asked if the award was for this year. Ms. Atwell explained that Coperion was for 2015 and that the award this year would be for 2016. Mr. Manley stated that actually, Coperion made the announcement in 2014, but were recognized in 2015. Chairman Kause mentioned that with the amount of capital investment that took place, the fact that the Governor in town, and all of the other things, that it would worthwhile to choose Schaffner. Mr. Manley noted that there is also an option to award two. Mr. Carpenter stated that he did not know if you would want to dilute it by giving two awards, it is like a co-receiver and he was not a big fan of that. However, he did say that Schaffner is probably the only expansion. Ms. Atwell noted that the Chamber is going to recognize Somic as their industry. Mr. Carpenter made a motion, seconded by Ms. Atwell, to recognize Schaffner MTC as the Special Recognition Award recipient. With no further discussion, the motion passed unanimously.

Ms. Atwell asked about Branch Botanicals, if they have an office, or if they have started on their building, etc. Mr. Manley answered that they do have an office which is in Dr. LaVelle's old office on Pepper's Ferry Road. He added that they have planted approximately 100 acres at the farm and they are actively starting to contract for next year's farm land. Mr. Carpenter stated that they are installing a tremendous amount of irrigation equipment also. Ms. Atwell asked if there had been any work done to the site in Progress Park. Mr. Manley said that they are apparently still trying to negotiate the site plan and work on engineering and that is currently all the information he has.

W-W-B CHAMBER OF COMMERCE MEMBERSHIP DINNER NOVEMBER 1, 2016

Ms. Crockett asked that everyone please let her know who will be attending the annual Chamber dinner. There will be an email sent to the Board members.

SITE VISIT

Mr. Manley reported on the site visit during his activities report. Mr. Manley did add that there were a lot of new materials done just for them with different handouts, but this was the first time having non-English speakers on a site visit. He noted you develop a certain flow when talking to people and you learn what and

when to say something by breaking it up into 20 to 30 second bits. He noted that according to the consultant we showed strongly to the potential prospects.

DECEMBER 1 COMBINED MEETING

Mr. Manley stated that this is a reminder regarding the change in the November and December meetings. He also wanted to let everyone know that Josh Lewis will be attending to present the new marketing material for the aCorridor.

PROJECT UPDATES

Mr. Manley stated that the collateral situation on the Jensen Loan has not been satisfied. He was expecting that to be taken care of prior to the meeting, but it was not received. Mr. Manley would like for the Board to take action to allow Mr. Manley to write a letter that says in 30 days the Joint IDA is going to move to have the loan paid back unless collateral can be demonstrated. He noted that a reasonable amount of time has been given. Chairman Kause stated that he feels a letter of collection should be issued. Mr. White made a motion, seconded by Mr. Mabe, to write the letter of collection for the non-collateralized loan to Mr. Jensen. With no further discussion, the motion passed unanimously. Mr. Manley noted that the letter would be written to say that if in 30 days the proper collateral is not provided, you will need to pay back the balance.

OTHER

Wytheville Community College Fall 2016 Training Guide – Ms. Atwell noted that during the last meeting someone asked about training classes. Ms. Atwell distributed a copy of the WCC College Fall 2016 Training Guide to all Board members for their review. Mr. Carpenter stated that he thought it would be a good idea to have the Workforce Development Director to speak to the Board during a meeting. Mr. Manley stated that he would look into that after the first of the year. Karen Akers from VEC stated that he would be at their partner meeting in October and that everyone was welcome to attend. Mr. Manley asked Ms. Akers to send an email to Ms. Crockett regarding the meeting so she could distribute it to the Board members as a reminder.

Rapid response funds – Ms. Akers from the VEC mentioned during the meeting today that there has been a collaboration of various agencies to assist with putting a strategic plan together to help employers and businesses from layoff conversion. The program will assist them with training on new equipment and other educational opportunities for manufacturers employees. She noted that they will be helping Xaloy who will be closing down with the Rapid Response program.

ADJOURN

There being no other business, Chairman Kause adjourned the meeting at 4:05 p.m.

David Kause, Chairman

Attest:

Virginia M. Crockett, Secretary