Town Council
Regular Meeting Minutes
September 24, 2019

The Bedford Town Council of the Town of Bedford held a regularly scheduled meeting Tuesday, September 24, 2019, at 7:00 p.m. in the Town Municipal Building Council Hall.

Town Council members present:

Town Council members absent:
Councilman Bruce Johannessen.

Town Staff present:
Town Manager Bart Warner, Assistant Town Manager Sonia Jammes, Chief of Police Todd Foreman, Clerk of Council Debra Anderson and Mary Boone Recording Secretary.

Town Staff absent:
Town Attorney William W. Berry, IV.

Mayor Rush opened the meeting and led all present in saying the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES:
Mayor Rush declared that the Minutes of the regular Council Meeting held on September 10, 2019, were approved as distributed.

REPORT OF TOWN MANAGER:
Town Manager Bart Warner reported:

- Our Town Attorney is absent this evening because his daughter was expecting the birth of their third grandchild.

- The fire department has received a grant from VML insurance to assist with the cost of purchasing a patient lift device. The grant is in the amount of $4,000 towards the $6,000 expenditure.

- I want to pass along our thanks to our colleagues in Public Works, Police, Fire and Electric Department for their efforts to assist with a very successful Centerfest.

- Coming up this Saturday September 28th at the Farmers Market we will be hosting our E Waste Day event from 8 am until noon. Fall clean up week is scheduled for September 30th through October 4th. Items will be picked up based on their normal refuse collection schedule which means that we will begin with the portion of Town normally served on Monday and work through
to pick things up until everything is collected. Hopefully we will get it all in one week but sometimes depending on the volume it does lag a little bit.

- The Bedford/Franklin Regional Rail Initiative is hosting a public information meeting on Thursday September 26th from 5 pm – 7 pm at Trinity Ecumenical Church near Smith Mountain Lake. Staff from the Virginia Department of Rail and Public Transportation will also be present to share information.

- Waukeshaw, LLC has submitted their documents to request a rezoning for the former Middle School property. The planning commission is scheduled to meet one week from this Thursday that is October 3rd at 5:30 pm to hold their public hearing for this purpose. Town Council will have ours on the 22nd.

**APPEARANCES BEFORE COUNCIL:**

None.

**COUNCIL COMMENTS:**

Councilman Wandrei: I thought Centerfest came off pretty well. I was at the Middle School and was asked why the Town did not advertise more extensively the sale of the personal property at the school building. I have since found out it was sold by Dave McCormack. I don’t know when we transferred the personal property to Mr. McCormack and I would like to see an accounting of what he received in way of compensation because it seems to me that that was our property that was sold. We should not give away school property or Town property. I think if we sold it the money should go to us less any cost incurred. I think we should make sure in the future that whenever somebody sells property belonging to the Town the Town Council has properly authorized the sale.

Councilman Shoem: I talked to Bart and Will this week about the land development regulations on zoning. I am on the planning commission. It seems it has been 25-30 years since they have been drafted and think we are due for maybe not a massive overhaul but at least something to look into. One thing when I talk about Bedford is our beautiful neighbourhoods and I can see some things coming in the future maybe that we need to protect against, over development or whatever it may be. The property on Longwood across from the General Dollar that guy, I forget his name, we probably could have prevented that if we had the right zoning. It is something to look into. I know it would cost money to have them redrafted but to me I think it is a good long term investment. I think the zoning regs need to be updated.

**REPORT OF COUNCIL COMMITTEES:**

Finance Committee – Vice Mayor Black

The finance committee met yesterday and we went over the reports, obviously we are only a couple of months into the year. A couple of items we discussed were the RFP for the financing for the capital items, that should come up in the first meeting in October. We talked about the electric and looking at our cash reserve policy and seeing where we stand there and trying to get a good feel going out long term on what that is going to look like so we can start planning for that in the future. That will be Bryan’s chore with the electric committee,
REVISIONS TO THE AGENDA:

Mr. Warner stated I do have something for you that you may want to take up tonight if it is your desire and that is a resolution we need to pass to adopt and abide by the agreements of the USDA revolving loan fund grant that will be administered by the EDA. That has been reviewed by the EDA’s council Ted Craddock. If it is your pleasure we can add that to the agenda tonight and take action and if not bring it back to you at a subsequent meeting.

The question was asked that we used to have a revolving grant is it still out there?

Mr. Warner said this is different the funding is tied to the $76,000 we got from the Department of Agriculture. The other grant is still in place. This grant has its own stringent requirements.

Mayor Rush said let’s add it to new business.

PUBLIC HEARINGS:

None.

CONSENT AGENDA:

Appointment of Member – Bedford Regional Water Authority

The term of Mr. Michael Moldenhauer on the Bedford Regional Water Authority will expire on December 31, 2019. Mr. Moldenhauer has expressed a willingness to serve another term on the Authority, if reappointed by Council. The vacancy has been advertised in the local newspaper, and no other citizens have volunteered to serve.

ACTION REQUESTED:

Council is requested to reappoint Mr. Michael Moldenhauer to serve a four-year term on the Bedford Regional Water Authority, said term to expire December 31, 2023.

