

JOINT INDUSTRIAL DEVELOPMENT AUTHORITY
Minutes of Meeting
February 28, 2019

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, February 28, 2019, 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
Dicky Morgan
Michael Cole
Charlie White

MEMBERS ABSENT

Matthew Clarke

EX-OFFICIO MEMBERS PRESENT

C. Wayne Sutherland, Jr., Wytheville Town Manager
Stephen Bear, Wythe County Administrator

EX-OFFICIO MEMBERS ABSENT

Jason Childers, Rural Retreat Town Manager

JOINT IDA STAFF PRESENT

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

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

The Chairman welcomed Dr. Beth Taylor, Mayor of the Town of Wytheville; Jennifer Atwell, Wytheville-Wythe-Bland Chamber Commerce; Stephen Bear, Wythe County Administrator; and Wayne Sutherland, Wytheville Town Manager, Patricia Bevil, Virginia Employment Commission, and Roland Hall, WCC Workforce Director. Mr. Kause then asked if there was anyone present who would like to address the Board. There being none, the meeting continued.

PRESENTATION BY SPECIAL GUEST – JASON EL KOUBI, EXECUTIVE VICE PRESIDENT, VEDP

Mr. Jason El Koubi, Executive Vice President of the Virginia Economic Development Partnership (VEDP), continued his presentation on the changes and activities of the VEDP following the Tenure Awards Luncheon. The Board interacted with several questions, answered by Mr. El Koubi. The information given was helpful in letting the Board and guests know about the updates regarding the VEDP.

APPROVAL OF MINUTES—January 24, 2019

Chairman Kause asked if there were any questions or discussion regarding the minutes from the January 24, 2019, meeting and he asked for a motion to approve. Mr. Manley mentioned that Chairman Kause needed to be changed to Vice Chairman Mabe in the Financial Reports and Approval of Invoices section of the January minutes since Chairman Kause was absent that meeting. Ms. Crockett noted that she had already corrected the error. With no further questions or discussion Mr. Carpenter, seconded by Mr. Morgan, made a motion to approve the minutes as corrected. The motion passed unanimously.

FINANCIAL REPORTS AND APPROVAL OF INVOICES

Chairman Kause asked if there were any questions or concerns regarding the invoices or reports for February 28, 2018. There being none, Mr. Carpenter, seconded by Dr. White, made a motion to accept the financial reports and invoices as presented. With no further discussion, the motion passed unanimously.

**Joint IDA of Wythe County
Check Register
February 1, 2019 through February 28, 2019**

Check #	Date	Payee	Amount
EFT	2-26-19	Appalachian Power Co.	209.13
EFT	2-26-16	CenturyLink	173.30
EFT	2-26-19	First Bank – Mastercard	2,883.77
EFT	2-26-19	Robert G. Moore	1,100.00
EFT	2-26-19	Xerox	7.85
7606	2-26-19	David Manley – Reimbursement	825.19
7607	2-26-19	Peed and Bortz, LLC	2,500.00
7608	2-26-19	Town of Wytheville	18,072.51
7609	2-26-19	Wytheville Office Supply	472.50
Total			\$ 26,244.25

STAFF REPORT – ASSOCIATE DIRECTOR

Workshops

B2B Training (Client Management Software) – January 30, Wytheville VEC

Meetings

American Tire – Services Meetings

Business Services Unit

Chamber Tourism Committee

Downtown Wytheville & Chamber – Small Business Assistance Planning

Site Engineering Project

Properties - Commercial Real Estate Agents

Property Owners

Property Search Projects

Retail Coach

Revolving Loan Fund - Applicants

R.H. Sheppard – Site Visit

Schaffner – Grant evaluations

Small Business Assistance

Tenure Awards

VEDA Legislative Reception

Victoria Weisiger – Training Opportunities

Work-Based Learning Opportunities

Wythe-Bland Young Professionals

Upcoming Events

Wythe County Technology Center’s Open House – March 6 from 3:30 – 7 pm

Small Business Workshops – April 2, 16, 30 at the Wytheville VHDA office

Spring Career Fair – April 18 from 10 am to 2 pm at the Wytheville Meeting Center

