

Minutes February 18, 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

Call to Order: The virtual meeting (via Zoom) was called to order by Chairman Gordon White at 9:30 a.m. 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: The agenda was approved unanimously by roll call.

Approval of Minutes: December minutes were presented.

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

Financial Report: Mrs. Riggs presented the November Financial Report, reporting a cash balance of \$417,566.14; interest income of \$252.79 and no expenses.

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

Old Business: Deltaville Tap & Raw Bar Micro-Grant Update

Issue: The Authority approved grant for this business has been subject to receipt of specific documentation outlined in previous minutes. Dispersal of the grant funding was delayed until sewage disposal system issues could be addressed to meet health department requirements. The Authority agreed in January to release 50% of the funding upon receipt of the formal approval of engineering plans for an alternative on site waste disposal system by the Virginia Health Department and 50% 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.

Update: Mrs. Brown reports receipt of necessary permits for first payment and delivery of same. The restaurant will operate on a temporary permit through November, 2021. The remaining 50% will be released once all remaining EDA requirements are met.

Old Business: Cook's Corner RCE Roof/ Mold Mitigation

Issue: The RCE building roof and mold mitigation remains outstanding, with staff securing quotes for roof patches for protection from further leakage while EDA continues to seek a developer for the property.

Discussion: Mrs. Brown reports she has been unable to secure a third quote for the roof repair/patch on the property. Two quotes are pending. Mrs. Riggs: What are the amounts from the two quotes? Mrs. Brown: \$3,100 & \$800 with no work details included. Mr. Anzivino: Are the roofers licensed. Mrs. Brown: Yes.

Action: Mr. White: We will go with the lower bid, pending more details.

Old Business: Cook's Corner Property Marketing Plan & Developer Search

Issue and update: Mrs. Brown continues to market the property, with recruitment information provided to local, regional and state resources. The most interest has come from commercial realtors. Thus far, local developers see it is a viable business opportunity and good location but are hesitant to invest due to the economic challenges from COVID. The property is listed on the State VEDP under flexible buildings.

Discussion: Mr. Feigum: Has the Heritage Committee been contacted regarding their interest? Mrs. Brown: The Heritage Committee is more interested in the old white school building across the road; they are looking into grant opportunities. Mr. White: Mr. Reed has expressed an interest in the old cafeteria building becoming an event center. Mr. Anzivino: If we are successful in locating a developer, what is the end date for holding on to the grant funding? Mr. White and Mrs. Brown: The current grant deadline is March 31, 2021. Mrs. Brown will meet with the state funding agency (DCHD) in late March to learn if they could extend the deadline to June 30, which may be possible if we have serious interest. Once the grant expires a new grant would be needed if a developer is found.

Old Business: Review EDA Small Purchase Policy

Issue: Per request by Chairman White EDA attorney, Heather Lewis, has reviewed and commented on the EDA Small Purchasing Policy with recommended changes.

Discussion: Mr. White: Mrs. Lewis suggests limiting small purchase decisions to the chair & vice-chair; not limiting the use of the policy to just when there is no time to wait for a full authority meeting; and raising the limit for a small purchase to \$20,000. These changes are unnecessary. I would be unhappy spending \$20,000 without a vote; Authority approval can be covered by any two members of the Authority rather than requiring approval by the Chair and Treasurer. Mrs. Riggs: There are discrepancies between Paragraph 3 and Item 2 in the document regarding small purchase amount requiring solicitation of bids (\$2,500 vs \$12,500). And, are the procedures applicable only to non-budgeted items? Mr. Anzivino: Major purchases in budget procurement policy is covered by state law; suggest solicitation below \$2,500 not require bids and purchases between \$2,500 and \$12,500 require at least two proposals. Mr. Anzivino and Mr. White discussed bid vs. quote requirements for small purchases.

Action: More work is needed. Mr. White appointed Mr. Anzivino and Mrs. Riggs to edit the document and bring it back for consideration at the EDA March meeting.

New Business: EDA FY 2021-22 Budget

Issue: The 2021-22 budget was presented with the assumption of revenue (\$100,090) from 3% of the county lodging tax and an additional \$49,000 to cover a shortage in the budget. The budget will be considered by the Board of Supervisors in their March meeting. With the \$49,000 Mrs. Brown will become an employee of the EDA rather than an independent employee of the county. The administrative processing of payroll and benefits will remain a county responsibility.

Discussion: Mrs. Brown and Mr. White: Based on a recent meeting with BOS leadership approval of the requested amounts is anticipated. Mrs. Riggs: The written request to the BOS for additional funding is \$50,000. The exact amount needed for this line item is \$49,821. This discrepancy needs to be resolved. Mr. Anzivino: We need a formal written mechanism or resolution to clarify the roles of the BOS and Authority regarding Mrs. Brown's status as EDA employee with county providing payroll services and benefit administration. Suggest consulting with counties who are operating under similar circumstances for guidance rather starting from scratch. Mrs. Brown: is working with county administration on these issues needing clarification and a mechanism to do so.