On a motion by Councilman Hailey, seconded by Councilman Shoen, discussion ensued about the number of members, Mr. Warner said based on the amount of customers we are down to two, Mr. Hodge will continue to serve until the end of his term according to their bylaws, Council reappointed Mr. Michael Moldenhauer to serve a four-year term on the Bedford Regional Water Authority, said term to expire December 31, 2023, voted upon and carried by a roll call vote. Roll call as follows:

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<tr>
<th>Name</th>
<th>Vote</th>
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<tr>
<td>Vice Mayor Black</td>
<td>aye</td>
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<tr>
<td>Councilman Hailey</td>
<td>aye</td>
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<td>Councilman Johannessen</td>
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<td>Councilman Schley</td>
<td>aye</td>
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<td>Councilman Shoen</td>
<td>aye</td>
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<tr>
<td>Councilman Wandrei</td>
<td>aye</td>
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<tr>
<td>Mayor Rush</td>
<td>aye</td>
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Motion carries with six members voting aye, one member absent.
OLD BUSINESS:
None.

NEW BUSINESS:

Presentation – Regional Strategic Development Roundtable

Trence Tweedy, Mayor of the City of Lynchburg, invited all Council members to the Central Virginia Planning District annual meeting which will be held on October 17th. The reception starting at 5:30 pm and then the meeting. Mayor Tweedy said bring your voice and ideas to the meeting, it will be an action meeting.

Resolution – Adopt and Abide by the Agreements for the USDA Revolving Loan Fund Grant

The Town was awarded a Rural Business Development Grant from the USDA, Rural Development to create and fund a revolving loan fund program for businesses loans that will be reviewed and issued through the Town EDA. There are several documents that were included in that application that must be adopted by the Council with assurance that the Town will abide by the covenants in those documents. In a resolution in March, Council authorized the Economic Development Coordinator to apply for the grant and sign documents required for the funding. These documents cover many Federally-required topics, as well as the formal “Letter of Conditions” that governs the project. The documents and related resolution were reviewed by Theodore Craddock, legal counsel to the EDA.

ACTION REQUESTED:

Town Council is requested to adopt the resolution for adopting and abiding by the covenants as reviewed by legal counsel.

Sonia Jammes said just for clarification on the earlier discussion the Main Street Loan Program has ended. We do not have that program anymore so this will be the only program of its kind.

On a motion by Vice Mayor Black to pass the resolution facilitating obtaining the Rural Business Development Grant for the revolving loan, seconded by Councilman Hailey, there being no discussion, voted upon and carried by a roll call vote. Roll call as follows:

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Motion carries with six members voting aye, one member absent.

The resolution is as follows:
RESOLUTION OF GOVERNING BODY OF
Town of Bedford, Virginia

The governing body of the TOWN OF BEDFORD, 215 East Main Street, Bedford, Virginia 24523, consisting of ______ members, in a duly called meeting held on the _____ day of _________, 2019 at which a quorum was present, RESOLVED as follows:

BE IT HEREBY RESOLVED that, in order to facilitate obtaining financial assistance through a Rural Business Development Grant from the USDA, Rural Development, in order to provide financing to small and emerging businesses in the Town of Bedford in Bedford County, Virginia, the governing body does hereby adopt and abide by the covenants contained in the following agreements:

2. Scope of Work,
3. Form RD 1942-46, "Letter of Intent to Meet Conditions"
4. Form RD 1940-1, "Request for Obligation of Funds"
5. Form RD 400-1, "Equal Opportunity Agreement"
6. Form RD 400-4, "Assurance Agreement"
7. Form AD-1047, "Certification Regarding Debarment, Suspension, and other responsibility Matters-Primary Covered Transactions"
8. Form AD-1049, "Certification Regarding Drug-Free Workplace Requirements (Grants)"
9. RD Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants, and Loans Regarding Lobbying"
10. SF-LLL, "Disclosure Form to Report Lobbying"

BE IT FURTHER RESOLVED, the Economic Development Coordinator of The Town of Bedford, Virginia, be authorized to execute, on behalf of the governing board, the above agreements and to execute such other documents including, but not limited to, debt or grant instruments and security instruments as may be required in obtaining the said financial assistance.

This Resolution, along with a copy of the above-named documents, is hereby entered into the permanent minutes of the meeting of this Committee.

TOWN OF BEDFORD, VIRGINIA

Attest:

__________________________________________
By: ______________________________________

CERTIFICATION

I hereby certify that the above resolution was duly adopted by the ______ of ________, in a duly assembled meeting on the _____ day of _________, 2019.

Secretary/Clerk
July 24, 2019

Ms. Mary Zirkle
Economic Development Coordinator
Town of Bedford
215 East Main Street
Bedford, Virginia 24523

Dear Ms. Zirkle:

This letter establishes conditions which must be understood and agreed to by you and your organization before further consideration may be given to your Rural Business Development Grant (RDBG) application.

The proposed project is for establishment of a revolving loan fund to provide financing to small and emerging businesses located in Bedford County, Virginia and surrounding localities.

This letter is not to be considered as grant approval or as representation as to the availability of funds.

The docket may be completed on the basis of a Rural Development (RD) grant not to exceed $76,000, and no other funding for a total project cost of $76,000. After providing for all authorized costs, any remaining RD project funds will be considered RD grant funds and refunded to RD.

The project is based on the funding breakdown in Attachment 1.

The time frame for the project is August 1, 2019 until July 31, 2020. Any grant funds that remain unused at the end of this project period, will be de-obligated and shall be no longer available to your organization. Any changes in project cost, source of funds, scope of services or any other significant changes in the project or applicant must be reported to and approved by RD by written amendment to this letter. Any changes not approved by RD shall be cause for discontinuing processing of the application.

It is the policy of USDA and RD that: No person shall be discriminated against on the grounds of race, color, religion, gender, national origin, age, or disability in employment or in any program or activity conducted or assisted by RD. This policy must be communicated to the public through all appropriate changes, in English and other languages when appropriate, and in mediums that reach persons with hearing and sight impairments, when necessary to ensure total understanding.

