

***Scott County Economic Development Authority
and Scott County Chamber of Commerce
Meeting Dates and Special Events***

The June meeting of the Scott Co. EDA will be held on Wednesday, June 28th, 2017 at 6:00 p.m. in the board room of the Scott County Administrative offices located on the second floor of the Scott Co. Community Services Building, 190 Beech Street, Suite 201, in Gate City. All meetings are open to the public.

The June meeting of the Scott County Chamber of Commerce will be Wednesday, June 14th at 12 Noon at the Scott Co. Park and Golf Course. Lunch is dutch treat for \$8. Menu is chicken tenders, mashed potatoes, green beans, rolls, drink and desert. Guest speaker is Amy Duncan with the Attorney General's office. RSVP by June 12th.

SCOTT COUNTY ECONOMIC DEVELOPMENT AUTHORITY
MEETING MINUTES
April 19, 2017

VIRGINIA

A meeting of the Scott County Economic Development Authority was held on Wednesday, April 19, at 6:00 p.m. at the Scott County Administrative Offices located at 190 Beech Street, Suite 201, Gate City, Virginia.

ROLL CALL OF MEMBERS

There was not a formal roll call; however, the following members were present/absent as indicated:

Eric Lane	Absent
Greg Baker	Present
Charles Fugate	Present
Roger Fraysier	Present
Ross Jenkins	Present
Dennis Horton	Present
Phillip Smith	Present

OTHERS PRESENT:

John H. Kilgore, Jr. – Director
Sally Kegley – County Attorney

Chairman Roger Fraysier called the meeting to order and welcomed guests, Brittany Cook and Kevin Long, members of the Forward Wise leadership program

Board members introduced themselves.

AMEND THE AGENDA

Roger stated there was a need to amend the agenda under Prior/New Business to add the hotel study.

Charles asked John if he had looked behind the building at the terrain. John said he had. John said he, Ross, Charles, and a representative from Thompson & Litton met to talk about additional landscaping, and added that we need to make sure we have enough money to do that.

DUFFIELD SIGN

- Snyder provided updates on drawings and material samples to TVA and waiting on confirmation to proceed
- PVEC is working on the lights going up Technology Trail Lane
- Lights will also go up to the Interpretive Center

COMMITTEE ASSIGNMENTS

Finance – Roger and Ross

Riverside – Roger and Eric

Duffield Ind. Park/DBWT Interpretive Center – Charles and Ross

Duffield Ind. Park Grounds – Greg and Roger

RBEG – Ross and Roger

Marketing – Eric and Phil

Planning – Charles and Dennis

Liaison – Dennis and Greg

Some committees such as the RBEG committee, require the Chairman and Vice-Chairman to serve on that committee.

Roger said, at one meeting, someone suggested combining the Duffield Ind. Park and Duffield Ind. Park Grounds into one committee and asked for the Board's thoughts. Everyone was in agreement.

Roger said we also want to keep the Board of Supervisors involved in our activities. That's where the Liaison committee comes in. John said if we want to look in broader terms, if we have something to go to the Planning Commission or PSA, the Liaison committee could handle that also.

Phillip Smith made a motion, duly seconded by Greg Baker, to combine the Duffield Industrial Park committee and the Duffield Industrial Park Grounds committee.

VOTING:	AYE:	Charles Fugate; Greg Baker; Roger Fraysier; Ross Jenkins; Phillip Smith; Dennis Horton
	NAY:	None
	ABSENT:	Eric Lane

PLANNING

John said the Planning committee met earlier this afternoon and started the journey on planning.

Dennis said they met for about 50 minutes or so prior to this meeting. They are looking at four areas (mission, vision, values, and priorities). The priorities are good and are looking to expand and come up with an operating document that we can distribute to this board and other boards.

Dennis asked, "Who do we want to be as a county and for our people?" This is a process toward a comprehensive development plan for not only now but in the future.

Charles said when it is completed, they will present it to the board for comments.

John said we would email a copy prior to the meeting so there will be time to review. The committee will also meet again before the next board meeting.

Dennis stated this is the basic framework. He said it would be helpful for everyone to look at it and if you have any ideas, please pass them on.

MERBI BOARD

John's term on the MERBI board is expiring, and the EDA has been asked to nominate someone to serve another four year term. This term will begin July 1st, 2017 and expires June 30th, 2021.

