

## *Minutes of the Town of Bedford*

# Economic Development Authority

The Economic Development Authority held a scheduled meeting on Friday, July 8, 2022, at 1:00 p.m. in the Council Hall, Town Municipal Building, 215 East Main Street, Bedford, VA 24523.

### Board members present:

Mr. Jonathan Buttram, Chairman; Mr. Kevin Turner; Mrs. Liz Brown; and Mrs. Michelle Crumpacker

### Board members absent:

Mr. David Sensenig, Vice-Chairman; Ms. Lynn Scott; and Mr. Ryan Kirkpatrick

### Staff present:

Ms. Mary Zirkle, Director of Planning and Community Development; and Ms. Cathy Johnson, Administrative Assistant

### Staff absent:

Mrs. Anne Cantrell, Director of Finance

### Other present:

Mr. Theodore Craddock of Caskie & Frost, Attorney of Record for Economic Development Authority (via Zoom)

### Other absent:

None

### Meeting Called to Order:

The Chair called the meeting to order. There was a quorum of four members present for conducting business.

The Clerk gave the roll-call:

Mr. Turner	Present
Ms. Scott	Absent
Mr. Kirkpatrick	Absent
Mrs. Brown	Present
Mrs. Crumpacker	Present
Mr. Sensenig	Absent
Mr. Buttram	Present

#### Approval of Minutes:

Mr. Turner made a motion to approve the June 10, 2022, minutes and Mrs. Crumpacker seconded. The motion carried 4-0 to approve the minutes as presented.

#### Remarks by Chairman and Members:

Mr. Buttram gave an update of the Winoa site. He stated that the Virginia Brownfields grant would not pay for the new siding on the building, so the Town would have to buy all new siding. Mr. Buttram stated that the grant would be used to clean up the building, and the work should begin September or October 2022.

Mr. Buttram was concerned when he heard that money in the EDA checking account was different than what the Authority expected from past reports. The Authority discussed that the Finance Director noticed a transfer discrepancy in the Authority's account that Town Council never reimbursed \$180,000 to the Authority for the Middle School project. Mr. Buttram wanted the Authority to look more closely at the EDA budget to avoid future discrepancies.

The Chair asked for the financial report, and Ms. Zirkle gave the report on behalf of Mrs. Cantrell. Ms. Zirkle noted that the reported total is \$747,484.38 in the Authority's bank account, and that Mrs. Cantrell is working out the discrepancies and the next financial report will be accurate.

#### Reports from Town Staff:

Ms. Zirkle stated that staff from Senator Kaine's office was in Bedford on Thursday, June 30, to host "Kaine Connects" at the Liberty Middle School for the public to share or discuss issues in the community. His staff heard housing issues, workforce, and childcare issues, and they were interested in workforce issues. This is encouraging since the Authority purchased Winoa with the intent to work with CVCC. Ms. Zirkle stated that Mr. Thomas Messier of Bedford is an intern in Senator Kaine's office.

Ms. Zirkle stated that the Traipse app for downtown was done with a Virginia Tourism Corporation grant. The Traipse app is to boost small downtown businesses. She stated that the app is in the final testing stage, and is ready to launch. Ms. Zirkle agreed to email the app to the Authority when it becomes available.

#### Reports from Attorney:

Mr. Craddock stated that key House Bills were passed by the 2022 Virginia General Assembly that affects the operation of the Economic Development Authority. Mr. Craddock advised the Clerk about the *Virginia Freedom of Information Act HB 150 - effective July 1, 2022 that the Economic Development Authority minutes must be posted on its official public government website within seven working days of final approval of the minutes.*

Mr. Craddock also mentioned *Virginia Freedom of Information Act HB 444 – effective September 1, 2022 regarding meetings conducted through electronic meetings to allow the Authority to conduct all-virtual public meetings during situations other than declared states of*

*emergency, where all of the members who participate do so remotely and that the public may access through electronic communications means.*

When the Authority asked about the Amtrak Funding, it was stated that there is no final budget at this time and the Town station is not included in the budget.

**New Business:**

None.

**Old Business:**

Mr. David Parker of DPC Hospitality gave the hotel study update via Zoom. Mr. Parker stated that he had spoken with the hotel prospect, and he had followed up with an interest. He stated that there was a theory that business travel was replaced with Zoom, but he believes business travel will return.

Mr. Buttram asked Mr. Parker to let the Authority know if it is wasting its time. Mr. Parker assured the Authority to continue the business hotel study. Mr. Parker stated that opening hotels this summer is not a good time due to the high construction costs and the poor labor market, but things should get back to normal by fall.

The Authority wanted an update on the prospect and interest. Mr. Parker agreed to follow-up with Ms. Zirkle with current updated reports for updating the rail stop study.

After Mr. Parker left the meeting, Mr. Buttram wanted a motion recorded in the minutes, so he asked for a motion if the Authority should continue the month-to-month contract with DPC Hospitality. Mrs. Brown made a motion to continue paying DPC Hospitality and Mr. Turner seconded.

The Clerk gave the roll call:

Mr. Turner	Aye
Ms. Scott	Absent
Mr. Kirkpatrick	Absent
Mrs. Brown	Aye
Mrs. Crumpacker	Aye
Mr. Sensenig	Absent
Mr. Buttram	Aye

The motion was carried by a roll call vote of 4-0, to continue the month-to-month contract with DPC Hospitality and to continue the hotel study update.