Through your receipt of federal loans and/or grants and/or non-mandatory federal assistance, you and/or your organization become(s) the "recipient" of federal financial assistance. By law, as the recipient of federal assistance, you and/or your organization become(s) responsible for complying with federal civil rights laws in the administration of your programs and activities.

It is your responsibility to assure that the beneficiary (i.e., business, coop, tenant etc.) has an equal opportunity to apply for and receive the benefit of your program or service.

USDA is an equal opportunity provider and employer.
Please complete and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," if you desire that further consideration be given to your application. Also, please execute and return the attached RD Form 1940-1, "Request for Obligation of Funds" and the RD 4280-2, "Grant Agreement." If the conditions set forth in this letter are not met within 120 days from the date hereof, RD reserves the right to discontinue the processing of your application.

Extra copies of this letter are being provided for use by your attorney, and accountant. The enclosures and attachments listed below are attached to the copies as noted.

Enclosed are the following:

Attachment No. 1 – Final Project Planning Factors (All copies)
Attachment No. 2 – RBDG Processing Checklist (All copies)
Attachment No. 3 - RD Instruction 4280-E (Applicant copy)
Attachment No. 4 – LINC Instructions
Attachment No. 5 – Various other forms as identified in this document

Further processing of your application is to be done under the following conditions:

1. **Citizenship**: You must certify at least 51 percent of the outstanding interest in the project has membership or is owned by those who are either citizens of the United States or reside in the United States after being legally admitted for permanent residence.

2. **Debarment**: You also must obtain a certification of Form AD-1048, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions," from any person or entity that you do business with in an amount exceeding $25,000 as a result of this Government assistance that they are not debarred or suspended from Government assistance.

3. **Equal Opportunity and Nondiscrimination Requirements**: The Grantee will comply with the following:

   A. Section 504 of the Rehabilitation Act of 1973, as amended 929 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

      As the recipient of USDA RD financial assistance, you must comply with Section 504 of the Rehabilitation Act of 1973. **Accessibility compliance for programs and activities is required by the primary recipient**.

   B. The Americans with Disabilities Act of 1990: Protects qualified individuals with disabilities from discrimination on the basis of disability in the services, programs or activities that the provider administers regardless of whether the provider is the recipient of federal assistance.

   C. Title VI of the Civil Rights Act of 1964 and Age Discrimination Act of 1975: Under Title VI of the Civil Rights Act of 1964, and Age Discrimination Act of 1975, no one person may be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance on the basis of race, color, national origins, and age.

   D. **Age Discrimination Act of 1975**: Prohibits discrimination based upon age.
4. **Compliance Reviews:** In order for the Agency to assure compliance by all Recipients who receive federal financial assistance of all Civil Rights requirements, the Agency will require, a Compliance Review by authorized Agency personnel. As recipient, you must keep and provide data on race, gender, national origin and any such records, accounts, and other sources of information and facilities as may be pertinent to ascertaining by the Agency the recipient's compliance with Civil Rights laws. In general, recipients must have available for the Agency racial and ethnic data showing the extent to which members of minority groups are beneficiaries of federally assisted programs.

5. **Rates and Charges:** Any rates or charges made as a result of this assistance will be reasonable.

6. **Closing Instructions:** The grant will be considered closed the day the applicant is notified funds have been set aside. Further instructions may be issued by RD and in accordance with any instructions received from the Regional Attorney. However, closing instructions are not generally required for grants. Grant funds will not be disbursed until all conditions have been met.

7. **Fund Disbursement:** Grant funds will be disbursed by RD on a reimbursement basis; therefore, interim financing is not required. Requests should not exceed one every 30 days. Receipts, contractor's invoice, hourly wage rate or other documentation must be sent along with the request to justify the amount.

   The Grantee shall constantly monitor performance to ensure that time schedules are being met, projected work by time periods is being accomplished, and other performance objectives are being achieved.

   As needed, but not more frequently than once every 30 days, an original and one copy of Standard Form (SF 270), "Request for Advance or Reimbursement," may be made in excess of reasonable outlays for the month covered.

8. **Accounting and Audit Requirements:** An audit report will be required for the fiscal year(s) in which grant funds are received. The audit will be done in accordance with RD requirements. If more than $500,000 in Federal funds (from all sources) are received in any fiscal year, an audit must meet A-133 requirements using the Government Auditing Standards booklet (1994 Revision) and be submitted within 13 months of the end of the Organization's fiscal year. If less than $500,000 in Federal funds is received in any fiscal year, an audit will be submitted in accordance with Generally Accepted Government Auditing Standards (GAGAS) and 7 CFR part 3052 within 150 days of the end of the Organization's fiscal year.

9. **Reporting:** Form SF-425, "Federal Financial Report", and a project performance activity report are required on a quarterly basis until all initial grant funds are expended. The report is due within 15 working days of the end of each quarter. The Project Performance Activity Reports shall include, but not be limited to the following:

   A. A comparison of actual accomplishments to the objectives established for that period.

   B. Problems, delays, or adverse conditions which have affected or will affect attainment of overall project objectives, prevent meeting time schedules or objectives, preclude the attainment of particular project work elements during established time periods. This disclosure shall be accompanied by a statement of the action taken or planned to resolve the situation.
C. A final Project Performance Report will be submitted with the last SF 269, "Financial Status Report". This report is due ninety (90) days after the expiration or termination of the grant. The final report must include information regarding the jobs created and saved as a result of the grant.

D. Within one (1) year after the conclusion of the project (after grant funds have been lent), the grantee will provide a project evaluation report covering the following criteria:
   a. The success or failure of the project.
   b. Individual major elements of the project.
   c. An assessment of the project’s impact.

