

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
Minutes of Meeting
January 27, 2022

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held its regular meeting on Thursday, January 27, 2022, 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
Wes Mabe, Vice Chairman
David Carpenter, Treasurer
Dicky Morgan
Michael Cole
Jeff Lucas

MEMBERS ABSENT

Matt Clarke

EX-OFFICIO MEMBERS PRESENT

Stephen Bear, Wythe County Administrator
Brian Freeman, Wytheville Town Manager

EX-OFFICIO MEMBERS ABSENT

Jason Childers, Rural Retreat Town Manager

JOINT IDA STAFF PRESENT

David Manley, Executive Director
John Matthews, Deputy Director
Jessica DeHart, Administrative Assistant

JOINT IDA STAFF ABSENT

None

DETERMINATION OF QUORUM

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

CITIZENS' TIME

Chairman Kause welcomed Dr. Beth Taylor, Mayor, Town of Wytheville, Brian Freeman, Town Manager, Town of Wytheville, Cathy Pattison, Vice-Mayor, Town of Wytheville, and Jennifer Atwell, Wytheville-Wythe-Bland Chamber of Commerce Executive Director. Chairman Kause asked if anyone would like to address the Board. There being none, Chairman Kause continued with the meeting.

APPROVAL OF MINUTES— December 2nd, 2021

Chairman Kause asked if there were any questions or concerns regarding the minutes from December 2, 2021. There being none, he asked for a motion to approve the minutes as presented. Mr. Carpenter made the motion, which was seconded by Mr. Lucas. With no further discussion, the motion passed unanimously.

FINANCIAL REPORTS AND APPROVAL OF INVOICES

Chairman Kause entertained a motion to approve the financial statements for December 3rd, 2021, through January 27th, 2022, as presented. Mr. Carpenter made the motion to approve the financial statements as presented, which was seconded by Mr. Morgan. Upon no further discussion, the motion passed unanimously.

**Joint IDA of Wythe County
Check Register
December 3, 2021, through January 27, 2022**

Check #	Date	Payee	Amount
7947	12/21/21	Cowan Perry PC	\$ 6,615.50
7948	12/21/21	Impact Solutions, LLC.	\$ 500.00
7949	12/21/21	W-W-B Chamber of Commerce, Inc.	\$ 140.00
EFT	12/31/21	Appalachian Power Company	\$ 148.03
EFT	12/31/21	CenturyLink	\$ 171.16
EFT	12/31/21	Robert G. Moore	\$ 1,100.00
EFT	12/31/21	Xerox Corporation	\$ 37.92
EFT	12/31/21	Verizon	\$ 55.72
EFT	12/31/21	First Bank- Master Card	\$ 7,755.13
EFT	01/27/22	Robert G. Moore	\$ 1,100.00
EFT	01/27/22	Xerox Corporation	\$ 188.02
EFT	01/27/22	CenturyLink	\$ 171.16
EFT	01/27/22	Appalachian Power Company	\$ 155.20
EFT	01/27/22	Verizon	\$ 55.72
EFT	01/27/22	First Bank- Master Card	\$ 6,606.08
7950	01/27/22	Town of Wytheville	\$ 20,372.67
7951	01/27/22	VIAA Regional Economic Development	\$ 14,617.50

7952	01/27/22	SVAM	\$	50.00
7953	01/27/22	David Manley	\$	956.95
7954	01/27/22	AAUW Wytheville Branch	\$	250.00
7955	01/27/22	Wytheville Convention & Visitors Bureau	\$	900.00
7956	01/27/22	Jessica DeHart- Reimbursement	\$	46.11
Total			\$	61,992.87

FY 20-21 AUDIT PRESENTATION- CORBIN STONE OF ROBINSON FARMER COX

Mr. Manley introduced Mr. Corbin Stone of Robinson Farmer Cox Associates which is the Joint IDA's audit firm to the Board to present the audit FY 2020-2021. The audit letter and report were distributed to the Board which stated there were no problems found during said audit. Mr. Stone stated the JIDA had a single audit which is a requirement if over \$750,000 of federal aid is used and that there were no findings. The IDA had received over \$800,000 of CARES Act funding from the county for the Open for Business and Non-profit Assistance grants. He mentioned there were recommended adjusting journal entries attached to the letter so that the financial report could be presented in accordance with current reporting standards. Mr. Stone summarized the report noting that overall, the audit went extremely well and was pleased with the progress being made. Mr. Stone went through the audit report, noting key numbers and asked if there were any questions. All questions asked by the Board were answered by Mr. Stone. Mr. Stone complimented the work of Ms. DeHart, in particular. Mr. Carpenter made the motion, seconded by Mr. Lucas, to approve the audit FY 2020-2021 as presented. With no further discussion, the motion passed unanimously.