**Incentives:**

First item was an equipment incentive request from Mr. Greg Harrison, President of OuttaSight Tinting/Tees, located at 1334 Lowry Street. Mr. Harrison stated he has an existing building and decided on a new business venture to offer custom print apparel and embroidery services. Mr. Harrison stated that he must upgrade to a three-phase electrical service to be able to operate the high voltage machines and meet the Town Electric Department requirements which will create additional expenses.

Mr. Harrison is seeking financial assistance to aid with such unanticipated expenses. Mr. Buttram stated that the Authority helps local businesses with equipment reimbursement, but would not help with purchasing electrical transformers or digging ditches. Mr. Buttram asked Mr. Harrison if he spoke to John Wagner at the Town Electric Department. Mr. Harrison stated that he tried, but Mr. Wagner sent him to Ms. Zirkle. During a discussion to get Mr. Wagner involved with some type of electrical incentive, Ms. Zirkle stated that Town Council has an Electric Committee or Mr. Harrison could make a presentation before Council to discuss his concerns.

Mr. Harrison asked was there any incentives to reimburse the new equipment. Ms. Zirkle told him that the Authority needs assurance that he will be opening in Town, and a performance agreement for jobs related to the equipment investment. In order to take formal action, Mr. Buttram requested for Mr. Harrison to submit a letter of commitment to Ms. Zirkle for the Authority to review at its August 12 meeting.

Next, Ms. Zirkle gave the staff presentation for three incentive requests to the Authority.

320 North Bridge Street: Tharp Funeral Home in Bedford presented a request for equipment assistance at the May 20 meeting. The request was for an incentive to help with the cost of installing a new crematory at the Bedford location to retain three part-time jobs that work the equipment. Tharp Funeral Home submitted a letter of commitment along with the purchase agreement and a down payment invoice for the crematory.

Mrs. Brown asked how binding the commitment is. Ms. Zirkle asked the Authority should Mr. Craddock write a Performance Agreement between the Town and Tharp Funeral Home including the three jobs for three years clause. Mr. Craddock had an issue that the agreement does not meet the claw back agreement and there is a right way to do it. Mr. Craddock stated that he will get with Ms. Zirkle on the specifics.

Mr. Turner made a motion to approve the \$10,000 incentive for equipment that will retain three part-time jobs for three years and a claw back agreement as written by Mr. Craddock. Mrs. Brown seconded.

The Chair asked for a roll call vote:

Mr. Turner	Aye
Ms. Scott	Absent
Mr. Kirkpatrick	Absent
Mrs. Brown	Aye
Mrs. Crumpacker	Aye
Mr. Sensenig	Absent
Mr. Buttram	Aye

The vote carried 4-0, to grant the \$10,000 incentive to Tharp Funeral Home.

109A South Bridge Street: Tina and Hal Gurley, owners of 109 South Bridge Street, made real property improvements for a new roof, painting, plumbing, electrical improvements, exterior repairs, and signage. The cost of work totaled \$17,029.75 per invoices and receipts provided.

The property is in the Downtown Area; therefore, a real property incentive of 10% reimbursement of eligible expenditures would apply. The 10% incentive on \$17,029.75 would be \$1,702.98. Mrs. Brown made a motion to grant the \$1,702.98. Mrs. Crumpacker seconded.

The Chair asked for a roll call vote:

Mr. Turner	Aye
Ms. Scott	Absent
Mr. Kirkpatrick	Absent
Mrs. Brown	Aye
Mrs. Crumpacker	Aye
Mr. Sensenig	Absent
Mr. Buttram	Aye

The vote carried 4-0, to grant the \$1,702.98 incentive to Tina and Hal Gurley of Clam Diggers.

109A South Bridge Street: Tina and Hal Gurley, owners of 109 South Bridge Street, made a real property improvement to the façade and signage at Clam Diggers. The cost of eligible exterior work totaled \$6,302.28.

The property is in the Downtown Area; therefore, the Façade and Signage Improvement incentive would apply for 50% of eligible expenditures that were incurred up to \$6,000. The work exceeded this maximum so the 50% incentive would be the maximum at \$3,000. Mrs. Brown made a motion to grant the \$3,000. Mrs. Crumpacker seconded.

The Chair asked for a roll call vote:

Mr. Turner	Aye
Ms. Scott	Absent
Mr. Kirkpatrick	Absent
Mrs. Brown	Aye
Mrs. Crumpacker	Aye
Mr. Sensenig	Absent
Mr. Buttram	Aye

The vote carried 4-0, to grant the \$3,000 incentive to Tina and Hal Gurley of Clam Diggers.

Lastly, Mr. Buttram discussed the need to consider incentives on a quarterly basis. He stated that there may be a need to start prioritizing incentives and to review a quarterly budget due to the financial reporting error. Mr. Buttram stated that this will likely eliminate monthly meetings. Mr. Buttram stated that since this is a policy change, he wanted to discuss it at the next meeting.

The Chair announced the next meeting will be on Friday, August 12, 2022. Ms. Zirkle stated that the meeting will remain in session, and will adjourn after the tour on the agenda to 620 Railroad Avenue. The four Authority members and staff left the meeting for the tour of “The 620” at 620 Railroad Avenue.

After the Clerk returned to the Town Municipal Building, she documented that the meeting adjourned at 3:00 pm.

Adjournment:

The meeting adjourned at 3:00 pm. The next regular meeting will be on Friday, August 12, 2022, at 1:00 pm.

Respectfully submitted,

Cathy Johnson, Secretary

Approved on September 9, 2022

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Mr. Jonathan Buttram, Chairman