



**MEETING MINUTES
BEDFORD COUNTY ECONOMIC DEVELOPMENT AUTHORITY**

**Bedford County Administration
122 E. Main Street
Bedford, VA 24523
June 1, 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; Carl Boggess – County Administrator; Patrick Skelley – County Attorney

:Staff Absent: Jessica Hupp – Transcriber

:Guests: None

(1) APPROVAL OF AGENDA

Mr. Walton asked for approval and/or any amendments to the Authority's June 1, 2017 agenda.

Mr. Messier moved, seconded by Mr. Lusk, to approve the June 1, 2017 EDA agenda, as presented.

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

Voting no: None

Adopted Unanimously

(2) APPROVAL OF MEETING MINUTES –April 29, 2017

Mr. Walton asked for approval and/or any amendments to the Authority's regular April 29, 2017 meeting minutes. Mr. Messier stated that the time was incorrect and should read 2:00 p.m.

Mr. Lusk moved, seconded by Mr. Novitzke, to approve the April 29, 2017 meeting minutes, as amended.

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

Voting no: None

(3) REPORTS

A. Economic Development Director's Report

Mrs. Blido reported that staff has been focused on closing on properties in New London, the sale of land in Montvale, and the continuation of development at Beale's. Mrs. Blido stated she has worked closely with CommScope on connecting them to job investment incentives at the state level for hiring employees and she is happy to report that with no EDA assistance CommScope has added more than 30 new employees and added more than \$1 million in equipment.

Mrs. Blido stated that Valley Processing shut its doors this past week. The region assisted by creating workforce session to help employees find new employment or retraining. About 12 showed up to the training, and the company provided us with phone numbers and skills for further assistance from the workforce board.

In the last two weeks, Mrs. Blido had several regional tours with VEDP and manufacturing writers. About 30 people from the state came to tour the region, and viewed Simplimatic, New London Business and Technology Center, Beale's and the former Woolen Mill building, The following week, the manufacturing writers toured who can publish editorials in national magazines.

Mrs. Blido stated that she went to South Boston for an announcement from Microsoft and Mid-Atlantic Broadband on new whitespace technology for broadband. Both are teaming up with company called Adaptrum, which we will be having an event for in the near future. Adaptrum is currently working on a pilot project in Halifax County. Mr. Johnson asked if the access included private school children, and Mrs. Blido said not initially, however anyone could go for it in the future if the technology takes off.

Mrs. Blido stated that Bedford has its own broadband advisory group that has put out an RFP for engineering services to create a broadband plan for the entire county. The Tobacco Commission just released they have \$10 million to assist with broadband needs within the footprint. At the June 26 Board of Supervisors meeting, they will ask the board to approve a contract with the selected engineer. A discussion followed about broadband options for the county.

B. Monthly Financial Report

Mrs. Blido reviewed the monthly financial report with the EDA. Mrs. Blido stated that Ms. Hupp was unable to update the cell tower fund, and it should read \$133,345. Mr. Walton asked if we had dispersed money to Nanotouch, to which Mr. Skelley stated yes, they have picked up their check.

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

Staff reviewed the accounts payable report with the EDA. Mrs. Blido stated that there was a question last month about the Hurt & Proffitt work in new London. The total cost was \$26,000 and we are being billed periodically. Mr. Boggess stated that they did not use all of the funding, so the EDA will pay less than the agreed amount.

D. Existing Business Report

Mr. Walton stated that Ms. Hupp provided a written version of her report. Ms. Hupp is participating as a judge in Altavista's Pop Up entrepreneurs program tonight.

(4) TOWN OF BEDFORD

A. Beale's and Bedford Update

Mrs. Blido stated the Bower Center had a crawfish festival this past weekend that was very successful, and that a movie called Juanita was just filmed out at Millstone Tea Room off 122. Beale's is working hard to get things ready for our event, but they plan to officially open on Saturday, June 24. The site is still very much a construction zone, but the event will serve as a sneak peak for many of our local businesses. Mrs. Blido stated the Beale's development will end up being a \$2.5 million project in which the extra funding is coming from Dave's own money. So far, they have already hired 22 people, with most employees being from the Bedford area.

Mr. Skelley stated that the entity that owns and operates Beale's is called Bedford Brewing LLC, and that Dave's company, Waukeshaw Development, needs to become a member of Bedford Brewing in order to get the tax credits. Dave asked that the EDA give approval of the combining of the two entities.

Mr. Johnson moved, seconded by Mr. Lusk, to approve Waukeshaw Inc. to become a member of Bedford Brewing LLC.

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

Voting no: None

(5) NEW LONDON BUSINESS AND TECHNOLOGY CENTER

A. Southside Economic Development grant update

Mrs. Blido stated that staff finalized all the documents for the Lot 1 and Lot 3A sales. All documents have been executed by Wyatt at this point, and staff will need to follow up on issues such as common area maintenance and signage within the park.

Mrs. Blido stated she has had meetings with companies currently located in the CAER that are not energy focused and gathered information on where they'd like to go at the end of their lease with LU.

