



**MEETING MINUTES
BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY**

**Bedford County Administration Building Board Room
122 E. Main Street
Bedford, VA 24523
August 4, 2016
5:30 p.m.**

Economic Development Authority:

:Present:

Dennis Novitzke - Dist. 1; Mickey Johnson, Vice-Chairman - Dist. 2; Matthew Braud - Dist. 4; Jim Lusk - Dist. 5; Kristy Milton - Dist. 7

:Absent: Wyatt Walton, Chairman - Dist. 3; Kelly Harmony - Dist. 6

:Staff Present: Traci Blido – EDA Secretary; Patrick Skelley – County Attorney; Carl Boggess – County Administrator; Jessica Hupp – Transcriber

:Staff Absent: None

:Guests: Charlie Kolakowski – Town Manager

(1) APPROVAL OF AGENDA

Vice Chairman Johnson asked for approval and/or amendments to the Authority's August 4, 2016 agenda.

Mr. Braud moved, seconded by Mr. Lusk, to approve the August 4, 2016 EDA agenda, as presented.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Johnson, Mrs. Milton, Mr. Braud

Voting no: None

Adopted Unanimously

(2) APPROVAL OF MEETING MINUTES – July 7, 2016

Mr. Johnson asked for approval and/or amendments to the Authority's July 7, 2016 meeting minutes.

Mr. Lusk moved, seconded by Mr. Braud, to approve the July 7, 2016 meeting minutes, as presented.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Johnson, Mrs. Milton, Mr. Braud

Voting no: None

Abstain: None

(3) SPECIAL APPEARANCE: JOY POWERS, COUNTY FAIR

Ms. Powers reported that last year was the first year the fair returned to the county. In the beginning they had anticipated 7,000, in attendance, but had more than double that turn out. The fair committee estimated roughly \$110,000 in onsite sales during the three-day event and a total economic impact of more than \$250,000. Ms. Powers stated that all of this was made possible through the cooperation with different county entities including the economic development department, sheriff's department, fair volunteers, students, and civic leadership groups. The best estimation of time invested is around 4,600 volunteer hours. Ms. Powers stated the fair is not a for profit or charity event, and strictly for the community and its businesses.

For this year's fair, the committee has added an additional day. The fair will take place September 1-4. The committee is hoping for around 18,000 in attendance based on generated interest online. The fair's webpage has doubled the amount of interest at this time compared to the same time last year. They've projected onsite sales of up to \$200,000 and an economic impact of \$400,000 and even more volunteer hours.

Ms. Powers stated the biggest concerns for the committee right now are safety and promotion. Ms. Powers stated she would like to partner with the EDA on addressing those final needs. So far, they've acquired several in-kind sponsorships this year like news and radio station coverage. Mrs. Milton asked what the total cost for the fair was last year in terms of manpower that had to be compensated. Ms. Powers stated the biggest source of compensated manpower was contracted parking and the sheriff's department. The total cost last year was \$30,000, with \$19,000-\$20,000 going to renting facilities, waste management, webpage media, etc. They also had four or five deputies onsite at all times, and found that they don't need that many at a time. Volunteer rescue from Huddleston was also there, and the county provided a first aid tent. Parking at the fair is done by different community groups.

A discussion followed about potential sponsorship amounts that may be appropriate to provide EDA support.

Mr. Lusk moved, seconded by Mrs. Milton, to become a platinum sponsor at \$5,000 to the Bedford County Fair.

Voting yes: Mr. Novitzke, Mr. Lusk , Mr. Johnson, Mrs. Milton, Mr. Braud

Voting no: None

Abstain: None

(4) REPORTS

A. Economic Development Director's Report

Mrs. Blido welcomed Reid Wodicka, the new Assistant County Administrator. Mr. Wodicka will be going with her next week to meet the new Deputy Director of the Tobacco Commission and to the EDA's business parks and some county businesses. Mr. Wodicka will also be helping with the broadband committee.

Mrs. Blido reported that Ms. Hupp was nominated and chosen for the Top 20 under 40 feature in the next Lynchburg Business Magazine for all her hard work with our businesses and the Bedford One Program.

Mrs. Blido reported that staff has been working with Redco Machine on announcing its expansion. They called yesterday and were very thankful for all the media calls and are already getting interest for the job openings. Mrs. Blido reported she and Ms. Hupp also met with Tom Herbster from A. Schulman, which acquired Citadel Plastics to find out about any changes in the business and how the EDA may be able to

assist in the future. Mr. Herbst expressed that the acquisition was a positive thing for their operation in Bedford and said they are already seeing growth with a few open positions.

