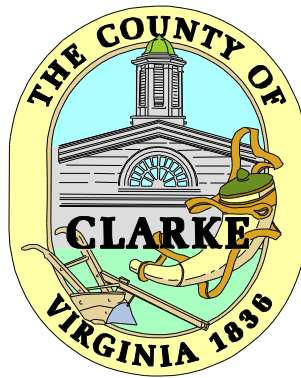


Industrial Development Authority of the Clarke County Virginia Board of Directors



Quarterly Meeting Packet

April 26, 2018



Industrial Development Authority of the County of Clarke Virginia

Agenda

Thursday, April 26, 2018, 1:00 pm

Meeting Room AB, Berryville Clarke County Government Center
101 Chalmers Court 2nd Floor, Berryville, Virginia

1. Call to Order
2. Adoption of Agenda
3. Presentation by People Inc.
4. Approval of Minutes:
 - January 25, 2018, Organizational and Quarterly Meeting
 - April 11, 2018, IDA Finance Subcommittee Minutes
5. Treasurer:
 - FY2018 YTD Check Log. Action: Treasurer recommends acceptance.
 - Investments: Action: Finance Subcommittee recommends acceptance of the following:
 - o Transfer \$15,000 from checking to investments increasing investment balance to \$100,000.
 - o Continue to maximize dividends / interest to cover operating costs.
 - o Divide funds equally across portfolio.
 - o Review portfolio on an annual basis with Board of Directors.
 - FY2019 Budget. Action: Finance Subcommittee recommends approval.
 - Bonds Update: Action: Information only.
 - Bank of Clarke County Accounts Signature Authority. Action: Approve bylaws amendment.
 -
6. Old Business:
 - Waterloo Area Water and Sewer Availability Fee Subsidy Program. Action: The Finance Subcommittee recommends approval of program document and application form.
7. Adjourn
 - Distributed in Packet
 - Building Department YTD New Single Family Dwellings
 - IDA Follow-up Items
 - Economic Development Advisory Committee January 17, 2018, Minutes

Note: Presentations by Christy Dunkle, Town of Berryville, and Christine Kriz, Lord Fairfax Community College Small Business Development Center, requested by the IDA at its January meeting were slated for April 26 but subsequently cancelled due scheduling conflicts.

Call to Order

Adoption of Agenda

Proposed motion: Move to adopt agenda as [presented] or [as amended - title of agenda item[s] not listed on the published agenda provided to the public.]

Note: Presentations by Christy Dunkle, Town of Berryville, and Christine Kriz, Lord Fairfax Community College Small Business Development Center, requested by the IDA at its January meeting were slated for April 26 but subsequently cancelled due scheduling conflicts.

Presentation by People Inc.



Annual Report 2017

ANNUAL REPORT 2017

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What can People do?

People Incorporated is a Virginia Community Action Agency dedicated to reaching these goals:

GOAL 1



People move out of poverty

- Increased educational level
- Improved life skills
- Improved health and sustainability
- Increased household income
- Ownership of additional assets

GOAL 2



Communities experience positive development

- Building community assets
- Spurring business growth
- Creating sustainable jobs

GOAL 3



Be an agency of excellence

- Demonstrate financial stability
- Be an employer of choice
- Practice effective partnerships

THE POWER OF HOPE, THE PATH TO SUCCESS

Hope is a powerful thing; it can change how we act and what our futures may hold. Hope springs eternal, but for it to survive there must be some plausible pathway to success. For 6,021 people in 2,849 families, this year People Incorporated created that pathway to success and kept hope alive.

People Incorporated helps individuals, families and communities gain the assets that can be the foundations of pathways out of poverty. With People Incorporated's assistance, people acquired education, job skills, business skills, business ownership, home ownership, parenting skills, and better health care. They graduated, they received certifications, they were hired, they borrowed money and created jobs, they borrowed money and bought their first homes, they got a dentist and a family doctor, they moved into good quality affordable housing they took steps toward a better future, toward the fulfillment of their hopes and dreams. Communities gained new employers and new jobs, they gained new amenities, they gained assets for tourism development and downtown revitalization, their balance sheets improved, their prospects brightened and their hope grew.

It is inevitable that we will all encounter road blocks and suffer setbacks. Those assets that become the foundations of our pathways can also build our resiliency so that our setbacks are short-lived and those road blocks are hurdles that we learn how to clear. Thus our competence grows, our confidence grows and hope is alive.

That hope inspires people to give of themselves, to volunteer, to partner, to join the effort to provide opportunity and hope to others. The collective impact of all those volunteers, partners, collaborators combined with the dedicated service of a talented staff is how pathways are built, how they are traversed, how lives are improved and how hope is kept alive.

Helping people to build futures and change their lives is the hallmark of People Incorporated's work and as the following pages attest, we were able to help many people and communities do just that in 2017.

Sincerely,

Robert G. Goldsmith
President and C.E.O.



Building Futures, Realizing Dreams



People inc.

*Building Futures
Realizing Dreams™*

OUR PHILOSOPHY

Every person needs support from others. People Incorporated promotes the dignity of individuals and families, moves people into the economic mainstream, and works to develop existing strengths and resources within communities. All of our efforts are directed by the concerns, hopes, needs and dreams of the people we serve.

OUR MISSION

To provide opportunities for economically disadvantaged people to reach their goals in order to enhance their lives, their families, and their communities.

THE COMMUNITY ACTION PROMISE

Community Action changes people's lives, embodies the spirit of hope, improves communities, and makes America a better place to live. We care about the entire community, and we are dedicated to helping people help themselves and each other.



GOAL 1 People move out of poverty

What can People do? People Incorporated works directly to give families and individuals the tools to move out of poverty. Child and family development, housing, and community services help clients increase their educational level and build life skills. Community economic development services provide pathways for life-changing work and asset-building opportunities. The numbers and stories in this report represent real people and real change — building futures and realizing dreams.

HERE ARE SOME KEY OUTCOMES DEMONSTRATING PROGRESS

787  ADULTS AND CHILDREN OBTAIN HEALTHCARE

CUSTOMERS OWN ADDITIONAL ASSETS

15  FIRST-TIME HOMEBUYERS


43  CONSUMER LOANS

21  CUSTOMERS RECEIVE MICROLOANS TO START OR EXPAND BUSINESSES


CUSTOMERS INCREASE EDUCATIONAL LEVEL

107  INDIVIDUALS

CUSTOMERS INCREASE THEIR LIFE SKILLS

135  INCREASE WORK SKILLS AND COMPETENCIES

1,231  INCREASE ENTREPRENEURIAL AND FINANCIAL SKILLS

269  INCREASE HOMEOWNERSHIP AND FORECLOSURE EDUCATION

1,317  CUSTOMERS INCREASE THEIR HOUSEHOLD INCOME

CUSTOMERS INCREASE HOUSEHOLD INCOME  **\$1.2** MILLION RECEIVED

What can **People** do?



"How can a new set of policies give people a fair chance to succeed in the classroom, the workplace, and the home? Economic success requires people's initiative, but it also requires us, as a society, to untangle the web of disadvantages that make following the sequence difficult for some Americans. There are no silver bullets. Government cannot do this alone. But government has a role to play in motivating individuals and facilitating their climb up the economic ladder."

—Edward Rodrigue and Isabel V. Sawhill, *An Agenda for Reducing Poverty and Improving Opportunity*, The Brookings Institution, 2016



REAL VOICES: PEOPLE MOVE OUT OF POVERTY

Children obtain healthcare • Children develop school readiness • Increased work skills and competencies

Healthcare, hope, and a home

Kimberly Belisle already knew about People Incorporated, as her oldest daughter attended Head Start before entering kindergarten. When Kimberly became pregnant again, she was enrolled into CHIP (Comprehensive Health Investment Project). She has learned so much, such as she is her child's first teacher and what different milestones are for her children.

When she began looking for work she was having difficulty finding employment due to a felony. Her CHIP Home Visitor referred her to the agency's VA CARES program for assistance. CARES staff were able to assist Kimberly in getting a bonding letter for employment applications and she found employment quickly after receiving it. Now, Kimberly and her fiancé have started People Incorporated's Housing Counseling to figure out what they need to do in order to purchase a home. They have started working on their credit thanks to counseling services provided so far. She feels that her confidence and self-esteem have risen since becoming part of the agency. "People Incorporated has helped our family tremendously. Without them, I would feel totally lost."



Building Futures, Realizing Dreams

GOAL: PEOPLE MOVE OUT OF POVERTY

Child and Family Development Services

ACTIVITIES

301 children were served in Head Start and **182 children** were served in Early Head Start.

443 families served. Average monthly enrollment for Head Start was 120% and Early Head Start was 101% of funded enrollment.

92% of Head Start children and 96% of Early Head Start children live between **0-130%** of poverty level (90% is required).

100% of the children in Head Start and Early Head Start received medical and dental exams.

15% of the children in Head Start and **15%** in Early Head Start have been diagnosed with developmental disabilities.

33 parents held a seat or served as an alternate on the policy council. Three of these were fathers.

3 parents served on the People Incorporated Board of Directors.

148 families set goals for themselves and achieved them.

606 parents and former parents of enrolled children provided **46,630 hours** of volunteer service and contributed **\$630,805** toward non-federal share.

713 community volunteers and businesses donated **10,978 hours** of their time and provided services and discounts to benefit children and families.

DICKENSON COUNTY CHILD DEVELOPMENT CENTER Children receive quality care so their parents are free to work or attend school, secure in knowing that their children are properly supervised and provided with child-appropriate activities that enhance their school experiences.

EARLY HEAD START Early Head Start provides center- and home-based education, health, and human services to pregnant women and families with children up to age three. Prenatal care and birth outcomes of pregnant women are improved and parents are more emotionally supportive of their children. Developmental and behavioral issues are identified early so that parents can understand how to address them and care for their children appropriately.

HEAD START Children ages three to five are better prepared to enter kindergarten through the provision of early childhood education, developmental screenings, health, nutrition, and human services. Their parents learn to support their family's development while reaching their own personal goals such as a GED or higher education.



KINDERGARTEN READINESS

Head Start children are assessed three times during the school year using Teaching Strategies GOLD, a research based online assessment tool, to monitor individual progress in the developmental areas of social, emotional, physical, language, literacy, cognitive and mathematics. Working together, teachers and families use the results to develop individualized education strategies to prepare each child for kindergarten. Early Head Start children are assessed four times per year and also receive individualized instruction to support their transition to Head Start. Also, children who are going to kindergarten are screened using the Pre-K PALS Assessment tool three times within a school year. It measures the child's knowledge of important emergent literacy fundamentals including: name writing, alphabet knowledge, beginning sound awareness, print and word awareness, rhyme awareness, and nursery rhyme awareness.

THESE PROGRESS OUTCOMES WERE MEASURED IN THE 2016 – 2017 SCHOOL YEAR:

Early Head Start children ages 1–2 years old achieved **14% growth** in the social emotional domain. Language skills grew by **15%**.

Head Start 3 year olds achieved **18% growth** in the social emotional domain and **15% growth** in literacy.

What can People do?

FAMILY ENGAGEMENT ACTIVITIES

Our Child and Family Development services provide opportunities for families to become engaged in their child's education by encouraging them to volunteer in their child's classroom, and to set educational goals for their child with their child's teacher. Through parent committee activities at each site, parents have the opportunity to assist staff in planning family engagement events and educational field trips. Each parent committee elects two representatives to serve on the program's policy council. Families are offered training sessions that will help them enhance current skills, gain new skills, and increase social capital. Participation in these groups and in the classroom provides a venue for parents to build upon leadership and advocacy skills. In 2016 these included, but were not limited to:

- 570 parents and former parents volunteered 44,631 hours in their child's classroom/home based visits, at group socialization and in completion of take-home activities



- 169 fathers identified their family needs through family assessment
- 151 fathers worked to set and achieve family goals
- 218 fathers participated in child development experiences for their child including home visits and parent-teacher conferences
- 69 fathers improved parenting skills through involvement in educational workshops



CHILDREN DEVELOP SKILLS FOR SCHOOL READINESS

HEAD START AND EARLY HEAD START FINANCIAL INFORMATION

FUNDING SOURCES

FEDERAL FUNDING	\$ 4,465,545
LOCAL FUNDING	\$ 21,870
TOTAL	\$ 4,487,415

EXPENDITURES AND BUDGET

Budget Category	2016-2017 Actual (%)*	2017-2018 Proposed (%)
Personnel	49.0%	49.0%
Fringe Benefits	25.0%	28.0%
Travel	<1.0%	<1.0%
Equipment	0.0%	<1.0%
Supplies	2.0%	2.0%
Contractual	0.0%	0.0%
Other	23.0%	20.0%
Total	100.0%	100.0%

* 2016-2017 actual is based on Head Start and Early Head Start funds for the budget period 12/01/16 through 6/30/17.

