



## **AGENDA**

**ECONOMIC DEVELOPMENT AUTHORITY OF THE COUNTY OF BEDFORD, VA**  
**Bedford County Administration Ground Floor Training Room**  
**122 E Main Street**  
**Bedford, VA 24523**  
**January 5, 2023**  
**5:30 p.m.**

**(1) CALL TO ORDER**

**(2) ORGANIZATION**

- A. Election of Officers
- B. Approval of 2023 Meeting Calendar

**(3) APPROVAL OF AGENDA**

**(4) APPROVAL OF MEETING MINUTES – December 1, 2022**

**(5) REPORTS**

- A. Economic Development Director's Report
- B. Business Programs Report
- C. Monthly Financial Report
- D. Monthly Accounts Payable Report – (see December bills that have been paid)

<b>EDA</b>	
EDA Mileage – December meeting	\$106.70
<b>Bedford Center</b>	
Town of Bedford Power – CVCC – (November)	\$3,572.48
Peakview Landscaping – (November)	\$483.34
Trane – CVCC - Fuse repair	\$1,983.39
BRWA (December)	\$154.27
<b>New London</b>	
Southside Electric – (December)	\$607.86
Peakview Landscaping – (November)	\$2,164.17
<b>Washington Street</b>	
Peakview Landscaping (November)	\$121.67
<b>TOTAL:</b>	<b>\$9,193.88</b>

**(6) TOWN OF BEDFORD**

**(7) BEDFORD CENTER FOR BUSINESS**

**(8) MONTVALE CENTER FOR COMMERCE**

**(9) NEW LONDON BUSINESS AND TECHNOLOGY CENTER**

**(10) WASHINGTON STREET PROPERTY**

**(11) OTHER BUSINESS**

A. Tourism Zone draft ordinance review

**(12) CLOSED SESSION**

*Closed Session pursuant to 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.*



**MEETING MINUTES**  
**ECONOMIC DEVELOPMENT AUTHORITY OF THE COUNTY OF BEDFORD, VA**  
**Bedford County Administration Ground Floor Training Room**  
**122 E Main Street**  
**Bedford, VA 24523**  
**December 1, 2022**  
**5:30 p.m.**

**Economic Development Authority:**

**Present:** David Wells (District 1); Vicki Gardner (District 2); Wyatt Walton (District 3); Matthew Braud (District 4); Kristy Milton (District 5); Jimmy Robertson (District 6); Jim Messier (District 7)

**Staff Present:** Pam Bailey – Economic Development Director; Holley Scheffel – Business Programs Coordinator; Patrick Skelley – County Attorney; Robert Hiss – County Administrator; Justin Stauder – Deputy County Administrator; Doug Coffman – Public Works Director; Trish Luger – Administrative Assistant

**Guests:** Charla Bansley (District 3); Edgar Tuck (District 2)

**(1) CALL TO ORDER**

Chairman Robertson called the meeting to order at 5:31 p.m.

**(2) APPROVAL OF AGENDA**

Chairman Robertson asked for a motion to approve the December 1, 2022 agenda. Mr. Walton moved, seconded by Ms. Milton, to approve the December 1, 2022 agenda. Adopted unanimously.

**(3) APPROVAL OF MEETING MINUTES – November 3, 2022**

Chairman Robertson asked for a motion to approve the meeting minutes. Mr. Braud moved, seconded by Mr. Wells to approve the November 3, 2022, meeting minutes. Adopted unanimously.

**(4) REPORTS**

A. Economic Development Director's Report

Ms. Bailey thanked the Board of Supervisors for approving the grant application for ECOFriendly Foods in Moneta. The grant will allow expansion of a mobile commercial kitchen, a part-time chef, and will benefit local farmers. The County had to provide a 1/3 match of the \$64,500 grant due to it being considered a distressed community.

The Virginia Business Ready Sites Program (VBRSP) grant process has made it to Round 3. Ms. Bailey is meeting December 7 with their consultants for a presentation at the Lynchburg Regional Business Alliance.

Ms. Bailey had the opportunity to meet with Alec Brebner, new Executive Director for Central Virginia Planning District Commission. He previously met with the Board of Supervisors.

The TEVA building has had a lot of prospect activity. Ms. Bailey may have the opportunity to meet on-site with a prospect on December 6 and is meeting with another on December 20.