E. You will prepare a report suitable for public distribution describing the accomplishments made through the use of the grant.

F. Additionally, you must establish and maintain access to the Lender Interactive Network Connection (LINC) and enter fund and borrower information on a semi-annual basis as required by 7CFR 4274, subpart D as long as the loan fund is in existence.

10. Financial Management System: Your financial management system shall provide for effective control and accountability of all funds, property, and other assets. It will include accurate, current, and complete disclosure of the financial result of the grant. Records, which identify adequately the source and application of funds for grant-supporting activities, together with documentation to support the records must be maintained. These records shall contain information pertaining to grant awards and authorization, obligations, unobligated balances, assets, liabilities, outlays and income.

   Grantee shall adequately safeguard all such assets and shall assure that funds are used solely for authorized purposes. The grantee will retain financial records, supporting documents, statistical records, and all other records pertinent to the grant indefinitely until such time the grantee ceases its lending activities.

11. Revolving Loan Fund Requirements – You must establish and maintain access to the Lender Interactive Network Connection (LINC) and enter fund and borrower information on a semi-annual basis as required by 7CFR 4274, subpart D. Prior to receiving assistance, each third party receiving loans from the revolving loan fund must:

A. Complete and submit Form RD 1940-20, “Request for Environmental Information” and provide such additional information subsequently requested or needed by RD to complete the appropriate environmental review.

B. Provide Intergovernmental A-95 Review clearance from the appropriate Planning District Commission.

C. Certify that their project is located in an eligible rural area.

D. Certify that at least 51 percent of the outstanding membership or is owned by those who are either citizens of the United States or reside in the United States after being legally admitted for permanent residence.

E. Provide an executed Form AD-1048, “Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion – Lower Tier Transactions” that they are not debarred or suspended from receiving Government assistance.
F. Provide an executed Form RD 400-4, “Assurance Agreement”.

G. Display the enclosed “And Justice For All” and “Equal Employment Is the Law” posters in conspicuous areas of employee use and in places where the recipient conducts employee business (hiring, promotions, etc.) related to employment activities.

H. Obtain a Data Universal Numbering System Number (DUNS Number), a DUNS number can be obtained by calling: 1-866-705-5711 or electronically at the following website: https://fedgov.dnb.com/webform, provide documentation that it has been obtained.

12. Relending Plan Requirement

   A. You agree to use RBDG grant funds for the purposes outlined in the Scope of Work that was approved by RD.

   B. You must certify that each business is located in a rural area. This can be done as part of the quarterly performance report.

   C. You must certify that each loan closed with RBDG funds is lent to small and emerging businesses as defined in RD Instructions 4280-E, section 4280.403. This can be done as part of the quarterly performance report.

   D. The third party receiving the loan funds must obtain a Data Universal Numbering System Number (DUNS Number), a DUNS number can be obtained by calling: 1-866-705-5711 or electronically at the following website: https://fedgov.dnb.com/webform, provide documentation that it has been obtained.

13. Position Fidelity Bond Coverage: You must provide evidence of adequate fidelity bond coverage for all persons who have access to funds by grant closing or start of construction, whichever occurs first. Coverage may be provided either for all individual positions or persons, or through “blanket” coverage providing protection for all appropriate employees and/or officials.

   Form RD 440-24, “Position Fidelity Schedule Bond”, may be used for this purpose. We encourage you to have your insurance provider review proposed types and amounts of coverage, including any deductible provisions. RD must agree on the acceptability of proposed coverage. This is your responsibility, not that of RD.

14. Other Requirements: You must certify that no Federal appropriated funds have been paid or will be paid for lobbying activities by executing SF-LLL, “Disclosure form to Report Lobbying”. Form AD-3030, “Representation Regarding Felony Conviction and Tax Delinquent Status for Corporate Applicants,” will also be executed by the Grantee. Grantees will permit periodic inspection of the program operations. All non-confidential information resulting from the Grantee’s activities shall be made available to the general public on an equal basis. You must post in a public place the appropriate USDA poster especially “And Justice for All”.

   Grants made under this subpart will be administered under and are subject to 2 CFR 200 and established RD guidelines.

15. Governing Body Resolution: Provide a resolution by the grantee’s governing body authorizing specific individual(s) the authority to execute all forms and documents required for this grant.

16. Mitigation Measures: This action is subject to the following mitigation measures: To the extent practicable, the grantee must ensure that consideration is given to avoid adversely affecting
import resources of rural areas such as cultural and historical resources, farmland, and forestland, prime rangelands, wetlands and floodplains. Prospective recipients of assistance from the grantee must consider the potential environmental impacts of their projects at the earliest planning stages and develop plans, grants and projects that minimize the potential to adversely impact the environment.

We believe the information herein clearly sets forth the action(s) that must be taken, however; if you have any questions, please do not hesitate to contact Barbara J. Fulcher, Rural Business Specialist, at (804)287-1604.

Sincerely,

[Signature]

Elizabeth W. Green
State Director
Attachment No. 1  
Letter of Conditions  
For: Town of Bedford, Virginia – Revolving Loan Fund  
Dated: July 24, 2019

**PROJECT PLANNING FACTORS**

The following estimates are to be used as a basis for project planning and must not be changed without prior approval of Rural Development:

**PROJECT COSTS**

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<tr>
<td>Revolving Loan Fund</td>
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<tr>
<td><strong>Total Project Costs</strong></td>
<td><strong>$76,000</strong></td>
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**FUNDING**

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<tr>
<td>RD</td>
<td>$76,000</td>
</tr>
<tr>
<td><strong>Total Project Funds</strong></td>
<td><strong>$76,000</strong></td>
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4280.427(c) Proposed Scope of Work

Specific Purposes
The Town of Bedford Economic Development Office proposes to create and administer a Revolving Loan Fund in the amount of $75,000 to be made available to all existing small businesses currently in and future small businesses that may locate within the Town limits. The entire area of the Town of Bedford, 8.75 square miles, will be the eligible geographic area for the RLF program. The Town of Bedford is an independent town of 6,500 residents within Bedford County.