"The newest research finds 13% return on investment for comprehensive, high-quality, birth-to-five early education. This research analyzes a wide variety of life outcomes, such as health, crime, income, IQ, schooling and the increase in a mother's income after returning to work due to childcare."

—JAMES HECKMAN, HECKMANEQUATION.ORG

GOAL: PEOPLE MOVE OUT OF POVERTY

Housing Services

ACTIVITIES

Homeownership Services assisted

15 families in becoming homeowners.

331 clients gained knowledge and skills needed to become homeowners, improved their credit rating, received mortgage default counseling or reverse mortgages. **66 clients** were assisted with foreclosure prevention counseling.

910 low- to moderate-income individuals resided in People Incorporated's affordable rental housing properties.

18 chronically homeless individuals obtained Permanent Supportive Housing

187 low-income individuals obtained safe, affordable housing through **rental assistance** that fills the gap between the housing cost and the amount that their household can afford.

Weatherization repairs on 43 homes **improved living conditions** and **reduced energy bills** for 89 individuals.

Housing rehabilitation provided funding and construction management services to **8 households** to complete general housing renovations.

HOMELESS PREVENTION AND RAPID RE-HOUSING This program provides a variety of assistance that includes short-term or medium-term rental assistance, housing relocation, and stabilization services.

PERMANENT SUPPORTIVE HOUSING Chronically homeless individuals and families with disabilities receive housing and supportive services to move toward self-sufficiency. Services include job training, transportation, and assistance with mental health care and substance abuse counseling. Kings Mountain, in Bristol, Virginia, is single occupancy living for men. In Culpeper and Fauquier, the Foothills Housing Network Permanent Supportive Housing is scattered site leasing for individuals and families.

HOME OWNERSHIP Low- and moderate-income families receive one-on-one or group homeowner education and housing counseling services, including foreclosure prevention counseling. Down payment assistance is also provided to eligible individuals and families for homeownership.

AFFORDABLE RENTAL HOUSING A total of 578 units, consisting of one, two, and three bedroom apartments with affordable rents, are available to seniors, individuals, and families located throughout Virginia.

SECTION 8 RENTAL ASSISTANCE Rental assistance payments are available in Washington County for privately owned, scattered site existing housing.

WEATHERIZATION Eligible households receive energy audits and housing improvements including insulation and heating system repairs that increase energy efficiency and safety.

1136



**FAMILIES AND INDIVIDUALS
IMPROVE HOUSING SITUATION**



REAL VOICES: PEOPLE MOVE OUT OF POVERTY

Families and individuals improve housing situation

Permanent supportive housing

Due to inability to pay his rent, Marshall Banks was living on his social security disability in an RV pulled from a landfill in Culpeper County. The RV did not have electricity. In order to survive, he got a loan for a car so he could have access to heat and air—and used an outdoor grill to prepare food. Unfortunately, he was being charged \$50 per month to park in a lot but had to use most of his income for gas for the vehicle. Marshall remained homeless in the RV for over three years before he was told it was not meant for human habitation due to mold and lack of electricity. He began sleeping under bridges or anywhere he could until he was accepted into People Incorporated’s Permanent Supportive Housing (PSH) in Culpeper, with assistance from members of the Foothills Housing Network.

People Incorporated helped Marshall find a one bedroom apartment in a senior living community. He was given furniture and household goods through donations to the program. “The first night I was here, it was like heaven,” Marshall claimed. Marshall will be provided with rental assistance for a year but will only have to pay 30% of his income towards rent after that. Marshall’s next steps towards self-sufficiency are to get his driver’s license restored and credit in better condition.



REAL VOICES: PEOPLE MOVE OUT OF POVERTY

Families and individuals improve housing situation • Increase financial skills

Finding a way home

Early in 2017, Connie Stevens had to leave her home due to family disputes. She did not have a job, food, or a place to go. She was informed of People Incorporated’s Russell County Shelter. Once there, staff began helping her find a permanent home, furniture, clothing, and food. Connie was already working with another agency to assist her in getting her Social Security benefits but People Incorporated guided Connie through the process. Connie was in the shelter for a few months but she gained confidence, friends, and life skills to better prepare her for the next chapter. During this time, Connie was enrolled in Rapid Re-housing services where she qualified for rent, utility, and deposit assistance. With staff’s assistance, Connie was able to find a home in Lebanon. Connie is now in discussion with the landlord about renting to own the home. Connie stated, “If it wasn’t for People Incorporated, I’d be homeless and living on the streets somewhere. I appreciate all the help.”



Building Futures, Realizing Dreams

GOAL: PEOPLE MOVE OUT OF POVERTY

Community Services

ACTIVITIES

406 victims of domestic violence and/or sexual assault were assisted and **181** were provided with **court advocacy** services.

134 adults and children, all facing homelessness because of domestic violence, were sheltered.

112 children were provided with Court Appointed Special Advocates.

102 eligible adults received free dental care.

355 returning citizens received employment services and counseling.

81 obtained employment.

100% of students in the Improving Scholars program improved their performance in school.

85 high school students learned about the benefits of higher education through Project Discovery; **19** students graduated, **18** enrolled in college and **1** entered the military.

112 families including **170 children**, birth to age six, improve their health and quality of life.



COMPREHENSIVE HEALTH INVESTMENT PROJECT (CHIP) Families with children improve their self-sufficiency by reaching self-identified goals that strengthen the family unit. CHIP strives to help parents provide an environment where children grow up healthy, safe, and ready to learn.

COURT APPOINTED SPECIAL ADVOCATE (CASA) Abused and neglected children obtain safe, permanent homes with the assistance of a court assigned volunteer to represent the child's best interest. Children represented by CASA are less likely to spend time in long-term foster care and less likely to re-enter foster care.

DOMESTIC VIOLENCE SERVICES Survivors of domestic abuse or sexual assault achieve safety and independence as they receive housing and supportive assistance, including a 24-hour hotline service, temporary emergency shelter, referrals, support groups, transportation, and court advocacy for survivors of violence and sexual assault.

"Many factors, such as race and Hispanic origin, gender, citizenship, English-speaking ability and geographic location do influence work-life earnings but none had as much impact as education." —CENSUS.GOV

IMPROVING SCHOLARS At-risk middle and high school students are kept on the path toward academic and career goals with weekly guidance that improves their scholastic performance and helps them avoid delinquent behaviors.

PROJECT DISCOVERY Low-income high school students and potential first generation college students increase their chances of attending and succeeding in college by participating in this college access program, which provides workshops, leadership activities, and college campus visits.

VIRGINIA COMMUNITY ACTION RE-ENTRY SYSTEM (CARES) Returning citizens are assisted with the transition from state prison to life in the community by receiving supportive services including information, referral, counseling and employment assistance.

WASHINGTON COUNTY FREE DENTAL CLINIC Community dentists volunteer and provide tooth extractions for low-income individuals in Washington County.

 **REAL VOICES: PEOPLE MOVE OUT OF POVERTY**

Customers increase educational level • Customers increase their life skills

Project Discovery: opportunity and leadership

Kaitlyn Allison was served by People Incorporated’s Project Discovery initiative for all four years of high school. She went on more than 10 campus visits and volunteered for Washington County’s Family Fun Day and Operation Christmas Child. Agency staff helped her with financial aid, college processes, preparation for college, and where she wanted to go after graduation.

Kaitlyn is currently attending Virginia Highlands Community College for her second Associate’s Degree. She graduated with an Associate’s degree in Arts & Science in May 2017 but decided she wanted to also get her Criminal Justice degree. She wants to continue her education and become a police officer or a parole officer for youth. “I wouldn’t have known what to do without Project Discovery and I still get help whenever I have a question,” Kaitlyn said.



Kaitlyn’s younger sister, Mackenzie, is currently in Project Discovery. She learned about the opportunity from her sister and has participated in the program for all four years of high school. She has gone on many campus visits, after school meetings, and learned information to assist her in her graduation plans. Mackenzie is currently a senior in high school and knows that she wants to attend Bluefield College or join the military. According to Mackenzie, “Project Discovery helped me so much.”

Both Kaitlyn (right) and Mackenzie (left) will remain involved with the program by serving as members of People Incorporated’s Local Advisory Board.



 **REAL VOICES: PEOPLE MOVE OUT OF POVERTY**

Children obtain healthcare • Children develop school readiness

A future for Caynen

Zina Crowe was referred to People Incorporated by the local Community Services Board. A Family Advocate went to her home to discuss available services with Zina for her grandson, Caynen, who is a non-verbal, autistic child. Zina decided the Early Head Start home-based program suited them best. Once enrolled, staff assisted Zina with completion of paperwork needed to establish legal custody and with applying for Social Security and other benefits.

With assistance from People Incorporated, Zina was able to enroll Caynen in a special needs Pre-K 3 year old program to assist him with speech and occupational therapy services. Through the program, Caynen could attend Pre-K twice a week and remain in the home-based program.

After Caynen reached the age limit for the home-based program the family continued working with People Incorporated to access additional services through Comprehensive Health Investment Project (CHIP). Zina feels she has been provided many tools to assist with Caynen’s future. Zina says that, “Without People Incorporated, I don’t know what I would have done.”



SERVICE AREA AND OFFICE LOCATIONS

ABINGDON OFFICE:
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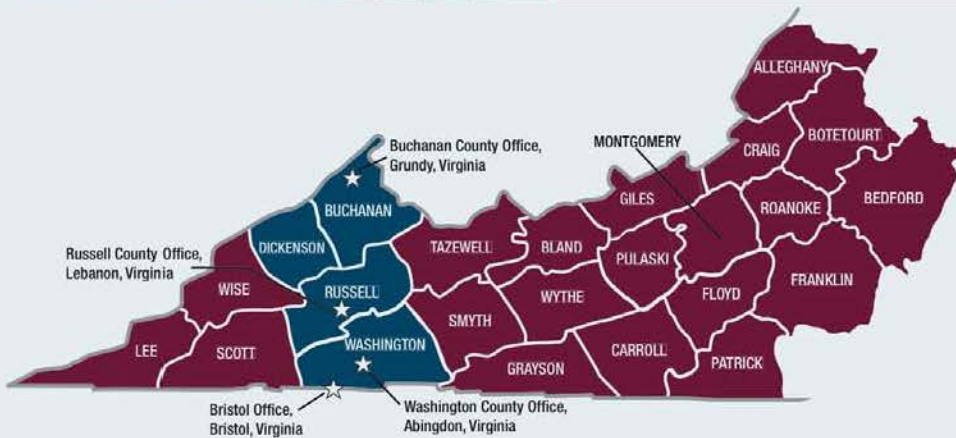
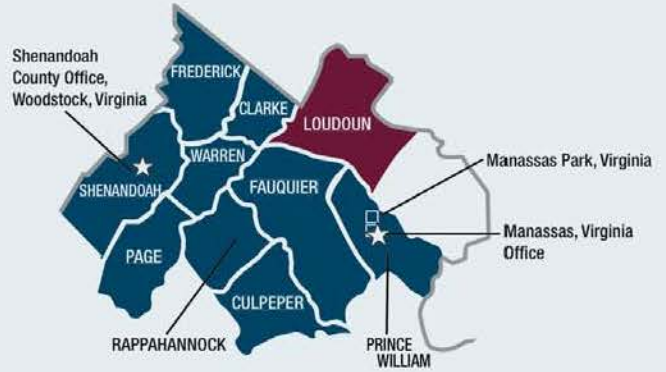
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Scan this QR code with your Smart Phone to visit www.peopleinc.net



GOAL **2**



Communities experience positive development

People Incorporated works in partnership with business, government, industry, and educational institutions to positively impact communities throughout our 32-county Virginia service area. Through these efforts, specific goals for community development are achieved and sustained.