Ms. Bailey stated progress is being made regarding a Tourism Zone. The goal is to provide grants to businesses in the tourism industry. Ms. Bailey hopes to have updated information at our next meeting January 2023.

#### B. Business Programs Report

An automotive industry tour on November 29 began with Wicked Diesel giving a dynamite presentation to 29 students. It was then onto Craft Collision in Moneta where the manager spoke with the students about the auto body industry. The tour ended across the street at Heath's Tire & Lube and Moneta Tractor. Mr. Heath talked about entrepreneurship and the requirement of effort and grit to make it successful. The kids then enjoyed lunch at Mayberry Diner to complete very productive and fluid tours. To date, 75 students have participated in Bedford ONE tours this school year. January 25, 2023 will be an Emergency Services Tour and will include Bedford County Sheriff's Office, Bedford County Fire & Rescue, and 911 Communications Center.

Ms. Scheffel met with Dr. Bingham, School of Business at Liberty University, November 28 to discuss participating again in the Civic Recharge Program. The topic will be Childcare Crisis in Bedford County.

A meeting was held November 15 with Beth Simms, Director of Franklin County Economic Development to discuss replicating the Bedford ONE program. Other localities have also expressed interest in in this program.

On December 8, BCPS School Board votes on the 2023-2024 courses offered at Susie G. Gibson. The CTE Supervisor recommended bringing back the Criminal Justice and EMT programs.

BCPS CTE Department and Bedford County Office of Economic Development are working together on a joint video to showcase our partnership. Included will be information about

Workforce Development along with specific programs and certifications the school offers. Shelley Basinger is running point for the student focused project. The goal is for schools to use the production with students before course selection begins, and for the Economic Development Department to recruit businesses for Bedford ONE tours, Internships or Youth Apprentice opportunities.

CTE Advisory meeting is December 15, 2022.

#### C. Monthly Financial Report

Ms. Bailey stated there is nothing outstanding. The 2022 audit is currently underway.

#### D. Monthly Accounts Payable Report – (see November bills that have been paid)

<b>EDA</b>	
EDA Mileage – November meeting	\$106.70
Blair Marketing – print/digital	\$1,255.00
<b>Bedford Center</b>	
Town of Bedford Power – CVCC – (October)	\$3,158.97
Peakview Landscaping – (October)	\$483.34
Johnny On the Spot (August) Unclog sewer/Repair sewer	\$1,850.00
Johnson Controls –Quarterly Inspection test	\$476.25
<b>New London</b>	
Southside Electric – (November)	\$607.86
Johnson Controls – Quarterly Sprinkler Service	\$775.50
Peakview Landscaping – (October)	\$1,494.17
<b>Washington Street</b>	
Peakview Landscaping (October)	\$121.67
<b>TOTAL:</b>	<b>\$10,329.46</b>

#### (5) TOWN OF BEDFORD

Nothing new to report.

#### (6) BEDFORD CENTER FOR BUSINESS

Nothing new to report.

**(7) MONTVALE CENTER FOR COMMERCE**

A. Survey status report

Acupoint surveyed the parcel boundaries on November 30 and will continue with the subdivision work. The draft is to be completed by the end of the year with a final report provided by Ms. Bailey at January's meeting.

**(8) NEW LONDON BUSINESS AND TECHNOLOGY CENTER**

A. Meade Road Ext. progress report

Work is complete on Meade Rd. County Engineer sees no issues with the transfer to VDOT. Ms. Bailey will provide the final report to the Tobacco Commission by EOY. The grant can then be closed to receive the \$9,600 reimbursement.

**(9) WASHINGTON STREET PROPERTY**

Nothing new to report. Ms. Bailey will talk with the Town and County to see the amount of funds they are willing to contribute so this can be sent out for bid.

**(10) OTHER BUSINESS**

A. Close out Blue Ridge Optics performance agreement

In 2019, agreement terms were \$450k and 42 employees for a one-time incentive of \$20,000. Blue Ridge has made a \$500k investment, but currently has only 32 employees. Mr. Wells made a motion to extend the agreement one year, seconded by Mr. Messier.

**A motion was made by Mr. Walton, and a second by Mr. Braud to enter a closed session.**

**(11) CLOSED SESSION**

*Closed Session pursuant to 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.*

**A motion was made by Mr. Braud, and a second by Ms. Milton to come out of the closed session.**

**(12) ADJOURNMENT**

7:39 p.m.