Timeframes for Action
The Town expects to give out the loan funds within one year (12 months) of receiving funds from a USDA RBDG grant award. There will be some time in the beginning devoted to advertising the program and educating potential loan recipients (3 months – 1st quarter of the program). This education and recruitment can begin upon notice of an award, while the official agreement is being finalized prior to grant funds being received.

Administration for RLF Program Purposes
The Town is equipped and experienced to handle administration of the program with the existing organization structure. Key Town personnel who will be involved in the program are the Economic Development Coordinator, the Finance Department Director / Assistant Town Manager, and the Assistant Finance Director. The Economic Development Coordinator will be the point of contact and responsible for day-to-day operation of the program for administrative requirements. The Finance Department will manage loan billing and repayment tracking. The Town is investing staff time in this project, as well as through its investment in existing incentives described elsewhere.

Loan review and issuance will be done by the Town EDA through a committee of its members with administrative assistance from the Coordinator. Legal assistance will be provided by the EDA attorney. EDA members serve four-year terms and are residents within the town. The current member composition is diverse with experience in lending, law, real estate, small business operation, and insurance, among other expertise as follows:

- Jonathan Buttram – Independent consultant and small business owner; serves on the Town of Bedford Board of Building Code Appeals.
- Elmer Hodge – County Administrator, retired; Chairman of the Bedford Regional Water Authority.
- W. Courtney Holdren – Personal Insurance Sales Executive at Bankers Insurance.
- John Owen – Lending agent, retired; Chairman of the Town of Bedford Redevelopment and Housing Authority.
- Judy Rush – Realtor.
• David Sensenig – Lawyer with expertise as small business and corporate counsel.

Additional Information

The Town of Bedford is within the Virginia Tobacco Region Revitalization Commission footprint and can apply for funds based on historic reliance on tobacco as an economic driver. The town lost the largest employer in 2004, resulting in the loss of over 1,000 jobs. Since then, there has been some diversification of economic sectors in recovering but the effects of this loss are still present.

Since reverting from a City to a Town in 2013, most demographic statistics are aggregated with the County, such as unemployment. However, the Census Bureau does separately estimate the Poverty Rate and Median Household Income for the Town through the 2013-2017 American Community Survey 5-Year Estimates noted below.

a. The Poverty rate is 26.2%, compared to 9.0% in Bedford County, 10.6% in Virginia, and 12.3% in the U.S.

b. The Median household income is 60 percent of the Virginia average at $41,058 (70% of the Virginia average is $48,136). Comparatively, median household income for Bedford County is $59,405, $68,766 for Virginia, and $57,652 for the U.S.

c. The Owner-occupied Housing Unit rate is 49.2% compared to 81.4% for Bedford County and 66.2% for Virginia, and 63.8% for the U.S.

d. Unemployment rate – The Virginia Employment Commission (VEC) can no longer calculate this since reversion to a Town. Bedford County, which includes the Town, had an unemployment rate of 3.5% in December 2017. (www.data.virginialmi.com). We believe the Town rate to be higher but cannot accurately calculate this.

Three out of the five town Census Block Groups are below $40,000 in median household income. One technique to recruit prospective loan recipients with the greatest need is to directly contact home occupation business license holders located within the three Census Block Groups with the lowest median household income levels.

The 2017 Comprehensive Plan recognizes the connection between subsidized housing and community economic health.

There is a significant concentration of Section 8 housing within Town limits. Currently there are seven different housing projects containing 424 individual housing units, and these are architecturally distinct in relation to their adjacent neighborhoods. The economic impact of this concentration is reflected quantitatively by several measures, including the prior disparity between the City and County’s Composite Index of Local Ability to Pay for government services as well as the fact that over 62% of children served by Bedford Elementary and Primary schools are eligible for free and reduced lunch.
The Town leverages available programs for redevelopment and revitalization to create opportunities and improve the quality of life. Virginia Enterprise Zone #12 in town includes over 600 acres eligible for revitalization incentives. The Town has received several Virginia and EPA Brownfields assistance grants that apply both town-wide and at a key redevelopment site of the former Bedford Middle School. In addition, a Virginia Industrial Revitalization Fund (IRF) grant was used in 2016 to convert a vacant industrial facility to a brewery and restaurant. An additional IRF application is currently under review by DHCD.

Financial Ability and Project Experience
Included in the USDA application package are the most recent three audited Comprehensive Annual Financial Reports (CAFR). All show strong fiscal management results with clean audits and financial stability. The Town received the GFOA “Distinguished Budget Presentation Award” for fiscal year beginning 2017.

The Town Finance Department staff mentioned previously administers a DHCD-funded revolving loan fund from the former Bedford Main Street organization. Some of the lessons learned from that experience will be applied here.

The Economic Development Coordinator has worked with a USDA-RD funded program in another locality. The Coordinator administers current reimbursement and tax abatement incentive programs through the Town EDA. In addition, the Coordinator is the Enterprise Zone Administrator for Virginia Enterprise Zone #12 through the Virginia Department of Housing and Community Development (DHCD) for State Real Property Investment Grants and Job Creation Grants and is responsible for annual reporting requirements. The Coordinator is experienced in educating and recruiting businesses and entrepreneurs about available programs for several local incentives in place for real property improvement.