STAFF REPORTS – DIRECTOR

New or Expanding Business Activity

- **Responded to inquiries from**
 - VIAA
 - Local Entrepreneurs
 - Utility
 - Realtor
 - Local businesses/industry
 - VEDP

- **Business Contacts and Meetings**
 - Bettina Ring, Secretary of Agriculture and Forestry
 - Vince Barnett, VEDP VP of Investment
 - Katherine Goodwin, VEDP AVP of Investment
 - Stephen Bear, County Administrator

- Scott Bortz, Peed & Bortz
- Josh Lewis, VIAA
- Connie Long, VEDA Executive Director
- David Clark, Seven Sisters Brewery
- Christy Morton, VP of External Affairs @ VEDP
- Jay Langston, Shenandoah Valley Partnership
- Steve Harrison, VA Beach Ec. Dev.
- Ryan Touhill, Alexandria EDC
- Stephanie Landrum, Alexandria EDC
- Mike Woods, Troutman Sanders Strategies
- Del. Sam Rasoul
- Del. Matthew James
- Chris Lloyd, McGuireWoods Consulting
- Stephen Versen, Va. Dept. of Ag. & Forestry
- Bill Smith, Smith Enterprises
- Farron Smith, Smith Enterprises
- Andrew Larsen, VEDP
- Pandy Brazeau, VEDP
- Matt Clarke, Clarke Precision Machine
- Randy Rose, VEDP / Workforce
- Mariya Hurwitz, Pepsico
- Aaron Farmer, The Retail Coach

Noteworthy or Other Activities

- VEDA Legislative Reception
- Sit-down @ VEDP re: projects, flow, pipeline
- Virginia Agriculture Development Officers meeting
- Reviewed and edited minutes
- Reviewed financial reports
- Credit card reconciliation
- RLF meetings
- Loan committee
- Reimbursement submission to VTC
- Development of roundtables with VEDP
- WC BOS Ec. Dev. Committee
- Budget draft development
- SVAM CoE Board of Directors meeting
- Small business class discussions w/ WWB Chamber and Downtown Wytheville
- VEDA Public Policy conference calls
- Millwald Theatre Board of Directors
- Awards luncheon planning
- Securing speaker for awards luncheon
- Historic Walking Tour unveiling
- Ribbon cutting @ Edward Jones / Josh Pennington
- RH Sheppard visit

UPCOMING

- Budget presentation to Board of Supervisors, March 18 @ 11am
- Meet the Consultants, March 20-21, 2019

OLD OR UNFINISHED BUSINESS

ANNUAL AWARDS LUNCHEON RECAP

Mr. Manley reported that the Annual Tenure and Special Recognition Awards luncheon went well. He noted that he was pleased with attendance and mentioned that everyone enjoyed their time together. Mr. Manley thanked Wytheville Office Supply for sponsoring the awards ceremony each year and thanked all who attended.

PROGRESS PARK ENGINEERING UPDATE

Mr. Manley mentioned that he and Mr. Matthews met with Scott Bortz, Peed & Bortz Engineering, for a project update meeting re: the engineering work that the JIDA is having done in conjunction with Wythe County. Peed & Bortz is designing different footprints on some of the available lots, what it would cost to bring some lots up to a graded buildable spec including time to complete. He added that these are some materials that the JIDA needs to better market the graded and ungraded sites that are in Progress Park. Mr. Manley noted that progress is being made and he is pleased with how it is going.

REVOLVING LOAN FUND BORROWER UPDATE

Mr. Manley noted that during last month's meeting the Board took a firm stance on the Yelton loan. He sent out a letter to Ms. Yelton and she responded by telephone and stated that this evening there would be a check placed under the JIDA office door. Mr. Manley added that if that does not continue each month, further collection processes will begin. Mr. Carpenter asked why a letter was not sent to Ms. Rogers. Mr. Manley responded that there have been some developments in the process now. He noted that there was an article in the Wytheville Enterprise on Saturday stating that Mr. and Mrs. Smith will be selling Skeeter's (the business). Mr. and Mrs. Smith want Ms. Rogers to continue with the operation until it sells. The JIDA staff is trying to come up with a way to extract regular payments while maintaining that existing business relationship so the business will continue to be open. He mentioned that there is basically negotiating being done at the present time. Mr. Carpenter asked if Mr. and Mrs. Smith were aware. Mr. Manley stated he did not know. Chairman Kause asked why we were led to believe that Ms. Rogers bought the business. Mr. Manley answered that there was a front-page article in the Wytheville Enterprise that stated she did and that there was no reason to believe otherwise. A workable solution is being sought.