Mr. Bear entered the meeting at 3:13 pm.

STAFF ACTIVITY REPORTS

STAFF REPORT – DEPUTY DIRECTOR

Activity

Business Solutions Unit- (Chair)

Job Fair

Workforce Marketing

Gatorade Frontline Career Development program

Department of Housing and Community Development & Virginia Housing- Discuss housing plans and workforce.

VA Housing research department reported the average rental rate in Wythe is \$877 (up from \$739 a year ago).

This may be misleading because of a very small data set, but they're continuing to dig.

Enterprise Zone- Boundary Amendment Approved

Holiday Open House

Properties- Property Search

Property Owners

Database Update

Site Visits- Gatorade

Small Business Assistance

Strategic Planning

STS- Detroit Visit

Transportation Project – extend public transportation to Wythe Co industrial parks- District 3, GO Virginia, VIAA
Virginia Economic Development Association’s (VEDA) impactED (training), Public Policy Network – Co-Chair,
Board of Directors Meeting

Virginia Tech Transportation Project – Build Back Better funding to support commercial transportation
technology, and develop support system for Southwest Virginia clusters

Website

Wytheville-Wythe-Bland Chamber of Commerce- Education Committee
Joint Newsletter
Real Estate Search

STAFF REPORT – EXECUTIVE DIRECTOR

Business Activity

- Prospect activity minimal. Large pad sites are needed to remain competitive.
- With current activity on existing/new projects our capacity is limited for new major projects

Noteworthy Activity

- Budget prep for 2022-2023 FY: will work with Treasurer to develop proposal
- Spoke to House Appropriations and Senate Finance budget hearings to Tidewater and Northern VA delegations, supporting site funding amount other priorities
- Significant work on various agreements and legal documents on multiple projects
 - Extensive activities related to STS and Blue Star Projects; leadership and technical meetings, infrastructure expansion support, funding support, negotiation and finalization of deal details and agreements, forwarding inquiries, information, developer needs, much more
- Met new STS parent company leadership in Detroit, productive discussion
- Blue Star leadership in town this week along with engineering leads
- Weekly public policy briefings with Hunton Andrews Kurth and McGuireWoods public policy partners
- VEDA committee, board, and leadership meetings, Penning VEDA column, moderating monthly webinars and other duties
- Interacting with VEDP staff, regulatory matters, General Assembly outreach, responding to inquiries
- Attended and participated in Tobacco Commission meeting; reworking grant app for infrastructure funding (no loan was ever applied despite Wytheville Enterprise implication)
- County BOS Economic Development Committee
- Presentation to Wytheville Rotary
- Interviews w/ Virginia Business
- New supervisor orientation (Lead Mines District – Jesse Burnett)
- Millwald Theatre board and financing discussions

VERY NOTEWORTHY

- **BUSINESS FACILITES DEAL OF THE YEAR** – Mr. Matthews and Mr. Manley developed an application with supporting documentation for a national award from Business Facilities magazine judged by an expert panel. The Blue Star project enabled us to **WIN the IMPACT AWARD** for 2021 in the Jobs category. A tremendous accolade. We'll share the print article once it's available. Three top winners were Ford's electric vehicle campus in TN, Samsung's semiconductor plant in Texas, and a battery manufacturing facility in Arizona. \$5.6B, \$17B, and \$1.6B respectively. 5800, 2000, and 3000 jobs respectively. Respectable projects to take the top 3 awards.

PROJECT BRIEFING

STS GROUP

Mr. Manley mentioned STS Group has selected Agracel, Inc. as their developer with final surveying being done as well as some geotechnical work. STS Group will be locating on Lot 1B which is the eastern half of Lot 1 bordered by Peppers Ferry Road and E Lee Trinkle Drive.

BLUE STAR

Mr. Manley stated that Blue Star has been issued certain permits with some process remaining on others. Mr. Manley also mentioned the Blue Star leadership has been on-site this week having multiple meetings with Wythe County and the JIDA. He stated that DHCD has awarded the project \$2.5 million for the Community Development Block Grant to expand the water tank on Lots Gap. Other grants will be applied for very shortly to aid in the infrastructure for the project. Mr. Manley continued that Wythe County has awarded rail design to an engineering firm with bidding taking place soon. The entrance permit with VDOT is underway. Blue Star is currently in the process of working with utilities to bring in temporary power and fiber, and permanent fiber, gas, and electric with a 5-acre section of Lot 24 to be utilized as a substation. Mr. Manley stated that Lot 23 has been merged into Lot 24 as part of the land transfer to facilitate utilities. He also said that heavy equipment, as part of their permits, have started mobilizing on Lot 24.

