

**JOINT INDUSTRIAL DEVELOPMENT AUTHORITY**  
**Minutes of Meeting**  
**September 28, 2017**

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, September 28, 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  
David Carpenter  
Dicky Morgan  
Charlie White  
Matthew Clarke

**MEMBERS ABSENT**

John Silva  
Wes Mabe, Vice Chairman

**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. Chairman Kause offered the invocation and led the Pledge of Allegiance.

## **CITIZENS' TIME**

Chairman Kause welcomed Patricia Bevil with the Virginia Employment Commission, Wayne Sutherland, Wytheville Town Manager, and Stephen Bear, Wythe County Administrator, 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 – RANDY ROSE, VIRGINIA JOBS INVESTMENT PROGRAM**

Randy Rose, Workforce Development Manager for VEDP and Southwest Virginia's Regional representative for the Virginia Economic Development Partnership's Virginia Jobs Investment Program (VJIP), gave a brief presentation describing the services and activities of VJIP.

VJIP provides services and funding to companies creating new jobs or experiencing technological change. They reduce the human resource development costs of new and expanding companies. With strong support from the Governor and General Assembly, VJIP is completely state-funded, demonstrating Virginia's commitment to enhancing job opportunities for its citizens.

Eligibility for assistance in any of the programs offered by VJIP is limited to projects that create basic employment for the Commonwealth of Virginia, since basic employment brings new income into the state, stimulates additional employment, and is the basis for further economic growth. These businesses or functions must directly derive more than 50% of their revenues from out of state sources, as determined by VJIP. Activities that are most often considered basic include manufacturing, regional distribution centers, regional shared service centers, corporate HQs for companies with multiple facilities (HQ support positions only), business-to-business information technology operations, and research and development.

Mr. Rose closed by saying that he will always be in contact with Mr. Manley and the JIDA for any needs that may come up for existing or new opportunities in Wythe County.

## **APPROVAL OF MINUTES—August 24, 2017**

Chairman Kause asked if there were any questions or discussion regarding the minutes from August 2017 and he asked for a motion to approve. Mr. Carpenter made a motion, seconded by Mr. Morgan, 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 September 2017. He asked if there was any discussion or a motion to approve.

Mr. Carpenter discussed marketing and advertising on the P&L statement regarding budget vs. actual expenses. He noted that marketing and advertising went down from last month. Mr. Manley stated that there was an item that was coded incorrectly and needed to be reassigned to a new category. Mr. Carpenter asked where it was moved to. Mr. Manley answered that he would have to go back to the reports from the previous month because he could not recall the transaction at the present time and would let him know.

Mr. Carpenter asked about consulting/legal, he noted that it shows up as a payment to Mr. Manley, he asked what it was. Mr. Manley stated that it was a business site selector review. The JIDA purchased, at the SEDC annual charity auction, a package that was valued at \$2,500 worth of site selector consulting time for \$500. The firm doing the review is Creative Economic Development Consulting and its principal, Crystal Morphis. She is a North Carolina-based site selection and economic development consultant. They will be doing a wholesale review of the JIDA’s marketing materials, website, RFI’s that have been submitted, etc., to provide an independent assessment and make suggestions where needed. Mr. Carpenter asked if Mr. Manley paid for it. Mr. Manley stated that he had, as he used a personal credit card to sign up for the auction’s smartphone app. He mentioned that he was going to absorb the cost himself if the board didn’t think it was a worthwhile pursuit. Mr. Carpenter asked if there was a corporate credit card. Mr. Manley answered that there is, but out of an abundance of caution he used his personal card in case the board did not want to pursue it. He mentioned that it was a great value for a fact-based, third-party evaluation of the Joint IDA efforts in recruitment and that it’s something he has intended to undertake for some time.

Mr. Carpenter asked about the website expenses of \$437. Mr. Manley answered that one project, that was underway for the past three months with the O’Conner Group, was an update of the web operating software, WordPress, and the associated plugins. Some menus on the site required rebuilding and they also integrated the Joint IDA’s Facebook feed into the website to allow for a more immediate and interactive experience with website viewers. Mr. Carpenter asked to confirm it was website building expense. Mr. Manley answered that it was and that any expense related to the website is assigned to that budget category. Mr. Carpenter wanted to make sure it was not related to advertising. Mr. Manley noted that it was not, only upgrades to the site that were needed.

Mr. Morgan asked if the JIDA’s agreement with The O’Connor Group allow for regular maintenance and updates or if this activity was something special. Mr. Manley answered that it was more economically sensible to purchase updates ala carte and only as needed, thus far. He added that the Joint IDA staff maintains the site and its content, but that sometimes there are architectural or coding and programming changes that are best left to experts. Mr. Manley mentioned that the JIDA could opt to pay The O’Connor Group a certain amount each month, but over the course of a year there is not enough work to justify the ongoing cost. He added that until a major site update is needed he felt confident this was a more feasible approach.

