

**PRINCE EDWARD COUNTY  
INDUSTRIAL DEVELOPMENT AUTHORITY  
MEETING MINUTES  
Charley's Waterfront Café, River Room  
201 Mill Street, Farmville, VA 23901  
12pm – May 20, 2016**

**MEMBERS PRESENT:** Robert Showalter, Chairman  
Virginia Price, Vice Chairman  
Tim Tharpe  
Edgar Jones  
James C. Moore  
Gwen Eddleman

**ALSO PRESENT:** Sharon Carney, Director of Eco. Development/IDA Secretary

**ABSENT:** Ken Copeland

At 12:15 pm, there being a quorum present, Mr. Showalter welcomed everyone and called the May 20, 2016 IDA Meeting to order.

Mr. Showalter asked for an approval of the December 18, 2015 IDA meeting minutes. There being no comments, Gwen Eddleman made a motion to approve the Meeting Minutes of December 18, 2016. The motion was seconded by Virginia Price. The motion was approved by the following vote:

Aye:	Robert Showalter	Nay:
	Virginia Price	
	Edgar Jones	
	Tim Tharpe	
	James C. Moore	
	Gwen Eddleman	

Mr. Showalter then asked Sharon for the IDA's Treasurer's Report. Sharon presented the following Treasurer's Report as of April 30, 2016

**INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY  
TREASURER'S REPORT  
April 30, 2016**

**Industrial Development Authority:**

Benchmark Bank Balance as of April 30, 2016	<b>\$652,377.89</b>
YTD Interest for 2016: \$822.31	

\$50,000 was received from Brown's Forest Products, Inc. for timber harvested at the Prince Edward Industrial Park.

\$3,800 was paid to Harold W. Collins Clearing & Grading for moving of dirt and installation of drainage pipe needed for the construct of a temporary entrance to accommodate the logging activities at the Industrial Park.

\$10,000 was paid to Hurt & Proffitt for preliminary road design and budget for the access road at the Industrial Park, which was necessary for inclusion in grant applications.

Prince Edward County has submitted three grants to the Tobacco Commission for funding of the new Access Road at the Industrial Park for a total of \$571,960. (See updated project budget attached.)

There being no comments, James Moore made a motion to approve the Treasurer’s Report for April 30, 2016. The motion was seconded by Edgar Jones. The motion was approved by the following vote:

Aye: Robert Showalter Virginia Price Edgar Jones Tim Tharpe James C. Moore Gwen Eddleman	Nay:
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**(See Up Dated Access Road Budget Below)**

**PRINCE EDWARD INDUSTRIAL PARK  
ACCESS ROAD PROJECT BUDGET  
May 20, 2016**

<b>PROPOSED ROAD PROJECT COST</b>	
(See Hurt & Proffitt-July 22, 2015 estimate)	<b>\$1,058,650</b>

**INCOME SOURCES**

<b>Virginia Tobacco Commission Indemnification and Revitalization</b>	
<u>Special Projects Grant-Approved</u>	
On September 23, 2015 the Tobacco Commission approved a Special Projects grant	\$328,395

<b>Virginia Tobacco Commission Indemnification and Revitalization</b>	
<u>Southside Economic Development Grant-Approved</u>	
On the 12 <sup>th</sup> of January, 2016 the Tobacco Commission approved a Southside Economic Development Grant in the amount of	\$49,080

<u>Southside Economic Development Grant-Recommended</u>	
On May 5 <sup>th</sup> , 2016 the Tobacco Commission recommended approval of a Southside Economic Development Grant for final approval at their May 24, 2016 meeting.	\$194,485

<b>These funds will be used for the development and construction of the Access Road and/or the development of Lot #11.</b>	<b>\$571,960</b>
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<b>Virginia Department of Transportation</b>	
<u>Economic Development Access Funds-Application Pending</u>	
In October, Prince Edward County submitted an application to VDOT for Revenue Sharing funds to construct the new Access Road. VDOT staff has recommended this request be amended and submitted to VDOT for Economic Development Access Funds consideration. With the assistance of VDOT personnel, the new grant will be resubmitted in 2016. These funds will be used towards the design, engineering, and construction of the Access Road.	
The Economic Development Access Funds are limited to \$500,000	\$500,000

**Timbering of 60+/- acres at the Prince Edward County Industrial Park**

Timber Project

On November 20, 2015, bids to timber 60+/- acres of undeveloped land at the Prince Edward Industrial Park was conducted. There was only one bidder, who came in lower than anticipated at \$50,000. There seemed to be some real issues as to the timing of the project and the extremely wet weather. This lower bid may result in the IDA potentially having to add more money to the cost of the access road, which will be predicated on the amount at which the construction costs come in.