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**BALANCE SHEET FOR 2023 6**

FUND: 556 ECONOMIC DEVELOPMENT AUTHORITY				NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>					
556	110010	EQUITY IN GENERAL CHECKING		13,677.50	1,880,653.07
556	120100	BRWA CELL TOWER FUND		.00	20,362.15
556	142100	OTHER RECEIVABLES		19,158.20	19,158.20
556	145700	BEALE NOTES RECEIVABLE		.00	646,607.86
556	145700	DMPRE DAMAGE PREVENTION - NOTES REC		.00	90,225.00
556	145800	LEASE RECEIVABLE		.00	1,646,290.23
556	181000	LAND		.00	454,408.81
556	181100	BLDG & LAND HELD FOR RESALE		.00	12,968,944.92
556	181200	LAND HELD FOR LEASE		.00	42,628.07
556	183000	BUILDINGS & IMPROVEMENTS		.00	4,417,721.81
556	184000	MACHINERY & EQUIPMENT		.00	18,253.99
556	189300	ACC DEPR-BUILDINGS & IMPROV		.00	-3,660,428.98
556	189400	ACC DEPR-MACHINERY & EQUIP		.00	-11,926.89
TOTAL ASSETS				32,835.70	18,532,898.24
<b>LIABILITIES</b>					
556	220300	ACCOUNTS PAYABLE		371.54	-10,889.78
556	220600	PERFORMANCE GRANTS PAYABLE		.00	-520,225.00
556	281000	LOT7 SHELL BUILDING - NOTES PAYABLE		.00	-1,871,598.06
556	281000	VCC NOTES PAYABLE		.00	-645,001.23
556	293000	DEFERRED REVENUE UNEARNED		-19,158.20	-164,004.20
556	298140	DIR-LEASES		.00	-1,603,218.02
TOTAL LIABILITIES				-18,786.66	-4,814,936.29
<b>FUND BALANCE</b>					
556	330000	FUND BALANCE-UNASSIGNED		.00	-13,661,025.60
556	340000	REVENUE CONTROL		-21,666.67	-219,456.61
556	350000	EXPENDITURE CONTROL		7,617.63	163,574.27
556	392035	P-CARD CONTROL		.00	-1,054.01
556	393000	BUDGETARY FD BAL-UNASSIGNED		.00	-16,711.71
556	394000	ESTIMATED REVENUE CONTROL		.00	770,538.36
556	395000	APPROPRIATION CONTROL		.00	-753,826.65
TOTAL FUND BALANCE				-14,049.04	-13,717,961.95
TOTAL LIABILITIES + FUND BALANCE				-32,835.70	-18,532,898.24

