

**Minutes January 21, 2021**  
**Economic Development Authority of Middlesex County Meeting**  
**Electronically Hosted via Zoom from County Administrative Building, Saluda, VA**

**In attendance:**

Gordon White, Chair  
Janet Riggs, Vice-Chair & Treasurer  
Celane Roden, Secretary  
John Anzivino, Member  
James Reed, Member  
Tom Feigum, Member  
Bill Cawthorn, Member  
Michelle Brown, Economic Development & Tourism Coordinator  
Shanae Hammond, Staff Clerk  
Kevin Gentry, Director of Information Technology  
Ryan Hudson, Deltaville Tap and Raw Bar

**Call to Order:** The virtual meeting (via Zoom) was called to order by Chairman Gordon White at 9:30 a.m. A quorum was established by roll call. Chairman White read provisions for electronic state and local government meetings, emphasizing full public access to the virtual meeting and availability to the public of the recorded meeting on the EDA website.

**Quorum:** A quorum was determined by roll call.

**Approval of Agenda:** Chairman White presented the agenda for review.

*Action:* Motion by Mr. White, seconded by Mrs. Roden, to adopt the agenda was approved unanimously by roll call.

**Approval of Minutes:** December minutes were presented.

*Action:* Motion by Mr. White, seconded by Mr. Anzivino, to accept the minutes was approved unanimously by roll call.

**Financial Report:** Mrs. Riggs presented the November Financial Report, reporting cash balance of \$417,212.80; interest income of \$100.09; CARES Act (flow through) income of \$19,235.60; and no expenses. She also noted that the Water Authority plans to pay back the outstanding loan of \$80,000 by the end of the year.

*Action:* Motion by Mr. White, seconded by Mr. Cawthorne to accept the financial report, was approved unanimously by roll call vote.

**Unfinished Business: Deltaville Tap & Raw Bar Micro-Grant Update**

*Issue:* The Authority approved a grant for this business and is subject to receipt of specific documentation including all required county permits. To date the restaurant, which opened on December 31, is operating with a temporary sewage handling and disposal (Pump and Haul) permit valid through the end of this month, backed by a bond and based on an active application, including professionally designed plans and specs for construction of a sewage disposal system

to include a fix to a flow splitting issue. As outlined in a recent Department of Health letter, by the end of this month the restaurant submits anticipated plan for the system with indicators that the sewage system will be completed by November 30, 2021 they will receive an extended temporary permit. The issue discussed today is how the current status of the sewage handling permit impacts the requirement for grant disbursement from EDA.

*Discussion:* Mr. Anzivino reported on behalf of the committee regarding issuance of check and potential conflict of commitment to help the business community while maintaining stewardship of dwindling resources. Until permit issues referenced above are resolved the Authority will have no assurance that the business will be able to remain healthy. Representing the restaurant, Ryan Hudson joined the meeting to report to the committee the current status from the partners, including discussion around their tenant status as it regards the septic system owned by the Deltaville Marina, their landlord. They had not received the recent Department of Health letter with impending deadline of 1/31/20 for an acceptable engineer plan, but during the meeting Mr. Hudson was able to secure an amended emailed copy from the Department which he said he would forward to the Authority. That Department, Hudson said, stated they will do all they can to work with Deltaville Marina and the Department to meet the deadline requirements.

*Action:* On behalf of the Committee, Mr. Anzivino offered and Mrs. Riggs seconded the following amended motion regarding the grant award:

I move that the Middlesex County EDA amend the December 10, 2020 grant award of \$12,129.92 to Deltaville Tap and Raw Bar to include the following conditions:

1. Virginia Health Department, Virginia ABC Board and Middlesex County zoning and site plan requirements are met with appropriate written approvals by the prospective agencies provided to the EDA by the applicant prior to disbursement of EDA grant funds;
2. Deltaville Tap and Raw Bar shall hire four (4) additional employees as provided in their October 12, 2020 EDA application within two years of final grant disbursement and provide documentation to the EDA at time of hire for each employee;
3. Should Deltaville Raw Bar cease operation within Middlesex County within two (2) years or fail to hire four additional employees within two years of grant disbursement, Deltaville Tap and Raw Bar shall be liable for reimbursement of fifty per cent (50%) of the original grant amount to the Middlesex County Economic Development Authority;
4. In conjunction with Condition 1 above 50% of the EDA's grant funds awarded to Deltaville Tap and Raw Bar will be released upon receipt of formal approval of engineering plans for an alternative on site waste disposal system by the Virginia Health Department and 50% of the EDA's awarded grant funds will be released at the time of final inspection of the alternative onsite sewage system improvements and issuance of the final operations permit by the Virginia Department of Health and the final Certificate of Occupancy by the County of Middlesex;

5. EDA staff are authorized to issue payments as outlined in Condition 4 above through typical disbursement processes when documentation noted in Condition 1 is received from the applicant: and,
6. Applicant shall provide reports to the Middlesex EDA in accordance with the EDA's grant program guidelines.

The motion passed unanimously by roll call vote.

### **Unfinished Business: Cook's Corner Issues**

*Issue:* Due to economic complications from extended COVID-19 pandemic in the restaurant and hotel business the Cook's Corner Brewpub partners withdrew from the proposed brewpub development, leaving EDA with two immediate issues to address: significant roof damage and a new developer search.

### **RCE Roof/ Mold**

*Discussion:* Mr. White reported two estimates and a third pending for roof patch work to stem further damage to the building. More than a patch is not advisable due to irreparable damage and decay to the roof. To begin discussion Mr. White offered a motion outlined in action below, seconded by Mr. Anzivino who recognized the need to stabilize the roof until future proposals for use of the property. Mrs. Riggs: The wood on the roof is not strong enough to support an individual's weight. Are the patches to be at the edges only? Mr. White: The concrete beams will support weight if needed. Mr. Feigum: I disagree with any action other than tearing the building down, stating with the decay and deficiencies the building needs to be totally rebuilt. Mr. White: We have a directive from the BOS to stabilize the roof. Mrs. Roden: Before we make major decisions regarding the building, such as tear down, we need to involve the Heritage Committee and others in the discussion, and we need to recognize that there was a very viable group of developers who were committed to this property. We do not yet know if there are others out there. Mr. Cawthorne: In 2022 property ownership reverts back to BOS if it remains undeveloped; we should use funds from the \$100,000 set-aside by the BOS for this roof work. Anzivino: Moved, seconded by Mrs. Roden, to amend the motion below to include using the set-aside funds to cover the costs. Mr. White accepted the request. Mrs. Riggs: What is the advantage of patching? Mr. White: BOS request. Mr. Feigum: Is the black community still interested in the property and if not, how long will we let it rot? Mr. White: We do not know about the cafeteria building ... the white frame building has more history but we do not own it. It is not a good idea to pursue a tear down until we pursue future development. Mr. Croxton would like to "stay in the game" but he needs a partner to fund it. Mr. Cawthorne: Let's preserve it as best we can for a future plan. Mrs. Brown: There is electricity in the building that feeds other structures. Mr. Reed: We need to involve the black community and the Heritage Committee and preserve the property to return it back to BOS in 2022. Mr. White: We welcome the involvement of the black community and want to memorialize the properties heritage in appropriate ways.

*Action:* Mr. White moved, seconded by Mrs. Riggs, and amended by Mr. Anzivino, that the Chair and Vice Chair award a contract to patch the roof upon receipt of a third estimate added to the two already received for the work.

Roll call vote: Yes: White, Roden, Reed, Anzivino, Cawthorne. No: Feigum & Riggs

**Property Marketing Plan & Developer Search** - Mrs. Brown presented the marketing plan for recruitment of developers for the Cooks Corner property and reported movement is slow. She has spoken with developers and other economic development folks who may know of developers. Gloucester has shared commercial property information. She is compiling a list for developers to solicit and has placed it on the VEDP state property website. She has had multiple meetings with DCHD regarding the grant funding. To date we have until March 31 to secure development of the property at which time we have secured a potential developer the date can possibly be extended to June 30.