Mr. Carpenter asked about the revolving loan fund and why Branch Botanicals was behind. Mr. Manley stated that he has a report for the Revolving Loan fund for later in the meeting but that – in short – their payment came in after the printing of the financial reports.

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

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

<b>Check #</b>	<b>Date</b>	<b>Payee</b>	<b>Amount</b>
EFT	9-28-17	Appalachian Power Co.	98.05
EFT	9-28-17	CenturyLink	157.88
EFT	9-28-17	First Bank – MasterCard	2,014.16
EFT	9-28-17	Robert G. Moore	1,100.00

EFT	9-28-17	Xerox	34.02
7817	9-28-17	David Manley	338.13
7818	9-28-17	David Manley	670.66
7819	9-28-17	Mike Atwell	35.00
7820	9-28-17	The O'Connor Group	437.50
7821	9-28-17	Town of Wytheville	16,965.35
7822	9-28-17	Wytheville Enterprise	135.00
<b>Total</b>			<b>\$ 21,985.75</b>

## STAFF REPORT – ASSOCIATE DIRECTOR

### Workshops

Thriving Rural Communities: Strategies for Attracting and Retaining Talent – IEDC Webinar on September 7

### Meetings

Chamber Tourism Committee  
Department of Labor and Industry Apprenticeship Meeting  
Economic Vitality Committee  
GO Virginia Regional Meeting  
Manufacturing Career Fair & FAM Tours Planning  
Properties – Commercial Real Estate Agents  
Property Owners  
Rural King  
Retail Coach  
Revolving Loan Fund Recipients and Applicant  
Roanoke County Public Schools – apprenticeship program  
Rotary Presentation  
Wayne Roop – Real Property Investment Program  
Wythe Manufacturing Roundtable  
Wythe-Bland Young Professionals and Steering committee

### Upcoming Events

**Manufacturing Career Fair** – November 1, 9am-12pm at the Wytheville Meeting Center

## STAFF REPORT – EXECUTIVE DIRECTOR

### **New or Expanding Business Activity**

- **Responded to inquiries from**
  - VIAA
  - VEDP
  - Norfolk Southern
  - Entrepreneurs
  - Existing industry

- Industrial contractors

- **Business Contacts and Meetings**

- WC BOS Economic Development Committee
- Katherine Goodwin, VEDP Asst. VP
- Jay Langston, VEDP Managing Director
- Mary Rae Carter, Asst. to Governor for Rural Va.
- Cindy Green, Virginia Community Capital
- Josh Lewis, Virginia's Industrial Advancement Alliance
- Downtown Wytheville Economic Vitality Committee
- Stephen Moret, VEDP CEO
- Crystal Morphis, Creative Economic Development
- Vivian Womble, Coffee and Crumbs
- Stephen Bear, County Administrator
- Wayne Sutherland, Wytheville Town Manager
- Jason Childers, RR Town Manager
- John Smolak, Ec. Dev. Director - AEP
- Marty Holliday, NR/MR Workforce Development Board
- Todd Caldwell, CenturyLink
- Green Faircloth, f/k/a Atmos
- Perry Hughes, WCC
- John Griffith, AEP
- Dan Tolley, Branch Botanicals
- Tom Burns, SP Global
- Jill Loope, Roanoke County
- Jeremy Farley, Wythe Co.
- Lennie Gail Mitcham, SVAM
- Dan Motley, Norfolk Southern
- Bob Di Marino, Coperion Corp.
- Denise Walters, Coperion Corp.
- SWVA Wedding group
- Melanie Hanshew, Wyvacon
- Wayne Roop

- **Noteworthy or Other Activities**

- GO Virginia regional council meeting @ WCC/report released (corrections)
- Sen. Tim Kaine Manufacturing Roundtable in Glade Spring (ec. dev. rep.)
- Completed JIDA submission for DHCD grant
- Visited Branch Botanicals HQ in Chantilly, VA, met with CEO, President
- Webinar – Thriving Rural Communities
- Audit
- Met w/wedding group – we won 50% of our marketing grant from VTC
- SWVA Leadership Breakfast/Ignite project/United Way of SWVA
- VIAA lunch w/Lori Deel and Josh Lewis
- Meeting w/Virginia Community Capital lending VP, deposit rep.
- Reviewed and edited minutes
- Reviewed financial reports
- Credit card reconciliation
- Revolving loan fund work

- **Retail Consulting**
  - Retailer match list edited
  - Several eliminated; several seeking franchisees
  - Some just not interested flat out
  - Some have some interest
  - Some very interested and movement is happening
  - Update this morning, 9/28
  
- **Upcoming**
  - Vacation starting Oct 2. Through October 10
  - Manufacturing Career – Nov. 1 @ Wytheville Meeting Center
  - Combined holiday meeting November 30
  - Christmas open house @ JIDA – December 14

**October Joint IDA Board of Directors Meeting**

FORT CHISWELL HIGH SCHOOL (Library) @ 3:00 pm, October 28, 2017

**OLD BUSINESS**

**RETAIL CONSULTING UPDATE**

Mr. Manley referred to the earlier information shared during the staff report. He mentioned that he had received an email saying that the retail consulting group has attending three shopping center conferences and has received some feedback. Some of the responses from retailers were positive, some negative, and quite a few were non-committal. He mentioned that the match list is being adjusted accordingly. If a retailer is not interested they are being removed from the list so they will not be contacted anymore. There are several places that are interested and their names that would be recognized and those discussions are in progress. Mr. Manley noted that it would be premature to name any of those contacts. He noted there is action happening and there was quite a number of respondents that said they'd be interested in opening here if someone was willing to buy a franchise. He noted that things are proceeding on schedule.