\*\* END OF REPORT - Generated by Pam Bailey \*\*

## YEAR-TO-DATE BUDGET REPORT

FOR 2023 04

ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED			AVAILABLE	PCT
556 ECONOMIC DEVELOPMENT AUTHORITY	APPROP	ADJSTMTS	BUDGET	YTD ACTUAL	ENCUMBRANCES	BUDGET	USE/COL
<b>561500 EDA INTEREST EARNINGS</b>							
561500 415101 INTEREST ON BANK	0	0	0	-683.06	.00	683.06	100.0%
561500 415210 BRWA CELL TOWER I	0	0	0	-3,979.53	.00	3,979.53	100.0%
TOTAL EDA INTEREST EARNINGS	0	0	0	-4,662.59	.00	4,662.59	100.0%
<b>561800 EDA MISC REVENUE</b>							
561800 418901 MISCELLANEOUS REV	0	0	0	-850.00	.00	850.00	100.0%
TOTAL EDA MISC REVENUE	0	0	0	-850.00	.00	850.00	100.0%
<b>564100 EDA OTHER FINANCING SOURCES</b>							
564100 441110 TRANSFER FROM GEN	-163,055	0	-163,055	.00	.00	-163,055.00	.0%*
TOTAL EDA OTHER FINANCING SOURCES	-163,055	0	-163,055	.00	.00	-163,055.00	.0%
<b>565600 EDA ADMINISTRATION</b>							
565600 531110 ACCOUNTING & AUDI	8,000	0	8,000	7,100.00	.00	900.00	88.8%
565600 531120 ADVERTISING SERVI	6,500	0	6,500	1,911.30	.00	4,588.70	29.4%
565600 531130 ATTORNEY AND LEGA	2,500	0	2,500	.00	.00	2,500.00	.0%
565600 531220 SAL ADMIN SALARY -	21,864	0	21,864	.00	.00	21,864.41	.0%
565600 531410 BUILDING REPAIR &	150,000	0	150,000	.00	.00	150,000.00	.0%
565600 531410 CVCC BUILDING REPA	0	0	0	2,488.00	.00	-2,488.00	100.0%*
565600 531420 GROUNDS REPAIR &	0	0	0	390.00	.00	-390.00	100.0%*
565600 531510 POSTAGE AND FREIG	120	0	120	.00	.00	120.00	.0%
565600 531730 CONFERENCE & EDUC	1,500	0	1,500	415.00	.00	1,085.00	27.7%
565600 531750 EMPLOYEE RECOGNIT	100	0	100	.00	.00	100.00	.0%
565600 531820 TRAVEL MILEAGE	1,200	0	1,200	394.55	.00	805.45	32.9%
565600 541270 CONTRIBUTIONS TO	2,500	0	2,500	.00	.00	2,500.00	.0%
565600 551210 GENERAL LIABILITY	653	0	653	.00	.00	653.00	.0%
565600 551220 AUTOMOBILE LIABIL	150	0	150	.00	.00	150.00	.0%
565600 551230 PROPERTY INSURANC	9,935	0	9,935	.00	.00	9,935.00	.0%

## YEAR-TO-DATE BUDGET REPORT

FOR 2023 04

ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED			AVAILABLE	PCT
556 ECONOMIC DEVELOPMENT AUTHORITY	APPROP	ADJSTMTS	BUDGET	YTD ACTUAL	ENCUMBRANCES	BUDGET	USE/COL
565600 551240 BOILER AND MACHIN	1,170	0	1,170	.00	.00	1,170.00	.0%
565600 551250 OTHER FINANCIAL I	675	0	675	.00	.00	675.00	.0%
565600 551260 PUBLIC OFFICIALS	182	0	182	.00	.00	182.00	.0%
565600 551290 CYBER RISK INSURA	100	0	100	.00	.00	100.00	.0%
565600 561140 FOOD & MEALS NON-	2,300	0	2,300	534.70	.00	1,765.30	23.2%
565600 561140 BDONE BDONE-FOOD M	1,200	0	1,200	509.68	.00	690.32	42.5%
565600 561140 BSAPP BSAPP-FOOD M	2,500	0	2,500	495.33	.00	2,004.67	19.8%
565600 581680 CVCC CVCC-OTHER MI	0	0	0	1,500.00	.00	-1,500.00	100.0%*
TOTAL EDA ADMINISTRATION	213,149	0	213,149	15,738.56	.00	197,410.85	7.4%
<b>565610 EDA PERFORMANCE INCENTIVES</b>							
565610 541530 PERFORMANCE INCEN	120,000	0	120,000	.00	.00	120,000.00	.0%
TOTAL EDA PERFORMANCE INCENTIVES	120,000	0	120,000	.00	.00	120,000.00	.0%
<b>565615 EDA BEDFORD CTR FOR BUSINESS</b>							
565615 531410 BUILDING REPAIR &	3,200	0	3,200	.00	.00	3,200.00	.0%
565615 531410 CVCC CVCC-BLDG REP	0	0	0	4,563.47	.00	-4,563.47	100.0%*
565615 531420 GROUNDS REPAIR &	8,900	0	8,900	2,858.36	.00	6,041.64	32.1%
565615 531430 CVCC CVCC - EQUIP	6,500	0	6,500	5,304.00	.00	1,196.00	81.6%
565615 531430 ECOST ECOST - EQUI	2,000	0	2,000	.00	.00	2,000.00	.0%
565615 551110 CVCC CVCC-ELECTRIC	40,000	0	40,000	14,127.68	.00	25,872.32	35.3%
565615 551130 CVCC CVCC-WATER &	2,000	0	2,000	693.61	.00	1,306.39	34.7%
565615 551170 OTHER SERVICE CHA	0	0	0	164.88	.00	-164.88	100.0%*
565615 561510 CVCC CVCC-BUILDING	0	0	0	30.42	.00	-30.42	100.0%*
TOTAL EDA BEDFORD CTR FOR BUSINESS	62,600	0	62,600	27,742.42	.00	34,857.58	44.3%
<b>56561515 RENT</b>							
56561515 415201 CVCC PROPERTY RE	-142,296	0	-142,296	.00	.00	-142,296.00	.0%*
56561515 415201 ECOST PROPERTY R	-121,280	0	-121,280	-40,426.68	.00	-80,853.32	33.3%*
56561515 415201 MBC PROPERTY REN	-3,600	0	-3,600	-2,100.00	.00	-1,500.00	58.3%*
TOTAL RENT	-267,176	0	-267,176	-42,526.68	.00	-224,649.32	15.9%
<b>565621 EDA BEDFORD BREWERY</b>							

