



**MEETING MINUTES
BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY**

**Bedford County Administration Board Room
122 E. Main Street
Bedford, VA 24523
September 5, 2019
5:30 p.m.**

Economic Development Authority:

Present:

Dennis Novitzke - Dist. 1; Mickey Johnson, Chairman - Dist. 2; Wyatt Walton - Dist. 3; Kristy Milton - Dist. 5; Kelly Harmony - Dist. 6; Jim Messier, Vice-Chairman - Dist. 7

Absent: Matthew Braud - Dist. 4

Staff Present: Robert Hiss - County Administrator; Patrick Skelley - County Attorney; Traci Blido - EDA Secretary; Pam Bailey - Marketing & Business Development Coordinator; Kim Snow - County Treasurer; Sheldon Cash - Director of Public Works

Staff Absent: None

Transcriber: Julia Peters

Guests: Edgar Tuck - County Supervisor District 2; Woody Hogle - President, SML Center Board; Lorie Smith - Vice President, SML Center Board; Tim Gardner - SML Center Board member; Dr. Vince Magnini - Executive Director, Institute for Service Research; Fred Sylvester - Dist. 2, Parks and Recreation Advisory Board

(1) APPROVAL OF AGENDA

Chairman Johnson welcomed everyone and asked for a motion to approve and/or any amendments to the Authority's September 5, 2019 agenda.

Mrs. Harmony moved, seconded by Mr. Novitzke, to approve the September 5, 2019 EDA agenda, as presented.

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

Voting no: None

Adopted Unanimously

(2) APPROVAL OF MEETING MINUTES - July 11, 2019

Chairman Johnson asked for approval and/or any amendments to the Authority's regular July 11, 2019 meeting minutes.

Mr. Messier moved, seconded by Mr. Walton, to approve the July 11, 2019 meeting minutes, as presented.

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

Voting no: None

Adopted Unanimously

(3) SPECIAL APPEARANCE - Proposed Smith Mountain Lake Center

Mr. Hiss stated he and Mr. Tuck had met earlier this summer with a group working to bring about a Smith Mountain Lake (SML) Center to serve the community and add economic value to Bedford County. He hoped that once the EDA members heard the presentation, they could give constructive feedback and any suggestions and possibly give a recommendation to the Board of Supervisors (BOS) as to whether it would be a viable project to support. Mr. Tuck introduced the guests. Mr. Hogle presented a slide show regarding the economic impact on the county and the benefits of the project. He noted that the board for the proposed SML Center will need EDA endorsement because the Center would not be self-sufficient and would need some financial support from Bedford County. Their vision is to advance the Smith Mountain Lake region by promoting economic development, residential growth and quality of life. The Center would offer many opportunities to the community in education, workforce development, entertainment, tourism and business. A needs assessment survey was completed in Bedford and Franklin Counties by the Institute for Service Research of which Dr. Magnini is the Executive Director. They required at least 350 respondents to reflect a credible and viable survey and they received 727 respondents. Facility use for the performing arts and education received the most support from those surveyed. Education did not pertain just to formal classroom education, but also included workforce development and occupational training as well. The SML Center Board has identified a site of six acres which fronts Route 122 in Moneta near the library. The SML Center Board also spoke with Bedford County school system representatives who were enthusiastic about the project and could use the center for 16 to 30 events each year and wanted the Center to seat 750 people. The Bedford County Parks and Recreation Committee were also looking for space for a similar project so the SML Center Board merged their ideas with those of Parks and Rec. The conservative cost estimate of \$10 million includes \$2 million of contingency and reserve funds and the money would be raised through private sector donations and public sector grants. The SML Center Board does not anticipate asking Bedford County to help fund the building for the Center itself. Although income generated would be approximately \$900,000, expenses would exceed it and a deficit of \$250,000 is expected the first year of operation. Mr. Hogle introduced Dr. Magnini who spoke about the economic impact analysis. This analysis found the direct effect was \$6.5 million of economic output and when added to the secondary effects, the full model year total is \$12.1 million to the local economy. Local tax revenues are estimated at \$300,000 in Year 1 with \$500,000 generated in state and local tax revenues during construction of the Center. Full-time equivalent jobs supported are 84.6. All the pertaining studies are publicly available for review. Mr. Hogle discussed the next steps and would like the EDA to support the Center as they address the Board of Supervisors and continue to nurture partnerships and plan for a fundraising campaign. Chairman Johnson noted he does not see any reason the EDA would not support such a project. Mr. Hogle answered the Authority members' questions and thanked the EDA for their attention.