\$50,000

**Industrial Development Authority**

Contribution

At this time the amount of a potential funding short fall for the Access Road Project is yet to be determined. The County has been very fortunate in the support from the Tobacco Commission. The amount needed from the IDA may vary depending on VDOT Economic Access Funds, and how low the construction bids come in.

\$ YTD

*After the presentation by Sharon there was some general discussion by the IDA Members regarding the development of the Access Road. No action was taken at this time.*

Mr. Showalter then asked if there were any questions or comments regarding the IDA 2015 audit conducted by Robinson, Farmer, Cox Associates for yearend June 30, 2015.

There being no comments, James Moore made a motion to approve the Robinson, Farmer, Cox Associates IDA Audit for June 30, 2015. The motion was seconded by Tim Tharpe. The motion was approved by the following vote:

Aye:	Robert Showalter	Nay:
	Virginia Price	
	Edgar Jones	
	Tim Tharpe	
	James C. Moore	
	Gwen Eddleman	

Mr. Showalter then asked Sharon to present the 2016-2017 IDA Budget.

**INDUSTRIAL DEVELOPMENT AUTHORITY OF PRINCE EDWARD COUNTY  
BUDGET FY 2016-2017  
May 16, 2016**

GENERAL LEDGER #	DESCRIPTION	REVENUES	EXPENSES
<b>IDA REVENUES</b>			
18010-0040	Paris Ceramics (Equipment finance -\$155,000-\$1,845 monthly)	\$24,540	
18010-0041	Paris Ceramics-Bldg. mortgage (Pay. of \$3,500 monthly)	\$42,000	
18010-0043	Paris Ceramics (Equipment finance-\$170,000-\$2,023 monthly)	\$29,286	
18010-0044	Paris Ceramics (Equipment finance-\$48,000-\$1,333 monthly)	\$18,368	
18010-0045r	W. C. Newman Concrete (Equipment finance-\$181,900-\$2,165 monthly)	\$33,185.69	
18010-0999	Hampden Sydney College (Loan	\$1,000	

	Administration) Annual payment		
18010-0030	Interest (BENCHMARK Bank)	\$1,500	
<b>3-710-18010-0090</b>	<b>Poplar Hill CDA \$200K Loan Payment (Annual payments until paid)</b>	<b>In default</b>	<b>Not Included</b>
<b>Needs number</b>	<b>Land Sale to VDOT/widening of US-15 South (Owed by PE Co.)</b>	<b>\$52,570</b>	<b>Not Included</b>
<b>3-710-18010-0089</b>	<b>Partial repayment of \$50,000 Loan to the Manor Golf Course</b>	<b>In default</b>	<b>Not included</b>
<b>TOTAL REVENUES</b>	<b>ESTIMATE</b>	<b>\$149,879</b>	
<b>IDA EXPENSES</b>			
<b>Contribution to Industries</b>	<b>Businesses Incentives</b>		
81500-3310	Tri-Boro Rack (Machinery & Tools) pay 3 of 5 @ 50%		\$2,500
81500-3320	Tri-Boro Rack (Real Estate) pay 4of 5 @ 50%		\$3,500
81500-3620	Tharpe Trucking (Real Estate Inv. Grant) pay 3 of 5 @ 50%		\$1,670
81500-3629	Tharpe Trucking (Personal Property) 2 of 5 @ discount		\$10,550
Needs a number	Tharpe Trucking (Machinery & Tools) 1 of 5 @ 50%		\$4,000
Needs number	Helton House (Real Estate Inv. Grant) Est. not yet initiated @ 50%		\$1,774
Needs number	Helton House (Personal Property) Est. not yet initiated @ 50%		\$2,109
93000-0100	Paris Ceramics (Equipment finance-\$170,000) Repay PE County		\$29,286
<b>Sub-Total of Expenses to Bus.</b>	<b>ESTIMATE</b>		<b>\$55,389</b>
<b>IDA Operating Expenses:</b>			
81500-3160	Professional Services (\$1,700-ROBINSON FARMER COX audit)		\$1,800
81500-5899	Special Projects (Industrial Access Road \$71,960)		\$80,000
81500-5307	Liability Insurance (\$1,500-VACO)		\$1,500
81500-3600	Advertising		\$1,000
81500-5210	Postal Services		\$100
81500-5510	Travel/meals (IDA meeting lunches)		\$600
81500-6001	Office Supplies/Recording Fees		\$250
<b>Sub-Total Op. Expenses</b>			<b>\$85,250</b>
93000-0710	Transfer to IDA Fund Balance		<b>\$9,240</b>
<b>TOTAL EXPENSES</b>	<b>ESTIMATE</b>		<b>\$149,879</b>
<b>TOTALS</b>		<b>\$149,879</b>	<b>\$149,879</b>

