

AMENDMENT TO THE MINUTES IN RED: Added record of the approval of the minutes

**PRINCE EDWARD COUNTY
INDUSTRIAL DEVELOPMENT AUTHORITY
MEETING MINUTES**

Conference Call

1-844-890-7777 | Access Code 390313#

8 a.m. – Friday, April 23, 2021

Due to the COVID-19 Emergency, the Industrial Development Authority of Prince Edward County will be operating pursuant to and in compliance with “EMERGENCY ORDINANCE TO EFFECTUATE TEMPORARY CHANGES IN CERTAIN DEADLINES AND TO MODIFY PUBLIC MEETING AND PUBLIC HEARING PRACTICES AND PROCEDURES TO ADDRESS CONTINUITY OF OPERATIONS ASSOCIATED WITH PANDEMIC DISASTER,” adopted by the Prince Edward County Board of Supervisors, April 7, 2020.

This meeting is closed to in-person participation by the General Public, but citizens may join the meeting by calling **1-844-890-7777 | Access Code 390313#**

MEMBERS PRESENT IN-PERSON: Robert Atkinson
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

MEMBERS PRESENT BY PHONE: n/a

ALSO PRESENT: Chelsey White, Director of Economic Development & Tourism; Doug Stanley, County Administrator; Sarah Puckett, Assistant County Administrator; Terri Atkins Wilson, IDA Attorney

ABSENT: Edgar Jones

At 8:03 a.m., there being a quorum present, Mr. Watson welcomed everyone and called the April 23, 2021, IDA Meeting to order. The roll call attendance was as follows:

Aye: Robert Atkinson
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

Electronic Meeting Certification

Mr. Watson read the following electronic meeting certification: Due to the COVID-19 Emergency, the Industrial Development Authority of Prince Edward County will be operating pursuant to and in compliance with “EMERGENCY ORDINANCE TO EFFECTUATE TEMPORARY CHANGES IN CERTAIN DEADLINES AND TO MODIFY PUBLIC MEETING AND PUBLIC

HEARING PRACTICES AND PROCEDURES TO ADDRESS CONTINUITY OF OPERATIONS ASSOCIATED WITH PANDEMIC DISASTER,” adopted by the Prince Edward County Board of Supervisors, April 7, 2020.

This meeting is closed to in-person participation by the General Public, but citizens may join the meeting by calling **1-844-890-7777 | Access Code 390313#**.

Introductions

Mr. Watson explained that because the meeting was being conducted in-person and by phone, there would be a roll call vote for all votes taken during the meeting, along with a roll call for attendance. The roll call attendance was as follows:

Aye: Robert Atkinson Nay: (none)
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

Meeting Minutes

Mr. Watson asked if there were any edits to be made to the March 26, 2021 IDA meeting minutes or if there was a motion for them to be approved as is. Ms. Yeatts made a motion to approve the March 26, 2021 IDA meeting minutes. The motion was seconded by Mr. Montgomery. The motion was approved by the following vote:

Aye: Robert Atkinson Nay: (none)
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

Mr. Watson asked if there were any edits to be made to the April 1, 2021 IDA meeting minutes or if there was a motion for them to be approved as is. Mr. Montgomery made a motion to approve the April 1, 2021 IDA meeting minutes. The motion was seconded by Mr. Tharpe. The motion was approved by the following vote:

Aye: Robert Atkinson Nay: (none)
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

Treasurer’s Report

The Treasurer’s Report was given by Ms. White. She reported a balance of \$1,062,894.11 as of April 13, 2021. She reviewed the information from the report as follows:

**Treasurer’s Report
April 13, 2021**

Deposits since the last meeting (March 23, 2021)	
Deposit TOTAL	\$0.00
Disbursements since the last meeting (March 23, 2021)	
Payable TOTAL	\$0.00
March 31, 2021 Benchmark Statement Balance	\$1,062,894.11
Available Balance as of April 13, 2021	\$1,062,894.11

MONTHLY REVENUE

Waterjet Equipment Loan| \$200,000 | \$3,774.25 monthly payment | \$138,794.26 balance

Ms. Yeatts moved that the Treasurer’s Report be approved, which was seconded by Mr. Montgomery. The motion was approved by the following vote:

- | | |
|----------------------|-------------|
| Aye: Robert Atkinson | Nay: (none) |
| Mike Montgomery | |
| Tim Tharpe | |
| Brad Watson | |
| Joyce Yeatts | |

Current Business

Tobacco Commission Business Loan Application/Broadband Loan Request – Kinex Telecom Resolution

