

AT A MEETING OF THE ROCKBRIDGE COUNTY ECONOMIC DEVELOPMENT AUTHORITY (EDA) HELD ELECTRONICALLY AND AT THE ROCKBRIDGE COUNTY ADMINISTRATIVE OFFICES LOCATED AT 150 SOUTH MAIN STREET, LEXINGTON, VA 24450 ON JULY 20, 2020 AT 8:30 A.M.

PRESENT IN PERSON: J. LINGON JONES, JR., ROBBIE FAULKNER, ROY POWELL, AND B.G. LOCHER

PRESENT ONLINE: JANIE HARRIS, BOYD BROWN, AND DAVID FARRIS

ABSENT:

EDA COUNSEL: LEE TAYLOR (not present)

SECRETARY: BRANDY FLINT

BOARD OF SUPERVISORS: DAVID MCDANIEL (present online)

MEDIA: NONE

OTHER:

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Mr. Jones called the meeting to order at 8:32 a.m.

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The second agenda item was citizen comments.

Ms. Flint advised that there were no comments submitted by email, no comments have been submitted via the Zoom meeting chat option, and there were no phone call-ins.

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The third agenda item was the approval of the June 15, 2020 minutes.

Upon a motion by Mr. Powell, seconded by Mr. Locher, the EDA voted unanimously to approve the minutes as presented.

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The fourth agenda item was the Financial Report.

Ms. Flint reviewed the Report as submitted.

There were no questions or comments regarding the Financial Report.

Upon a motion by Mr. Powell, seconded by Mr. Locher, the EDA voted unanimously to approve the submitted financial Report.

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The fifth agenda item was the Activities Report.

Ms. Flint review the Report.

There were no questions or comments regarding the Activities Report.

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The sixth agenda item was the Gauntlet Award Update.

Ms. Flint stated that the following Rockbridge regional businesses competed in the Gauntlet program and won prize packages as follows: Woodlore - \$10,000.00; Red Newt Bikes - \$7,050.00; The Flower Center (expansion) - \$3,249.00; Vinyl Cuts - \$4,650.00; Gravista - \$2,275.00; Blue Ridge Essentials - \$1,625.00. She noted that she suggested that someone from zoning from each locality participates in ensuring that new businesses and expanding businesses comply with local zoning ordinances based on what is proposed in their business plans.

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The seventh agenda item was the COVID-19 Relief Fund Final Report.

Ms. Flint stated that the COVID-19 Relief Fund closed on June 19th. Fifty-nine applications were received. Fifty-five of those applications were funded. Three of the approved applicants decided not to accept the funds; therefore, fifty-two applicants received funding. The total funds awarded were \$42,525, \$13,900 from the Community Foundation, and \$28,625 from the EDA. A total of four applications were denied. All four of those applicants did not hold a valid business license. Lesson learned: 1. Limiting the grant to business license holders eliminated several applicants who are not required to have a business license. 2. Limiting the uses of the funds. The limits placed were very restrictive. 3. A weekly review of the applications was a time-consuming process. Setting a deadline and reviewing all the applications at one time is a better option. 4. No one complained about the outcome or the amounts they were rewarded. Everyone was thrilled to have any help they could get.

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The eighth agenda item was the COVID-19 Relief Fund – Round 2 discussion.

Ms. Flint advised that the Board of Supervisors has agreed to provide the EDA with \$250,000 of the CARES Act Funds the County has received to facilitate the second round of grants to local businesses, farmers, and silvicultural workers. She noted that she has worked with the Board's Finance Committee and Mr. Suter to develop the grant documents which piggyback off of a similar program implemented in Rockingham County. She pointed out the fundamental changes from the first round of grant funding. Changes included the addition of agricultural and silvicultural businesses, the review committee will be two EDA members versus three, the application requests more details, more documentation would be required, and this round of grants will have higher award amounts. Ms. Flint reviewed the approved uses of the funds. She noted that this round of grant funding would be advertised for ten business days, from August 3, 2020, to August 14, 2020. Applications would be accepted from August 17, 2020, until the business's close on August 31, 2020. The Grant Review Team shall meet the week of August 31, 2020. She indicated that two EDA members would need to be appointed to that Review Committee. The Grant Review Committee will assess the applications to ensure that the criteria of this Grant Program are met. Payments would be distributed beginning on September 7, 2020.

Mr. Faulkner asked if the second round is a clean slate, meaning that anyone who applied for the first round could apply for the second round.

Ms. Flint confirmed that was correct.

Ms. Harris asked if the goal was to distribute as much of the \$250,000 as possible and if the two cities were included.

Ms. Flint responded that this program is specific to the County and the two towns only. She noted that the goal is to expend all the funds, but if funds are remaining, then there can be a

third round of applications if the Board decides to do that, and if not, it will have to go back to the Board of Supervisors.