The framework of the Bedford program is modeled after the successful "5 and 10' Small Business Loan Pool" created by Floyd County, Virginia. Loans will be directly connected to job retention and job creation, with an emphasis on creation. The amount of each loan will determine the number of jobs. In theory, if the loan amounts were done in $5,000 increments, 15 jobs would be retained or created for $75,000 in loan pool funds over the initial five-year loan terms. The Town does not intend to carry loans beyond five years to keep administration relatively simple and pool replenishment efficient. Specifics of the proposed program are described in the Revolving Loan Fund Plan with this application.
LETTER OF INTENT TO MEET CONDITIONS

Date 07-24-2019

TO: United States Department of Agriculture
Rural Business Cooperative Programs

(Name of USDA Agency)
1606 Santa Rosa Road
Richmond, VA 23229

(USDA Agency Office Address)

We have reviewed and understand the conditions set forth in your letter dated 07-24-2019. It is our intent to meet all of them not later than 11-25-2019.

Town of Bedford

(Name of Association)

BY

Economic Development Coordinator

(Title)

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0015, 0570-0021, 0570-0061, 0570-0062 and 0572-0137. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.
REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED ( )

Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.

1. CASE NUMBER
   ST CO BORROWER ID
   54-014-546001138

2. BORROWER NAME
   TOWN OF BEDFORD
   215 E MAIN STREET
   BEDFORD, VA 24523

3. NUMBER NAME FIELDS
   (1, 2, or 3 from Item 2)

4. STATE NAME
   VIRGINIA

5. COUNTY NAME
   BEDFORD

6. RACE/ETHNIC CLASSIFICATION
   1. WHITE
   2. BLACK
   4. HISPANIC
   5. ASIAN

7. TYPE OF APPLICANT
   1. INDIVIDUAL
   2. PARTNERSHIP
   3. CORPORATION
   4. PUBLIC BODY
   5. ASSOCIATION
   6. ORG. OF FARMERS
   7. NON-PROFIT-SECULAR
   8. NON-PROFIT-FAITH-BASED
   9. INDIAN TRIBE

8. COLLATERAL CODE
   1. REAL ESTATE
   2. REAL ESTATE SECURED
   3. REAL ESTATE 1/2appa
   4. MACHINERY ONLY SECURED
   5. MACHINERY ONLY
   6. LIVESTOCK ONLY
   7. CROP ONLY
   8. CROP ONLY SECURED
   9. NOTE ONLY OR CONTRACT
   10. OTHER

9. EMPLOYER RELATIONSHIP CODE
   1. EMPLOYEE
   2. MEMBER OF FAMILY
   3. YES
   4. ASOCI
   5. NO

10. SEX CODE
    1. MALE
    2. FEMALE
    3. ORGAN MALE OWNED

11. MARITAL STATUS
    1. MARRIED
    2. UNMARRIED INCLUDES
    3. SEPARATED
    4. MARRIED OR Furnese

12. VETERAN CODE
    1. YES
    2. NO

13. CREDIT REPORT
    1. YES
    2. NO

14. DIRECT PAYMENT
    (See FMI)

15. TYPE OF PAYMENT
    1. MONTHLY
    2. QUARTERLY

16. FEE INSPECTION
    1. YES
    2. NO

17. COMMUNITY SIZE
    (See FMI)

18. USE OF FUNDS CODE
    (See FMI)

COMPLETE FOR OBLIGATION OF FUNDS

19. TYPE OF ASSISTANCE
    (See FMI)

20. PURPOSE CODE
    0

21. SOURCE OF FUNDS
    COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS

22. TYPE OF ACTION
    1. OBLIGATION ONLY
    2. OBLIGATION CHECK "REQUEST"
    3. CORRECTION OF OBLIGATION

23. TYPE OF SUBMISSION
    1. INITIAL
    2. SUBSEQUENT

24. AMOUNT OF LOAN
    $76,000.00

25. AMOUNT OF GRANT

26. AMOUNT OF IMMEDIATE ADVANCE

27. DATE OF APPROVAL
    MO DAY YR

28. INTEREST RATE
    0 %

29. REPAYMENT TERMS
    0

COMPLETE FOR CREDIT SALE-ASSUMPTION

30. PROFIT TYPE
    1. FULL PROFIT
    2. LIMITED PROFIT
    3. NONPROFIT

31. DISASTER DESIGNATION NUMBER
    (See FMI)

32. TYPE OF SALE
    1. CREDIT SALE
    2. CREDIT SALE WITH SUBSEQUENT LOAN
    4. ASSUMPTION

FINANCE OFFICE USE ONLY

COMPLETE FOR FP LOANS ONLY

33. OBLIGATION DATE
    MO DA YR

34. BEGINNING FARMER/RANCHER
    (See FMI)

If the decision contained above in this form results in denial, reduction, or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use this form or have excluded for this purpose.

Position 2

According to the Paperwork Reduction Act of 1995, no agency may conduct or sponsor, and no person is required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0062. The time required to complete this information collection is estimated to average 10 minutes per response, including the time for reviewing instructions, gathering, and maintaining the data needed, and completing and reviewing the collection of information.

Back to Menu
CERTIFICATION APPROVAL

For All Farmers Programs

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

Approval of this assistance is subject to the terms "Letter of Conditions" dated July 24, 2019, and the requirements under the Rural Business Development Grant Program. Additional terms applicable to this funding is contained in Form RD 4280-2. Rural Business Cooperative Service Financial Assistance Agreement.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. YES NO

WARNING: Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both.

