



**Town Council  
Called Council Meeting Minutes  
April 23, 2020**

The Town Council of the Town of Bedford, Virginia, held a called meeting on Thursday, April 23, 2020 at 6:00 p.m. in the Council Chambers of the Town Municipal Building at 215 East Main Street, Bedford, Virginia.

**Town Council members present:**

Mayor Steve Rush, Vice Mayor Tim Black, Councilman Stacey Hailey, Councilman Bruce Johannessen, Councilman Bryan Schley, Councilman Darren Shoen, and Councilman C. G. Stanley

**Town Council members absent:**

None.

**Town Staff present:**

Town Manager Barrett Warner; Assistant Town Manager Sonia Jammes; Town Attorney William W. Berry, IV; Economic Development Coordinator Mary Zirkle, and Recording Secretary Julia Peters

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Mayor Rush opened the meeting by saying that the purpose of the meeting was to talk about the Bedford Business Support Program. It is a program he and Vice Mayor Black had thought about and Vice Mayor Black was able to put it down in writing. The Council members were sent information about the proposal for their review and Mayor Rush deferred to Vice Mayor Black to address those present at the meeting.

**ADMINISTRATIVE**

None.

**PUBLIC HEARINGS**

None.

**CONSENT AGENDA**

None.

## **OLD BUSINESS**

None.

## **NEW BUSINESS:**

### **Bedford Business Support Program**

Vice Mayor Black said this program would address some of the struggles that the small business owners in the community were going through now as a result of the COVID19 Pandemic. He had composed the program with some very broad outlines but also some specific information which will need to be discussed tonight and he hoped everyone would contribute thoughts and suggestions about the program.

Three major areas needing discussion were: what businesses or industries would be targeted and eligible; what should the parameters be and what documentation would be needed to qualify; and how much money should be used for the program as well as how much money should be awarded each applicant.

He continued to say that the two major sectors affected by the shutdown have been the restaurant and retail industries. He also noted that other businesses have been affected and thought this point needed discussion first to define eligibility.

Mayor Rush said that after discussions with the Vice Mayor and others, he thought the small brick and mortar or “mom and pop” businesses in retail should be targeted, as well as restaurants that are not franchises.

Councilman Stanley asked what would the definition of a qualifying small business be. Ms. Zirkle reported that there are a couple of definitions for small businesses that are used but most defer to the federal definition which is 250-500 employees.

Mayor Rush noted that he was thinking about the businesses along Main Street or Bridge Street or at the Forks where there are one to two or three employees.

Councilmen Johannessen and Stanley thought most of the targeted small businesses would be under ten employees for this program.

Councilman Hailey questioned whether an independent contractor would be eligible. Mayor Rush said that an independent contractor would already be eligible for unemployment compensation.

Councilman Shoen noted the goal of the program was to keep the businesses open and agreed with a partial funding amount to start the program with additional funding possible if needed at a later time.

Discussion followed regarding how broad to make eligibility. Also discussed was the goal to keep the businesses open after the COVID19 shutdown ended.

Mr. Schley suggested making the application process as simple as possible to encourage business owners to apply. He also noted that proof of a 25% reduction in sales tax from one month to the next could serve as an eligibility parameter. Other means of proof of loss were discussed as well.

Grants versus loans were also discussed. Consensus after discussion was:

- The owner of a retail or restaurant business with ten employees or less would be eligible, and he/she must operate in a brick and mortar space within the Town of Bedford that is not a franchise. The types of businesses eligible could also be expanded if necessary once applications are received and reviewed.
- The business must have operated for at least six months prior to March 1, 2020.
- Documentation from the applicants showing proof of the 25% loss in revenue will remain flexible as long as the information is certifiable.
- Total funding for the program would start with \$150,000 at \$5,000 grant increments which would help 30 businesses. Funding sources breakdown:

Current EDA funds	\$ 37,500
\$0.05 of FY2020 meals tax	\$ 37,500
Unrestricted fund (surplus)	\$ 37,500
Electric utility fund	<u>\$ 37,500</u>
	\$150,000

An additional \$150,000 could be added to the program if interest deems necessary and when the first \$150,000 is depleted.

Any unused proceeds from each grant awarded that is not used by July 31, 2020 shall be returned to the Town.

- Business owners can use these funds for lease payments and/or utility payments in the interim, or re-start costs thereafter, but not for payroll.
- Ms. Zirkle will include a signature line for applicants certifying the information they include in the application is accurate and true and the money received will be used for purposes outlined in the application. Some agreement was expressed for having the applicant include a notarized statement certifying the truthfulness of

their information. Eligibility would not be tied to receipt of any SBA Disaster Loan proceeds.

- Ms. Zirkle would be reviewing the applications which would be accepted until May 15 and the EDA would administer the grants. Ms. Zirkle suggested moving the scheduled EDA meeting to May 22 to allow time for review of applications and approval of grants.

Mr. Schley moved, seconded by Mr. Stanley to approve the Bedford Business Support Program application and parameters as discussed and agreed to by consensus.

Voted upon and carried by a roll call vote. Roll call as follows:

Vice Mayor Black	aye
Councilman Hailey	aye
Councilman Johannessen	aye
Councilman Schley	aye
Councilman Shoen	aye
Councilman Stanley	aye
Mayor Rush	aye

The motion carried with seven members voting aye.

#### **ADJOURNMENT:**

Mayor Rush adjourned the meeting at 7:06 p.m. until the second week in May.

The regularly scheduled Town Council meeting on April 28, 2020 was cancelled. Therefore, the next regularly scheduled Town Council meeting will be May 12, 2020 at 7:00 p.m.

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Steve Rush, Mayor

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Debra Anderson, Clerk of the Council