As a five-time New Markets Tax Credits (NMTC) Allocatee, People Incorporated innovates to find new and impactful ways of addressing the effects of poverty in the communities the agency serves. By using NMTCs to raise private investment capital, People Incorporated has been able to bring its community development lending to a new and dramatic scale, and significantly increase the volume, scope, velocity and impact of the investments that we make in predominantly rural low-income communities.

438



**JOBS CREATED OR RETAINED
AS A DIRECT RESULT OF
PEOPLE INCORPORATED**



REAL VOICES: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Building community assets • Spurring business growth



The Bristol Hotel

The revitalization and repurposing of Bristol's tallest, most iconic building will have immediate and long-lasting impact on downtown Bristol and the Tri-Cities region. This project will provide 86 jobs within the first year, not including construction, and will grow to more than 100 jobs over the following five years after opening. As a result, The Bristol Hotel will contribute over \$2.6 million in local salaries and wages as well as over \$600,000 in additional state and local revenue. As the developer said, "The renewed activity centered around The Bristol Hotel as a destination will generate increased traffic for local businesses while elevating visibility for the Bristol community to further spawn economic growth and activity. While all of the sources of capital were vitally critical to the financing of the +\$25 million project, including federal and historic tax credits, bank loans, and grants from Virginia Tobacco Commission and City of Bristol, Virginia, the \$11.6 million in New Markets Tax Credit provided by People Incorporated was the 'game changer' in making The Bristol Hotel a reality."

GOAL: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Community Economic Development Services

ACTIVITIES

895 free Federal income tax returns prepared.

Taxpayers saved approximately **\$179,000** in tax preparation fees and received **\$310,937** in EITC (earned income tax credit).

7 IDA participants graduated to start up or expand their business.

2 IDA participants graduated to pursue educational goals.

21 business loans closed totaling **\$1,310,191**.

13 micro loans totaling **\$332,043.51**.

17 businesses started or expanded due to financial services.

438 jobs were created or retained as a result of community economic development services.

23 business loans were repaid in full.

1,317 participants trained in financial literacy, microenterprise, or received one-on-one technical assistance.

43 consumer loans were closed, totaling **\$145,922**.

28 consumer loans paid in full.

EARNED INCOME TAX CREDIT OUTREACH PROGRAM Individuals and families are assisted to claim all eligible tax credits through free federal income tax preparation and electronic filing to maximize refunds.

BUSINESS LOAN SERVICES Access to capital for microenterprise and small business loans ensures that qualified business owners have the financing they need to grow their business to its full potential and create jobs.

TECHNICAL ASSISTANCE AND TRAINING Small business owners who receive technical assistance or attend business training workshops are better prepared to succeed in business and to strengthen their balance sheet.

CONSUMER LENDING The program offers an affordable alternative to payday and title lenders and provides access to credit counseling and financial literacy training to help borrowers get their finances back on track.

INDIVIDUAL DEVELOPMENT ACCOUNTS (IDA)

IDAs facilitate a pattern of regular savings for modest income working families using matching funds. Clients build assets and long-term economic security.

NINTH DISTRICT DEVELOPMENT FINANCING (NDDF) Local economies are enhanced through this specialty loan program that enables tourism-based business owners to start or expand their businesses with below market rate financing in the Ninth Congressional District of Virginia.

NEW MARKETS TAX CREDITS New Markets Tax Credits attract private investment to community development projects in low-income communities by offering tax credits to investors in return for qualified equity investments. The funds finance high impact businesses that create jobs and build opportunities and economic growth in low-income communities.



17

**BUSINESSES RECEIVED START-UP
OR EXPANSION LOANS**

REAL VOICES: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Families and individuals improve housing situation • Consumer loans

Consumer loan enables home repairs

Velva Bostic and her husband were in desperate need of home repairs. After many years of deterioration, a leaking roof, and storm doors falling apart—the bathtub fell through the floor, breaking waterlines loose. Medical bills and trips to the doctor for her husband resulted in debt in the hundreds of thousands and they were unable to pay for repairs. Velva called People Incorporated to ask about a consumer loan. In summer 2017, she applied for a loan with her son putting up his mobile home as collateral. The application was approved quickly. As soon as Velva was able to pick up the loan, she went to purchase supplies for all the repairs needed. She used the funds to have someone rebuild the bathroom with a shower, fix the roof, water seal her porch and install two new storm doors. “I thank People Incorporated from the bottom of my heart for the help they were able to give me.” Velva stated.



REAL VOICES: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Building community assets • Spurring business growth

Old Trade Brewery

Housed in a remodeled horse barn, Old Trade Brewery is a small business start-up in Brandy Station, Culpeper County, Virginia. Garrett Thayer and his wife, Sara, prepared for this business venture for several years. They had saved money in order to apply for business loans through a traditional bank. However, several banks declined funding for the brewery. Thankfully, the Thayers were informed of People Incorporated’s business loans and were approved for over \$200,000 to make their dream come true.

Garrett did most of the carpentry, plumbing, and updates to the barn himself once funds were in hand. Once the barn was ready, the brewery opened in May 2017 and has since had over 3,000 customers. The brewery offers craft beer, food options (mainly local Virginia food), a dog park, children’s playground and entertainment. The brewery currently employs three part time employees and has growth plans for the near future, including expanding to hard cider and creating event space. “We would have had to start much smaller,” Garrett stated. “These funds allow us to buy the equipment we needed. I recommend People Incorporated all the time.”



Garrett and Sara Thayer, owners of Old Trade Brewery.



Building Futures, Realizing Dreams

GOAL: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Workforce Development Services

ACTIVITIES

57 adults attained gainful employment with an average wage of **\$14.36**.

74% of individuals completed training to advance job skills.

47 youth attained gainful employment with an average wage of **\$9.46**.

38 youth received vocational training leading to a certification or diploma.

204 youth exhibited new or improved job skills and/or advanced his or her education as a result of participation in employment-focused training and activities.

353 individuals who had become unemployed through no fault of their own received training and employment counseling services.

156 individuals obtained employment after furthering their education or receiving skills training through Dislocated Worker Program services.

WYTHEVILLE ONE-STOP CAMPUS As a Virginia Workforce Center, the One-Stop Campus provides a variety of employment, training, and career education services to job seekers, workers, employers, and youth.

DISLOCATED WORKER SERVICES Dislocated workers, unemployed through no fault of their own or who have received an official layoff notice, find employment through job training and employment services. Participants upgrade skills, obtain employment, improve job retention, and increase earnings.

ADULT SERVICES are designed to meet employer needs by helping job seekers upgrade skills, obtain employment, improve job retention, and increase earnings.

YOUTH SERVICES provide eligible youth with assistance in achieving academic and employment success. Effective and comprehensive activities, which include a variety of options for improving educational and skill competencies, provide effective connections to employers.



What can People do?

Because of changes to the coal-mining market, funding was made available through the (POWER) Partnerships for Opportunity and Workforce Economic Revitalization Grant to assist coal-mining employees that were displaced.

DISLOCATED WORKER SERVICES

156 

INDIVIDUALS OBTAIN EMPLOYMENT AFTER FURTHERING THEIR EDUCATION OR RECEIVING SKILLS TRAINING



REAL VOICES: COMMUNITIES EXPERIENCE POSITIVE DEVELOPMENT

Building community assets • Spurring business growth • Creating sustainable jobs

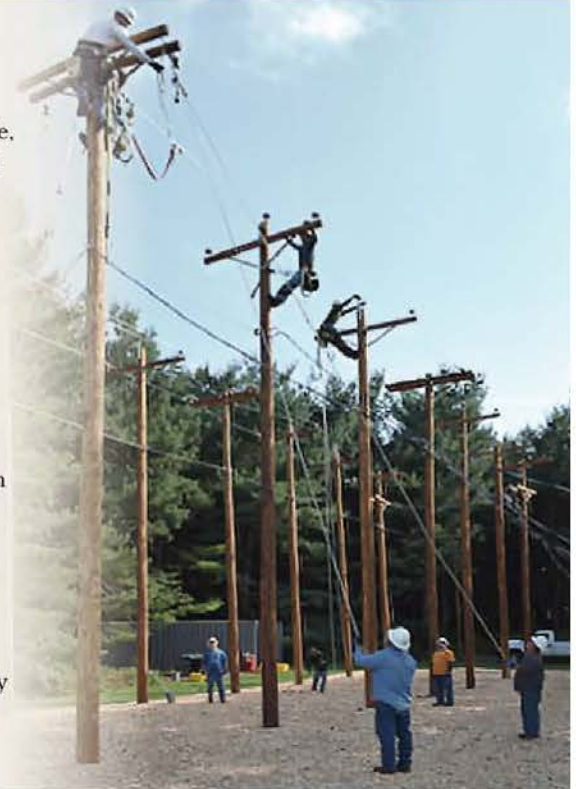
Dislocated Worker Services

Roop, Combs, and Powers

In May 2016, Kennametal, a coal-mining tool manufacturer in Chilhowie, Virginia, announced it would be closing its doors and 89 workers would lose their jobs. Because of changes to the coal-mining market, funding was made available through the (POWER) Partnerships for Opportunity and Workforce Economic Revitalization Grant to assist coal-mining employees that were displaced. Robert Roop, Paul Combs and Jimmy Powers were three of these employees.

They enrolled in People Incorporated's Dislocated Worker services shortly after their layoff. They had only worked at Kennametal, so the challenge and obstacles with starting over were intimidating. People Incorporated partnered with Wytheville Community College for their Powerline Worker Program. Due to this partnership, all three attended the eight week training course that prepared them for the career field. In addition, Jimmy Powers completed an additional six weeks training to obtain a Commercial Drivers License.

During the final week of training, representatives from Pike Electric were there to observe and take notes on all the students' progress. Individual interviews were conducted and the students were told Pike Electric would make a decision and contact them if a hire offer was forthcoming. After their June 2017 graduation, Robert, Paul, and Jimmy were offered employment with Pike Electric. They began their jobs on July 14th and "feel like a new adventure" has begun.



GOAL 3



Be an agency of excellence

Practice effective partnerships • Be an employer of choice • Demonstrate financial stability

BUILDING EFFECTIVE PARTNERSHIPS: FUNDING PARTNERS

Advantage Capital Partners
 APCO Weatherization Services
 Abingdon Green Apartments, LLC
 Abingdon Terrace Apartments, LLC
 Abingdon Village Apartments, LLC
 Appalachian Markets Capital Investment Fund, LLC
 Bristol, VA
 Brunswick Manor, LLC
 CHIP of Virginia
 Clinch View Manor, LLC
 Continental Tire Sumter, LLC
 Corporation for National and Community Service
 Dante Housing, LLC
 Deskins Apartments, LLC

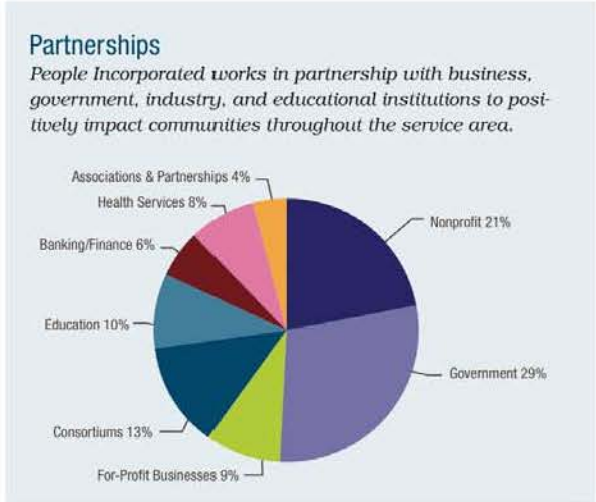
Deutsche Bank
 Dickenson County, VA
 Fauquier County, VA
 Fahe
 Federal Emergency Management Agency
 Federal Home Loan Bank of Atlanta
 Friends of Southwest Virginia
 Health Resources and Services Administration
 Historic Masonic Theatre, LLC
 Individual Donors
 Jonesville Manor Apartments, LLC
 Knauf Insulation, Inc.
 LowCountry BioMass, LLC
 Morgan County Real Properties I, Inc
 Morgan County Real Properties II, Inc.