Mr. Mabe stated that he noticed that Ms. Womble is paying regularly, and that Mr. Pennington has paid his in full. Mr. Manley stated that Mr. Pennington is already talking about expansion, because of their extremely successful season, and that he was pleased Ms. Womble was making regular payments.

Mr. Carpenter asked if there was any news regarding Branch Botanicals. Mr. Manley noted that he had spoken to Mr. Tolley approximately a week ago and is supposed to set up a visit to discuss their progress.

LOAN COMMITTEE REPORT ON APPLICATION(S)

Mr. Manley reported on the loan applications from the loan committee meeting. He stated he had been meeting with this applicant for several months and that it was an existing business looking to expand. Lakes to Florida is

a small deli and grill on U. S. 21 South. They want to grow and add a convenience store and they will need equipment and funds for inventory. Mr. Manley has found them to be serious about their business and they do have experience. Their assets are not encumbered in a way that would make repayment a challenge. They originally asked for \$12,000, but the loan committee recommended the \$5,000 micro-loan instead. Mr. Manley has spoken with them and in the meantime, they said they would be happy with that amount and excited to continue because they have already started some of the purchases from their own funds. He noted that the \$5,000 micro-loan will be a 18-month, interest free loan, with an average monthly payment of approximately \$278.00. Mr. Carpenter asked if the Board is approving a micro-loan. Mr. Manley stated it was a \$5,000 micro-loan which was recommended by the loan committee. Chairman Kause stated that the Board would be voting whether or not to accept the committee's recommendation. He noted that the loan committee did not feel that the \$12,000 was justified and that maybe helping with some of the equipment and inventory would be a good start for them. Mr. Manley asked Ms. Atwell, loan committee member, if she had any thoughts. Ms. Atwell answered that the committee thought they were a strong candidate. Mr. Manley mentioned that they would be looking to hire more employees. Mr. Carpenter asked if there was other income besides the business. Mr. Manley stated they did have other income. Mr. Carpenter asked if anyone was ever checked for being in arrears for anything, including sales and food tax. Mr. Manley stated that he did not believe those would be available to the JIDA. Mr. Bear answered that real estate tax is the only tax that can be released and possibly personal property.

Mr. Carpenter made a recommendation and made a motion, seconded by Mr. Cole, that the Board approve the micro-loan as suggested by the loan committee. Roll call vote: Wes Mabe – yay; Dicky Morgan – yay, Michael Cole – yay; Dr. White – yay; David Carpenter – yay; Chairman Kause – yay. There were no nays and the motion passed unanimously.

OTHER

None

NEW BUSINESS

DRAFT OPERATION BUDGET FOR FY 19-20

Mr. Manley noted that each Board member received a copy of the draft operations budget for the fiscal year 2019-2020. He added that it was only a draft that he prepared in conjunction with Chairman Kause and Treasurer Carpenter and that it would be submitted to the three governing bodies that fund the Joint IDA for their consideration. A formal budget adoption would take place before the end of fiscal year, June 30.

GOLF TOURNAMENT

Mr. Manley reminded the Board that the annual golf tournament has been schedule for Thursday, May 16. The Country Club has been booked as well as the restaurant. The staff and Mr. Mabe will be working on details and invitations during the next few months.

PROJECT UPDATES

Discussed during Staff Reports. Closed session will be needed during the next regular meeting to present information received.

OTHER

APEX Center – Mr. Bear, Wythe County Administrator gave an update on the activities at the APEX Center. He also offered to give the JIDA Board a tour of the facility. The Board agreed that they would like to take a tour, one will be scheduled soon.

Connector Road – Mr. Bear, Wythe County Administrator reported that Wythe County received a grant to assist with funding for the connector road into Progress Park through VDOT Smart Scale funding.

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

None

ADJOURN

There being no other business, Chairman Kause adjourned the meeting at 4:50 p.m.

David Kause, Chairman

Attest:

Virginia M. Crockett, Secretary