Mrs. Blido stated she has been working with the CAER and LiteSheet on the Company's phase two R&D grant request as they are looking at getting a larger facility and creating greater product growth and technologies. The CAER is submitting the grant on behalf of LiteSheet and she will keep the EDA updated on the process.

Mrs. Blido reported she received a call from VEDP regarding an open VIP grant that TEVA got back in 2008. If they achieved their past commitment they may be able to capitalize on what's left of the unpaid grant, but they would need to report the status ASAP. Staff recently met with TEVA's new General Manager and business was strong with volumes up and about a dozen open positions. Mrs. Blido stated she believes employment is around 350 now. .

Mrs. Blido reported we have another prospect coming from the UK in the next couple of weeks thanks to the Tobacco Commission's representative there who has been bringing leads to the region more regularly.

B. Monthly Financial Report

Mrs. Blido reviewed the monthly financial report with the EDA. Ms. Hupp stated that the red text in the bottom is meant to represent the money the EDA profited this year.

C. Monthly Accounts Payable Report – Bills that have been paid

Mrs. Blido reviewed the accounts payable report with the EDA.

D. Existing Business Report

Ms. Hupp stated that hopefully the EDA saw the newsletter that was sent out this week. It highlighted several interesting stories for the Town, such as the re-opening of the Bower Center for the Arts, the success of the SNAP program at the Bedford Farmer's Market, and more. Happycoffee, a new business in Centertown, just opened today.

Ms. Hupp asked the EDA to mark their calendars for the upcoming Business Roundtable Meeting, which will take place on Tuesday, September 29 at the CAER from 8:30-10 a.m. Staff has not yet selected a speaker for the event, but will keep the board updated.

Ms. Hupp stated she has been attending the Bedford Franklin Regional Rail Initiative meetings. The Department of Rail and Public Transportation is now doing their own feasibility study for an Amtrak stop in Bedford. Part of the group is looking to meet with a Tobacco Commission representative to see if the project could qualify for a special projects grant. The estimated cost of a stop in Bedford is \$2 million.

(5) TOWN OF BEDFORD

A. Hotel Study update

Mrs. Blido reported the hotel study is now published in documents under the media section on our webpage. The study concluded Bedford can feasibly support a 75-room, four-story mid-to-upper scale lodging facility, with a meeting room, fitness and business center, indoor pool, etc. The EDA is welcome to read the whole report online. The study doesn't spell out the exact site of a prospective hotel, but was intended to be established in the Town boundaries. At that point, a developer may have its own study done, but this will at least gain some interest from those who have contacted us in the past and we are sharing the link with those prospects.

B. Bedford Brewery update

Mrs. Blido stated the appraisal has not yet been received, but should be coming in electronically within the next week. She stated that the bank said it is looking good and they are going through the review process right now. Staff has scheduled a pre-construction meeting for August 15th for the county's fiscal management team, our office, DHCD, and Dave McCormack. At this meeting the group will go over the loan closing check list, disbursement process, and timeline. This meeting is mostly for Dave to explain how things will be processed.

Mrs. Blido reported that Dave is currently dealing with the environmental aspect of the underground tanks, and has gotten a contractor engaged and working on branding. Dave will submit the building permit in the next week. He has already submitted DHR part 1 and 2, and part 1 has been returned from the state. The loan should be closed and the construction ready to begin by October 1.

C. Ratification of Redco Machine incentive

Mrs. Blido stated the EDA needed to ratify the incentive for Redco Machine at the last closed session. The EDA agreed to incentivize Redco Machine in the amount of \$15,000 for its commitment to adding \$600,000 in equipment and a minimum of six jobs in three years.

Mr. Braud moved, seconded by Mr. Novizke to ratify the \$15,000 incentive to Redco Machine for its commitment to investing \$600,000 and adding 6 jobs in three years.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Johnson, Mrs. Milton, Mr. Braud

Voting no: None

Abstain: None

(6) NEW LONDON BUSINESS AND TECHNOLOGY CENTER

A. Potential Lot Grading plans

Mr. Boggess handed out some maps of the New London Park to the EDA. The maps show that lot 3A has already been partially cleared. Mr. Boggess stated he thinks what would make the most sense is meeting with David Bays at the site to find out when he could get the top soil off the lot, and what he thinks we should do with the site. Traci, Jessica, and Mr. Boggess looked at it a few weeks ago, and it looks like 1-2 acres has already been cleared. The EDA agreed to meeting with David Bays beforehand.