Date July 26, 20 19

(Signature of Applicant)

Date ________________, 20 __________

(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: __________________________________________

Date Approved: ________________

Title: ______________________________

38. TO THE APPLICANT: As of this date ________________, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.
EQUAL OPPORTUNITY AGREEMENT

This agreement, dated ___ between Town of Bedford, Virginia (herein called "Recipient" whether one or more) and United States Department of Agriculture (USDA), pursuant to the rules and regulations of the Secretary of Labor (herein called the 'Secretary') issued under the authority of Executive Order 11246 as amended, witnesses:

In consideration of financial assistance (whether by a loan, grant, loan guaranty, or other form of financial assistance) made or to be made by the USDA to Recipient, Recipient hereby agrees, if the cash cost of construction work performed by Recipient or a construction contract financed with such financial assistance exceeds $10,000 - unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965.

1. To incorporate or cause to be incorporated into any contract for construction work, or modification thereof, subject to the relevant rules, regulations, and orders of the Secretary or of any prior authority that remain in effect, which is paid for in whole or in part with the aid of such financial assistance, the following "Equal Opportunity Clause":

During the performance of this contract, the contractor agrees as follows:

(a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the USDA setting forth the provisions of this nondiscrimination clause.

(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

(c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the USDA, advising the said labor union or workers' representative of the contractor's commitments under this agreement and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(d) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of all rules, regulations and relevant orders of the Secretary of Labor.

(e) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, rules, regulations, and orders, or pursuant thereto, and will permit access to his books, records, and accounts by the USDA Civil Rights Office, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by Law.

(g) The contractor will include the provisions of paragraph 1 and paragraph (a) through (g) in every subcontract or purchase order, unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the USDA may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as result of such direction by the USDA, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0018. The time required to complete this information collection is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.
2. To be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the organization so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

3. To notify all prospective contractors to file the required 'Compliance Statement', Form RD 400-6, with their bids.

4. Form AD-425, Instructions to Contractors, will accompany the notice of award of the contract. Bid conditions for all nonexempt federal and federally assisted construction contracts require inclusion of the appropriate "Hometown" or "Imposed" plan affirmative action and equal employment opportunity requirements. All bidders must comply with the bid conditions contained in the invitation to be considered responsible bidders and hence eligible for the award.

5. To assist and cooperate actively with USDA and the Secretary in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and rules, regulations, and relevant orders of the Secretary, that will furnish USDA and the Secretary such information such as, but not limited to, Form AD-560, Certification of Nonsegregated Facilities, to submit the Monthly Employment Utilization Report, Form CC-257, as they may require for the supervision of such compliance, and that it will otherwise assist USDA in the discharge of USDA's primary responsibility for securing compliance.

6. To refrain from entering into any contract or contract modification subject to such Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by USDA or the Secretary of Labor pursuant to Part II, Subpart D, of the Executive Order.

7. That if the recipient fails or refuses to comply with these undertakings, the USDA may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the organization under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such organization; and refer the case to the Department of Justice for appropriate legal proceedings.

Signed by the Recipient on the date first written above.

[Signature]
Recipient

(CORPORATE SEAL)

[Seal]

Attest:

[Signature]
Secretary

[Signature]
President

Town of Bedford, Virginia

Name of Corporate Recipient
The Town of Bedford, Virginia

215 East Main Street, Bedford, VA 24523

(name of recipient)

(address)

("Recipient" herein) hereby assures the U.S. Department of Agriculture that Recipient is in compliance with and will continue to comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000d et. seq.), 3 CFR Part 15, and Rural Housing Service, Rural Business-Cooperative Service, Rural Utilities Service, Risk Management Agency, or the Farm Service Agency, (hereafter known as the "Agency") regulations promulgated thereunder, 7 C.F.R. § 1901.202. In accordance with that Act and the regulations referred to above, Recipient agrees that in connection with any program or activity for which Recipient receives Federal financial assistance (as such term is defined in 7 C.F.R. § 15.2) no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination.

1. Recipient agrees that any transfer of any aided facility, other than personal property, by sale, lease or other conveyance of contract, shall be, and shall be made expressly, subject to the obligations of this agreement and transferee's assumption thereof.

2. Recipient shall:
   
   (a) Keep such records and submit to the Government such timely, complete, and accurate information as the Government may determine to be necessary to ascertain or my compliance with this agreement and the regulations.
   
   (b) Permit access by authorized employees of the Agency or the U.S. Department of Agriculture during normal business hours to such books, records, accounts and other sources of information and its facilities as may be pertinent to ascertaining such compliance.
   
   (c) Make available to users, participants, beneficiaries and other interested persons such information regarding the provisions of this agreement and the regulations, and in such manner as the Agency or the U.S. Department of Agriculture finds necessary to inform such persons of the protection assured them against discrimination.

3. The obligations of this agreement shall continue:

   (a) As to any real property, including any structure, acquired or improved with the aid of the Federal financial assistance, so long as such real property is used for the purpose for which the Federal financial assistance is made or for another purpose which affords similar services or benefits, or for as long as the Recipient retains ownership or possession of the property, whichever is longer.

   (b) As to any personal property acquired or improved with the aid of the Federal financial assistance, so long as Recipient retains ownership or possession of the property.

   (c) As to any other aided facility or activity, until the last advance of funds under the loan or grant has been made.

4. Upon any breach or violation this agreement the Government may, at its option:

   (a) Terminate or refuse to render or continue financial assistance for the aid of the property, facility, project, service or activity.

   (b) Enforce this agreement by suit for specific performance or by any other available remedy under the laws of the United States or the State in which the breach or violation occurs.