Neighborworks America
 New River Mount Rogers Workforce Investment Board
 Ninth District Development Financing, Inc.
 Norton Green Apartments, LLC
 Opportunity Finance Network
 PFVW, LLC
 Project Discovery of Virginia
 Pulaski Village Apartments, LLC
 Riverside Place Apartments, LLC
 Rural New Markets Fund, LLC
 SkyPAC Tenant, Inc.
 Sweetbriar, LP
 Tazewell County, VA
 Town of Haysi, VA
 Southwest Virginia Legal Aid Society
 Southwest Virginia Workforce Development Board
 Spruce Hill Apartments, LLC
 Tobacco Region Revitalization Commission
 Toms Brook Apartments, LLC
 UC Real Properties, Inc.
 U.S. Department of Agriculture
 U.S. Department of Criminal Justice Services
 U.S. Department of Energy

U.S. Department of Health and Human Services
 U.S. Department of Housing and Community Development
 U.S. Department of

Volunteer hours 2017
57,603

Housing and Urban Development
 U.S. Department of Treasury
 U.S. Small Business Administration
 Valley Vista Apartments, LLC
 Virginia Community Action Re-entry Solutions, Inc.
 Virginia Community Action Partnership
 Virginia Department of Health
 Virginia Department of Housing and Community Development
 Virginia Department of Social Services
 Virginia Housing Development Authority
 Internal Revenue Service
 Warren County, VA
 Washington County, VA
 Wells Fargo Foundation
 West Lance Apartments, LLC





BE AN AGENCY OF EXCELLENCE

People Incorporated of Virginia 2017 Board of Directors

Executive Committee

Chris Shortridge,
Chair, Buchanan County

David McCracken,
Vice Chair, Washington County

Alice Meade,
Secretary, Russell County

Vicki Porter,
Assistant Secretary, Russell County

John Ayers,
Treasurer, Shenandoah County

At-Large Members

Tommy Burris, *City of Bristol*

Tony Carter, *Warren County*

Ronald King, *City of Manassas*

Dennis Morris, *Shenandoah County*

Jan Selbo, *Fauquier County*

Board Members

Steven M. Botello

Dr. Janet L. Justice Crickmer

Betty Dean, Eula Ellison

Winona Fleenor, Linda Gibson

Yvette Goode, Bobbie Gullett

Crystal Hale, Sue Harless

Ashley Hartless, Coleen Hillerson

Tony Hooper, Elijah Johnson

Randi Knights, James Kraft

Stephanie Lillard, Phillip McCall

G. David Moore, Jr.

Kevin Mumpower

Jean Neal, John Richard Neese

Lisa Peacock, Doris C. Shuman

Billy P. Taylor, Larry H. Tiller

James E. Runion III

Kati Statzer, Danny Swartz

Nikole Williams, Wanda Williams

Larry D. Yates, Cathy M. Zielinski

A MESSAGE FROM THE BOARD OF DIRECTORS

This was a transformative year for People Incorporated; the changes that we made this year will increase our clients' success for years to come. For fifty-two years we excelled at developing and operating grant-funded programs that provided a range of anti-poverty services to people who wanted to enhance their lives, their families, and their communities. We are now becoming an organization that coordinates and marshals the resources that are needed to address the multiple needs of the individuals, families, and communities that we serve.

This year People Incorporated instituted a "no wrong door" policy, installed a new client assessment and management information system, and established a long-term follow-up and evaluation department. The staff and the Board have also identified long-term outcomes to be evaluated for the agency and each of its programs.

We believe that there is no silver bullet that will enable people to escape poverty. Low-income people often have more than one hurdle to clear in order to escape poverty, so they need multiple services and supports in order to make real progress. From this point forward, People Incorporated will help people assess their needs, develop goals, make plans, and create a unique bundle of services that address their needs and aspirations. When applicants approach any of our program staff, they complete an agency intake form that evaluates their need and eligibility for other services that we offer, as well as those offered by other service providers. With the applicants' permission, we will refer them to the appropriate person to apply for services, then we will follow-up to make sure that the services were received. Once people complete their service plans and are no longer our clients, we will follow-up with them to evaluate the impact of our services, to find ways to improve our effectiveness, and to determine if the former client could benefit from additional services.

Our new approach to how we provide services will increase the success of the people who come to us in a quest for a better life, while our new follow-up and evaluation capacity will also enable People Incorporated to manage to the outcomes that we have targeted. These core changes to the way that People Incorporated does business are transformational, and will provide for the long term stability and sustainability for the agency, and our clients, well into the future.

Sincerely,

Chris Shortridge
Chairman, Board of Directors
People Incorporated of Virginia



INDEPENDENT AUDITOR'S REPORT November 6, 2017**TO THE BOARD OF DIRECTORS, PEOPLE INCORPORATED OF VIRGINIA, ABINGDON, VIRGINIA****Hicok, Fern &
Company****Certified Public
Accountants**

Thomas M. Hicok,

CPA, CVA, MAFF^{1, 2*}James H. Fern, CPA, CVA^{2*}

David B. Brown, CPA

Juan J. Garcia, CPA

Karen L. Jackson, CPA

Rodney P. Jackson, CPA^{2*}

155 E. Valley Street

P.O. Box 821

Abingdon, Virginia

24212-0821

276-628-1123

Fax: 276-676-3000

e-mail:

hicokfern&co@firmcpa.com

*Members of American
Institute of Certified
Public Accountants**Members of
Virginia Society of Certified
Public Accountants**All Accountants Licensed In Virginia
With Additional Licensures Noted: ¹KY;
²NC; ³TN; ⁴WV***Members of National Association of
Certified Valuation Analysts**A complete copy of our
audited financial statements is
available at www.peopleinc.net or
upon request.***Report on Compliance for Each Major Federal Program**

We have audited People Incorporated of Virginia and Affiliates' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of People Incorporated of Virginia and Affiliates' major federal programs for the year ended June 30, 2017. People Incorporated of Virginia and Affiliates' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of People Incorporated of Virginia and Affiliates' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirement referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about People Incorporated of Virginia and Affiliates' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of People Incorporated of Virginia and Affiliates' compliance.

Opinion on Each Major Federal Program

In our opinion, People Incorporated of Virginia and Affiliates, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

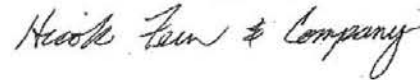
Report on Internal Control Over Compliance

Management of People Incorporated of Virginia and Affiliates is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered People Incorporated of Virginia and Affiliates' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of People Incorporated of Virginia and Affiliates' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



HICOK, FERN & COMPANY, CERTIFIED PUBLIC ACCOUNTANTS, November 6, 2017

STATEMENT OF CONSOLIDATED FINANCIAL POSITION *For June 30, 2017*

ASSETS	Total
Current Assets	
Cash and cash equivalents	\$ 1,081,637
Vacation trust account	179,270
Receivables:	
Grants	1,979,892
Clients	127,946
Contracts	316,350
Rents, Interest, and Other (net of allowance of \$11,326)	111,543
Related Party	1,809,916
Inventory	58,845
Prepaid expenses	123,168
Other current assets	83,547
Total Current Assets	\$ 5,872,114
Long-term Assets:	
Notes receivable (Net of allowance for bad debts of \$66,583)	3,678,816
Notes receivable - related party	4,368,734
Property, plant, & equipment	27,762,132
Accumulated depreciation	(8,317,958)
Total Long-term Assets	27,491,724
Other Assets:	
Deferred Developer Fees	3,064,464
Investments	576,647
Total Other Assets	3,641,111
Total Assets	\$ 37,004,949
LIABILITIES & NET ASSETS	
Current Liabilities:	
Accounts payable	\$ 961,759
Accrued expenses	480,510
Deferred revenue	309,334
Retainage Payable	117,263
Refundable deposits	1,341,525
Lines of Credit	454,705
Lease obligations payable - current	22,846
Notes payable - current	449,875
Total Current Liabilities	\$ 4,137,817
Long-term Liabilities:	
Compensated absences	1,622,394
Lease obligations payable - net of current	-
Notes payable - net of current	3,738,748
Total Long-term Liabilities	5,361,142
Other Liabilities:	
Deferred Developer Fees	3,064,464
Total Other Liabilities	3,064,464
Total Liabilities	\$ 12,563,423
NET ASSETS	
Unrestricted	
Undesignated	6,964,100
Board Designated - Reserve Fund	174,978
Total Unrestricted	7,139,078
Temporarily restricted	17,302,448
Total Net Assets	24,441,526
Total Liabilities & Net Assets	\$ 37,004,949

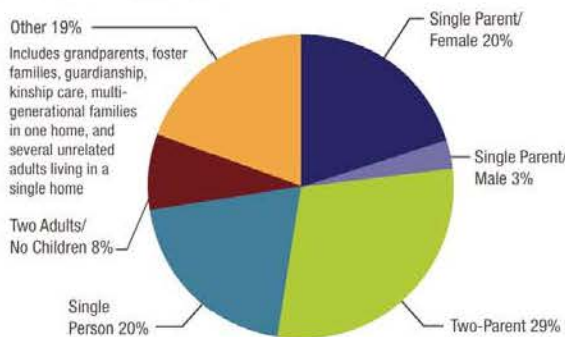
STATEMENT OF CONSOLIDATED ACTIVITIES

For the year ended June 30, 2017

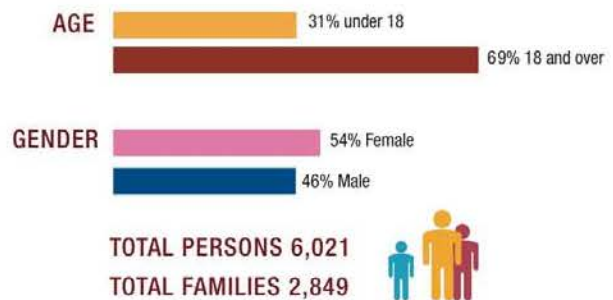
REVENUES	Unrestricted	Temporarily Restricted	Total
Grants	\$ 1,054,731	\$ 10,919,267	\$ 11,973,998
Other	2,177,971	78,594	2,256,565
Interest	144,957	84,065	229,022
Contributions	1,537	4,811	6,348
In-Kind	248,807	-	248,807
Net assets released from restrictions:			
Satisfaction of program restrictions	10,955,280	(10,955,280)	-
Total Revenues	14,583,283	(131,457)	14,714,740
EXPENSES			
Program Services			
Community Services	1,667,426	-	1,667,426
Community Development	766,336	-	766,336
Community Economic Development	840,766	-	840,766
Children & Family Services	4,331,462	-	4,331,462
Housing	3,197,509	-	3,197,509
Workforce Development	2,273,957	-	2,273,957
Support Services			
General and Administrative	1,692,724	-	1,692,724
Fundraising	345,020	-	345,020
Total Expenses	15,115,200	-	15,115,200
Change in Net Assets	(531,917)	131,457	(400,460)
Net Assets At Beginning of Year	7,670,995	17,170,991	24,841,986
Net Assets At End of Year	\$ 7,139,078	\$ 17,302,448	\$ 24,441,526

A complete copy of our audited financial statements is available at www.peopleinc.net or upon request.