## YEAR-TO-DATE BUDGET REPORT

FOR 2023 04

ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED				AVAILABLE	PCT
556 ECONOMIC DEVELOPMENT AUTHORITY	APPROP	ADJSTMTS	BUDGET	YTD ACTUAL	ENCUMBRANCES	BUDGET	USE/COL	
565621 591130 VCC VCC-DEBT PRINC	13,035	0	13,035	4,164.35	.00	8,870.94	31.9%	
565621 591140 VCC VCC-DEBT INTER	30,783	0	30,783	10,441.77	.00	20,341.30	33.9%	
TOTAL EDA BEDFORD BREWERY	43,818	0	43,818	14,606.12	.00	29,212.24	33.3%	
56562115 RENT								
56562115 415201 BREW PROPERTY RE	-43,818	0	-43,818	-14,606.12	.00	-29,212.24	33.3%*	
TOTAL RENT	-43,818	0	-43,818	-14,606.12	.00	-29,212.24	33.3%	
565655 EDA MONTVALE CTR FOR COMMERCE								
565655 531420 GROUNDS REPAIR &	1,125	0	1,125	1,170.00	.00	-45.00	104.0%*	
TOTAL EDA MONTVALE CTR FOR COMMERCE	1,125	0	1,125	1,170.00	.00	-45.00	104.0%	
565680 EDA WASHINGTON STREET								
565680 531220 SKILLED SERVICES	0	0	0	150.00	.00	-150.00	100.0%*	
565680 531410 BUILDING REPAIR &	10,000	0	10,000	350.00	.00	9,650.00	3.5%	
565680 531420 GROUNDS REPAIR &	101,500	0	101,500	486.68	.00	101,013.32	.5%	
TOTAL EDA WASHINGTON STREET	111,500	0	111,500	986.68	.00	110,513.32	.9%	
56568015 WASHINGTON STREET RENT								
56568015 415201 PROPERTY RENTAL	0	0	0	-10,200.00	.00	10,200.00	100.0%	
56568015 415201 VISTA PROPERTY R	-30,600	0	-30,600	.00	.00	-30,600.00	.0%*	
TOTAL WASHINGTON STREET RENT	-30,600	0	-30,600	-10,200.00	.00	-20,400.00	33.3%	
565685 EDA NEW LONDON								
565685 531120 ADVERTISING SERVI	0	0	0	17.99	.00	-17.99	100.0%*	

