

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
Minutes of Meeting
June 22, 2017

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, June 22, 2017, at 3:00 p.m. in Council Room of the Wytheville Municipal Building at 150 East Monroe Street, Wytheville, Virginia.

MEMBERS PRESENT

David Kause, Chairman
Wes Mabe, Vice Chairman
David Carpenter
Dicky Morgan
Matthew Clarke

MEMBERS ABSENT

John Silva
Charlie White

EX-OFFICIO MEMBERS PRESENT

None

EX-OFFICIO MEMBERS ABSENT

C. Wayne Sutherland, Jr., Wytheville Town Manager
Stephen Bear, 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 Jennifer Atwell, Executive Director of the Wytheville-Wythe-Bland Chamber of Commerce and Patricia Bevil with the Virginia Employment Commission to the meeting. Chairman Kause asked if there was anyone who would like to address the Board during citizens' time. There being none, Chairman Kause continued with the meeting.

PRESENTATION – DR. DAN TOLLEY, PRESIDENT, BRANCH BOTANICALS

Dr. Dan Tolley, President of Branch Botanicals gave an informative update to the Board on the activities of the company and where everything stands to date. He spoke about the signage on the property, planting of the cherry trees, the building plans, and gave other pertinent information regarding the status of Branch Botanicals. Several questions were asked of Dr. Tolley by the Board. Dr. Tolley thanked the Joint IDA staff for all the assistance it has rendered thus far in the project. He also thanked the Joint IDA for getting behind the project early and helping move it along.

Chairman Kause thanked Dr. Tolley for his update on the facility and the company and asked that he continue to keep the Board updated on their progress.

APPROVAL OF MINUTES—MAY 25, 2017

Chairman Kause asked if there were any questions or discussion regarding the minutes from May 2017. Vice Chairman Mabe stated that he appreciated having the Board meeting in a different location and he was pleased that eastern Wythe County would be the location of an upcoming meeting. There was discussion regarding various locations around the County. There being no other comments, Chairman Kause asked for a motion to approve the May 2017 minutes. Mr. Carpenter made a motion, seconded by Mr. Clarke, to approve the minutes as presented. With no further comments, the motion passed unanimously.

FINANCIAL REPORTS AND APPROVAL OF INVOICES

Chairman Kause asked if there were any questions or concerns regarding the financial statements for June 2017. Mr. Carpenter suggested that the original Revolving Loan amounts for each loan be added to the Loan Payment Record Report. Mr. Manley also reported on two loans that were in arrears and that proper steps of action are currently being taken for collection. There are also payments due on two other loans, one because of a death in the family, and the other because of a decrease in sales. They both will be paid shortly per the borrowers. There was discussion regarding the loans and all questions were addressed and answered.

Chairman Kause asked if there were any other comments. There being none, he asked if there was a motion to approve the financial reports. Mr. Morgan made a motion, seconded by Mr. Mabe, to approve the financial reports as presented. With no further discussion, the motion passed unanimously.

**Joint IDA of Wythe County
Check Register
June 1, 2017 through June 30, 2017**

Check #	Date	Payee	Amount
EFT	6-22-17	Appalachian Power Company	87.62
EFT	6-22-17	CenturyLink	177.36
EFT	6-22-17	Robert G. Moore	1,100.00
EFT	6-22-17	Xerox Corporation	71.23
EFT	6-22-17	First Bank MasterCard	1,645.98
7493	6-22-17	David Manley	390.55
7494	6-22-17	FORCEFIELD	350.00
7495	6-22-17	John Matthews	79.18
7496	6-22-17	Shane Crockett	70.00
7497	6-22-17	SVAM	250.00
7498	6-22-17	Town of Wytheville	16,024.93
7499	6-22-17	SVAM	450.00
7500	6-22-17	U.S. Cellular	296.74
Total			\$ 20,993.59