**REVOLVING LOAN FUND UPDATE**

Don Jensen

- Status unchanged

Chairman Kause thinks that there needs to be a conversation with Mr. Jensen to see what his plans are and how he is doing and how to proceed. Dr. White suggested that the JIDA staff contact Mr. Jensen to see if there is any inventory he has that could be liquidated. Mr. Carpenter suggested that a call be made followed by a letter being mailed.

Branch Botanicals

- A new round of capital raising is underway
- Request for RLF is for interest-only payments through the first of the year, help cash flow until next phase of capital campaign is complete
  - Mr. Manley authorized one month of interest only payments for this month and it was paid, request came concurrent with last month's board meeting (good faith)

- Mr. Manley met with Tom Burns (CEO) and Dan Tolley (President) while in northern Virginia for the data center conference. Information gleaned:
  - October is planned time period for the next phase of construction; groundbreaking before deer season
  - Plans are 95% complete with submission to County imminent
  - DEQ plans were approved last month

Mr. Bear, Wythe County Administrator, stated that the land payment for Branch Botanicals comes due in December. Mr. Morgan asked if the bankruptcy of the farmer caused any delay in the building process. Mr. Bear stated that DEQ permitting was largely responsible for the delay.

Mr. Carpenter stated that he thought that interest only would be fine, but noted that it should not drag out for a long period of time.

Coffee and Crumbs, Vivian Womble

- Building inspection pending in Radford
- Phone established
- Interview have taken place
- Telephone discussion re: bringing payments up-to-date earlier this month
- No September payment made

Mr. Manley stated that he has made her an offer to bring her payments up-to-date and then interest only payments would be considered for a time to give her the opportunity to get settled in her new location.

Chairman Kause asked if there was a motion to allow interest only payments for a year only after Ms. Womble's loans are brought up-to-date and then new terms will be established. Mr. Carpenter made a motion, seconded by Mr. Clarke, to allow interest only payments to be paid in a timely manner after her loans are brought up-to-date with new terms established after she is caught up. With no further discussion, the motion passed unanimously.

**AUDIT UPDATE**

Mr. Manley mentioned that everything went well with the audit and that all looked good according to a preliminary assessment from the accounting firm.

**SPECIAL RECOGNITION AWARD DECISION FOR 2017 (CHAMBER DINNER PRESENTATION)**

Mr. Manley asked if the Board would like to present the Special Recognition Award that the Chamber of Commerce dinner on November 2 or during the Tenure Awards Ceremony. He also discussed giving American Tire Distributors, Inc. the award. There was some discussion among the Board about this being a good decision due to their continued investment in Fairview and decision to remain in Wythe County. There was a motion made by Mr. Morgan, seconded by Mr. Clarke to give the award to American Tire. With no further discussion, the motion passed unanimously. The staff will contact American Tire Distributors to see if they will be able to attend the Chamber of Commerce dinner with the JIDA Board and staff. If they are unable to attend, then the award will be given during the Tenure Awards Ceremony at the beginning of 2018.

**OTHER**

Date Center Conference – Appalachian Power invited Roanoke County economic development director and Mr. Manley to attend the Mid-Atlantic Data Center Conference held in Dulles, VA. The conference was intensive and geared toward operators and constructors of data centers. The Conference was an educational experience, much more than networking, and was a good use of time.

**NEW BUSINESS**

**SITE SELECTOR REVIEW**

Discussed during Financial Reports.

**FORT CHISWELL HIGH SCHOOL MEETING LOCATION**

Mr. Manley confirmed that the October 28 JIDA Board meeting will be held at Fort Chiswell High School in the Library. The Board asked if there would be any conflict with the time because the meeting would be starting around the time school was dismissing. Mr. Manley asked if the Board would like to start the meeting at 2:30 pm or at 3:30 pm. The Board suggested 3:30. Mr. Manley will check with school officials because he did not want to have personnel at the school after their regularly scheduled time if possible. The Board will be informed of the time prior to meeting.

**OTHER**

None

**PROJECT UPDATES**

Mr. Manley reported on current activities with projects and mentioned that a new RFI was received and the staff will be working on that.

**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 4:30 p.m.

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David Kause, Chairman

Attest:

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Virginia M. Crockett, Secretary