FAMILY STRUCTURE

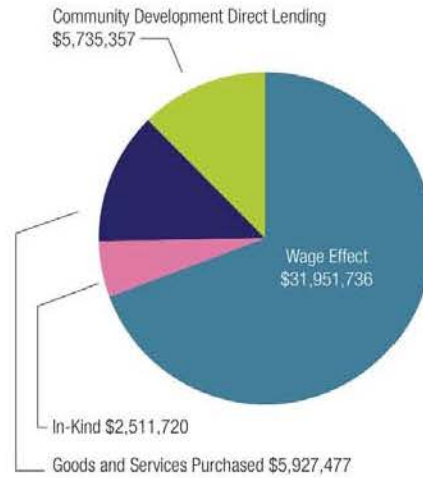


CLIENT PROFILE



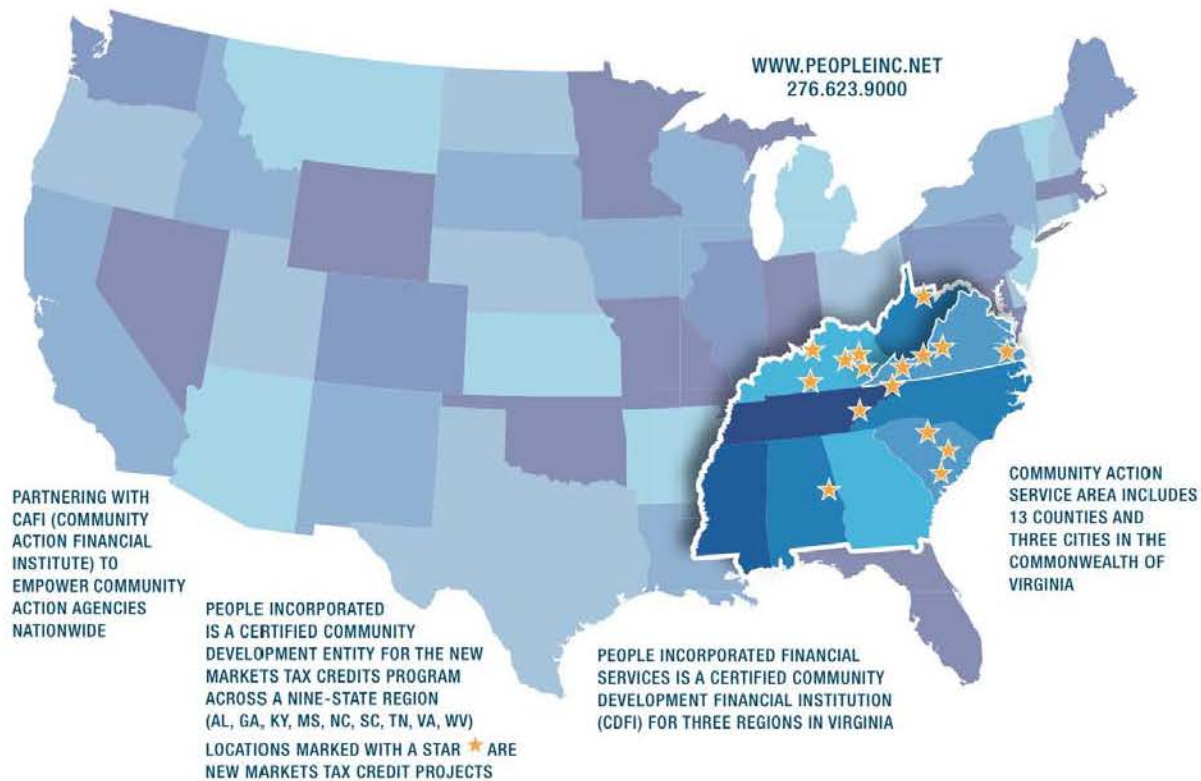
ANNUAL ECONOMIC IMPACT *Total, Fiscal Year 2017*

Wage Effect	\$ 31,951,736
Goods and Services Purchased	5,927,477
In-Kind	2,511,720
Community Development Direct Lending	5,735,357
Total Economic Impact	\$ 46,126,290



NATIONAL AND REGIONAL IMPACT

People Incorporated excitedly anticipates expanding our ability to meet our mission regionally and nationally as we continue to provide opportunities for economically disadvantaged people to reach their goals in order to enhance their lives, their families and their communities.



Building Futures, Realizing Dreams



Scan this QR code to donate with credit card through PayPal, or visit www.peopleinc.net/volunteer-donate.htm



1173 West Main Street | Abingdon, VA 24210
276.623.9000 | info@peopleinc.net
www.peopleinc.net

Approval of Minutes

➤ **January 25, 2018, Organizational and Quarterly Meeting**

Proposed Motion for full Board of Directors: I move to approve the minutes of January 25, 2018, as [presented] or [as amended citing specific amendment].

➤ **April 11, 2018, Finance Subcommittee Meeting**

Proposed Motion for Finance Subcommittee members Mark Cochran, David Juday, and Bill Waite: I move to approve the minutes of April 11, 2018, as [presented] or [as amended citing specific amendment].

Industrial Development Authority of the Clarke County Virginia
Board of Directors
January 25, 2018 Minutes

A meeting of the Industrial Development Authority of the Clarke County Virginia held in the Berryville/Clarke County Government Center, Berryville, Virginia, on Thursday, January 25, 2018, at 1:00 PM.

Directors Present: Mark Cochran, Paul Jones, David Juday, Rodney Pierce, William Waite

Directors Absent: Brian Ferrell, English Koontz

Board of Supervisors Liaison Absent: David Weiss

County Staff Present: Len Capelli, Lora Walburn

Others Present: Janice Kuhn, Christy Dunkle, Cathy Kuehner

1. Call to Order

At 1:00 pm, David Juday called the meeting to order.

2. Adoption of Agenda

On a motion by Rod Pierce, seconded by Mark Cochran, the agenda was adopted by the following vote:

Mark Cochran	-	Aye
Brian Ferrell	-	Absent
Paul Jones	-	Aye
David Juday	-	Aye
English Koontz	-	Absent
Rodney Pierce	-	Aye
William Waite	-	Aye

3. Organizational Items

2017 Chair David Juday turned over the 2018 nominations to Lora Walburn, IDA Clerk.

Elect Chair

Lora Walburn, IDA Clerk, called for nominations for 2018 Chair.

David Juday moved to nominate Mark Cochran to serve as 2018 Chair.

Rod Pierce moved to close the nomination David Juday

David Juday, seconded by Rodney Piece, moved to nominate and elect Mark Cochran to serve as 2018 Chair.

Lora Walburn, Clerk, called for vote on the motion to nominate and elect.

The motion carried by the following vote:

Mark Cochran	-	Abstain
Brian Ferrell	-	Absent
Paul Jones	-	Aye
David Juday	-	Aye
English Koontz	-	Absent
Rodney Pierce	-	Aye
William Waite	-	Aye

Following the vote, the meeting was turned over to the Mark Cochran.

Elect Vice Chair

Chairman Cochran called for nominations for 2018 Vice Chair.

Rod Pierce moved to nominate Brian Ferrell to serve as 2018 Vice Chair.

David Juday, seconded by Paul Jones, moved to close nominations and elect Brian Ferrell to serve as 2018 Vice Chair.

The motion carried by the following vote:

Mark Cochran	-	Aye
Brian Ferrell	-	Absent
Paul Jones	-	Aye
David Juday	-	Aye
English Koontz	-	Absent
Rodney Pierce	-	Aye
William Waite	-	Aye

Elect Secretary/Treasurer

Chairman Cochran called for nominations for 2018 Secretary / Treasurer

Following discussion, David Juday, seconded by Rod Pierce move to combine the positions of Secretary and Treasurer. The motion carried by the following vote:

Mark Cochran	-	Aye
Brian Ferrell	-	Absent
Paul Jones	-	Aye
David Juday	-	Aye
English Koontz	-	Absent
Rodney Pierce	-	Aye
William Waite	-	Abstain

Rod Pierce, seconded by David Juday, moved to nominate and elect William "Bill" Waite to serve as 2018 Secretary / Treasurer. The motion carried by the following vote:

Mark Cochran	-	Aye
Brian Ferrell	-	Absent
Paul Jones	-	Aye
David Juday	-	Aye
English Koontz	-	Absent
Rodney Pierce	-	Aye
William Waite	-	Abstain

Set Meeting Date, Time and Location

By affirmation, the Board adopted the schedule as presented.

2018 Meeting Schedule

April 26

July 26

October 25

1:00 pm, 4th Thursday Quarterly. Meeting Room AB

Adopt Bylaws and Rules and Procedures of the Industrial Development Authority of the Clarke County, Virginia

Staff Recommendation:

- Section 304: Add Finance subcommittee section.
- Section 405: Add "All check or money transfers exceeding \$499 shall be countersigned by the Treasurer and Chair."

Following review, **William Waite**, seconded by Rod Pierce, moved to adopt the Bylaws and Rules of Procedure revision dated January 26, 2018, as presented. The motion carried by the following vote:

Mark Cochran	-	Aye
Brian Ferrell	-	Absent
Paul Jones	-	Aye
David Juday	-	Aye
English Koontz	-	Aye
Rodney Pierce	-	Absent
William Waite	-	Aye

4. Approval of Minutes

William Waite, seconded by David Juday, moved to approve the October 26, 2017, minutes as presented. The motion carried as follows:

Mark Cochran	-	Aye
Brian Ferrell	-	Absent
Paul Jones	-	Aye
David Juday	-	Aye
English Koontz	-	Absent
Rodney Pierce	-	Aye
William Waite	-	Aye

5. Economic Development Director Update

- Hydroponic Greenhouse Facility
 - o No status adjustment or statement.
 - o No application made and no action before the County.
- Town of Berryville: Researching impact of rezoning.
- GoVirginia: Working with regional entities to develop a proposal for a manufacturing, incubator, and training facility.
- Shenandoah Valley Tourism Partnership: Tremendous amount of interest generated from participation.

6. Treasurer's Report

From IDA check long:

Status	Check No.	Date	Description	Category	Credit	Debit	Balance	Additional Information
Y	N/A	6/1/2017	Balance	Balance	\$66,061.93	\$-	\$66,061.93	
Y	536	6/28/2017	VACorp	Insurance	\$-	\$1,333.00	\$64,728.93	
Y	537	7/28/2017	Mark Cochran	Director Fees	\$-	\$150.00	\$64,578.93	Meeting 02/20, 04/27, 7/27
Y	538	7/28/2017	David Juday	Director Fees	\$-	\$150.00	\$64,428.93	Meeting 02/20, 04/27, 7/27
Y	539	7/28/2017	English Koontz	Director Fees	\$-	\$100.00	\$64,328.93	Meeting 04/27, 7/27
Y	540	7/28/2017	Rodney Pierce	Director Fees	\$-	\$100.00	\$64,228.93	Meeting 02/20, 04/27
	541	7/28/2017	Brian Ferrell	Director Fees	\$-	\$100.00	\$64,128.93	Meeting 02/20, 07/27
Y	542	7/28/2017	Allan Frederickson	Director Fees	\$-	\$50.00	\$64,078.93	Meeting 07/27
Y	543	8/14/2017	LFSBDC	Civic Contributions	\$-	\$6,000.00	\$58,078.93	
Y	Dep	9/13/2017	Grafton School	Bond Fees	\$18,322.50	\$-	\$76,401.43	
Y	Dep	9/18/2017	LFCC	Bond Fees	\$16,147.00	\$-	\$92,548.43	
Y	544	11/16/2017	Mark Cochran	Director Fees	\$-	\$50.00	\$92,498.43	Meeting 10/26/2017
Y	N/A	10/31/2017	Bank of Clarke County	Bank Fees	\$-	\$18.00	\$92,480.43	Duplicate Bank Statements
Y	545	11/16/2017	Robinson Farmer Cox	Audit	\$-	\$1,635.00	\$90,845.43	FY16 Audit
Y	546	11/16/2017	Brian Ferrell	Director Fees	\$-	\$50.00	\$90,795.43	Meeting 10/26/2017
Y	547	11/16/2017	Paul Jones	Director Fees	\$-	\$50.00	\$90,745.43	Meeting 10/26/2017
Y	548	11/16/2017	David Juday	Director Fees	\$-	\$50.00	\$90,695.43	Meeting 10/26/2017
Y	549	11/16/2017	English Koontz	Director Fees	\$-	\$50.00	\$90,645.43	Meeting 10/26/2017
Y	550	11/16/2017	Rodney Pierce	Director Fees	\$-	\$50.00	\$90,595.43	Meeting 10/26/2017
Y	Transfer	11/16/2017	Checking to Infinex Investments	Transfer	\$-	\$50,000.00	\$40,595.43	
Y	Dep	12/5/2017	Shenandoah University	Bond Fees	\$19,537.50	\$-	\$60,132.93	Outstanding
Y	Dep	12/29/2017	Shenandoah University	Bond Fees	\$3,907.50	\$-	\$64,040.43	2017 Fees

From Bond Database:

Borrower	Bond Type	Date Issued / Resolution	Original Amount \$MM	2017 Fees \$K	Outstanding Balance 2017 \$MM	Date OB
BCCGC County of Clarke	Lease Revenue Bond	5/16/2007	\$4,822,000	N/A	-	6/30/2016
BCCGC Town of Berryville	Lease Revenue Bond	5/16/2007	\$2,327,000	N/A	-	6/30/2016
Grafton School, Inc.	Tax-exempt Educational Facilities Revenue Refunding Bonds Series 2010	Loan Issued 5/1/2010; 5/28/2010	\$9,225,000	-	-	12/3/2010
Lord Fairfax Community College Educational Foundation, Inc.	Educational Facilities Revenue Bond Series 2012A [Tax-exempt] \$8,400,000	11/14/2012; 12/28/2012	\$8,400,000	-	-	12/28/2016
Shenandoah University Project	Educational Facilities Revenue Bonds, Series 2011	12/08/2011; 12/15/2011; 12/27/2011; Issue Date 5/31/2012	\$7,815,000	\$3,908	\$7,815,000	12/27/2017

\$3,908

Following review, **David Juday**, seconded by **William Waite**, moved to accept the Treasurer's Report as presented. The motion carried as follows:

Mark Cochran	-	Aye
Brian Ferrell	-	Absent
Paul Jones	-	Aye
David Juday	-	Aye
English Koontz	-	Absent
Rodney Pierce	-	Aye
William Waite	-	Aye

7. Old Business

Investment Options Review with Janice Kuhn – Highlights Include:

- Distributed and reviewed current account information.
- Two hypothetical options were developed at the request of the IDA Finance Subcommittee.
- Highlights of review:
 - o First option includes three funds:
 - More conservative model.
 - Divided equally across funds.