Charles Fugate made a motion, duly seconded by Greg Baker, to appoint John to again serve on the MERBI board to represent the EDA.

VOTING:	AYE:	Charles Fugate; Greg Baker; Roger Fraysier; Ross Jenkins; Phillip Smith; Dennis Horton
	NAY:	None
	ABSENT:	Eric Lane

HOTEL STUDY

Roger stated we received three bids for the hotel feasibility study. The lowest bid was Hospitality Appraisals, Inc. with a bid of \$8,500.00. Since time was of the essence and the lowest bid was lower than expected, the Director and he entered into a contract with Hospitality Appraisals. This is what the Board needs to ratify at this meeting. Sally was kept in the loop and was agreeable with this action. Penny sent out an email asking if everyone was okay with this action. He emphasized this was only done due to the essence of time.

Dennis said at the last meeting, the total budget was to be taken out of two different budget years. He asked if there is sufficient funding remaining in this budget to pull most of it from this year,

Roger said this is sort of a two part process. The initial fee is to see if there is enough sustainability for a hotel. If so, there will be a deeper dive into five and ten year financials.

John added if it is feasible, then they will go deeper. He said there was a meeting with Virginia Community Capital (VCC), and in that meeting, they offered to partner with us on this study. They are going to give \$2,000 to help us.

Roger said we have to give them a \$2,750 retainer to get them started.

Dennis asked if we had money in the current budget to cover it. Roger said there are other funds to come out of the budget like the Duffield and Riverside signs.

John said if they go into the deeper dive, then funds may have to come out of next year's budget.

Phillip Smith made a motion, duly seconded by Dennis Horton, to approve entering into a contract with Hospitality Appraisals, Inc. in the amount of \$8,500 for a hotel feasibility study for Scott County. The Chairman and Director are authorized to sign any and all documents related to the contract on behalf of the Authority.

VOTING:	AYE:	Charles Fugate; Greg Baker; Roger Fraysier; Ross Jenkins; Phillip Smith; Dennis Horton
	NAY:	None
	ABSENT:	Eric Lane

DIRECTOR'S REPORT

- Attended the DBWT Interpretive Center progress meeting on March 24th
- Participated with NETRIDA and TVA in site consultant visits in Dallas on March 27-29
- Attended the Gate City leadership event on April 3rd
- Attended the regional economic development meeting on April 4th at UVA Wise
- Attended the Board of Supervisors meeting on April 5th
- Met with Virginia Community Capital personnel on April 11th
- Met with firm about hotel feasibility study on April 17th
- Attended the High Knob stakeholders meeting on April 18th

John said that Site Consultants handle economic development projects. They met with six different consultants and hope to get them to come and visit.

John said they are working to offer the leadership event that took place in Gate City to Duffield businesses.

The High Knob meeting was to look at ways to develop around the Jefferson National Forest.

Dennis asked if it was just around the observation tower or the whole forest. John said it was to look at the area surrounding High Knob.

COUNTY OWNED PROPERTY

Slides of property owned by the EDA were included in the PowerPoint and reviewed. Dennis asked if the former LP plant is still privately held. John said it was.

Ross asked if they were tearing the plant down. John said they were not. Greg added that they are trying to clean up around it.

Dennis asked if that is a building we might want to acquire, and if there were any environmental hazards. John said we could work with whoever owned it, and he did not know if there were any issues.

CALENDAR

The calendar was reviewed with no changes. John said the UVA Wise Economic Development Forum is May 10th. If anyone would like to attend, please let Penny know.

FINANCIALS

The VCEDA report for March was not available at the time of the meeting. The EDA expenditures showed a remaining balance of 29.48% to finish out the year. The Community Services Building has 60% remaining, and the Crooked Road Tech Center has 53% remaining.

Dennis asked if there is a debt service on this building. John said there was. He added that we pay twice a year in April and October.

RBEG APPLICATION

Sally said Mr. Fields now has a deed to the land.

John said it is up to the board whether or not to accept a second position on the deed for collateral.

Dennis asked if he has decided on a mini storage or a store. Ross said that is where the problem arises, and asked if the committee should meet again.

Ross said he presented the mini storage to the RBEG committee, and the paper said it was to be a mini storage and store. He added that it didn't seem that he was very open with the committee. Roger agreed.