STAFF REPORT – ASSOCIATE DIRECTOR

Webinars

The HEART Project for Companies Impact by Fluctuations in the Coal Industry – SVAM, May 30, 2017
Tobacco Commission How-to-apply Workshop – June 1, 2017, Abingdon, VA
Virginia Partner Economic Gardening Training Webinar – VEDP, June 6, 2017

Meetings

Branch Botanicals
Economic Vitality Committee
Enterprise Zone – Annual Report Due July 17
HEART Project Lunch
Millwald Feasibility Study Presentation
Properties – Commercial Real Estate Agents
Property Owners
Poplar Camp Site Pictures
Retail Coach
Revolving Loan Fund Committee, Recipients, & Applicant
SWVA Wedding Network and Downtown Wytheville Business – VTC Marketing Leverage Grant
Wythe-Bland Young Professionals and Steering Committee

STAFF REPORT – EXECUTIVE DIRECTOR

New or Expanding Business Activity

- **Responded to inquiries from**
 - VIAA
 - Property owners
 - VEDP
 - Local industry
 - Entrepreneurs

- **Business Contacts and Meetings**
 - Katherine Goodwin, VEDP
 - Stephen Versen, VDACS AFID
 - John Loftus, VEDP
 - RLF Loan Committee
 - Alan Wood, Coperion Corp.
 - Alan Freeman, Quadrant Engineering Plastic Products
 - Bob DiMarino, Coperion Corp.
 - Southwest VA Wedding & Events
 - WC BOS Economic Development Committee
 - Josh Lewis, Virginia's Industrial Advancement Alliance
 - Downtown Wytheville Economic Vitality Committee
 - Stephen Bear, County Administrator
 - Wayne Sutherland, Town Manager
 - John Smolak, Ec. Dev. Director – AEP
 - Betty Elmore, Wythe County Community Hospital
 - Kimber Simmons, NR/MR Workforce Development Board
 - Marty Holliday, NR/MR Workforce Development Board
 - Todd Caldwell, CenturyLink
 - Green Faircloth, f/k/a Atmos
 - Perry Hughes, WCC
 - John Griffith, AEP
 - Mariya Hurwitz, Pepsico
 - Dan Tolley, Branch Botanicals
 - Lennie Gail Mitcham, SVAM
 - Lindsay Hurt, VEDP
 - Tim Stuller, VEDP
 - Pandy Brazeau, VEDP
 - Todd Wolford, Downtown Wytheville, Inc.
 - Connie Long, VEDA
 - Stacey Richardson, Va. TRRC
 - Mary Jane Umberger, HR Alliance

- **Noteworthy or Other Activities**
 - GO Virginia economic developer advisory group June 1 in Wise
 - GO Virginia regional council
 - VEDA Board of Directors
 - VEDA Summer membership meeting
 - Web conference/calls with The Retail Coach consultants

- Branch Botanicals update with Dan Tolley and Branch Botanicals board of directors' member
 - Developing VTC marketing grant with Southwest Virginia Wedding and Events
 - Worked with Downtown EVC on CBL entrepreneurial communities grant
 - Reviewed feasibility study on Millwald Theatre
 - Planning, strategy subcommittee underway
 - Reviewed and edited minutes
 - Reviewed financial reports
 - Credit card reconciliation
- **Retail Consulting**
 - Initial results of trade area studies and retail gap analysis (leakage/opportunity)
 - Upcoming visits from TRC staff
 - Upcoming web conference/conference call between TRC staff and working group
 - Press Release upcoming
 - County to hold landowner information session(s)/education
 - **Upcoming**
 - Office closed for July 4 holiday
 - Soon: Project Regal Visit
 - July 12, 2017: VEDP fam tour
 - July 2, 2017: Lunch and Learn – cosponsored w/SVAM and Manufacturing Tech. Center on employee engagement
 - July 28, 2017: ARC Power grant – HEART Project meeting in Wytheville
 - Ongoing: CDBG working group

