



**MEETING MINUTES
BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY**

**Bedford County Administration Ground Floor Training Room
122 E. Main Street
Bedford, VA 24523
February 2, 2017
5:30 p.m.**

Economic Development Authority:

:Present:

Dennis Novitzke - Dist. 1; Mickey Johnson, Vice-Chairman - Dist. 2; Wyatt Walton, Chairman - Dist. 3; Matthew Braud - Dist. 4; Jim Lusk - Dist. 5; Kelly Harmony - Dist. 6; Jim Messier - Dist. 7

:Absent: None

: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; Steve Wilkerson – Board of Supervisors

**(1) ORGANIZATION
A. Election of Officers**

Mr. Skelley called the meeting to order and asked for a motion to nominate Chairman.

Mr. Johnson moved, seconded by Mr. Braud, to nominate Wyatt Walton as Chairman of the EDA.

Voting yes: Mr. Novitzke, Mr. Johnson, Mr. Braud, Mr. Lusk , Mrs. Harmony, Mr. Walton

Voting no: None

Adopted Unanimously

Mr. Walton asked for nominations for Vice-Chairman.

Mr. Novitzke moved, seconded by Mr. Lusk, to nominate Mickey Johnson as Vice-Chairman of the EDA.

Voting yes: Mr. Novitzke, Mr. Johnson, Mr. Braud, Mr. Lusk , Mrs. Harmony, Mr. Walton

Voting no: None

Adopted Unanimously

Mr. Walton asked for nominations for both Secretary and Treasurer of the EDA.

Mr. Braud moved, seconded by Mrs. Harmony, to nominate Traci Blido as Secretary of the EDA.
Voting yes: Mr. Novitzke, Mr. Johnson, Mr. Braud, Mr. Lusk , Mrs. Harmony, Mr. Walton
Voting no: None
Adopted Unanimously

Mr. Lusk moved, seconded by Mr. Johnson, to nominate Rebecca Jones as Treasurer of the EDA.
Voting yes: Mr. Novitzke, Mr. Johnson, Mr. Braud, Mr. Lusk , Mrs. Harmony, Mr. Walton
Voting no: None
Adopted Unanimously

B. Adoption of meeting calendar

Mr. Walton said the meeting calendar is the same as presented last month, except for the planning day meeting date of April 29.

Mr. Braud moved, seconded by Mr. Lusk, to adopt the 2017 EDA meeting calendar.
Voting yes: Mr. Novitzke, Mr. Johnson, Mr. Braud, Mr. Lusk , Mrs. Harmony, Mr. Walton, Mr. Messier
Voting no: None
Adopted Unanimously

(2) APPROVAL OF AGENDA

Mr. Walton asked for approval and/or any other amendments to the Authority's January 5, 2017 agenda.

Mr. Braud moved, seconded by Mr. Novitzke, to approve the January 5, 2017 EDA agenda, as presented.
Voting yes: Mr. Novitzke, Mr. Johnson, Mr. Braud, Mr. Lusk , Mrs. Harmony, Mr. Walton, Mr. Messier
Voting no: None
Adopted Unanimously

(3) APPROVAL OF MEETING MINUTES – January 5, 2017 & January 24, 2017

Mr. Walton asked for approval and/or amendments to the Authority's regular January 5, 2017 meeting and its special called January 24, 2017 meeting minutes.

Mr. Braud moved, seconded by Mr. Johnson, to approve the January 5, 2017 and January 24, 2017 meeting minutes, as presented.
Voting yes: Mr. Novitzke, Mr. Johnson, Mr. Braud, Mr. Lusk , Mrs. Harmony, Mr. Walton, Mr. Messier
Voting no: None
Abstain: None

(4) REPORTS

A. Economic Development Director's Report

Mrs. Blido reported that much of staff's focus the past month has been on the LU project. We have received some questions from the press, but most have been related to what the CAER will get out of the deal.

Mrs. Blido stated she has been meeting with a lot of companies, including Smyth, Blue Ridge Optics, and A. Schulman, helping to connect them with the training resources they need. A lot of companies are looking at adding employees and that can be a challenge.

Mrs. Blido attended the Virginia Department of Agriculture and Consumer Services meeting in Richmond, and the Chairman of the Ag Board attended the Virginia Agribusiness Council's Annual Legislative Appreciation Banquet afterwards. Mrs. Blido stated she heard from Dr. Basil Gooden who is Virginia's new Secretary of Agriculture and Forestry.

B. Monthly Financial Report

Mrs. Blido reviewed the monthly financial report with the EDA.