Mr. McDaniel asked Ms. Flint to clarify if the funds will have to be spent by the EDA before December 31st.

Mr. Faulkner asked how the criteria were set up for the first round and how it will be set up for the second round.

Ms. Flint advised that the first round of grants was limited in funding because it was going through the Community Foundation at first. Once the EDA funds were available, the applicants could receive the full \$2,000, if they qualified. She noted that this second round of grants would be disbursed on a ranking basis with three funding levels: \$2,500, \$5,000, or \$10,000.

Mr. Ferris asked if the EDA would be checking the businesses' ability to repay. There was then a discussion on the Review Committee's ability to screen the applicants to ensure that anyone who receives the funds does not plan to cease operation within a year. Ms. Flint noted that using a performance agreement would give the EDA the option of clawing back the funds. There was a discussion on the grant criteria's wording, including employees being located in Rockbridge County. It was concluded that "a majority of the employees be located in Rockbridge County" be added to the criteria. Ms. Flint would ask the Board and EDA Attorneys if the application certification could be changed to allow for EDA Board members, who are business owners, to apply.

The EDA continued to discuss the agreement and program guidelines for the second round of grants before Mr. Faulkner made a motion to move forward with the second round of grant funding with the discuss edits. Mr. Powell seconded the motion, and the EDA voted all in favor.

Ms. Flint then asked for volunteers for the Review Committee. After some discussion, Mr. Powell and Mr. Ferris volunteered for the Review Committee.

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The ninth agenda item discussed the new legislation regarding Financial Disclosure forms as related to the EDA.

Ms. Flint advised that Ms. Brandy Whitten in the County Administrator's Office sent out packages to each EDA member that included the long-form of the Financial Disclosure Form that is now required. She noted that the long-form is the same form that the Board of Supervisors fills out. She emphasized the form needs to be filled out by August 1, 2020, and the training has to be completed by December 31st.

There was an extensive discussion on the intrusiveness of the long-form and how it was overreaching. Several members expressed concerns about the consequences of accidentally missing something on the form. More than half of the EDA members expressed concerns about filling out the forms, and several members indicated they might resign from the EDA rather than fill them out. Mr. Faulkner asked that a letter goes to the Board about the EDA, not wanting to fill out the new form. He also stated he did not plan on filling out the form. Ms. Flint advised that she will report to the Legislative Committee of the Virginia Economic Developers Association as well, about the EDA's concerns regarding this long-form and the number of members who resign because of it.

Mr. Powell indicated he would like the EDA to look into changing the title of Secretary into something that is more fitting of the amount of work that goes into running the EDA.

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The tenth agenda item was Board Comments.

Ms. Flint noted that she has added Board Comments to the agenda and that it will be an agenda item from here on out. This will allow the Board to address any items they wish to discuss that are not included on the agenda.

Mr. Faulkner asked about tourism.

Ms. Flint advised that Mr. Faulkner asked before the meeting about the EDA's role in tourism. She reported that she informed him that the EDA could support tourism-related businesses and initiatives and that she would discuss with Ms. Jean Clark about future planning related to tourism and how the EDA could be involved.

Mr. Faulkner asked Ms. Harris what she felt the EDA's role is in tourism.

Ms. Harris stated that she felt the EDA could be involved since tourism is one of the main economic drivers in the County. She would like to see the EDA take a more active role in tourism.

Mr. Faulkner stated that tourism is dramatically changing fast in Rockbridge County, and he thought it was worth discussing during our next meeting. He said that he wanted to get a feel from other EDA members what they thought and if they felt the EDA should be concerned about tourism.

Ms. Harris indicated she did not think it was a concern, but the EDA could take a more active role in the tourism industry since it impacts many people in our County.

Mr. Brown asked what the unspoken element of concern was.

Mr. Faulkner stated that when you travel into Lexington, there is a big sign that says welcome to Historic Lexington, and we are taking all the history out of Lexington. Does the EDA have any concern or voice as it relates to tourism?

Ms. Flint responded that she would speak with Ms. Clark and find out if the Tourism Board has come up with plans, or a strategic plan, for what tourism in Rockbridge looks like. She also advised that anyone can apply to be on the Tourism Board if they want to help plan for the future. Ms. Flint noted that the EDA funds and supports tourism-related businesses now, and she would work with Ms. Clark to see how we can further support the tourism industry since she is a tourism expert.

Mr. Powell mentioned the lack of digital internet through cellular in the County and the need to work on that issue.

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With no further business to discuss, upon a motion by Mr. Brown, seconded by Ms. Harris, the EDA voted unanimously to adjourn.

Respectfully Submitted,

Brandy Flint,
Secretary