Mr. Feigum asked Mrs. Brown how her office lets businesses know of the availability of her services, such as assisting Eckhard's in the closure and sale of their restaurant? Response is deferred to report below regarding Eckhard's.

**New Business: Officer Election**

Mr. Anzivino offered a slate of officers for the 2021 calendar year, seconded by Mr. Cawthorne: Re-election of Gordon White, President; Janet Riggs, Vice President and Treasurer; and, Celane Roden, Secretary

Unanimously approved by roll call vote. Mr. Anzivino thanked the officers for their work.

**New Business: Approval of 2021 Meeting Dates**

Mrs. Brown presented dates of third Thursday of each month for remainder of 2021 with a question about December since there is typically a holiday dinner instead of a December meeting. Mr. White moved adopt dates as presented for 2021, subject to adjustment, as needed, seconded by Mr. Cawthorne. Unanimously approved by roll call vote.

**New Business: Review Purchasing Procedures**

*Issue:* Mrs. Brown presented a draft EDA of Middlesex County Purchasing Policies and Procedures Manual for review.

*Discussion:* Postpone for February meeting for possible suggested changes from Mrs. Lewis, attorney.

**New Business: EDA FY 2021-22 Budget and Transition Tax discussion**

*Issue:* The transient tax rate has been raised from 2% to 5% by the Board of Supervisors with difference to be used for marketing, economic development and tourism.

*Discussion:* Mrs. Brown is the (DMO) designated marketing organization for tourism for the county, working in conjunction with state as the official tourism contact. As a requirement of the 3% additional tax, she has met with local lodging industry representatives and will schedule at least 2-3 meetings/year to learn how best to promote them. Mr. White reminded the Authority of the importance of this funding as our bond funds continue to diminish. He pointed to the need for BOS to direct this income to EDA so we can continue to effectively support tourism in the county.

## **Economic Development and Tourism Updates: Michelle Brown**

**Visit Middlesex Website Redo.** Mrs. Brown and Mr. Gentry are working with CARES funding to update the Visit Middlesex website which is a subset of the county website with a totally different and much improved presence. It is the landing page for visitors specific to Middlesex vs the whole of Virginia's River Realm (VRR) area coverage. It will be finalized in March or April in time for spring and, hopefully, a virus free season.

**Virginia's River Realm Update:** Mrs. Brown shared VRR promos connecting the area's small towns to VRR. New landing pages were shared, separate pages for each of the great small towns in Middlesex, with listings of interest to visitors specific to each. The VRR blog includes a bucket list for the new year of COVID-friendly things to do in the Realm: outdoor music, oysters, ballgames, history, walking, on the beaches, campgrounds, etc.

**Eckhard's Follow up:** Upon learning about the closure of Eckhard's Mrs. Brown contacted the owners. From her most recent conversations with Don Marvin, Mrs. Brown has learned they are yet unsure about future plans for the restaurant. With two positive COVID cases in November the owners made the decision to close for the winter and are now working on a decision on reopening in the spring or retiring and selling the restaurant. They have asked her to place the business on the VEDP state property website for sale but may still open in spring. Mrs. Brown, in response to Mr. Feigum's inquiry above, informed the Authority that while the owners were not aware of the availability of her assistance, contacting the business directly is the most effective way in which she offers to help businesses.

**Broadband:** Mr. Gentry reported that the county is still awaiting determination of the grant applications, expected soon. CARES broadband restrictions are relaxed, and the county will now be able to use CARES funds to set up wireless on towers in Jamaica. They are working on the RFP and hope to release it soon for contractor selection. Service will be available in Jamaica by the end of 2021. Starlink (low orbit satellite) is another possible broadband solution in the future. The Broadband Authority zoom meeting this evening is open to the public.

**Adjournment:** Motion by Anzivino, seconded by Riggs to adjourn. Passed unanimously.

**Next Scheduled Meeting: February 18, 2021**

Submitted by:

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Celane Roden, Secretary

Approved by:

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Gordon White, President