Mr. Boggess also expressed that he believed it would help to open up a couple lots. Mr. Boggess recommended cutting out 3 acres next to the access road that's across from the water tower on lot 10. He believes it would help potential prospects to visualize the site better. Another possible location suggested by Mr. Boggess is lot 7, which butts up to where the substation is located. Mrs. Milton asked if the master plan addressed building sizes for each given lot. Mrs. Blido stated we don't have that much detail in the master plan.

B. Site Characterization funding opportunity

Mrs. Blido discussed the Virginia Business Ready Sites Program, which is a joint effort with VEDP and area engineers to have a database for larger sites in the state. This program makes it easier when they have prospects to look through the database to see which sites are in the tier needed by the prospect, and meet the needs of the client. A tier five site, which is the end goal, is a pad-ready site that can have a building ready in up to 6 months. In order to take part in this program, staff would have to submit an application by September 1. The EDA would have a decision by November. What the program entails is having an engineering firm look at the location to designate a tier. If selected, VEDP would grant \$5,000 in matching funds to the EDA to retain a site development professional to assess the site and designate

one of the tier levels. Mrs. Blido believes we are currently somewhere between 3 and 4, but this would give us actionable goals. Mrs. Blido stated this program will keep us top of mind for VEDP.

Mr. Braud asked what kind of prospect would be looking for more than 100 acres, to which Mrs. Blido stated large manufacturing. Mrs. Blido stated lot 10 A & B are potential sites to make 100 contiguous acres. Mr. Braud asked if this was the type of project we originally envisioned for the park. Mrs. Blido stated it was originally intended that it be an IT, Distribution, and office building park, but the job market has changed since then. Mr. Lusk said his two concerns were the lack of natural gas and railroad access. Mrs. Milton said she believes that would eliminate us from one of these large projects. Mrs. Blido stated that may not be the case as Columbia Gas is willing to do what they can if we can get customers in that park who use it. Mrs. Blido stated she was told by Draper Aden and John Loftis from VEDP we are one of two counties in the region that qualifies for the program with the other possibly being Appomattox. Mrs. Blido asked if the EDA would authorize her to apply for the grant, with the agreement that they will match the \$5,000 to designate the site. Mr. Braud asked if Hurt & Proffitt has to assist in gathering the documents to apply and the EDA discussed how much that may cost.

Mr. Lusk moved, seconded by Mr. Braud, to authorize staff to apply for the Virginia Business Ready Sites program \$5,000 matching grant, and up to \$1,000 may be spent on gathering pertinent information for the application.

Voting yes: Mr. Novitzke, Mr. Lusk, Mr. Johnson, Mrs. Milton, Mr. Braud

Voting no: None

Abstain: None

(7) BEDFORD CENTER FOR BUSINESS

A. Memo from Draper Aden – Lot grading suggestions

Mrs. Blido stated Draper Aden provided a memo for the EDA packet of what they thought could go on the existing graded lot. Draper Aden thinks the soil could handle a 60,000 square foot building, expandable to 120,000. Mr. Boggess stated there is nothing for the EDA to really act on at this point in time, but thought the memo would help give the EDA a better idea of what could be done with the parks existing assets.

(8) MONTVALE CENTER FOR COMMERCE

A. Montvale sign update

Mrs. Blido stated the site looks fantastic and that staff included a picture of Jared O'Brien's final project in the packet for their review. Jared will be formally recognized at a Board of Supervisors meeting in October.

(9) ALL OTHER EDA BUSINESS AS MAY BE APPROPRIATE

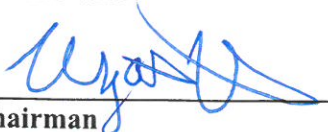
A. BOS-EDA Joint Meeting review

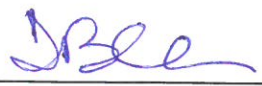
Mrs. Blido stated she only had one change to the draft the EDA was given, which is that the meeting will be held in the ground floor training room, not at the Welcome Center. At the joint meeting we will discuss accomplishments and goals, and we will have Dan Gunderson, Interim President & CEO at VEDP discuss how leads come in to the state, trends he's seeing, and how he works with the regional and local economic developers. Mrs. Milton asked if the Town's IDA would like to be included in the meeting. Mr. Kolakowski stated I'm sure the members would enjoy it. Mr. Boggess said he would ask the Chairman.

(10) ADJOURNMENT

-7:05 p.m.

APPROVED:


Chairman


Secretary