## YEAR-TO-DATE BUDGET REPORT

FOR 2023 04

ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED				AVAILABLE	PCT
556 ECONOMIC DEVELOPMENT AUTHORITY	APPROP	ADJSTMTS	BUDGET	YTD	ACTUAL	ENCUMBRANCES	BUDGET	USE/COL
565685 531210 A & E SERVICES	20,000	0	20,000	2,010.00		.00	17,990.00	10.1%
565685 531220 SKILLED SERVICES	0	0	0	750.00		.00	-750.00	100.0%*
565685 531410 BUILDING REPAIR &	0	0	0	775.00		.00	-775.00	100.0%*
565685 531420 GROUNDS REPAIR &	20,000	0	20,000	5,976.68		.00	14,023.32	29.9%
565685 551110 ELECTRICAL SERVIC	7,100	0	7,100	2,431.44		.00	4,668.56	34.2%
565685 551170 OTHER SERVICE CHA	0	0	0	9.12		.00	-9.12	100.0%*
565685 561570 SIGNAGE	1,000	0	1,000	.00		.00	1,000.00	.0%
565685 582160 MEADE MEADE-ROADS	0	0	0	6,451.42	20,014.41		-26,465.83	100.0%*
565685 591130 LOT7 SHELL BLDG -	153,534	0	153,534	35,281.30		.00	118,252.58	23.0%
565685 591140 LOT7 SHELL BLDG -	0	0	0	15,896.66		.00	-15,896.66	100.0%*
TOTAL EDA NEW LONDON	201,634	0	201,634	69,599.61	20,014.41		112,019.86	44.4%
<b>56568515 RENT</b>								
56568515 415201 BLVAC PROPERTY R	-260,000	0	-260,000	-86,669.68		.00	-173,330.32	33.3%*
TOTAL RENT	-260,000	0	-260,000	-86,669.68		.00	-173,330.32	33.3%
TOTAL ECONOMIC DEVELOPMENT AUTHORITY	-10,823	0	-10,823	-29,671.68	20,014.41		-1,165.44	89.2%
TOTAL REVENUES	-764,649	0	-764,649	-159,515.07		.00	-605,134.29	
TOTAL EXPENSES	753,827	0	753,827	129,843.39	20,014.41		603,968.85	

## YEAR-TO-DATE BUDGET REPORT

FOR 2023 04							
	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USE/COL
GRAND TOTAL	-10,823	0	-10,823	-29,671.68	20,014.41	-1,165.44	89.2%

\*\* END OF REPORT - Generated by Pam Bailey \*\*



## Bedford County Economic Development Authority Meeting Schedule for 2023

January	5	Organizational Meeting (Thursday)
February	2	Regular Meeting (Thursday)
March	2	Joint Town and County EDA meeting (Thursday)
April	6	Regular Meeting (Thursday)
May	4	Regular Meeting (Thursday)
June	1	Regular Meeting (Thursday)
July		<b>No July Meeting</b>
August	3	Regular Meeting (Thursday)
September	7	Regular Meeting (Thursday)
October	10	Joint Meeting w/ Board of Supervisors ( <b>Tue. – 5 p.m.</b> )
November	2	Regular Meeting (Thursday)
December	7	Regular Meeting (Thursday)
<u><b>2024</b></u>		
January	4	Organizational Meeting (Thursday)

All **regular meetings** are held at **5:30 p.m.** in the Board of Supervisors Meeting Room unless otherwise noted. The annual joint meeting with the Board of Supervisors will be held at **5:00 p.m.** in the Ground Floor Training Room. Short EDA Business Meeting to immediately follow, if needed. The Economic Development Authority reserves the right to modify this schedule as necessary. Special meetings, such as a Planning Day may be added as necessary.



## **BEDFORD COUNTY TOURISM ZONE ORDINANCE**

### **Statement of purpose.**

The Code of Virginia § 58.1-3851 authorizes Virginia localities to establish, by ordinance, one or more tourism zones for the purpose of granting incentives and providing certain regulatory flexibility to qualified businesses.

The purpose of the Tourism Zone is to promote Bedford County's tourism industry by providing incentives for economic growth to eligible businesses within the county's designated tourism zone that will attract visitors, enhance recreational opportunities for residents, create new employment opportunities and/or promote educational opportunities while increasing travel-related revenue in the county.

### **Definitions.**

As used in this article, the following definitions shall apply:

*Base year.* Defined as the calendar year preceding the calendar year in which the applicant submits the tourism zone program qualification application to Bedford County Economic Development (BCDED).

*Business.* Any corporation, partnership, electing small business (subchapter S) corporation, limited-liability company or sole proprietorship authorized to conduct business in the Commonwealth of Virginia. "Business" does not include organizations that are exempt from state income tax on all income except unrelated business taxable income as defined in the Internal Revenue Code, Section 512; nor does it include homeowners associations as defined in the Internal Revenue Code, Section 528.

*Capital improvements or investments (CAPEX).* Moneys used by a tourism business to purchase fixed assets and not moneys used for day-to-day operating expenses. Fixed assets owned by the tourism business that are moved into the tourism zone from another location within the county shall not be included in the calculation of capital investments.

*County Code.* Code of the County of Bedford, Virginia, as amended.

*BCDED.* Bedford County Department of Economic Development, including at least the Economic Development Director, the Economic Development Marketing & Business Development Coordinator, and the County Administrator.