Action: Mr. White moved to adopt the budget as presented subject to the inclusion of the 3% lodging tax for EDA budget. The motion includes additional \$821 to the \$49,000 request and with same adjustment in expenses. The motion was seconded by Mr. Anzivino and unanimously approved by roll call vote (Roden was not available for a vote due to technology difficulties.)

New Business: Transient Occupancy Tax Discussion

Issue: The county transient occupancy (lodging) tax rate was raised in June, 2020 from 2 to 5% by the Board of Supervisors with 3% difference to be used for marketing, economic development and tourism work, per state code, to attract travelers to the area, increase occupancy at lodging properties and generate tourism revenues in Middlesex County. The 2021-22 EDA budget request includes presumed revenue from this source plus an additional \$49,821 BOS supplement for economic development and tourism management. Assuming approval by the BOS, oversight of the County Economic Development and Tourism Department will transfer to the EDA effective July 1. Michelle Brown, Economic Development and Tourism Director, will manage these new funds and oversee Middlesex County economic development and tourism as an employee of the Authority.

Discussion: See budget discussion on this issue.

New Business: Electric Car Charging Stations

Issue: There is no electric car charging station between Yorktown and Tappahannock. Would a charging station in Middlesex County be a draw to Middlesex County and is this something EDA should explore?

Discussion: Mr. White: Could a car charging station in Urbanna or another area close to Route 17 be a sufficient attraction for folks traveling Route 17 to enhance economic development in the county? At Cook's Corner (is there enough there to be a draw for visitors?) or Urbanna (is it too far off the highway?) Suggest examining the issues involved, including a possible local business or developer that might be interested in this business. Mr. Feigum: do we have any idea how many cars in the state, county, region traverse Rt. 17 in need of a car charging station? In travels to the middle of the country he has seen no charging stations and questions the need for one. Mr. Anzivino: there are charging stations in Tappahannock. It is worth investigating. The

battery run car technology is improving and they will become more prevalent. Society is moving toward electric vehicles. Two school buses in the county are electric (funded by Dominion.) We might explore the possibility of assisting a business in establishing a charging station. Mrs. Riggs: Expressed concern that we may put too much of a burden on staff with this issue. Mr. White: This would be no staff load. He offered to check into the issue. *Action:* Mr. White moved that the Authority investigate the possibility of an electric car charging station in the county. Mr. Anzivino seconded. The motion passed on a 3-2 vote, with Mrs. Riggs and Mr. Feigum opposing.

Economic Development and Tourism Updates

Virginia's River Realm Analytics: Mrs. Brown displayed the January Social Media Analytic Report from the VRR team. A copy of these reports are attached to these minutes. She will begin reviewing these VRR social media measures with the Authority monthly.

Food Truck Initiative: Mrs. Brown reports an inquiry from Strawberry Street Events about the feasibility of a food truck event in Middlesex County, (eg Food Truck Friday with 2-3 food trucks at select location.) Possible locations: the parking lot at the Saluda Farmers Market or Cooks Corner. She posed the question: Does EDA have interest in using the Cooks Corner property for food truck events weekly or monthly, starting slow and allowing the event to build interest? Issues for consideration: need for electricity, marketing, and insurance coverage. A similar event planned for Urbanna a couple of years ago that did not occur. Mr. White: Cooks Corner can't be used until the equipment currently stored there is removed. We would need to know if they would bring their own generators or need power. Mr. Anzivino: Why did the event not occur in Urbanna? Mrs. Brown: The property owner had concerns. Mr. Anzivino: This could be a good idea. If they need power would they be willing to pay a small fee for the coverage?

Mr. Cawthorn: Will they pay taxes for meals. Does this compete with local restaurants? Could local restaurants set up a food booth at the event? Mrs. Brown: Competition is good. We would limit the event to 2-3 food trucks. Mr. White: Any business we encourage is technically a competition with existing local business. We were supporting another food business with the beer pub. Mrs. Brown: Local food trucks do pay meals taxes. We can begin with local food trucks who often now travel out of the county for their sales. This would keep their meal tax payments in the county. Mr. White: This could encourage travelers on Rt.17 to come into the county. It would be nice if it could be on Route 17. Mrs. Brown suggested that April would be a good time to host a food truck event. She will look into it for a proposal and seek answers to questions posed.

Middlesex County Gift Cards: Mrs. Brown discussed an initiative she experienced in Morehead. City, NC: Downtown Dollars Initiative - gift cards to be spent in local participating businesses. Mr. Anzivino: Warsaw had a similar initiative. How would it be funded? Mrs. Brown: It would be online, with any costs funded out of tourism budget. Costs would be minimal: website and/or mailing of the gift card. She will look into cost. Mr. White: What is the success rate? Mr. Anzivino: Folks shopping in the county is a good thing. We need a better understanding of the cost and administration of the initiative, but definitely interested in more

information. Mrs. Brown will get more information and report back to the Authority. **Other:**
Mr. White: We need more information from HRSD on their plans for an easement on the Cooks
Corner property. This will go on the March agenda.

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

Next Scheduled Meeting: March 18, 2021

Submitted by:

Celane Roden, Secretary

Approved by:

Gordon White, President