- Conservative, dividend-driven funds.
- Second option includes four funds:
 - Growth component added.
 - Funds not distributed equally in this option.
- Hypotheticals provide an idea of how to diversify funds for a better rate of return.
- Current investments are completely liquid.
- New money must be held for one year and subject to a 1% fee.
- Options developed 60 days ago; however, nothing has dramatically changed.

Guiding Principles

Bill Waite summarized his preliminary draft of the guiding principles. Highlights of review and discussion include:

- Document provides structure without setting forth a fixed plan.
- The Authority should not be stockpiling cash in the bank but using to invest in the County.
- Guideline conforms with discussion by the Finance Subcommittee at its the November 16 meeting.
- Guideline does not obligate the Board to any specific action.
- The Board will continue to approve investments.

David Juday, seconded by Rod Pierce, moved to adopt the Investment Guiding Principles as presented. The motion carried by the following vote:

Mark Cochran	-	Aye
Brian Ferrell	-	Absent
Paul Jones	-	Aye
David Juday	-	Aye
English Koontz	-	Absent
Rodney Pierce	-	Aye
William Waite	-	Aye

Clarke County Industrial Development Authority (IDA) Investment Guiding Principles

BACKGROUND:

The Clarke County Industrial Development Authority (IDA) issues bonds, refinances bonds, buys and sells property, and otherwise conducts appropriate and authorized

business as set forth in the code of Virginia. These activities can and do generate funds that the IDA maintains generally in the following two ways:

- 1) A checking account with the Bank of Clarke County used primarily for financing annual operating costs, as well as the initial account for the receipt and distribution of funds.
- 2) An investment account with Eagle Investment Group, a subsidiary of Bank of Clarke County, to maximize total return with prudent levels of risk during the pursuit of investment opportunities to achieve the stated IDA mission. These funds are specifically endorsed by the IDA Finance Committee. Average risk tolerance consistent with other investments made in the name of Clarke County.

In order to fulfill its statutory mission to serve the citizens of Clarke County and the Commonwealth of Virginia “through the increase of the their commerce, or through the promotion of the safety, health, welfare, convenience or prosperity,” the IDA further considers reinvesting the proceeds from its activities to retain and recruit business and other qualifying enterprises, including manufacturing, industrial, governmental, nonprofit and commercial enterprises and institutions, and the further use of the County’s agricultural products and natural resources, the IDA follows certain investment guiding principles.

INVESTMENT GUIDING PRINCIPLES:

The amount of the funds vary according to distribution needs but are generally divided into 4 groups:

- 1) Account balances under \$50,000 of liquid funds in the checking account to provide flexibility for the IDA Committee to access funds promptly without penalty.
- 2) Account balances in excess of \$50,000 and less than \$100,000 should be invested in financial instruments that can be accessed within 6 months without penalty. This investment is intended to generate a satisfactory, safe return to focus on short term investment opportunities.
- 3) Account balances in excess of \$100,000 and less than \$150,000 should be invested in financial instruments that can be accessed within one year without penalty. This investment, due to the term of the investment, is to generate slightly higher but safe returns to meet longer high-value investment opportunities.
- 4) Account balances in excess of \$150,000 should be referred immediately to the IDA committee for discussion. Consistent with the mission of the IDA, special attention should be paid to distribute these funds as soon as possible to promote worthy opportunities aligned with the IDA mission.

In addition, the Authority’s Board of Directors should target being self-sufficient by generating enough investment income to offset annual operating expenses.

Janice Kuhn requested a copy of the guiding principles.

In response to David Weiss, Board of Supervisors liaison to the Industrial Development Authority, as to when the Board anticipated reassessing its investments, the following was put forth:

- Provide a proposal within the next 30 days.
- Finance Subcommittee may make recommendation.
- Board of Directors may be polled individually.

8. New Business

FY2019 Budget Discussion

FY2019 Budget - Preliminary Draft

Expenditures Category	Amount	
Advertising	\$400	Public Hearings
Audit	\$1,675	RFC
Civic Contributions	\$6,000	SBDC LFCC
Director Fees	\$1,400	Meeting Attendance
Insurance	\$1,333	VACorp
Postage	\$25	
Professional Services	<u>\$1,000</u>	Legal
	\$11,833	

Revenues	Estimated Amount	Bond Balance 12/2016
----------	------------------	----------------------

Bonds:

Grafton School, Inc. Bond	\$1,758	\$3,515,000
LFCC Bond	\$3,857	\$7,714,039
Shenandoah University Bond	<u>\$3,907</u>	\$7,815,000
	\$9,522	

Actions identified during review:

- Schedule presentations and funding requests for the April 26 meeting from:
 - o Town of Berryville Funding Request
 - o People, Inc. Update

- o LFCC Small Business Development Center
- Add budget discussion to the April 26 meeting agenda.

Preliminary Notification of Potential Funding for the Town of Berryville

Bill Waite advised that he had been approached by Town representatives to put before the Board of Directors a request to consider \$10,000 in funding to update a market study.

Christy Dunkle, Town of Berryville Planner, advised that the Town received a grant for the Market Study with Financial Projections Proposed Hotel Berryville, Virginia prepared by Nichols Hospitality Consulting Inc. December 11, 2013. Ms. Dunkle provided the following:

- The 2013 study was conducted using a USDA Rural Business Enterprise Grant.
- In 2013, there was an entity interested in building an hotel in Clarke County; and properties throughout the County were considered including locations on Route 50 and 340. There was no interest from the owners of the two properties identified as the best locations. Since that time, an interested property owner has been identified and they are actively doing engineering work on the property.
- Changes since the 2013 study include:
 - o Trip generation on Route 7.
 - o No accommodations between Winchester and Leesburg.
 - o Rosemont is now doing over 70 weddings per year.
 - o Business Park is full with one business lodging visitors at the George Washington Hotel in Winchester
 - o Lucketts Fair has relocated and become the largest event in Clarke County.
 - o Town adopted Tourism Zone Incentives:
 - Zones identified: the downtown area, entrance corridors, and First Street.
 - Ability to pay water and sewer availability fees over a ten-year period.
 - Reduction in BPOL tax.
 - Reduction in Planning and Zoning fees from the Town.
- Updating the plan may generate more interest.
- Study is used by developers, recruiters, and investors.

Highlights of review include:

- Overnight accommodations are a need in the county.
- Define what has changed since the last study.
- Define what will be done with the study after completion.

- Determine impact of environmental and economic changes since the 2013 study.
- Narrowing the scope is critical.
- Consider how to attract investors.
- Consider whether a hotel will add economic value.
- The 15-room Battletown Inn is now closed.
- Consider impact and ways to engage the community.

Following review, the Board of Directors agreed to entertain further discussion on study funding at its April 26 meeting.

Potential Joint Meeting of the EDAC and IDA Discussion

Following discussion, the Industrial Development Authority asked staff to invite the Economic Development Advisory Committee to attend the April 26, 2018, Quarterly Meeting.

Next Meeting

The next meeting is scheduled for Thursday, April 26, 2018, 1:00 pm.

9. Adjournment

At 2:17 pm, **David Juday**, seconded by **William Waite**, moved to adjourn. The motion carried by the following vote:

Mark Cochran	-	Aye
Brian Ferrell	-	Absent
Paul Jones	-	Aye
David Juday	-	Aye
English Koontz	-	Absent
Rodney Pierce	-	Aye
William Waite	-	Aye

Minutes recorded and transcribed by: Lora B. Walburn, Executive Assistant - County Administration

Industrial Development Authority of the Clarke County Virginia
Board of Directors Finance Subcommittee
April 11, 2018 Minutes

A meeting of the Board of Directors of the Industrial Development Authority of the Clarke County Virginia Finance Subcommittee held in the Berryville/Clarke County Government Center, Berryville, Virginia, on Wednesday, April 11, 2018, at 11:00 AM, in the County Administration Conference Room.

Directors Present: Mark Cochran, David Juday, William Waite

Directors Absent: None

County Staff Present: Lora Walburn

Others Present: Janice Kuhn

1. Call to Order

At 11:01 am, Chairman Mark Cochran called the meeting to order.

2. Adoption of Agenda

David Juday, seconded by Bill Waite, moved to adopt the agenda as presented. The motion carried as follows:

Mark Cochran	-	Aye
David Juday	-	Aye
William Waite	-	Aye

3. FY2019 Budget Discussion and Recommendation

Chairman Cochran turned this segment of the meeting over to Bill Waite, Treasurer.

Investments / Revenue

Bill Waite, with Janice Kuhn, reviewed investment options. Highlights of discussion include:

- IDA accounts: \$60,000 in checking Bank of Clarke. \$85,000 in investments.
- Reviewed two scenarios:
 - o Reinvest dividends; or,
 - o Use dividends to cover operating costs.

- Reviewed investment types.
- Dividends can sweep into cash portion of the account.
- The IDA acts as a pass-through for the County.
- With substantial outlays typically reimbursed by the Commonwealth or the County, the IDA does not need to aggressively pursue principal growth.
- IDA needs a cash flow to fund local business opportunities such as the water and sewer subsidy program.
- By consensus, the Finance Subcommittee agreed to make the following recommend to the Board of Directors:
 - Transfer \$15,000 from checking to investments increasing investment balance to \$100,000.
 - Continue to maximize dividends / interest to cover operating costs.
 - Divide funds equally across portfolio.
 - Review portfolio on an annual basis with Board of Directors.

The Finance Subcommittee concurred:

- Add Janice Kuhn to IDA quarterly meeting notice.
- The IDA Treasurer and Janice Kuhn, Eagle Investments, discuss investments quarterly.
- Finance Subcommittee review investments semi-annually.

FY2019 Budget

Highlights of review include:

- Operating expense estimate \$12,000
 - Includes estimates for public hearing notices and legal fees if necessary.
- Revenue estimate \$12,000
- The Finance Subcommittee concurred on recommending adoption to the Board of Directors.

Other Matters

- The Treasurer instructed staff to:
 - Adjust the check log included in the Board's packet to reflect the current fiscal year.
 - Change the title on the check log to IDA Check Log FY2018

4. Waterloo Area Water and Sewer Availability Fee Subsidy Application Review and Recommendation

The Finance Subcommittee reviewed the most current draft of the Waterloo Area Water and Sewer Availability Fee Subsidy Program and Waterloo Area Water and Sewer - Availability Fee Subsidy Application. During review, staff was instructed to make the following changes:

- Application:
 - o Add check box for new business and existing business.
 - o Set Application Fee: *\$250 or 1% of total subsidy requested whichever is greater**
 - o Change Under Note: **Further, to induce the Industrial Development Authority of Clarke County, Virginia to consider this application, the Applicant agrees to pay all legal fees, recording fees, and other incidental costs of the Authority if applicable.*
- Program:
 - o Change F: An Application Fee of \$250 or one percent (1%) of the total subsidy requested, whichever is greater. *Note: Applicant shall be responsible for legal fees, recording costs, and other incidental costs if incurred.*

5. Adjournment

At 12:06 pm, **Bill Waite**, seconded by **David Juday**, moved to adjourn the meeting. The motion carried as follows:

Mark Cochran	-	Aye
David Juday	-	Aye
William Waite	-	Aye

Minutes recorded and transcribed by: Lora B. Walburn, Executive Assistant - County Administration

Industrial Development Authority of the Clarke County Virginia Board of Directors

Treasurer / Budget Items

- FY2018 YTD Check Log:

Action: The Treasurer recommends acceptance.