Rights and remedies provided for under this agreement shall be cumulative.

In witness whereof, Town of Bedford, Virginia

(name of recipient) on this

date has caused this agreement to be executed by its duly authorized officers and its seal affixed hereeto, or, if a natural person, has hereunto set its hand.

______________________

[Signature]

[Title]

Recipient

03/27/2019

Date

Economic Development Coordinator

Attorney At Law

Title

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0575-0018. The time required to complete this information is estimated to average 15 minutes per response. Including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.
U.S. DEPARTMENT OF AGRICULTURE

Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, Participants' responsibilities. The regulations were published as Part IV of the January 30, 1989, Federal Register (pages 4722-4733). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the proposed covered transaction.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Town of Bedford, Virginia
Organization Name

Mary A. Zirkle
Name(s) and Title(s) of Authorized Representative(s)

PR/Award Number or Project Name
Economic Development Coordinator

Signature(s)

03-27-2019
Date

Form AD- 1047(1/92)
Instructions for Certification

1. By signing and submitting this form, the prospective primary participant is providing the certification set out on the reverse side in accordance with these instructions.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out on this form. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this form that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Form AD-1047 (1/92)
*U.S.GPO:1999-757-034185012
CERTIFICATION REGARDING
DRUG-FREE WORKPLACE REQUIREMENTS (GRANTS)
ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

This certification is required by the regulations implementing Sections 5151-5160, of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), 7 CFR Part 3017, Subpart F, Section 3017.800, Purpose. The January 31, 1989, regulations were amended and published as Part II of the MAY 25, 1990, Federal Register (pages 21681-21691). Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the grant.

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

Alternative I

A. The grantee certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee’s workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about --

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a):

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notify the agency in writing, within 10 calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position, title, to every grant officer on whose grant activity the convicted employee was working. Until the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).
B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (Street address, city, county, State, zip code)

215 East Main Street, Bedford VA 24523

Check [ ] if there are workplaces on file that are not identified here.

Town of Bedford, Virginia

Town of Bedford VA Revolving Loan Fund

Organization Name

Award Number or Project Name

Mary A. Zirkle, Economic Development Coordinator

Name and Title of Authorized Representative

[Signature]

03/27/2019

Date

Instructions for Certification

1. By signing and submitting this form, the grantee is providing the certification set out on pages 1 and 2.

2. The certification set out on pages 1 and 2 is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

3. workplaces under grants for grantees other than individuals need not be identified on the certification. If the grantee does not, the workplaces at the time of application or upon award, if there is no application, the grantees must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation. State employees in each local unemployment office. Performers in concert halls or radio studios.)

5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).

6. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantee's attention is called, in particular, to the following definitions from these rules:

**Controlled substance** means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15).

**Conviction** means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.

**Criminal drug statute** means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance.

**Employee** means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) all "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if sued to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).
CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or loan, the undersigned shall complete and submit Standard Form 177, "Disclosure of Lobbying Activities," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1592, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Mary A. Zirkle  
03-27-2019  
Economic Development Coordinator

CM1
DISCLOSURE OF LOBBYING ACTIVITIES
Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

<table>
<thead>
<tr>
<th>1. Type of Federal Action:</th>
<th>2. Status of Federal Action:</th>
<th>3. Report Type:</th>
</tr>
</thead>
<tbody>
<tr>
<td>b. contract</td>
<td>a. bid/offer/application</td>
<td>a. initial filing</td>
</tr>
<tr>
<td>b. grant</td>
<td>b. initial award</td>
<td>b. material change</td>
</tr>
<tr>
<td>c. cooperative agreement</td>
<td>c. post-award</td>
<td>For Material Change Only:</td>
</tr>
<tr>
<td>d. loan</td>
<td></td>
<td>year __________ quarter __________</td>
</tr>
<tr>
<td>e. loan guarantee</td>
<td></td>
<td>date of last report __________</td>
</tr>
<tr>
<td>f. loan insurance</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Name and Address of Reporting Entity:
   - [ ] Prime
   - [ ] Subawardee
   - Tier ________, if known:

   Congressional District, if known: __________

6. Federal Department/Agency:
   USDA - RD

7. Federal Program Name/Description:
   Rural Business Development Grant - Rural Development
   CFDA Number, if applicable: __________

8. Federal Action Number, if known: __________

9. Award Amount, if known: $ __________

10. a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI):
    Town of Bedford, Virginia

   b. Individuals Performing Services (including address if different from No. 10a)
      (last name, first name, MI):

   Information requested through this form is authorized by Title 31 U.S.C. section 1352. The disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the person above when the transaction was made or interest was taken. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $100,000 and more than $1,000,000 for each such failure.

   Signature: ____________________________
   Print Name: Mary A. Zirkle
   Title: Economic Development Coordinator
   Telephone No.: 540-587-6006

   Authorized for Local Reproduction
   Standard Form LLL (Rev. 7-97)

PRINT
INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress: an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.

2. Identify the status of the covered Federal action.

3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.

4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.

5. If the organization filing the report in item 4 checks "Subawardee" then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.

6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.

8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract, grant, or loan award number, the application/proposal control number assigned by the Federal agency) include prefixes, e.g., "RFP-DE-90-001." 

9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.

10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).

11. The certifying official shall sign and date the form. Print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046) Washington, DC 20503.
Mayor Rush said we are all required to attend the Conflict of Interest training. You are required to attend live training on October 8, 2019 here at 4:00 p.m. We have invited other public officials. Mark your calendar.

**ADJOURNMENT:**

Mayor Rush adjourned the meeting until October 8, 2019 at 4:00 pm.