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

Staff reviewed the accounts payable report with the EDA. Mrs. Harmony asked about the cost of snow removal. Ms. Hupp stated Rosser Landscaping handles snow removal on Lot 1 in New London, however the CAER pays us quarterly for a portion of the expenses we have from landscaping and snow removal on Lot 1.

Mr. Walton asked which roads we pay for. Ms. Hupp stated that all the main roads are plowed by VDOT, but the EDA takes care of Research Way and a portion of Lot 1. Mr. Wilkerson asked about the electric bill in New London. Mr. Boggess stated that bill is payment for the street lights in New London, which are owned by Southside Electric. Mr. Braud said he would be curious to find out what we're paying for and why it's that much. Mrs. Blido reminded the EDA that the common area maintenance fee in the park goes towards those fees as well.

Mr. Braud asked for clarification on the amount of committed incentives. Ms. Hupp stated the balance listed is through June.

D. Existing Business Report

Ms. Hupp reported that staff went to tour Utility One Source, formerly FEVA, to see how they're doing. They currently have 140 employees and the acquisition has brought them a lot of growth. Ms. Hupp also visited Blue Ridge Optics with Traci last week to discuss workforce assistance, and they are up to 31 employees now.

Staff has had some marketing videos created of local businesses and their testimonials on why they located to Bedford County. Ms. Hupp played the videos for the EDA.

Mrs. Blido stated that Blue Ridge Optics worked so well with LifeFocus Pictures, the agency that created the videos, that now they've asked the firm to do a video for their company use as well.. Mr. Messier suggested talking to Nicole Johnson in Tourism about including some of the videos on the loop they show at the Welcome Center.

(5) ROLE OF EDA LIAISON

Mr. Walton welcomed Steve Wilkerson as the Board Liaison to the EDA. Mr. Wilkerson said he is mostly here to learn, but also can contribute to the discussion if they want. Mr. Wilkerson stated that Liberty University bought the New London Airport, along with 372 acres surrounding it, and has met with the Planning Commission to express their vision for the airport. LU wants to move their School of Aviation there and for it to be a research facility, and they want to use additional acreage to accommodate corporate jets. They also want to duplicate the model they have at Virginia Tech. Mr. Wilkerson said he is worried this may be in direct competition with the New London Technology park

project, however there are obstacles. LU wants to create a brand new zoning district that will allow them to proceed with whatever they want. Staff has been resistant to that since there are zones that will allow them to do what they want without creating anything new.

Mr. Wilkerson stated the Board would like to create a Supervisors Opportunity Fund so that if a really big project comes in they can add on to an EDA incentive or potentially offset utility costs of a project.

Mr. Wilkerson stated that when the budget is being looked at, the Lynchburg Regional Business Alliance dues will most likely be cut. Mr. Boggess said he hopes it won't be cut completely. Mrs. Blido stated the dues are important to marketing missions related to business attraction. Mr. Boggess stated in the past few years, only Campbell and Appomattox had cut their contributions. Mr. Wilkerson stated that if any of the EDA members have a vested interest, they should talk to their board member. Mr. Lusk asked if we're getting \$90,000 worth of support. Mrs. Blido stated she believes we should give Megan Lucas a few years on her marketing efforts before we cut funding. We get a good value back from it so far. Mr. Johnson asked how much their operating budget was. Mr. Boggess stated he could send it to them after the meeting.

(6) TOWN OF BEDFORD

A. Town of Bedford & Beale's update

Mrs. Blido stated that she stopped by Beale's yesterday and they've finished the epoxy floor, got the drain flow situation set up, are upfitting the HVAC, have finished the electric upfit, and are getting ready to start on the restaurant space. They've also finished the graphic design and will have a wall with a painted map of the region and Beale's treasure. The building is starting to shape up and the tanks should arrive in March. Some of the walls will remain exposed, but they'll be polished up. Mr. Novitzke asked about the budget, and Mrs. Blido stated that everything seems in line.

Charles Kolakowski, Bedford Town Manager, stated Bedford Memorial Hospital received a grant for a \$4 million expansion and will be significantly expanding its capacity for handling emergency situations. They will start on the \$800,000 improvement campaign of Oakwood Rehabilitation Center first. Mr. Kolakowski said he met with the people creating the solar facility, and they will be hosting a community outreach day on February 24. The company needed a local sheep farmer to help maintain the grounds by allowing the sheep to graze there and Ms. Blido connected them with the Ag Board to assist. The company has a similar project going on in rural North Carolina, and it turns out they had to redo some of the metal pieces and are now utilizing Central Virginia Manufacturing in Bedford to do that metal fab.