OLD BUSINESS

RETAIL CONSULTING UPDATE

Mr. Manley reported that an analysis of the trade areas was received. The analysis has identified three different trade areas in Wythe County. One trade area is centered in Rural Retreat, one centered in Fort Chiswell, and one in Wytheville. There are maps that have been developed of the areas and now the consulting group is working to match the data that has been generated by those areas, the lineation to what stores, what restaurants, and what potential prospects would fit into those different areas. He added that the second part of the report an opportunity analysis which demonstrates the money that has been spent outside of Wythe County that could be spent in Wythe County any given year. Mr. Manley stated that right now about \$1 billion leaves Wythe County every year in spending. He added that \$500 million is spent here and \$1 billion is spent out of the county. He added that this meant that people coming were coming into the county to shop also, but that indicates that there is still \$1 billion that is not being spent here. Mr. Mabe asked what does that billion include, is it just foods, etc. Mr. Manley answered that it was everything which includes retail shopping and restaurants. He added that the analysis goes into much deeper detail. Mr. Carpenter asked if everything is being investigated along the interstate corridor and are they moving beyond those areas. Mr. Manley answered that the Wythe County Board of Supervisors has mandated that they look at each exit ramp. However, what the group will come back with is what they feel are the best locations to recruit someone. Mr. Manley stated that the analysis will be presented and there will be a web conference with the working group and then he would be able to circulate the data after the working groups gets the first review of the information. He noted that a press release will be upcoming regarding the project which will come from the consulting firm. Mr. Manley mentioned that the county is interested in holding a landowner information session in which property owners can come in and tell

them about their properties. He added that the consulting group has provided information ahead of what has been scheduled.

REVOLVING LOAN FUND UPDATE

Mr. Manley stated that there was one loan applicant that had applied to the RLF and that the application was not approved by the loan committee. Accordingly, there was nothing to present to the board today. He mentioned that if there were any other questions regarding the loan application the board members could contact him after the meeting.

FY 2017-2018 OPERATING BUDGET DISCUSSION/ADOPTION

Mr. Manley stated that the copy of the budget is was the same version that previously circulated. He noted that he and Mr. Carpenter had discussed a few amendments that could be made, but would only be considered after the end of the fiscal year and after all appropriations were finalized. Mr. Manley asked if there were any questions about any items. He noted that the budget is based on actual figures and that he tries to be as precise as possible. Mr. Carpenter noted that the conversations that Mr. Manley and he had would not change the bottom line of the proposed budget. He added that basically instead of trying to change and resubmit to the jurisdictions would be a disadvantage. He mentioned that once the budget is approved line item amounts can be changed and adjusted to fit spending in certain areas. Mr. Manley mentioned that one item that is not on the budget that relates to VIAA, the regional economic development group, would be the fact that Washington County and the City of Bristol have both pulled out of the regional economic development group. Mr. Lewis, the director of VIAA, has approached the other jurisdictions to up the amount paid per capita. Mr. Manley added that the addition would change the budget, but not until the county adopts it. Tentatively, the amount would increase from \$1.00 per capita to \$1.25 per capita resulting in no net change to the budget as income and expense would be the same. He added that he believed that the county was going to approve the increase, which was the recommendation from the economic development committee. However, it will not be adopted until the county budget is adopted. Adjustments could then be made accordingly.

Mr. Mabe asked about the status of any reserve fund contribution and Mr. Manley reported that due to cost savings over the past year that the reserve was replenished ahead of schedule. No additional budget contribution for FY 17-18 would be required.

Mr. Manley mentioned that the budget would need to be approved by the board so that the Joint IDA could continue to function beyond the end of the fiscal year ending June 30. Chairman Kause asked for a motion to approve the budget. Mr. Mabe made a motion, seconded by Mr. Clarke, to approve the 2017-2018 operating budget. With no further discussion, the motion was approved unanimously.

OTHER

None

NEW BUSINESS

VEDP VISIT

Discussed during Staff Reports.

SITE VISIT

Discussed during Staff Reports.