Dennis and Charles commented about the lien. Dennis asked if there is a way to structure the loan that you can borrow for storage only. Sally said that is what is usually done.

Ross asked if the buildings were pre-fab and set up, would they become a part of the property? Sally said they would become a part of the property if they were attached.

Greg asked what the estimated tax assessment was. Sally said the assessed value was \$28,300.

It was the general consensus of the Board that this item be tabled, and the RBEG Committee meet with Mr. Fields again.

ENTERPRISE ZONE

- Incentives for eligible businesses are based on amount of investment and average wage rate
- Based on a 2013 expansion, Tempur Sealy is eligible to receive a grant on taxes paid on machine and tool and real estate on investments related to the expansion
- Their 2016 average wage rate is over 2.5 times minimum wage and are eligible for a 100% grant on machine and tool and real estate items totaling \$49,819.77

John said we verify they have paid their taxes first. We then ask the company for their average wage rate. The grant is on the expansion items only.

Dennis asked if this was a credit on taxes or cash. John said, in Virginia, they have to pay taxes, and then they get a portion back.

Phil Smith made a motion, duly seconded by Charles Fugate, to recommend the 2016 Enterprise Zone incentives for Tempur in the amount of \$49,819.77 be presented to the Board of Supervisors for their approval.

VOTING:	AYE:	Charles Fugate; Greg Baker; Roger Fraysier; Ross Jenkins; Phillip Smith; Dennis Horton
	NAY:	None
	ABSENT:	Eric Lane

CLOSED SESSION

The Chairman stated there was a need to enter into Closed Session pursuant to Virginia Code Section 2.2-3711 for the purpose of discussing A.5 Prospects (Weber City, Duffield, Dungannon)

Dennis Horton made a motion, duly seconded by Ross Jenkins, to enter into Closed Session pursuant to Virginia Code Section 2.2-3711 for the purpose of discussing A.5 Prospects (Weber City, Duffield, Dungannon).

VOTING: AYE: Charles Fugate; Greg Baker; Roger Fraysier; Ross Jenkins;
Phillip Smith; Dennis Horton
NAY: None
ABSENT: Eric Lane

OPEN SESSION

Dennis Horton made a motion, duly seconded by Ross Jenkins, to exit Closed Session and re-enter Open Session.

VOTING: AYE: Charles Fugate; Greg Baker; Roger Fraysier; Ross Jenkins;
Phillip Smith; Dennis Horton
NAY: None
ABSENT: Eric Lane

CERTIFICATION OF CLOSED SESSION

WHEREAS, the Scott County Economic Development Authority has convened a closed meeting on this date 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 Scott County Economic Development Authority that such closed meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Scott County Economic Development Authority hereby certifies 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 executive meeting to which this certification Resolution applies, and (II) only such public business matters as were identified in the Motion convening the closed meeting were heard, discussed or considered by the Scott County Economic Development Authority.

Phillip Smith made a motion, duly seconded by Charles Fugate, to certify the Closed Session.

APPROVAL:

Eric Lane	Absent
Greg Baker	Yes
Charles Fugate	Yes
Roger Fraysier	Yes
Ross Jenkins	Yes
Dennis Horton	Yes
Phillip Smith	Yes

Due to a scheduling conflict, the May meeting needs to be changed.

Phillip Smith made a motion, duly seconded by Ross Jenkins, to change the May meeting to Tuesday, May 16th, at 6:00 p.m. in the Board Room of the Scott County Administrative Offices located at 190 Beech Street, Suite 201, Gate City, Virginia.

VOTING: AYE: Charles Fugate; Greg Baker; Roger Fraysier; Ross Jenkins;
Phillip Smith; Dennis Horton

NAY: None
ABSENT: Eric Lane

MEMBER COMMENTS

There were no member comments.

ADJOURNMENT

Ross Jenkins made a motion, duly seconded by Phillip Smith, to adjourn the meeting to Tuesday, May 16th, at 6:00 p.m. in the Board Room of the Scott County Administrative Offices located at 190 Beech Street, Suite 201, Gate City, Virginia.

VOTING: AYE: Charles Fugate; Greg Baker; Roger Fraysier; Ross Jenkins;
Phillip Smith; Dennis Horton
NAY: None
ABSENT: Eric Lane