Mrs. Blido stated that the EDA received the Southside Economic Development grant for \$250,000 from the Tobacco Commission, which was the full amount of our request. The quote we received from Hurt & Proffitt was less than that, but we wanted to have a bit of contingency. The match for the grant was the value of the lot, so there is no additional cash match needed. Mrs. Blido stated that site work on lot 3B will accelerate the EDA's ability to further grow the park. Mr. Johnson asked if this would affect the trails, and Mr. Boggess stated he was going to have a map of the trails by the next meeting for the EDA's review. The grant funding received does come out of the \$2.2 million pot from the sale.

B. VEDP Site Development Grant update

Mrs. Blido stated that she also submitted the implementation side of Site Characterization Grant we received last year. If you recall, the state considers New London as a Tier 4 business park. This grant would be for picking an area in New London to create a 100 contiguous acre lot. Mrs. Blido stated that \$81,420 was the cost of the initial phase of work on Lot 10A. We should hear back by June 16.

Mr. Boggess stated that in two weeks they will begin sending out Invitations to Bid for Lot 3B grading, the grubbing of 10A, and potentially grading another lot (2 or 4). Mr. Boggess stated that the equipment for grading is so big, they might as well try to get a few things done if they're already in the park. Mr. Lusk asked if we would get any money from the timber, to which Mr. Boggess said you normally let the contractor take care of the timber. The EDA asked how a Tier 5 park is different. Mrs. Blido stated it is mostly graded and has fast track permitting for construction in place.

C. Prospect update on Lot 3A

Mrs. Blido stated Nanotouch has closed on Lot 3A, and they are working with Coleman Adams to head up construction.

Mr. Walton asked how we planned to manage discussions on a future building. Mr. Boggess said we'll likely know more about who's interested in the next couple of weeks. Mrs. Blido has companies talking to her about owning a building on that land, and letting other businesses rent out space. But staff still has other prospects interested in a building with the EDA.

Mr. Wilkerson stated he gauged the board's interest in having the emergency services building fully staffed by the time Liberty's new school is up and running, as he thinks it would be attractive to other companies looking to locate to the park. Mr. Boggess explained the county became the owner of that building as of this past April. Mr. Wilkerson said there could be some collaboration in the future with Liberty in terms of having nursing students as interns or on-the-job training there.

Mr. Boggess stated there should likely be a detailed map by the next meeting from Parks and Rec to show where all the trails have been put in. Mr. Boggess stated the trails could be used for both walking and biking.

(6) BEDFORD CENTER FOR BUSINESS

A. CVCC Lease update

Mr. Boggess said he met with Dr. Capps, and it seems the EDA will need to stick with the current rent. Mr. Boggess did bring up that CVCC had access to additional money at the end of the year, and asked if they would be open to putting that money towards capital improvements on the building, such as carpet and lighting costs. If the EDA accepts the rate staying the same, we can start making those improvements. CVCC has agreed to pay for the cost of carpet for the facility, and he knows they will want to cut the check before the end of the current fiscal year. If the EDA gets a new lease, our costs will be cut once we install LED lights. Mr. Boggess stated the EDA has accrued \$171,000 in revenue so we should be able to be successful in maintaining the property. Mr. Johnson stated that he is encouraged by the collaboration.

Mr. Novitzke asked when the last increase in the lease was. Mr. Boggess stated in 2009 the rent was increased due to the addition of new lab square footage. Mr. Novitzke said he is 100% supportive of the community college, but he is concerned about the utility costs. Mr. Boggess stated we likely have another 5 years before needing to replace the HVAC system. Mr. Boggess stated the EDA has \$330,000 of additional proceeds from when they took the facility over. Mr. Boggess stated that fiscal management will have a totally new software system soon that will be very beneficial for EDA functions to be tracked. Mr. Boggess agrees with Wyatt on the three-year lease term. Mr. Novitzke said we might consider an automatic 10% increase if they switch over to month-to-month again.

Mr. Johnson moved, seconded by Mr. Novitzke, to authorize Mr. Boggess to negotiate the CVCC lease at \$10,686 for a 3 year term, with additional renewals available.

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

Voting no: None

(7) MONTVALE CENTER FOR COMMERCE

A. Prospect update on graded lot

Mrs. Blido reported that Sampson Bladen met with the planning commission and got full approval for locating to the graded lot in Montvale. The final decision will be made by the Board of Supervisors on June 26. Mrs. Blido thanked Mr. Boggess and Mrs. Harmony for attending the planning commission meeting. Mrs. Harmony stated there were a few complaints from residents, but nothing that can't be

overcome. Mr. Boggess stated there are people that live right across from the property who were concerned about possible noise, but the lot is at the far east end of their property where they may not even be able to see the facility.

Mr. Johnson agreed to attend the Board of Supervisors meeting where they review this project to show EDA support. Mrs. Blido stated if it goes through, we will need to sign documents to close the sale and draft a press release.

(8) ALL OTHER EDA BUSINESS

Mrs. Blido stated June 15 at 1:30 p.m. there will be a press conference for a wireless company being attracted to New London. She encouraged members to attend if possible. The next EDA meeting will be two days after July 4, which we sometimes cancel or postpone due to the holiday. Mr. Boggess stated we may need a committee to meet to discuss the potential building in New London, but nothing else pressing would require a July meeting.

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

(9) ADJOURNMENT
-6:44 p.m.

APPROVED:

Chairman

Secretary