VTC MARKETING LEVERAGE GRANT ASSISTANCE

Mr. Manley noted that he had met with a local business group that specializes in weddings on several occasions. The JIDA has offered assistance to them as they do any interested small business. The group represents approximately twelve to fifteen businesses, mostly in Wythe County. The group has decided to apply for a grant and the JIDA offered to assist with that process. There are five partners on the grant including the JIDA, the Wytheville CVB, and then three or four of the businesses involved. The JIDA's financial commitment would be minimal, but the grant will be for \$5,000 to \$10,000 grant, most likely \$10,000. Mr. Carpenter asked what it would be used for. Mr. Manley explained that the grant would be basically used to create a web portal to attract more weddings to SW Virginia and a marketing effort to go along with it. In addition, the project would allow for providing websites for small businesses who do not have one or do not have a good or functional one. Chairman Kause asked if Beagle Ridge would be a part of the group. Mr. Manley stated that they were.

LUNCH AND LEARN WITH SVAM – JULY 12 (HANDOUT)

Discussed during Staff Reports.

OTHER

Liability insurance – Mr. Manley stated that the JIDA liability insurance has been with VML for several years. However, when the quote was received the amount had increased by \$500 with no warning – amounting to approximately a 20% increase. He stated that there was a quote given by VACORP with the same amount of coverage for less money. Mr. Manley recommended that the JIDA change to VACORP liability policy since they are equivalent in coverage but a better value for that coverage. Mr. Manley stated that unless there was an objection from the board and if it was the consensus of the board, the VACORP insurance would be purchased. There were no objections and the consensus was to purchase the VACORP insurance.

Local Officials Guide – Mr. Manley mentioned that each board member received a copy of the Local Officials Guide that the VEDP publishes each year. He noted that it was a useful guide that details various economic development programs and partners and was distributed for the board's information.

PROJECT UPDATES

Projects were updated during closed session.

CLOSED SESSION AS PERMITTED BY CODE OF VIRGINIA §2.2-3711(A)(5)

Mr. Mabe made a motion to enter closed session as permitted by the Code of Virginia Section 2.2-3711(a)(5), also known as the Virginia Freedom of Information Act, to discuss undisclosed, unannounced projects. The motion was seconded by Mr. Carpenter, and passed unanimously. The meeting entered discussion in closed session.

The following roll call vote was required after the motion for certification:

AYES: David Kause Wes Mabe
 David Carpenter Dicky Morgan
 Matthew Clarke

NAYS: None

ABSENT DURING MEETING: John Silva
 Charlie White

ABSENT DURING VOTE: John Silva
 Charlie White

Upon conclusion of the closed meeting, Mr. Mabe made a motion that the Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat, certifies that, in the closed meeting, nothing was discussed except the matter (1) specifically identified in the motion to convene in a closed meeting and (2) lawfully permitted to be so discussed under the provisions of the Virginia Freedom of Information Act cited in that motion. The motion was seconded by Mr. Carpenter, and passed via unanimous roll call vote.

Motion was passed with the following roll call vote:

The following roll call vote was required after the motion for certification:

AYES: David Kause Wes Mabe
 David Carpenter Dicky Morgan
 Matthew Clarke

NAYS: None

ABSENT DURING MEETING: John Silva
 Charlie White

ABSENT DURING VOTE: John Silva
 Charlie White

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a certificate by the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certificate resolution applies, and (ii) only such public

business matters as were identified in the motion convening the closed meeting were heard, discussed or considered by the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat.

Motion was passed with the following roll call vote:

The following roll call vote was required after the motion for certification:

AYES: David Kause Wes Mabe
 David Carpenter Dicky Morgan
 Matthew Clarke

NAYS: None

ABSENT DURING MEETING: John Silva
 Charlie White

ABSENT DURING VOTE: John Silva
 Charlie White

ADJOURN

There being no other business, Chairman Kause adjourned the meeting at 4:25 p.m.

David Kause, Chairman

Attest:

Virginia M. Crockett, Secretary