Ms. White presented the resolution and stated that it is needed along with an agreement to proceed with an application being submitted for the Kinex Telecom/Jim Garrett broadband expansion project. Ms. Yeatts stated that there needs to be a succession plan that will determine who is responsible if Mr. Garrett defaults on the loan. She stated that the IDA needs to protect the citizens and the taxpayers. Mr. Stanley stated that he and Ms. Atkins-Wilson are currently looking for an agreement that has been used in other counties to craft a Prince Edward agreement. Mr. Watson asked what would the IDA be agreeing to with the proposed resolution? He also mentioned that Mr. Garrett will need to prove that he can complete this project but ultimately, he will be putting fiber in the ground and using the revenue from his business to put more in the ground. There was a discussion about the breakdown of the budget for this project. Mr. Stanley stated that a full breakdown of the proposed project budget could be sent out again. Ms. Atkins-Wilson stated that the IDA would be subordinate to the SBA loan. Ms. Yeatts asked how can the IDA be protected, and if a financing statement would be needed? Ms. Atkins-Wilson agreed that a financing statement would be needed. Mr. Watson asked if the Board of Supervisors has been a part of this? Mr. Stanley stated that they have not, although there are aware of this project through reports. He also stated that the Board of Supervisors could make a resolution in support of the project. Mr. Watson stated that he would like for the Board of Supervisors to make a resolution in support. Mr. Stanley stated that this will be included on the agenda for the May Board of Supervisors meeting and that the IDA could table their resolution for now. He also stated that a special meeting could be called regarding this. Mr. Atkinson asked

Ms. Atkins-Wilson if there should be documentation stating that if something happened to Mr. Garrett, the debt would be assumable to the new owner of his business? Ms. Atkins-Wilson stated yes.

Lowe’s Access Issue Update

Mr. Stanley stated that the Lowe’s Access Issue is still being worked on. He also mentioned that a lawsuit may have to be filed and the right of way may need to be condemned. Mr. Stanley stated that every week staff has tried to make contact and communication has stalled. Mr. Stanley stated that a similar issue is going on with VDOT and that a master plan is needed for the rest of the property which should include plans created by civil engineers. There was discussion about the property on the southside of Granite Falls Blvd and whether or not the prospect would be interested in it instead.

IDA Board Vacancies Update

Mr. Stanley stated that appointments will be made at the June Board of Supervisors meeting. Mr. Stanley stated that Mr. Tharpe’s term is up in June and he is eligible for reappointment. He also mentioned that the two vacancies have been advertised. Ms. Puckett requested that if the IDA board members know of anyone that they feel would be a good choice to please ask them because people don’t always want to volunteer. Mr. Watson stated that the IDA requires a lot of meetings and big commitments and that the Planning Commission gets a stipend so the IDA should discuss receiving per meeting stipends. He also stated that providing stipends could help attract volunteers. Ms. Puckett stated that it would be very easy to restore the IDA stipend policy and that Board of Supervisor approval would be needed. Mr. Stanley recommended a motion and stated that a survey could be done to determine the other IDAs are receiving stipends. Ms. Atkins-Wilson stated that the IDA act allows the IDA to receive stipends. Mr. Atkinson and Mr. Montgomery stated that the required paperwork is onerous and could deter people from the business community from volunteering to serve on the IDA board. The IDA board members agreed to discuss whether or not they would like to pursue getting stipends at the next meeting.

2020 Incentive Grants Update

An update on the 2020 incentive grants was presented by Ms. White for information purposes. Mr. Stanley stated that the Board of Supervisors recently approved reimbursing the IDA for the incentive grants awarded by the IDA in 2020.

**Local Incentive Summary
April 13, 2021**

Business	Incentive Package	Incentive Beginning in Tax Year:	Incentive Ending in Tax Year:	Remaining Year(s) of Incentive Eligibility:
Hotel Weyanoke, LLC	5-Year Reinvestment Grants for Real Estate taxes paid to the county	2018	2022	2

	5-Year Reinvestment Grants for Personal Property taxes paid to the county	2019	2023	3
Hotel Express, LLC	10-Year Reinvestment Grants for Real Estate taxes paid to the county	2018	2027	7
	10-Year Reinvestment Grants for Personal Property taxes paid to the county	2019	2028	8
Farmville Hotel Partners, LLC	5-Year Reinvestment Grants for Real Estate taxes paid to the county	2017	2021	1
	5-Year Reinvestment Grants for Personal Property taxes paid to the county	2019	2023	3
J.R. Tharpe Trucking Company, Inc.	5-Year Reinvestment Grants for Real Estate taxes paid to the county	2015	2020	0
	5-Year Reinvestment Grants for Personal Property taxes paid to the county	2015	2020	0
	5-Year Reinvestment Grants for Machinery & Tools taxes paid to the county	2015	2020	0

New Business

IDA Bylaws

Ms. White presented a draft of the bylaws and stated that there are still some edits that need to be made. She stated that the final draft will be ready at the next IDA meeting.

