

Approved July 27, 2023

Industrial Development Authority of the Clarke County Virginia
Board of Directors

April 27, 2023

Regular Meeting

1:00 pm

At a regular meeting of the Industrial Development Authority of the Clarke County Virginia, held on Thursday, April 27, 2023, at 1:00 pm in the Main Meeting Room, Berryville-Clarke County Government Center, 101 Chalmers Court, 2nd Floor, Berryville, Virginia.

Directors Present: Isreal Preston, William Waite, Ben Cochran, Brian Ferrell, James George

Directors Absent: Rodney Pierce, Cabell Williams

Board of Supervisors David Weiss

Liaison Present:

Staff Present: Chris Boies, Indea Ford, Catherine Marsten

Press: None

Others Present: None

1. Call to Order

At 1:01 pm, Chairman Ferrell called the meeting to order.

2. Adoption of Agenda

Director Waite made a motion, seconded by Director Cochran, to adopt the agenda as presented. The motion carried by the following vote:

Isreal Preston	-	Aye
William Waite	-	Aye
Ben Cochran	-	Aye
Brian Ferrell	-	Aye
James George	-	Aye
Rodney Pierce	-	Absent
Cabell Williams	-	Absent

David Weiss entered the meeting at 1:03 pm.

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3. Approval of Minutes

Director Waite made a motion, seconded by Director Preston, to approve the minutes of the January 26, 2023 Organizational Meeting as presented. The motion carried by the following vote:

Israel Preston	-	Aye
William Waite	-	Aye
Ben Cochran	-	Aye
Brian Ferrell	-	Aye
James George	-	Aye
Rodney Pierce	-	Absent
Cabell Williams	-	Absent

4. Secretary/Treasurer Report

Director Waite presented the following:

FY2023 Year-to-Date Check Log

- Audit fees for FY21:FY22 were paid after the last meeting.
- Bond revenue was received; \$3907.50 from Shenandoah University.
- Checks for Directors fees for this meeting will be written.

FY2023 YTD Budget/Investments Summary

- Budget is on track, however, paid double audit fees because the FY21 fee was not invoiced until February 2023.
- Investments are fluctuating but staying consistent with planned IDA activities.
- There is currently over \$33,000 in the checking account and about \$120,000 in the investment portfolio. Combined available funds total over \$150,000.
- An amendment to the Shenandoah University bond documents reflects a change in rates. There is no sign off required by the attorney and it should not impact the IDA financially as bond fees are based on the outstanding balance of the bond.

Vice-Chair Cochran made a motion, seconded by Chairman Ferrell, to accept the Treasurers report as presented. The motion carried by the following vote:

Israel Preston	-	Aye
William Waite	-	Aye

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Ben Cochran	-	Aye
Brian Ferrell	-	Aye
James George	-	Aye
Rodney Pierce	-	Absent
Cabell Williams	-	Absent

5. New Business

Chris Boies advised the following:

- Economic Development & Tourism Director, Felicia Hart, resigned. Staff is looking for a new Director and will advertise the position next week.
- All Points provided a broadband update today. The project is still on schedule for completion in the summer of 2025. In the eight counties included in the project, they have missed about 3% of unserved locations. This is within the predicted margin of error; however, nothing has been missed in Clarke County. For the missed locations, All Points will either add it to the project and not charge the grant or they will apply for new grant funding and not ask the locality for a match.
 - o Chairman Ferrell asked if very lightly populated areas would be served also, as it may not be financially feasible.
 - Chris Boies responded that all areas will be served. However, the project does not include those people that already have a Comcast line, even if their service is unreliable.
- The Economic Development Advisory Committee, along with Bill Waite, attended a tour of the Blue Ridge Technical College in Martinsburg on April 19. Clarke County High School students may enroll in trades classes or the culinary arts program.
 - o Director Waite added that it was an impressive center; 70% of the students work is hands on and 30% is classroom based. The robotics room was very impressive and the electric trade program will allow students to become certified electricians upon completion.
 - Chris Boies added that Clarke County students are offered a deal on price, with no out of state tuition fees.
- Construction of the LVG Group's 57,000 square foot warehouse at the industrial park is moving along well. A ribbon cutting ceremony is scheduled in May; the county's Building Official has been on site helping make sure they are up to code and on track for opening. Construction for a second 85,000 square foot building is likely to get underway soon. The County is still trying to get Jack Enders Blvd into a condition that the Town will accept, including storm water work. Sometime this spring, a final coat of repaving will be added to the entire roadway.
- The USDA Rural Development Program Compliance Audit was completed recently. Posters were purchased and displayed in the Joint Government Center to comply with the requirements. The loan for the building will be amortize in FY44. Currently, about \$3.6 million is owed on the building, and about \$1.8 million to be

