

**Economic Development Authority
Of the City of Winchester
Board of Directors Meeting**

AGENDA

Tuesday, August 21, 2018

8:00 a.m.

Mayor Elizabeth A. Minor
Council Chambers, City Hall

- I. Call to Order and Determination of Quorum
- II. Review and Approval of Minutes from July 17, 2018 Meeting
- III. Review and Approval of Financial Report ending July 31, 2018
- IV. Executive Director Report
 - a. FY16 Audit Report- Presented by Matt Heatwole and Dustin Roderick from Brown, Edwards & Company.
- V. Closed meeting pursuant to Section 2.2-3711(C)(A)(3) of the Code of Virginia (1950, as amended) for the discussion and consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where a discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.
- VI. New Business
- VII. Old or Other Business
 - a. Revolving Loan Application Review (Chopped Corner Tacos)
- VIII. Adjournment

The next regular meeting will be scheduled for September 18, 2018 at 8 a.m. in the Elizabeth A. Minor Council Chambers.

Economic Development Authority Meeting of the City of Winchester, Virginia

Meeting Minutes

DATE: July 17, 2018

TIME: 8 a.m.

LOCATION: Elizabeth A. Minor Council Chambers, City Hall

MEMBERS:	<u>Present</u>	<u>Absent</u>
William Buettin	<u>X</u>	<u> </u>
Douglas R. Toan	<u>X</u>	<u> </u>
Lauri M. Bridgeforth	<u>X</u>	<u> </u>
Jeffery B. Buettner	<u>X</u>	<u> </u>
Carol Koenecke-Grant	<u>X</u>	<u> </u>
Tim Painter	<u>X</u>	<u> </u>
Cary Craig	<u>X</u>	<u> </u>

ALSO ATTENDING: Shawn Hershberger, Executive Director, Eden Freeman, City Manager, Amy Simmons, Communications Director, George Hoddinott, Business and Workforce Development Director, Shirley Dodson, Business and Workforce Development Coordinator.

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

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

Chairman Buettin amended the agenda to include a closed session item pursuant to Section 2.2-3711 (C) (A) (5) for the discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

SUBJECT: **Review and Approval of Meeting Minutes from May 15, 2018 Meeting**

HIGHLIGHTS: The minutes of the Meeting held on May 15, 2018 were unanimously approved upon motion duly made by Mrs. Koenecke-Grant and seconded by Mrs. Bridgeforth.

SUBJECT: **Review and Approval of Financial Report for the Period Ended May 31, 2018 and June 30, 2018.**

HIGHLIGHTS:

Ms. Dodson presented the financial report. The financial report was generated using the City of Winchester's accounting system, Navaline. The Balance sheet will show how much money is in each account. We will now start to have a line item that shows how much money the EDA has in properties held for development. Notable transactions for May include Sunshine's Pride annual bond administration fee, we paid our last strategic planning check in May, and there are two checks for the City of Winchester. One of them being for the real estate tax bills for the various properties that the EDA holds and the other being for the rezoning application fee for the Piccadilly properties. For the June report, Cohiba and Boscawen Properties paid off their loans so they will be off of the books in future. On the last page, there will be a sheet that shows all of the outstanding loans and what the ending balance is at the end of the month.

Mrs. Koenecke-Grant requested that in future the pages for the financial report be numbered. The Financial Reports for the months ending May 31st and June 30th were unanimously approved upon motion duly made by Mr. Toan and seconded by Mrs. Koenecke-Grant.

SUBJECT:

Executive Director Report

HIGHLIGHTS:

Small Business Development Center: Mr. Hershberger presented the Board with a report that breaks down the statistics of Winchester area clients that the SBDC has served in the last year. There are some significant gains in job creation. Mrs. Koenecke-Grant and Mrs. Bridgeforth recommended that next year, the Director of the Small Business Development Center come in to provide feedback on the report. Mr. Hershberger commented that he did not ask the Director to come in this year because of the large agenda for the day's meeting but he will ask her next year. The SBDC requested that there be an increase of \$4,000 in funding for the annual grant amount. For the last two years, the SBDC has requested \$16,000. Mr. Hershberger reported that we renew the contract annually. Mrs. Bridgeforth reported that the SBDC provides a huge service to businesses owners and entrepreneurs in the area because their services are free. Mrs. Bridgeforth would advocate that we increase their funding.