- Investments:

Action: The Finance Subcommittee recommends acceptance of the following:

- o Transfer \$15,000 from checking to investments increasing investment balance to \$100,000.
- o Continue to maximize dividends / interest to cover operating costs.
- o Divide funds equality across portfolio.
- o Review portfolio on an annual basis with Board of Directors.

- FY2019 Budget:

Action: The Finance Subcommittee recommends approval.

- Bonds Update:

Action: Information only.

- Bank of Clarke County Accounts – Signature Authority.

Action: Bank of Clarke County no longer requires countersignature. The Treasurer recommends amending Industrial Development Authority of the Clarke County, Virginia Bylaws Section 405: Remove “All check or money transfers exceeding \$499 shall be countersigned by the Treasurer and Chair.”

IDA Check Log FY2018

FY	Status	Check No.	Date	Description	Category	Credit	Debit	Balance	Additional Information
2018	Y	537	7/28/2017	Mark Cochran	Director Fees	\$ -	\$ 150.00	\$ 64,578.93	Meeting 02/20, 04/27, 7/27
2018	Y	538	7/28/2017	David Juday	Director Fees	\$ -	\$ 150.00	\$ 64,428.93	Meeting 02/20, 04/27, 7/27
2018	Y	539	7/28/2017	English Koontz	Director Fees	\$ -	\$ 100.00	\$ 64,328.93	Meeting 04/27, 7/27
2018	Y	540	7/28/2017	Rodney Pierce	Director Fees	\$ -	\$ 100.00	\$ 64,228.93	Meeting 02/20, 04/27
2018		541	7/28/2017	Brian Ferrell	Director Fees	\$ -	\$ 100.00	\$ 64,128.93	Meeting 02/20, 07/27
2018	Y	542	7/28/2017	Allan Frederickson	Director Fees	\$ -	\$ 50.00	\$ 64,078.93	Meeting 07/27
2018	Y	543	8/14/2017	LFSBDC	Civic Contributions	\$ -	\$ 6,000.00	\$ 58,078.93	
2018	Y	Dep	9/13/2017	Grafton School	Bond Fees	\$ 18,322.50	\$ -	\$ 76,401.43	
2018	Y	Dep	9/18/2017	LFCC	Bond Fees	\$ 16,147.00	\$ -	\$ 92,548.43	
2018	Y	544	11/16/2017	Mark Cochran	Director Fees	\$ -	\$ 50.00	\$ 92,498.43	Meeting 10/26/2017
2018	Y	N/A	10/31/2017	Bank of Clarke County	Bank Fees	\$ -	\$ 18.00	\$ 92,480.43	Duplicate Bank Statements
2018	Y	545	11/16/2017	Robinson Farmer Cox	Audit	\$ -	\$ 1,635.00	\$ 90,845.43	FY16 Audit
2018	Y	546	11/16/2017	Brian Ferrell	Director Fees	\$ -	\$ 50.00	\$ 90,795.43	Meeting 10/26/2017
2018	Y	547	11/16/2017	Paul Jones	Director Fees	\$ -	\$ 50.00	\$ 90,745.43	Meeting 10/26/2017
2018	Y	548	11/16/2017	David Juday	Director Fees	\$ -	\$ 50.00	\$ 90,695.43	Meeting 10/26/2017
2018	Y	549	11/16/2017	English Koontz	Director Fees	\$ -	\$ 50.00	\$ 90,645.43	Meeting 10/26/2017
2018	Y	550	11/16/2017	Rodney Pierce	Director Fees	\$ -	\$ 50.00	\$ 90,595.43	Meeting 10/26/2017
2018	Y	Transfer	11/16/2017	Checking to Infinex Investments	Transfer	\$ -	\$ 50,000.00	\$ 40,595.43	
2018	Y	Dep	12/5/2017	Shenandoah University	Bond Fees	\$ 19,537.50	\$ -	\$ 60,132.93	Outstanding
2018	Y	Dep	12/29/2017	Shenandoah University	Bond Fees	\$ 3,907.50	\$ -	\$ 64,040.43	2017 Fees
2018	Y	551	1/25/2018	Robinson Farmer Cox	Audit	\$ -	\$ 1,675.00	\$ 62,365.43	FY17 Audit
2018	Y	Dep	2/8/2018	Lord Fairfax Community College	Bond Fees	\$ 3,563.49	\$ -	\$ 65,928.92	2017 Fees
2018	Y	Transfer	3/15/2018	MMDA Account Closure	Transfer	\$ 1,532.45	\$ -	\$ 67,461.37	Close account

4/18/2018
Status Y = Cleared

Lora B. Walburn, IDA Clerk

Industrial Development Authority of the Clarke County, Virginia
Proposed FY2019 Budget

Expenditures Category	Amount	
Advertising	\$ 400	Public Hearings
Audit	\$ 1,675	RFC
Civic Contributions	\$ 6,000	SBDC LFCC
Director Fees	\$ 1,400	Meeting Attendance
Insurance	\$ 1,300	VACorp
Postage	\$ 25	
Professional Services	\$ 1,250	Legal
Total Expenditures:	\$ 12,050	

Revenues	Estimated Amount	Bond Balance as of 12/2017
Bonds:		
Grafton School, Inc. Bond	\$ 1,100	\$ 3,035,000
LFCC Bond	\$ 3,400	\$ 7,714,039
Shenandoah University Bond	\$ 3,800	\$ 7,815,000
	\$ 8,300	
Interest Income:	\$ 3,000	
Total Revenue:	\$ 11,300	

Industrial Development Authority of the Clarke County, Virginia
Outstanding Bonds

<i>Borrower</i>	<i>Bond Type</i>	<i>Date Issued / Resolution</i>	<i>Original Amount \$MM</i>	<i>2017 Fees \$K</i>	<i>Outstanding Balance 2017 \$MM</i>	<i>Date OB</i>
BCCGC County of Clarke	Lease Revenue Bond	5/16/2007	\$4,822,000	N/A		6/30/2016
BCCGC Town of Berryville	Lease Revenue Bond	5/16/2007	\$2,327,000	N/A		6/30/2016
Grafton School, Inc.	Tax-exempt Educational Facilities Revenue Refunding Bonds Series 2010	Loan 5/1/2010; Issued 5/28/2010	\$9,225,000	\$1,517.50	\$3,035,000	12/3/2010
Lord Fairfax Community College Educational Foundation, Inc.	Educational Facilities Revenue Bond Series 2012A [Tax-exempt] \$8,400,000	11/14/2012; 12/28/2012	\$ 8,400,000	\$ 3,563.49	\$ 7,714,039.14	12/28/2016
Shenandoah University Project	Educational Facilities Revenue Bonds, Series 2011	12/08/2011; 12/15/2011; 12/27/2011; Issue Date 5/31/2012	\$7,815,000	\$3,907.50	\$7,815,000	12/27/2017
				<u>\$8,988.49</u>		

Bylaws Of The Industrial Development Authority Of The Clarke County, Virginia

- (5) Reports of officers and committee
- (6) Old Business
- (7) New Business
- (8) Adjournment

C. The Board of Directors may adopt, amend and alter from time to time such rules, regulations or forms, which it deems necessary or expedient from the management of the affairs of the Authority and which shall not be inconsistent with the Act.

The Secretary of the Authority shall maintain current copies of the Bylaws, and any rules, regulations and forms adopted by the Authority.

Section 405. Authorized Signatures.

Checks, notes, drafts and other legal documents shall be signed by such Directors or officers of the Authority as may be specified in the act, these Bylaws, or as the Board of Directors may, from time to time, authorize by resolution.

All check or money transfers exceeding \$499 shall be countersigned by the Chair.

The signature of any officer or Director may be by facsimile when authorized by the Board of Directors.

Article V

Amendments

Section 501. Amendment of Bylaws.

These Bylaws may be amended, repealed or altered, in whole or in part, by a majority vote of the Board of Directors at any duly constituted meeting, provided notice of such amendment shall have been given to the Directors in the notice of such meeting.

Old Business:

Waterloo Area Water and Sewer Availability Subsidy Program

Action: The Finance Subcommittee recommends approval of the April 11, 2018, program document and application form.



County of Clarke Industrial Development Authority

Waterloo Area Water and Sewer - Availability Fee Subsidy Program

The Industrial Development Authority of the Clarke County, Virginia [IDA], in conjunction with the Clarke County Sanitary Authority [CCSA] and at the direction of the Clarke County Board of Supervisors, have developed this program to assist businesses in locating to the Waterloo Area. Interested owners shall make application to the IDA following the process below.

Application: shall include:

- A. The amount of the subsidy requested.
- B. A financial statement of the Owner. *In the case of a closely held corporation, partnership, or limited liability company, financial statements shall be filed for each owner of the entity holding an ownership interest of 10% or more.*
- C. Itemized listing of the local tax revenues that the Owner expects to generate during the contractual period to offset the subsidy amount. *The business owner shall provide detailed documentation to support the tax revenue projections.*
- D. A description/business plan of the business to be operated.
- E. Projected timetable for construction and for commencement of business operations.
- F. An Application Fee of \$250 or one percent (1%) of the total subsidy requested, whichever is greater. *Note: Applicant shall be responsible for legal fees, recording costs, and other incidental costs if incurred.*

Prior to Application Review: An Owner shall participate in a pre-application meeting with County staff and/or representatives from the IDA and CCSA to receive initial feedback on the application and to develop a draft payment schedule.

Application Review: The IDA shall review and act upon the application.

- The IDA may deny the application if it finds, in its sole discretion, that the Owner does not have sufficient financial strength to meet its financial commitments under the program or that the local tax revenue projections of the Owner are not reasonably realistic.
- The IDA may approve a subsidy for an amount less than requested by the Owner.
- Upon approval of an application, the IDA shall enter into an agreement with the Owner. *The IDA and CCSA may require a letter of credit or other form of surety for the Owner's obligations under the agreement, if deemed warranted by the IDA based upon its review of the financial information submitted by Owner.*



County of Clarke Industrial Development Authority

Waterloo Area Water and Sewer Availability Fee Subsidy Application

Application Date: _____ New Business Existing Business

Business Name of Applicant: _____

Owner Name: _____

Name of Business Contact: _____
If different from owner

Mailing Address: _____

E-mail Address: _____ Telephone Number: _____

Business Name for which
subsidy being sought: _____
If different from business name of applicant.

Physical Address for which
subsidy being sought: _____
If different from business address above

Water subsidy requested: _____

Sewer subsidy requested: _____

Total subsidy requested: _____

Application Fee: _____ \$250 or 1% of total subsidy requested whichever is greater*

Attach the following:

- ✓ A financial statement of Owner. *In the case of a closely held corporation, partnership, or limited liability company, financial statements shall be filed for each owner of the entity holding an ownership interest of 10% or more.*
- ✓ Itemized listing of the local tax revenues that the Owner expects to generate during the contractual period to offset the subsidy amount. *The business owner shall provide detailed documentation to support the tax revenue projections.*
- ✓ A description/business plan of the business to be operated.
- ✓ Projected timetable for construction and for commencement of business operations.