(4) REPORTS

A. Economic Development Director's Report

Mrs. Blido reported that she has submitted an application for a Tobacco Commission grant for assistance with the Meade Road extension. She noted that staff tried to get the project into VDOT's Access Road Program, but it was deemed ineligible after agency consideration. The first wave of shell building receipts will be submitted soon for the grant reimbursement process and staff will also be submitting the first receipts of the Comcast grant. Additionally, Shentel notified staff just before the VATI deadline they wanted to build out broadband in two unserved areas in the county. Mrs. Blido submitted the grant to DHCD by the deadline, but found out that it required an advertised public hearing and she wasn't sure if the Board Resolution would be enough. The Shentel grant is like the Comcast grant where Shentel would put all the match in and the County would be the conduit to get the grant and administer it. A European prospect is interested in the shell building and their corporate staff will be here in a couple weeks to look at the New London construction site and tour Liberty University's CERE building.

B. Marketing/Business Development Report

Ms. Bailey noted she gave the EDA members a copy of the new Chamber of Commerce Guide and that our ad focused on workforce development, particularly on the Bedford One Program. We are also sponsoring a podcast with Stephen Moret, President/CEO of the Virginia Economic Development Partnership (VEDP) which is very interesting if the Authority members would like to listen to it. The Bedford One Program celebrates 10 years this year and the Fall tours start next week. September is Workforce Development Month and she is writing a press release to send the media. The Business Roundtable will be held on Tuesday morning with approximately 30 people signed up. She is getting the Tobacco Commission vouchers ready for reimbursement for the shell building project and mentioned the County Fair is set for September 26-29. Mrs. Blido notified the Authority members that the Ag Board is asking for volunteers to help with parking at the Fair. If anyone is interested they can contact Mrs. Blido or Ag Board Chairman Jeff Powers.

C. EDA Treasurer's Report

Mrs. Blido introduced the County Treasurer, Ms. Snow, who also serves as EDA Treasurer. Ms. Snow provided the EDA with information about the current accounts and possible options if they chose to make any changes in the future. She answered the EDA members' questions about interest rates and the structure of the options presented. Mrs. Blido suggested the EDA look at this again once the shell building is constructed.

D. Monthly Financial Report (August 2019)

Staff reviewed the financial report with the EDA members and answered questions.

E. Monthly Accounts Payable Report – Bills paid (July and August 2019)

Staff reviewed the accounts payable report with the EDA members and answered questions.

(5) TOWN OF BEDFORD

Mrs. Blido spoke with Ms. Zirkle who shared that the Town is offering a no interest loan to Town businesses. Ms. Zirkle received a USDA grant where companies can get \$5,000 to \$10,000 loan increments for start-ups or capital growth. There is also a new equipment policy. They will give grants for adding equipment which adds to the tax base. The minimum is \$50,000 investment in new equipment and at least three new jobs with salaries around \$40,000. It applies Town-wide not just for Main Street area

businesses. Ms. Zirkle will also host a historic tax credit workshop on Wednesday, September 25, at the Bedford Social Club. Mrs. Blido plans on attending this workshop.

(6) BEDFORD CENTER FOR BUSINESS

Nothing to report.

(7) MONTVALE CENTER FOR COMMERCE

Nothing to report.

(8) NEW LONDON BUSINESS AND TECHNOLOGY CENTER

A. Shell Building Construction Update

Mr. Cash said the project is progressing well. The footers are done and foundation walls are going in now. The building is on-site, but in parts. On September 23 the building will start going up. Final completion is expected for February 2020. Two change orders came in today. The first one is for \$66,000 primarily for the sewer line relocation. The second change order was originally for \$24,000 because of unsuitable fill and dirt had to be excavated. We did not need to excavate as much dirt as first thought, making the total cost \$9,625 and saving \$14,495. We have now paid out about \$690,000 or 28% of the project.