Operating Budget Fiscal Year 2019: Mr. Hershberger reported that the budget has been updated slightly since last reviewed by the Board. The updates include the increase in \$4,000 for the SBDC. There is also an addition to PR for \$5,000 which will provide funds for Manufacturing Week. George Hoddinott reported that it will be a

week-long event starting on October 1st-October 5th. There will be an introductory breakfast, happy hour, and an awards luncheon. This is an opportunity to thank the manufacturing companies in our area. There will be times allotted for student tours, tours for the public, and educator tours. The marketing team is working on putting together an interactive map for a “manufacturing trail” and pre-recorded videos to show inside the schools for those students unable to go on the tours. Registration links will be sent out by the end of next week. We hope to have small, medium, and large manufactures participate. Mr. Hershberger reported that this budget is a 14% reduction from what was spent last year. Chairman Buettin asked what our proposed revenues are for this year and Mr. Hershberger reported that they are the same as last year, between \$325,000-\$350,000. Upon Motion duly made by Mr. Buettner, seconded by Mrs. Bridgeforth the Authority unanimously adopted the Operating Budget for FY19 as presented.

SUBJECT: Closed Meeting

HIGHLIGHTS: Upon Motion duly made by Mr. Craig, seconded by Mr. Buettner the Authority unanimously RESOLVED to go into a closed meeting pursuant to Section 2.2-3711 (C) (A) (5) for the discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community.

SUBJECT: Return to Open Meeting

HIGHLIGHTS: At the conclusion of the closed meeting concerning the discussion of a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community the following Resolution would unanimously adopted upon roll call vote as set forth below:

WHEREAS, the Economic Development Authority of the City of Winchester, Virginia has concluded its “closed meeting” at a meeting held on July 17, 2018 and desires return to an “open meeting”; and

WHEREAS, the adoption of this Resolution is intended to serve as the “Certificate” described in Section 2.2-3712 (D) of the Code of Virginia (1950, as amended)

NOW THEREFORE, BE IT RESOLVED that the Economic Development Authority of the City of Winchester, Virginia does hereby reconvene in an “open meeting” at its meeting held on July 17, 2018; and

BE IT FURTHER RESOLVED that each and every Member of said Authority who votes in the affirmative for this Resolution does thereby certify to the best of each Member’s knowledge that only public business matters lawfully exempted from open meeting requirements of the Virginia Freedom of Information were heard, discussed or considered during the closed meeting, and that only such public business matters as were identified in the Motion which convened the closed meeting were heard, discussed or considered during the course of said closed meeting by the Authority:

<u>Roll Call</u>	<u>Vote</u>
Tim Painter	Aye
William Buettin	Aye
Cary Craig	Aye
Lauri Bridgeforth	Aye
Jeff Buettner	Aye
Carol Koenecke-Grant	Aye
Doug Toan	Aye

SUBJECT: **New Business**

HIGHLIGHTS: Revolving Loan Application (Chopped Corner Tacos): Chopped Corner Tacos, currently located at 202 E. Piccadilly Street, has applied for a \$292,000 revolving loan. Chairman Buettin reported that the discussion of this application will be sent to the Finance Committee for further review and they will make their recommendation to the Board at the next monthly Board meeting. Chairman Buettin asked the Board if anyone would be willing to serve on the Finance Committee with Treasurer, Mr. Toan. Mr. Craig volunteered himself to serve with Mr. Toan on the Committee.