**IDA LOANS IN DEFAULT  
2016-2017**

May 16, 2016 The schedule below are IDA Loans that are having trouble repaying their loans and are technically in default.

General Ledger #'s	Loan Title	Loan Amount	Repayments
<b>4-710-81500-3380</b>	<b>Poplar Hill CDA Garnishment Settlements</b>	<b>\$200,000</b>	
Disbursed directly	Scotts, Fain, PC	\$108,000	

Disbursed directly	Lexicon, Inc.	\$14,500	
Disbursed directly	Union Bank and Trust	\$17,500	
Disbursed directly	O. Henry Booth	\$8,700	
4-710-81500-3381	Booth & Company	\$51,300	
3-710-19010-0090	Repayment. (First payment due February 1, 2016)		?
	<b>The Manor Golf Course</b>	<b>\$50,000</b>	
3-710-18010-0089	Partial repayment of \$50,000 loan balance		\$15,000

There being no comments, James Moore made a motion to approve the 2016-2017 IDA Budget as presented. The motion was seconded by Gwen Eddleman. The motion was approved by the following vote:

Aye: Robert Showalter  
Virginia Price  
Edgar Jones  
Tim Tharpe  
James C. Moore  
Gwen Eddleman

Nay:

Mr. Showalter asked Sharon to give an update on the progress of the sale of LOT 7-A, consisting of 3.489 acres at the Prince Edward Industrial Park to Tri-Boro Rack. Sharon stated that at the May 10, 2016 Prince Edward County Board of Supervisors Meeting, the Board consented to the offered sales price for the 3.489 acres at \$20,000 per acre for a total of \$69,780. Unfortunately after speaking with Mr. Demaio's attorney, there seems to be an issue with the Title Company regarding the assessed value of LOT 7-A per acre in "comparison" to the proposed sales price per acre. Mr. Demaio is requesting the IDA submit to the Board of Equalization a petition requesting the assessed value (tax base) be reduced to be more in line with the sales price or the appraised value conducted August 30, 2014 by MG Miller, which was \$50,186 per acre.

After some discussion, Tim Tharpe made a motion for the IDA to move forward with the Petition to the Board of Equalization regarding the reduction of the assessed value for the LOT 7-A property at the Prince Edward Industrial Park. The motion was seconded by Edgar Jones. The motion was approved by the following vote:

Aye: Robert Showalter  
Virginia Price  
Edgar Jones  
Tim Tharpe  
James C. Moore  
Gwen Eddleman

Nay:

Mr. Showalter then noted to the IDA Members the resignation of Virginia Price, Vice Chairman and James Moore effective July 1, 2016. After much discussion, James Moore made a motion for the IDA to accept the resignations of Virginia Price and himself, effective July 1, 2016; and to approve the Resolution to remove Virginia Price as a signatory on the IDA Benchmark Community Bank, until such time as a new Vice Chairman is selected. The motion was seconded by Gwen Eddleman. The motion was approved by the following vote:

Aye: Robert Showalter  
Virginia Price  
Edgar Jones  
Tim Tharpe

Nay:

James C. Moore  
Gwen Eddleman

There being no additional IDA business, Edgar Jones made a motion for the meeting to adjourn. The motion was seconded by Tim Tharpe. The motion was approved by the following vote:

Aye:	Robert Showalter	Nay:
	Virginia Price	
	Edgar Jones	
	Tim Tharpe	
	James C. Moore	
	Gwen Eddleman	

The IDA meeting was adjourned at 1:20 pm.

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Sharon Lee Carney, Secretary

Approved by: \_\_\_\_\_  
Robert M. Showalter, Chairman