Mr. Bear brought two resolutions before board for approval.

RESOLUTION

In Support of the New River Regional Water Authority in Its Expansion Plans and Grant Funding Application to the US Economic Development Administration

WHEREAS, the **Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat** (the "Authority"), is the *de facto* economic development organization for the named three localities in the Commonwealth of Virginia; and

WHEREAS, the Authority was organized by joint ordinance of Wythe County, the Town of Wytheville and the Town of Rural Retreat passed November 16, 1989, pursuant to the Industrial Development and Revenue Bond Act, Section 15.2-4900 et seq. (formerly Section 15.1-1373, et. seq.) of the Virginia Code, as amended, for the benefit of the County and for the public purposes stated in such ordinance; and

WHEREAS, **Blue Star NBR and Blue Star Manufacturing** have agreed to establish the first vertically integrated manufacturing campus for personal protective equipment (namely nitrile gloves) in Wythe County's Progress Park; and

WHEREAS, this above-named project will create over **2,400 jobs** and yield a taxable investment of over **\$700 million dollars** in **Wythe County, Virginia**; and

WHEREAS, the above-named project will rely on increased supply from the New River Regional Water Authority in its regular operations, requiring an expansion of 4 million gallons per day to 6 million gallons per day; and

WHEREAS, the Board of Directors of the Authority (the "Board") has determined that certain growth in capacity and capability of the **New River Regional Water Authority** facility in Wythe County is desirable and will allow the Authority to further its goals of increasing commerce, in promoting industrial growth, and improving the quality of life of Wythe Countians;

NOW THEREFORE BE IT RESOLVED by the Joint Industrial Development Authority's Board of Directors at its regular meeting on January 27, 2022, that:

- 1.) The Board wholly endorses and supports the application of the New River Regional Water Authority for \$5 million in grant funding support from the US Economic Development Administration; and
- 2.) The resolution takes effect immediately upon adoption.

ROLL CALL VOTE

Voting to adopt: Chairman David Kause, Vice Chairman Wes Mabe, David Carpenter, Michael Cole, Jeffrey Lucas, Dicky Morgan. (6 votes)

Not voting due to absence: Matthew Clarke

The resolution was adopted.

CERTIFICATE

The undersigned Secretary of the Board of Directors of the Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat, certifies that the foregoing is a true, correct, and complete copy of a Resolution adopted by the Affirmative vote of a majority of the Board of Directors present at a public meeting duly held on January 27, 2021, at which meeting a quorum was present and acting throughout.

Jessica DeHart, Secretary
Joint Industrial Development Authority of
Wythe County, Wytheville, and Rural Retreat

Date

Mr. Carpenter made the motion to adopt the resolution in support of the New River Regional Water Authority in its expansion plans and grant funding application to the US Economic Development Administration. The motion was seconded by Mr. Mabe.

Roll Call Vote:

Yea – David Kause, Chairman
Wes Mabe
David Carpenter
Dicky Morgan
Michael Cole
Jeff Lucas

Nay – None

Absent during vote: Matt Clarke

RESOLUTION

In Support of Wythe County and its Plans for Expansion of its Wastewater System and Related Funding Application to the Appalachian Regional Commission

WHEREAS, the **Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat** (the “Authority”), is the *de facto* economic development organization for the named three localities in the Commonwealth of Virginia; and

WHEREAS, the Authority was organized by joint ordinance of Wythe County, the Town of Wytheville and the Town of Rural Retreat passed November 16, 1989, pursuant to the Industrial Development and Revenue Bond Act, Section 15.2-4900 et seq. (formerly Section 15.1-1373, et. seq.) of the Virginia Code, as amended, for the benefit of the County and for the public purposes stated in such ordinance; and

WHEREAS, **Blue Star NBR and Blue Star Manufacturing** have agreed to establish the world’s first vertically integrated manufacturing campus for personal protective equipment (namely nitrile gloves) in **Progress Park** that will create over **2,400 jobs** and yield a taxable investment of over **\$700 million dollars** in **Wythe County, Virginia**; and

WHEREAS, the above-named project will rely on increased capacity in Wythe County’s wastewater system that serves the Blue Star site in Progress Park; and

WHEREAS, the Board of Directors of the Authority (the “Board”) has determined that certain growth in capacity and capability of Wythe County’s wastewater system is desirable and will allow the Authority to further its goals of increasing commerce, in promoting industrial growth, and improving the quality of life of Wythe Countians;

NOW THEREFORE BE IT RESOLVED by the Joint Industrial Development Authority’s Board of Directors at its regular meeting on January 27, 2022, that:

- 1.) The Board wholly endorses and supports the application of Wythe County for grant funding support from the Appalachian Regional Commission; and
- 2.) The resolution takes effect immediately upon adoption.