Revolving Loan Application (Winchester Book Gallery): The Winchester Book Gallery put in a request for \$25,000 for moving expenses and equipment for her new building, 7 N. Loudoun Street. The Book Gallery will be moving August 1st. Chairman Buettin inquired if the Board had any questions or comments regarding the application. Upon Motion duly made by Mr. Buettner, seconded by Mr. Toan the Authority unanimously approved the loan request of \$25,000.

Election of EDA Officers: For the role of Chairman, Mr. Buettner nominated Mr. Buettin, seconded by Mr. Toan. The Authority unanimously approved Mr. Buettin to serve as the role of Chairman. For the role of Vice-Chair, Mr. Buettin nominated Mr. Buettner, seconded by Mr. Toan. The Authority unanimously approved Mr. Buettner to serve as the role of Vice-Chair. For the role of Secretary, Mr. Buettner nominated Mrs. Bridgeforth to serve as Secretary, seconded by Mr. Toan. The Authority unanimously approved Mrs. Bridgeforth to serve as the role of Secretary. For the role of Treasurer, Mr. Buettner nominated Mr. Toan, seconded by Mrs. Bridgeforth. The Authority unanimously approved Mr. Toan to serve as the role of secretary.

SUBJECT: Old and Other Business

HIGHLIGHTS: Professional Job Creation Grant (SoS Repair): Mr. Hershberger reported that this application was previously discussed in May. Since receiving the application staff has recognized that there were administrative issues with the application for the incentive. Namely, that there was no time line noted on the application that would prohibit companies from submitting grant requests for jobs created more than two years ago. The grant application has been amended to include the language “all applicable jobs qualifying for this incentive must have been created no more than two years from the date the application is submitted.” That language was not on the application when SoS Repair. They are requesting grant payments for three full-time jobs for a grant amount equal to \$4,500. Upon motion duly made by Mrs. Koenecke-Grant, seconded by Mrs. Bridgeforth the Authority unanimously approved the application.

SUBJECT: Next Meeting

HIGHLIGHTS: The next regular meeting of the Authority is scheduled for August 21, 2018 and will be held in the Elizabeth A. Minor Council Chambers.

ADJOURNMENT: There being nothing further, the meeting was adjourned upon motion duly made by Mrs. Bridgeforth and seconded by Mr. Buettner.

Minutes respectfully submitted by:

Shirley Dodson, Business & Workforce Development Coordinator

Operating Budget

	FY 2018 Budgeted	July 2018 Actual
Professional Fees		
Auditor	\$15,000.00	
Accountant	\$1,200.00	\$87.80
Consultant Fees	\$40,000.00	
Insurance		
Virginia Municipal League	\$4,500.00	\$5,290.00
Service Charges		
BB&T	\$100.00	\$17.41
Marketing & Advertisement		
Marketing Program	\$5,000.00	
Conference Sponsorships	\$7,500.00	
Opportunities	\$5,000.00	
SLP Contract	\$5,500.00	
Target Industry Outreach	\$7,500.00	
Joint Marketing Efforts	\$15,000.00	\$285.00
Promotional Items		
Promotional Items	\$7,500.00	\$896.50
Licenses & Permits		
Jobs EQ	\$4,000.00	\$1,000.00
Dues & Memberships		
Chamber of Commerce	\$350.00	
Executive Pulse	\$600.00	
Contribution Revenue		
SBDC	\$20,000.00	\$20,000.00
Grant Programs		
Commercial Rehab. Grant	\$30,000.00	
Exterior Improvement Grant	\$40,000.00	\$3,148.20
MEDPIG	\$25,000.00	
Professional Job Creation Grant	\$25,000.00	\$4,500.00
Public Relations		
WoW!	\$4,600.00	\$4,600.00
Bus/Ed Summit	\$1,500.00	

Manufacturing Week	\$5,000.00	
Widget Cup	\$500.00	
Opportunitites	\$2,000.00	
Prospect Events	\$3,000.00	
Legal Fees		
Attorney	\$25,000.00	\$3,723.00
Professional Development		
Seminars & Events	\$5,000.00	
Total	\$305,350.00	\$43,547.91