Paris Ceramics Equipment Loan Request

Ms. White presented an equipment loan request received from Mr. Guy Kellner for Paris Ceramics. The amount of the loan request is \$387,010. Ms. White stated that Mr. Kellner reported that Paris Ceramics is presently employing 25 full-time employees and that this investment will allow them the growth of seven FT positions and growth of \$3 million in annual revenues.

Paris Ceramics Equipment Loan Request

Item	New/Replacement	Vendor	Cost	FT Employment	Hourly Rate	Annual Wage
Jet 625	Replacement	Dinatoni	\$166,000	2	\$18	\$74,880
Waterjet BS2100	Replacement	WaterJet	\$151,800	3	\$15	\$62,400

Glazing Robot 2200	New	MavLift	\$69,210	2	\$15	\$62,400
Total			\$387,010	7		

Mr. Watson mentioned that a financing statement can only be done to protect IDA equipment. Mr. Stanley stated that this loan will be about 40% of the IDA balance and that is something that the IDA needs to think about. He stated that the loan would be for five years with a 5% interest rate. Ms. Yeatts stated that after calling a bank she found out that the going rate for an equipment loan is currently 4.79% for a class “A” customer. Mr. Tharpe made a motion to offer Mr. Kellner a \$387,010 equipment loan, requiring 20% down with a 4% interest rate, and a 5-year term. The motion was seconded by Mr. Atkinson. The motion was approved by the following vote:

Aye: Robert Atkinson
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

Nay: (none)

Appraisal of IDA Properties

Mr. Stanley stated that assessments have recently been completed by the Commissioner of the Revenue’s office. He recommended that the IDA has an inventory of parcels and include the dollar amount on the website. He stated that an appraisal is different from an assessment. Mr. Mr. Watson requested a report on all of the inventory of the IDA properties, the assessment value, acreage, tax map number, and street address. Mr. Stanley directed Ms. White to present the report at the next IDA meeting. Mr. Montgomery stated that negotiation really can depend heavily on infrastructure.

Closed Session

Mr. Watson made a motion, seconded by Mr. Montgomery. The Board convened in closed session to discuss the acquisition of real property for the public purpose of economic development, where discussion in an open meeting would adversely affect the bargaining position of the County, pursuant to the exemption provided for in Section 2.2-3711(A)(3) of the *Code of Virginia*, the motion carried:

Aye: Robert Atkinson
Mike Montgomery
Tim Tharpe
Brad Watson
Joyce Yeatts

Nay: (none)

The Board returned to regular session by motion of Mr. Montgomery, seconded by Ms. Yeatts and adopted as follows:

Aye: Robert Atkinson
Mike Montgomery

Nay: (none)

Tim Tharpe
Brad Watson
Joyce Yeatts

On motion by Mr. Watson, and seconded by Mr. Montgomery, and carried by the following roll call vote:

Aye:	Robert Atkinson	Nay: (none)
	Mike Montgomery	
	Tim Tharpe	
	Brad Watson	
	Joyce Yeatts	

The following certification of closed meeting was adopted in accordance with the Virginia Freedom of Information Act:

WHEREAS, the Board of the Prince Edward County Industrial Development Authority convened a close 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 2.2-3711(A)(3) of the Code of Virginia requires certification by the Board that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE BE IT RESOLVED that the Board of the Prince Edward County Industrial 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 closed meeting to which this certification resolution applies, and (ii) only such business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the Board of the IDA.

On motion by Mr. Watson, seconded by Mr. Montgomery and adopted by the following roll call vote:

Aye:	Robert Atkinson	Nay: (none)
	Mike Montgomery	
	Tim Tharpe	
	Brad Watson	
	Joyce Yeatts	

Mr. Watson asked for a motion to adjourn. Ms. Yeatts made the motion, seconded by Mr. Tharpe and adopted by the following vote:

Aye:	Robert Atkinson	Nay: (none)
	Mike Montgomery	
	Tim Tharpe	
	Brad Watson	

Joyce Yeatts

Adjournment:

The meeting was adjourned at 9:16 a.m.