ROLL CALL VOTE

Voting to adopt: Chairman David Kause, Vice Chairman Wes Mabe, David Carpenter, Michael Cole, Jeffrey Lucas, Dicky Morgan. (6 votes)

Not voting due to absence: Matthew Clarke

The resolution was adopted.

CERTIFICATE

The undersigned Secretary of the Board of Directors of the Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat, certifies that the foregoing is a true, correct, and complete copy of a Resolution adopted by the Affirmative vote of a majority of the Board of Directors present at a public meeting duly held on January 27, 2021, at which meeting a quorum was present and acting throughout.

Jessica DeHart, Secretary
Joint Industrial Development Authority of
Wythe County, Wytheville, and Rural Retreat

Date

Mr. Morgan made the motion in support of Wythe County and its plans for expansion of its wastewater system and related funding application to the Appalachian Regional Commission. The motion was seconded by Mr. Cole.

Roll Call Vote:

Yea – David Kause, Chairman
Wes Mabe
David Carpenter
Dicky Morgan
Michael Cole
Jeff Lucas

Nay – None

Absent during vote: Matt Clarke

Mr. Freeman spoke about the need for a loop line in Lot 24 of Progress Park to aid in water demand for the Blue Star project and to ensure that at peak usage, other industries on the same line will not be affected with low pressure. The loop line will allow water to be pulled from the high and low side of the system to aid when repairs are needed and will also assure the availability of peak demand pressures including fire flow pressures if

needed. It increases reliability overall. The Town of Wytheville will call on the IDA through granting capabilities to aid in funding the loop line section of the project.

OTHER

None

OLD OR ONGOING BUSINESS

HOLIDAY OPEN HOUSE

Mr. Manley mentioned he was pleased with the attendance and atmosphere of the Holiday Open House and thanked all of those that stopped by the JIDA office for the event.

LOAN UPDATES

Mr. Manley stated that all current loans are up to date with Caro-Fit Corp. having satisfied the remainder of their \$20,000 loan issued on January 19th, 2021.

STRATEGIC PLANNING UPDATE

Mr. Manley said the JIDA had met on Wednesday, January 26th with Liz Povar of RiverLink Group and David Denny of Sanford Holshouser Economic Development Consulting, the JIDA's strategic planning consultants for an update on the next steps of the strategic plan which include interviews with partners, elected officials, governing body officials, industry leaders, and small business owners. The interview process which will be finished in March is confidential to ensure candid conversations about the JIDA's relationship with partners and its work product.

OTHER

None

NEW BUSINESS

TENURE AWARDS

Mr. Manley mentioned that due to the Covid-19 pandemic, the JIDA has not hosted the tenure awards luncheon to recognize the area businesses for the past two years. It is the intention of the JIDA to continue to plan a tenure awards event in March or April only if the number of cases in the area is reduced.

APPROVAL OF RESOLUTION ACCEPTING LOAN AGREEMENT WITH STS GROUP

The following resolution was distributed to the board to be reviewed for approval.

**RESOLUTION BY THE BOARD OF DIRECTORS
OF THE JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
OF WYTHE COUNTY, THE TOWN OF WYTHEVILLE
AND THE TOWN OF RURAL RETREAT**

Pursuant to Sections 15.2-4904 and 15.2-4905 of the Code of Virginia, as amended (“**Virginia Code**”), and Section 2 of the By-laws of the Authority, the undersigned, being all of the members of the Board of Directors (“**Directors**”) for the Joint Industrial Development Authority of Wythe County, the Town of Wytheville and the Town of Rural Retreat, Virginia (the “**Authority**”), do hereby act as follows:

WHEREAS, the Authority was organized by joint ordinance by the Wythe County Board of Supervisors; the Town Council for the Town of Wytheville and the Town Council for the Town of Rural Retreat pursuant to the Industrial Development and Revenue Bond Act, §§15.2-4900 et seq of the Virginia Code for the benefit of its citizens; and