*Existing tourism business.* A tourism business that was actively engaged in the conduct of trade or business in the county prior to the adoption of this ordinance.

*Incentive Period.* A three-year period during which a qualified tourism business receives the benefit of tourism zone incentives.

*New tourism business.* A tourism business that has not been actively engaged in the conduct of trade or business in the county prior to submitting a completed tourism zone program qualification application.

*Qualified Tourism Business.* A qualified tourism business means a business whose primary purpose is to establish a desirable destination to attract visitors from outside of the community and create an environment for those visitors that will deliver a memorable experience or promote educational opportunities while increasing travel-related revenue. A tourism business is one engaged in the activities which promote and provide an experience for visitors including but not limited to: recreation or athletic facilities, food and beverage (restaurants, cafes, etc.), performing arts/event venues, cultural or historical sites, family oriented attractions, guided tours/excursions, events on location, museums, wineries, breweries, and lodging. Lodging should involve construction of a new facility, or upgrades to an existing facility. Short term rentals are not eligible, including AirBNnB's, and other similar arrangements. While there may be other business categories that could be interpreted as tourism businesses, the determination will be based upon the nature of the work and/or research involved.

*Tourism Zone.* A specific geographic area or areas created pursuant to Code of Virginia of 1950, tit. 58.1, ch. 38, as amended, to foster the development and expansion of tourism businesses in the county. The tourism zone shall be as shown on appendix A to this article and as may be amended from time to time by subsequent ordinances.

*Tourism Zone Program Annual Review Application.* An application is to be completed annually, available from the BCDED, to request incentives.

*Tourism Zone Program Qualification Application.* An application available from the BCDED, which is submitted by a tourism business seeking certification as a qualified tourism business to receive tourism zone incentives established by this article.

*Year.* The calendar year in which the tourism business submits a tourism zone program annual review application to the BCDED on or before March 1 of that year and is qualified as a qualified tourism business in such year, pursuant to the certification procedure described in this ordinance.

**Establishment of Bedford County Tourism Zone.**

A tourism zone is hereby established in the county in accordance with Code of Virginia, § 58.1-3851, as amended. The geographic boundaries of said zone are as set forth on the attached appendix A. The tourism zone shall include only those particular parcels, any portion of which is located within the tourism zone as determined by the county's geographic information system to be in the tourism zone.

**Application.**

An applicant seeking to obtain the benefits of the Tourism Zone will hold preliminary discussions with the BCDED, prior to any investment, resulting in a letter from the applicant describing the planned project and submittal of a completed Tourism Zone Program Qualification Application.

The BCDED will perform the initial review of the project to determine if the project meets the required criteria for a Qualified Tourism Business and is consistent with the County's policy for the consideration of Tourism Zone incentives. If the initial review indicates that the project has merit, BCDED will forward the request and recommendations to the County Administrator for consideration by the Board of Supervisors. The Board of Supervisors will review and evaluate the proposed project and accompanying request and make a decision based upon the project's impact on the County.

**Investment Qualifications.**

For a Tourism Business to be a Qualified Tourism Business eligible to receive the benefit of Tourism Zone Incentives, it must be located within the boundaries of the Tourism Zone and meet the following qualifications:

1. An existing tourism business must meet the following criteria:
  - a. Provide taxable capital investments of \$50,000 or more over three years (over the Base Year).
  - b. Create at least three (3) new full-time equivalent jobs over the same period at a rate of pay at least equal to minimum wage.
2. A new tourism business must meet the following criteria:
  - a. Provide taxable capital investments of \$250,000 or more over the Base Year.
  - b. Create at least three (3) new full-time equivalent jobs at a rate of pay at least equal to minimum wage.
3. Both existing tourism businesses and new tourism businesses must meet and maintain the minimum qualifying investment levels each year of the incentive period and must meet the job creation qualifications during at least one quarter of the incentive year.
4. Qualified tourism businesses that have completed one (1), three-year incentive period *may* qualify for additional expansion incentives as an existing tourism business.

5. The applicant must present proof, (*e.g. tax returns, receipts, etc.*) of use of the investment for tourism business purposes and demonstrate that the applicant is a tourism business as herein defined.
6. An otherwise qualified tourism business shall not become eligible to receive tourism zone incentives until such a time as the qualified tourism business has commenced operations within the boundaries of the tourism zone.