Mr. Kolakowski said he received a draft of the structural analysis on the middle school yesterday and he will follow up on the environmental analysis next week.

(7) NEW LONDON BUSINESS AND TECHNOLOGY CENTER

A. Lot 1 project update

Mr. Boggess stated staff attended the Tobacco Commission meeting on Tuesday and the Commission agreed with the proposal discussed in closed session. Now, we're working on two parallel tracts. First, we need to get the deal closed and a sales agreement worked up. Second, we have to focus on applying for this grant money, so we want to be doing everything in our power to make it to their May meeting. Staff will be working on finding a place for the new tenants. The EDA needs to decide if we're going to build a building and all of the specs included in that building. There is a possibility that the grant committee will meet in March. Staff plans to meet with an engineering and architecture firm soon to sketch out some drawings for the project. The grant we would receive will be for \$2.2 million, and they do expect a 1-1 grant match, but they should be fairly liberal considering the investment amount we put into the park.

Mr. Braud asked if we got clarification on what would qualify for matching funds. Mr. Boggess stated because we have a proven track record, the Commission should give a fair amount of latitude on it. Mr. Braud asked if it makes sense to ask Bob Bailey to put together a business plan for this type of center. Mr. Boggess stated he talked to Bob briefly about this at the tobacco meeting.

Mr. Johnson asked what will happen to the current tenants. Mr. Boggess stated that has been a main concern, and we hope to negotiate with Liberty to keep the tenants in the same place until a building is built for them to relocate into. Mr. Johnson asked how many businesses would need to relocate. Mrs. Blido said about 6 total, but 4-5 would need and want a space in the new building. Clearview Software is the largest company inside CAER needing space, followed by NanoTouch and others.

A discussion followed concerning the specs of a building in the New London park.

Mr. Boggess stated he would like the EDA to authorize the Chairman to sign any documents that may come about between now and the next meeting. He would obviously keep the EDA in the loop before anything is signed, but should see a contract in the next couple of weeks.

Mr. Braud moved, seconded by Mr. Lusk, to authorize the Chairman to sign a contract of sale with Liberty University based on a performance agreement previously discussed.

Voting yes: Mr. Braud, Mr. Lusk , Mrs. Harmony, Mr. Walton, Mr. Messier

Voting no: Mr. Novitzke, Mr. Johnson

Abstain: None

B. Review of New London covenants

Mr. Skelley stated that part of the concern with the LU deal was a loss of tax revenue, so he edited the covenants to state the other lots would only be sold to taxable entities that invest money and create jobs. Mr. Braud asked if we might be boxing ourselves out in a way and we may want to include that the EDA will analyze prospects on a case-by-case basis.

Mr. Walton mentioned potential signage issues that could occur and asked the EDA their thoughts. Patrick stated sign issues are limited, as the EDA has center signage guidelines, and the county zoning kicks in outside of entry and directional signs. Signage cannot be put outside the planned independent development, and tenants are limited to five total signs, with a 300 square feet max for all four signs. Mr. Boggess stated he does not believe Liberty will subdivide each lot, but if they do each subdivided parcel would be subject to the zoning ordinance per parcel (300 square feet per parcel). The Board is analyzing the on- and off-site aspects of sign zoning on Feb. 13. Mrs. Blido stated that the covenants say signs are subject to review, and we just need to be straight forward with Liberty about needing to review what they put up.

Mr. Novitzke stated that as the covenants read, only qualified technology companies are to be allowed in the park, which may scare off manufacturing or certain types of companies. Mrs. Blido said the EDA decides if the companies are qualified technology companies. Mr. Boggess stated the EDA should make a motion to approve the changes to the covenants.

Mr. Lusk moved, seconded by Mr. Braud, to approve the changes to the covenants discussed, including all future land purchases are to be considered by the EDA on a case-by-case basis, with preference given to taxable entities.

Voting yes: Mr. Braud, Mr. Lusk , Mrs. Harmony, Mr. Walton, Mr. Messier, Mr. Novitzke, Mr. Johnson

Voting no: None

Abstain: None

(8) BEDFORD CENTER FOR BUSINESS

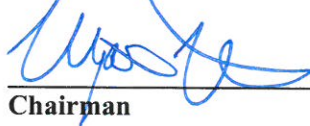
(9) MONTVALE CENTER FOR COMMERCE

(10) ALL OTHER BUSINESS

(11) ADJOURNMENT

-7:03 p.m.

APPROVED:



Chairman



Secretary