WHEREAS, pursuant to the Virginia Constitution and the law of the Commonwealth of Virginia including, but not limited to, §15.2-4905 of the Virginia Code; and,

WHEREAS, the Authority has engaged in negotiations with STS Group North America (“**STS**”) to provide a term loan not to exceed \$16,320,000 (the “**Loan**”), which will be used to finance the purchase of equipment for STS’ new facility located in Wythe County’s industrial park, known as Progress Park; and,

WHEREAS, STS’ new facility in Progress Park will bring new jobs and a significant capital investment to the localities; and,

WHEREAS, the Authority believes that it is in the best interests of the localities that the Authority provide the Loan to STS; and,

After careful consideration and in furtherance of the purposes set forth herein, NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Loan and Security Agreement, Promissory Note and Parent Guaranty, collectively referred to as the “Loan Documents” and attached hereto as Exhibit “A” are accepted.
2. Upon approval by the County of the Performance Agreement and Loan Documents, the execution and delivery, recordation and performance of Exhibit “A” as deemed appropriate by the Authority is authorized. The Chairman of the Authority and the Executive Director of the Authority are authorized and directed, upon receipt of approval from the County, to execute on behalf of the Authority the Loan Documents and any other

documents reasonably required. Where required the corporate seal of the Authority or a facsimile thereof shall be impressed or imprinted thereon and attested by the signature of the Secretary of the Authority.

3. The Executive Director is directed and authorized to present this Resolution at the next regularly scheduled meeting of the Wythe County Board of Supervisors (the “**Board**”) meeting for the purposes of requesting their approval of the Loan Documents.

4. This Resolution shall be effective upon its adoption.

The Members of the Authority voted as follows on January ___, 2022

<u>MEMBER</u>	<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
David Kause Chairman	_____	_____	_____
Wes Mabe Vice Chairman	_____	_____	_____
David Carpenter Treasurer	_____	_____	_____
Joseph “Dicky” Morgan Director	_____	_____	_____
Matthew Clark Director	_____	_____	_____
Jeff Lucas Director	_____	_____	_____
Michael Cole Director	_____	_____	_____

CERTIFICATE

The undersigned Clerk of the Joint Industrial Development Authority of Wythe County, the Town of Wytheville and the Town of Rural Retreat, Virginia, certifies that the foregoing is a true, correct and complete copy of a Resolution adopted by the Affirmative vote of a majority of the Joint Industrial Development Authority of Wythe County, the Town of Wytheville and the Town of Rural Retreat, Virginia present at a public meeting duly called and held on January ___, 2022, at which meeting a quorum was present and acting throughout.

Dated: January ___, 2022.

Secretary, Joint Industrial Development
Authority of Wythe County, the Town of
Wytheville and the Town of Rural Retreat

Mr. Mabe made the motion to approve the resolution, which was seconded by Mr. Morgan.

Roll Call Vote:

Yea – David Kause, Chairman
Wes Mabe
David Carpenter
Dicky Morgan
Michael Cole
Jeff Lucas

Nay – None

Absent during vote: Matt Clarke

Closed Session as permitted by Code of Virginia §2.2-3711(A)(3) [Acquisition and Disposition of Real Property] and §2.2-3711(A)(1) [Personnel] as covered in the Code of Virginia section §2.2-3706.6.3.

Mr. Mabe moved that the Board of Directors of the Joint IDA of Wythe County enter closed session as permitted by the CODE OF VIRGINIA §2.2-3711(A)(3) [Acquisition and Disposition of Real Property] and §2.2-3711(A)(1) [Personnel] as covered in the Code of Virginia section §2.2-3705.6.3.

The motion was seconded by Mr. Carpenter.

Roll Call Vote:

Yea – David Kause, Chairman
Wes Mabe
David Carpenter
Dicky Morgan
Michael Cole
Jeff Lucas

Nay – None

Absent during vote: Matt Clarke

The board entered a closed session discussion at 4:41 PM.

At 5:16 PM, Mr. Mabe then moved that the Board of Directors of the Joint IDA of Wythe County re-enter open session and that the board further certifies that the only matters discussed in closed session were matters permitted and identified.

The motion was seconded by Mr. Carpenter.

Roll Call Vote:

Yea – David Kause, Chairman
Wes Mabe
David Carpenter
Michael Cole
Dicky Morgan
Michael Cole
Jeff Lucas

Nay – None

Absent during vote: Matt Clarke

ADJOURNMENT

There being no other business, Chairman Kause adjourned the meeting at 5:16 PM.

David Kause, Chairman

Attest:

Jessica E. DeHart, Secretary