paid in interest by FY44. There has been discussion about paying the loan off earlier to reduce the amount of interest paid.

- o Director Waite asked if the new Economic Development & Tourism Director could provide a more structured report to the IDA each quarter.
 - Chris Boies answered that a more structured report that is tailored to each committee would be more useful than a single report.

Chris Boies provided the following update on activities at Double Tollgate:

- Rappahannock Electric Cooperative has applied for rezoning for the 65-acre parcel currently owned by the Virginia Port Authority. They were given direction, through a State budget bill, to work with Clarke County on an economic development project on that parcel. The county has been working with the Virginia Port Authority for the past three years to find an appropriate suitor for the property.
- Rappahannock Electric Cooperative currently operates a regional office in Warren County, and plans to set up a new regional office in the Double Tollgate location. Rappahannock Electric Cooperative currently pays \$160,000 annually in real estate and vehicle taxes at their current location in Warren County. A similar amount would make them the second or third highest tax-paying parcel in Clarke County. Berryville Graphics is the first.
- Possible commercial development at the intersection, for example, convenience centers and perhaps a fast food restaurant, combined with the growth in Lake Frederick, could increase meals, cigarette tax, and sales tax revenue from those stores.
- The National Guard is looking to develop a regional training facility in an adjacent parcel. Although it will not bring in any tax revenue, it will help generate more traffic for the intersection if we develop it for commercial purposes. VDOT also has a headquarters in an adjacent parcel.
- As part of the State of Virginia surplus process, the county is supposed to be offered the 40-acre parcel that currently holds the old prison building. Other state agencies can request the land during the first tier of the process, but no other state agencies have requested it. During the second tier, the locality gets the option to request it. The county will make a purchase offer and the IDA may play an active role when that happens.
- Still working on a water and sewer agreement with Frederick Water. There will be a large wastewater pump station with a force main running up to the Parkins Mill Plant in Frederick County. The County will be entering into a contract next month to start the design work.
- Frederick Water has offered to let the county be included in their issuance of debt for the project. If they do a bond, the county could be a part of that and would be responsible for a portion of that debt every year.
 - o David Weiss added that this project will bring in a significant annual income for the County.

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- The sewer capacity being purchased will allow the county to further develop in the future if it so desires.
 - o Director Waite asked what portion of county tax revenue is commercial and if the county is tied to a specific industry that would cause a major impact if something unexpected were to happen.
 - Chris Boies replied that he could not remember the percentage, but the county’s investments are fairly diverse.
 - o Director Waite observed that the proposed commercial development at the Double Tollgate intersection will help offset citizen real estate taxes and asked what guidance on specific industry focus will be given to the new Economic Development & Tourism Director.
 - Chris Boies responded that it is partially limited by zoning rights. The county wants to fill out Double Tollgate once water and sewer is in place. As well as the parcels in Waterloo, based on the sewer availability.
 - o Director Waite opined that the Town of Berryville has the capacity for Battletown Inn to be upgraded and opened back up.
 - Chris Boies advised that the Town of Berryville does have water and sewer capacity. One of the agenda items for the next meeting of the Berryville-Clarke County Joint Committee on Economic Development & Tourism is the discussion of a potential boutique hotel. The town will be asked if they are willing to heavily subsidize the upfront investment.

6. Next Meeting

- Thursday, July 27, 2023 – Organizational Meeting

7. Adjournment

At 1:51 pm, Chairman Ferrell adjourned the meeting.

Minutes recorded and transcribed by Indea G. Ford