

Economic Development Authority of the City of Winchester, Virginia

Meeting Minutes

DATE: August 21, 2012
TIME: 8:00 a.m.
LOCATION: Rouss City Hall Council Chambers

MEMBERS:	<u>Present</u>	<u>Absent</u>
Larry T. Omps	<u> X </u>	<u> </u>
Joseph E. Kalbach	<u> X </u>	<u> </u>
Daniel Troup	<u> X </u>	<u> </u>
Ronald Mislowky	<u> X </u>	<u> </u>
J. P. Carr	<u> X </u>	<u> </u>
Suzanne Conrad	<u> X </u>	<u> </u>
William Buettin	<u> X </u>	<u> </u>

ALSO ATTENDING: Michael L. Bryan, Counsel, James W. Deskins, Executive Director, John Tagnesi, Member of Common Council, Dale Iman, City Manager and Tyler Shank, Grants Management Coordinator

PRESIDING: Larry T. Omps, Chairman

SUBJECT: **Call to Order and Determination of Quorum**

HIGHLIGHTS: Chairman Omps called the meeting to order at 8:00 a.m., at which time it was determined a quorum was present.

SUBJECT: **Review and Approval of Minutes of July 17, 2012**

HIGHLIGHTS: The Minutes of the Authority meetings held on July 17, 2012 were submitted for consideration by the Authority and were unanimously approved upon motion duly made by Mr. Kalbach, seconded by Mr. Carr.

SUBJECT: **Review and Approval of Financial Statement for the Period Ended July 31, 2012**

HIGHLIGHTS: Mr. Kalbach presented the Financial Report for the period ended July 31, 2012. Net worth as of July 31, 2012 was \$2,017,864.50. The Financial Statement for the period ended July 31, 2012 were submitted by Mr. Kalbach and, upon motion by Mr. Troup, seconded by Mrs. Conrad the

Financial Report was unanimously approved.

SUBJECT: Executive Director's Report

HIGHLIGHT: Taylor Hotel Project:

The Executive Director updated the Directors concerning the Taylor Hotel project. A pre-bid meeting and walk through is scheduled with those contractors who intend to bid on his project later this morning. Bids are due on September 11, 2012 for the first phase of this project, which includes demolition and foundation stabilization. It is expected that this phase of the work will take approximately ninety (90) days. Discussions with lenders concerning permanent financing are under way. The construction plans are approximately 85% complete. A letter of intent to lease approximately 5,000 square feet on the first floor and the English basement has been received from a prospective tenant.

Enterprise Zone Application:

The City intends to apply for an Enterprise Zone designation. The last application for this designation was made in 2002, but was not successful. Mr. Deskins explained that this is a very competitive process and that a consultant has been retained to assist with drafting the application. Mr. Deskins reviewed the proposed Enterprise Zones which total approximately 430 acres. The maximum acreage permitted is 640 acres. The City intends to propose two Enterprise Zones, one located in the southern part of the City which contains industrially zoned properties, and a second zone which includes the Historic District, the National Fruit properties, North Cameron Street corridor, as well as Berryville Avenue. These are considered catalytic sites for future development. A copy of the proposed Local Incentives, together with a map outlining the proposed Enterprise Zones are made a part of these Minutes. Upon motion duly made by Mrs. Conrad, seconded by Mr. Kalbach, the Authority RESOLVED to recommend adoption of the City of Winchester Enterprise Zone Proposed Local Incentives to Common Council. Directors Carr and Troup abstained from voting.

Revolving Loan Fund Application:

Bonny Blue Partners, LC has made an application for a loan in the sum of \$75,000.00 from the Revolving Loan Fund. The Authority, acting in its capacity as loan committee as well as the approving Authority, reviewed the application and finds that it conforms to the requirements of this program. The business will be located at 334 West Boscawen Street. The loan will be personally guaranteed by Stephen L. Pettler, Jr., Brian A.

Pellatt and Christian P. Schweiger, and will be secured by a security interest and lien upon the equipment of the business. The loan covenants shall include a 1.0/1.0 debt service coverage and further a requirement that the loan funds shall not fund any net operating losses sustained by this business. Upon motion duly made by Mr. Buettin, seconded by Mrs. Conrad the loan application was approved. Director Carr abstained from voting.

SUBJECT: Next Meeting

HIGHLIGHTS: The next meeting of the Authority is scheduled for September 18, 2012 at 8:00 a.m. in Common Council Chambers.

ADJOURNMENT: There being nothing further, the meeting was adjourned.

Respectfully submitted by:

Michael L. Bryan, Secretary

MLB/pmn

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