B. Meade Road Extension Update

Mr. Cash said the Meade Road Extension is going through the regulatory review at this point so the change order has not been authorized yet. They received the first round of comments back from VDOT, BRWA, and the County Natural Resources. Hurt and Proffitt is working on these comments now and has assured Mr. Cash all the comments will be addressed by the end of the week. Based on VDOT comments, Hurt & Proffitt has recommended reducing the length of the road from 600 feet to 460 feet. We will see a cost saving with the reduction of the road by 140 feet. The shell building entrance will become the turnaround instead of building a VDOT turnaround at the end of the road, saving additional sidewalk and pavement costs.

(9) OTHER BUSINESS

A. Ratify Apocalypse Ale Works Matching Grant

Mrs. Blido reminded the EDA they approved a resolution authorizing \$50,000 to partially fund the sewer extension project on Burnbridge Road, which was called Project X. She reminded the EDA that they will use the \$50,000 as the match for the \$12,000 grant Apocalypse Ale Works received from the Governor's office.

Mr. Novitzke moved, seconded by Mr. Walton to ratify the Apocalypse Ale Works matching grant as stated.

Mr. Walton asked to confirm that the EDA would only contribute their \$50,000 portion once the businesses affected would contribute their portion of the costs. Mrs. Blido said that Developer Tom Scott is working very hard to get the money from those businesses. Mr. Skelley said that timing is an issue and they may have to go forward with the project with Mr. Scott fronting the funds and then getting the money from some of the businesses after. Mr. Hiss reported that the project may be divided into two phases but it was made clear in their meeting that the EDA's funds would not be contributed unless the businesses involved did what they were supposed to do.

Voting yes: Mr. Novitzke, Mr. Johnson, Mr. Walton, Mrs. Milton, Mrs. Harmony, Mr. Messier
Voting no: None
Adopted unanimously

(10) CLOSED SESSION

Closed Session pursuant to Section 2.2-3711(A)(3), Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body; and Section 2.2-3711(A)(5), Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

The EDA invited staff and Mr. Tuck to remain for the closed session.

Voting yes: Mr. Novitzke, Mr. Johnson, Mr. Walton, Mrs. Milton, Mrs. Harmony, Mr. Messier
Voting no: None
Adopted Unanimously

Mrs. Harmony moved, seconded by Mr. Walton, to return to regular session.

Voting yes: Mr. Novitzke, Mr. Johnson, Mr. Walton, Mrs. Milton, Mrs. Harmony, Mr. Messier
Voting no: None
Adopted unanimously

WHEREAS, the Bedford County Economic Development Authority has convened a Closed Meeting on this 5th day of September 2019, pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by the Bedford County Economic Development Authority that such closed meeting was conducted in conformity with Virginia Law.

NOW, THEREFORE, BE IT RESOLVED, on this 5th day of September 2019, that the Bedford County Economic Development Authority does hereby certify that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting was heard, discussed or considered by the Bedford County Economic Development Authority.

MEMBERS	VOTE
Dennis Novitzke	Yes
Mickey Johnson, Chairman	Yes
Wyatt Walton, III	Yes
Kristy Milton	Yes
Kelly Harmony	Yes
Jim Messier, Vice-Chairman	Yes

Mr. Walton moved to authorize the Chairman to execute a new five-year lease with CVCC once all the proper commitments are in place for \$11,853. Discussion followed. Mr. Walton withdrew his motion.

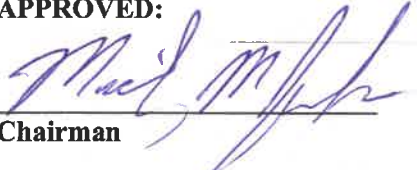
Mr. Tuck noted that the Virginia DRPT is holding the first public hearing on the Amtrak station on Thursday Sept. 26. The first hearing is at the Lake and the second one will be in Town. This first hearing will be at Trinity Ecumenical Church in Moneta from 5-7 p.m.

Mr. Walton questioned what would be needed from the EDA for the SML Center Board as far as a recommendation. Mrs. Blido said she could write a letter for the EDA's review.

(11) ADJOURNMENT

7:30 p.m.

APPROVED:


Chairman


Secretary