#### **Tourism Zone Incentive Package.**

Incentives shall apply for three (3 years) from the later of the: (i) date a business is determined to be a qualified tourism business; (ii) the date the business commences operation; (iii) the date that an existing business completes a qualifying expansion. Rebates shall be made at the end of each tax year on an annual basis. Only those taxes and fees which have actually been paid to the county shall be rebated. No interest shall be paid on any funds rebated. Qualified tourism businesses located within the boundaries of the tourism zone may be afforded the following incentives:

1. Tax Rebates.
  - a. New Businesses - A rebate equal to the amount of any real property tax paid by the qualified new tourism business assessed on the improvements by reason or the qualifying capital investment pursuant to Chapter 17, Article I of the County Code. This shall not include any amount of tax paid on land.
  - b. Existing businesses - For those qualified tourism businesses that are existing businesses, rebates shall only be applicable to taxes assessed on the portion of acquired tangible business personal property, or machinery and tools directly attributable to the expansion of the business and qualifying capital investment pursuant to Chapter 17, Article I of the County Code. The amount of each tax rebate shall be a percentage of that portion of taxes paid by the qualified tourism business each year of the incentive period that is directly attributed to the expansion of the business.
2. Fee Rebates – A qualified tourism business *may* be eligible to receive a rebate on planning and zoning or review fees twelve months (12) after the Certificate of Occupancy (CO) has been issued.
3. Tax Rebates – Existing businesses. For those qualified tourism businesses that are existing businesses, rebates shall only be applicable to taxes assessed on the portion of gross receipts or acquired tangible business personal property, machinery and tools directly attributable to the expansion of the business. The amount of each tax rebate shall be a percentage of that portion of taxes paid by the qualified tourism business each year of the incentive period that is directly attributed to the expansion of the business. The amount of each tax rebate shall be a percentage of that portion of taxes paid by the qualified tourism business each year of the incentive period that is directly attributed to the expansion of the business.

- 70% in year 1
  - 60% in year 2
  - 50% in year 3
  - 40% in year 4
  - 30% in year 5
- New/Existing – making taxable capital investments of \$2M or more + a min. of 5 new FT/E jobs, the EDA could also consider an up-front one-time cash incentive to assist with the capex improvements associated with the project.
4. Targeted industry status. Restaurants and lodging facilities shall be entitled to priority consideration and review of all county permit applications.
  5. Marketing assistance. Qualified tourism businesses may receive the following marketing efforts free of charge:
    - a. Business listing and link on Bedford County Department of Tourism website – DestinationBedfordVA.com. (All advertising efforts direct people to the website.)
    - b. Business Promotion and Advertising by Bedford County Departments of Tourism and Economic Development (when applicable) in print, online, radio, digital, broadcasting and/or social media outlets.
    - c. Print material provided by business will be displayed and distributed at the Bedford Area Welcome Center.

#### **Administration.**

After a tourism business has been certified a qualified tourism business, it shall annually submit a tourism zone program annual review application to the Office of Economic Development on or before March 1st of each year of the incentive period, indicating the number of fulltime employees employed by the qualified tourism business, an official Virginia Employment Commission report for wage verification, the amount of business personal property and/or machinery and tool taxes paid by the qualified tourism business during the incentive period, and any other information as requested by the Commissioner of Revenue or the Office of Economic Development for purposes of administering the tourism zone. Applications must be signed by an official representative of the qualified tourism business authorized to sign on its behalf. Applications received after March 1st will not be eligible to receive tourism zone incentives for that year.

An existing tourism business shall not qualify for tourism zone incentives by reorganizing or changing its form in a manner that does not alter the basis of the tourism business assets or result in a taxable event.

If a qualified tourism business fails to pay in full the taxes imposed by the county by the due date, this will result in the forfeiture of the tourism zone incentives for that year.

If a qualified tourism business files for bankruptcy during the three-year incentive period, this will result in disqualification and the business will be ineligible to receive tourism zone incentives for the remainder of the incentive period.

In the event that the tourism business ceases to be a qualified tourism business, ceases to meet the minimum employment and capital investment criteria, or removes itself from operation from the county during any year within any three or five-year incentive period, it shall be required to repay the total amount of tourism zone incentives received. A tourism business must sign an agreement to this effect prior to receiving tourism zone incentives.

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