*Note: The Authority has relied on the representations of the Applicant and has not independently verified the information contained in this application, including the financial records. The Authority makes no representation as to the accuracy of the information supplied by the Applicant or the creditworthiness of the Applicant. A valid application must be submitted signed by a representative of the Applicant having the authority to bind the Applicant. *Further, to induce the Industrial Development Authority of Clarke County, Virginia to consider this application, the Applicant agrees to pay all legal fees, recording fees, and other incidental costs of the Authority if applicable.*

Applicant Signature: _____

**WATERLOO AREA WATER AND SEWER
AVAILABILITY FEE SUBSIDY PROGRAM
MEMORANDUM OF UNDERSTANDING BETWEEN THE
CLARKE COUNTY SANITARY AUTHORITY, INDUSTRIAL DEVELOPMENT
AUTHORITY, AND BOARD OF SUPERVISORS**

WHEREAS, the Clarke County Sanitary Authority (“CCSA”), the Clarke County Industrial Development Authority (“IDA”), and the Clarke County Board of Supervisors (“Board”) recognize the need to encourage economic development in designated growth areas; and

WHEREAS, the Waterloo area has been designated in the County’s Comprehensive Plan as a growth area for business due to its location at the intersection of two primary highways (U.S. Routes 340 and 50/17); and

WHEREAS, the Board and the CCSA were successful in extending public water and public sewer to the Waterloo area to foster and support economic development and growth; and

WHEREAS, the cost to purchase capacity in the water and sewer systems may be considered cost prohibitive to some businesses that might seek to locate in Waterloo; and

WHEREAS, businesses seek to minimize upfront costs when opening or expanding a business.

NOW, THEREFORE, the CCSA, IDA, and Board agree as follows:

1. The parties hereto agree to establish a water and sewer availability fee subsidy program for the Waterloo area. A subsidy to a business owner (“Owner”) shall not exceed the amount of the water and sewer availability fee for the business or the amount of local tax revenues expected to be generated by the business at the proposed location, whichever is less.
2. An Owner shall apply to the IDA for a subsidy. The application shall include the following:
 - A. The amount of the subsidy requested.
 - B. A financial statement of the Owner. In the case of a closely held corporation, partnership, or limited liability company, financial statements shall be filed for each owner of the entity holding an ownership interest of 10% or more.
 - C. Itemized listing of the local tax revenues that the Owner expects to generate during the contractual period to offset the subsidy amount. The business Owner shall provide detailed documentation to support the tax revenue projections.
 - D. A description/business plan of the business to be operated.

E. Projected timetable for construction and for commencement of business operations.

F. An Application Fee equal to one percent (1%) of the total subsidy requested, plus an Administrative Fee, in an amount established by the IDA, to cover the administrative costs of the IDA, including, without limitation, legal fees and recording costs.

3. Prior to review of an application by the IDA, an Owner shall participate in a pre-application meeting with County staff and/or representatives from the IDA and CCSA to receive initial feedback on the application and to develop a draft payment schedule.

4. The IDA shall review and act upon the application. The IDA may deny the application if it finds, in its sole discretion, that the Owner does not have sufficient financial strength to meet its financial commitments under the program or that the local tax revenue projections of the Owner are not reasonably realistic. The IDA may approve a subsidy for an amount less than requested by the Owner.

5. Upon approval of an application, the IDA shall enter into an Agreement with the Owner, the form of the Agreement to be in general conformity with the form of Agreement attached hereto as Exhibit A.

6. The IDA and CCSA may require a letter of credit or other form of surety for the Owner's obligations under the Agreement, if deemed warranted by the IDA based upon its review of the financial information submitted by Owner.

7. The IDA shall be responsible for enforcing the repayment ("clawback") provisions of the Agreement.

8. The Board shall fund the IDA for subsidies to be paid out under an Agreement. Each year, for the term of the Agreement, the Board shall pay to the IDA funds equal to the new local tax revenues paid by the Owner. The payments to the IDA shall be made after each year's tax payments are received by the County from the Owner. In no event shall the amount paid by the Board to the IDA exceed the total amount of the subsidy.

9. If the IDA does not have enough funds to cover the upfront costs of a subsidy, the IDA may request additional funds from the Board needed to support the subsidy. Generally, the Board will ensure that the IDA is given the funds needed to support the program based on assurances given by the IDA that such funds will be returned to the Board if they are not needed for other applicants in the future. However, the Board has the right to deny additional funding requests from the IDA due to a lack of available funds in a given budget year. The IDA is under no obligation to provide a subsidy if the funds are not available.

10. Upon receipt of an executed Agreement between the Owner and the IDA, the CCSA agrees to spread out the water and sewer availability fee for the Owner over the term of the Agreement (up to 3 years), to be set forth in a written payment schedule (the "Owner's payment schedule"). The IDA agrees to reimburse the CCSA for the subsidized amount of the

availability fee according to a written payment schedule (the "IDA payment schedule"). The Owner's payment schedule shall be provided to the Board, the IDA, and the Owner within 30 days of request from the IDA.

11. The IDA will pay the CCSA each year the portion of the availability fee due for that year under the payment schedule for the business, but not to exceed the total amount of the subsidy for that business, in accordance with the IDA payment schedule.

12. This MOU shall be automatically renewed on an annual basis unless termination is requested by any of the parties. Any party shall have a right to terminate this MOU by providing 60-day advance written notice to the other parties. If this MOU is terminated, any businesses currently served by the subsidy program under an executed Agreement with the IDA shall continue to be served by the program per the Agreement terms.

Date: 7-16-13

By: _____
CLARKE COUNTY SANITARY AUTHORITY
Ian R. Williams
Chairman
Ian R. Williams, Chairman

Date: June 18 2013

By: _____
CLARKE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY
David Juday
David Juday, Chairman

Date: June 18, 2013

By: _____
CLARKE COUNTY BOARD OF SUPERVISORS
J. Michael Hobert
J. Michael Hobert, Chairman

**Industrial Development Authority of the Clarke County Virginia
Board of Directors**

Adjourn

Supporting Material:

- ✓ Building Department YTD New Single Family Dwellings
- ✓ IDA Follow-up Items
- ✓ Economic Development Advisory Committee January 17, 2018, Minutes

Building Department - Clarke County
New Single Family Dwellings 2018

	Battletown	Berryville	Boyce	Chapel	Greenway	Longmarsh	TOTAL	COMMENTS
January	2						2	
February			2	1			3	
March	1	1		2	1	1	6	
April								
May								
June								
July								
August								
September								
October								
November								
December								
TOTAL							11	

IDA Board of Directors
Follow Up Items Status Report

<i>Meeting Date</i>	<i>Item</i>	<i>Description</i>	<i>Follow Up</i>	<i>Status</i>	<i>Date Complete</i>	<i>Review Date</i>
7/27/2017	6	Farm grants - actively pursue inquiries into the programs.	Len Capelli			
7/27/2017	7	Develop email list from persons signing up at the Fair booth.	Len Capelli			
7/27/2017	8	Follow up on contact with railroad commission re grant to repair the infrastructure to facilitate bulk transport.	Len Capelli			
10/26/2017	16	Close MMDA account at Bank of Clarke County.	William Waite	10-31 Need chair signature; Closed per statement 03-31	3/31/2018	
1/25/2018	25	Update database with 2018 Officers.	Lora B. Walburn	Complete	1/29/2018	
1/25/2018	26	Coordinate posting of 2018 meeting schedule.	Lora B. Walburn	Complete	1/27/2018	
1/25/2018	27	Update Bylaws and post update on website.	Lora B. Walburn	Complete	1/30/2018	
1/25/2018	28	Process approved minutes.	Lora B. Walburn	Complete	1/30/2018	
1/25/2018	29	Add Guiding Principles to IDA documents and provide finalized copy to Janice Kuhn.	Lora B. Walburn	Complete	1/30/2018	
1/25/2018	30	Draft investment proposal and poll Board.	Bill Waite	Complete	1/25/2018	
1/25/2018	31	Place FY2019 budget review on April 26 agenda.	Lora B. Walburn	Complete	1/31/2018	
1/25/2018	32	Coordinate presentation by LFCC SBDC for April 26 agenda.	Lora B. Walburn	Initiated contact 1-30; Confirmed 02-02; Cancelled 04-17	2/2/2018	
1/25/2018	33	Coordinate presentation by People, Inc. for April 26 agenda.	Lora B. Walburn	Initiated contact 1-30; Confirmed 02-02	2/2/2018	
1/25/2018	34	Coordinate presentation by Christy Dunkle for April 26 agenda.	Lora B. Walburn	Present at meeting; Confirmed 02-07; Cancelled 04-09	2/7/2018	
1/25/2018	35	Invite EDAC members to join the IDA at its April 26 meeting.	Lora B. Walburn	Initiated contact 1-31	1/31/2018	

Clarke County Economic Development Advisory Committee
January 17, 2018 Minutes

A meeting of the Economic Development Advisory Committee (EDAC) held in the Berryville/Clarke County Government Center, Berryville, Virginia, on Wednesday, January 17, 2018, at 1:00 PM.

Board: Christy Dunkle, Christina Kraybill, Eric Myer, Bev McKay, John Milleson, Elizabeth "Betsy" Pritchard

Absent: Jim Barb, Bryan Conrad

Staff: Lora B. Walburn

Press: Cathy Kuehner – The Winchester Star

1. Call to Order

At 1:06 pm, Lora Walburn, Economic Development Advisory Committee Clerk, called the meeting to order.

2. Organizational Items

Elect Chair

Lora Walburn called for nominations and election of the 2018 Chair.

Christy Dunkle, seconded by Bev McKay, moved to nominate and elect:

- ✓ **John Milleson, 2018 Chair**
- ✓ **Christina Kraybill, 2018 Vice Chair**

The motion carried by the following vote:

Jim Barb	- Absent
Bryan Conrad	- Absent
Christy Dunkle	- Aye
Christina Kraybill	- Aye
Beverly B. McKay	- Aye
John Milleson	- Aye
Eric Myer	- Absent
Elizabeth "Betsy" Pritchard	- Aye

Following the vote, the meeting was turned over to John Milleson 2018 Chair.

Chairman Milleson welcomed Bev McKay, newly appointed Board of Supervisors member replacing David Weiss effective January 16, 2018.

Set Meeting Date, Time and Location

Chairman Milleson deferred action following review and discussion of Agenda Item 5.

Eric Myer joined the meeting at 1:09 pm.

3. Adoption of Agenda

Christy Dunkle requested to add an update on Town of Berryville activities.

Bev McKay, seconded by Christina Kraybill, moved to adopt the agenda as amended. The motion carried by the following vote:

Jim Barb	-	Absent
Bryan Conrad	-	Absent
Christy Dunkle	-	Aye
Christina Kraybill	-	Aye
Beverly B. McKay	-	Aye
John Milleson	-	Aye
Eric Myer	-	Aye
Elizabeth "Betsy" Pritchard	-	Aye

4. Approval of Minutes

Betsy Pritchard, seconded by Eric Myer, moved to approve the October 18, 2018, minutes as read. The motion carried as follows:

Jim Barb	-	Absent
Bryan Conrad	-	Absent
Christy Dunkle	-	Abstain
Christina Kraybill	-	Abstain
Beverly B. McKay	-	Abstain
John Milleson	-	Aye
Eric Myer	-	Aye
Elizabeth "Betsy" Pritchard	-	Aye

5. Review of Economic Development Director Suggestions

***Suggested Restructuring, Creation of Sub Committees, and Meeting Schedule
By Len Capelli, Economic Development Director***

In an effort to more efficiently utilize the time and efforts of the Clarke County Economic Development Advisory Committee, I am suggesting several revisions to the structure and timing of the meetings and the focus of the committee.

I am pleased to work with such a knowledgeable, committed, and involved group of Clarke County residents. After careful consideration, I would like to offer some thoughts on how to make the committee more effective and allow it to have greater impact on economic development in Clarke County.

As an advisory committee, I look to the CCEDAC to comment on current and planned activities of the Office of Economic Development; and, I also look to the committee to provide suggestions on improving existing policies and suggestions for new initiatives that might benefit Clarke County and the Towns in the County.

I have received several good suggestions from committee members that have been followed up and have provided the impetus to new actions and initiatives. I would like to see this increased and expanded.

Towards that end, I am recommending that the committee as a whole meet bi-monthly and that three sub committees be formed to focus developing recommendations for economic development and tourism that can further the efforts of the function of economic development and tourism in Clarke County.

If this approach is approved by the committee, I would look to the committee as a whole to choose which general topics each subcommittee might focus on and then have the subcommittees meet to decide how topics in their general area are prioritized for action. I would plan on attending the bimonthly EDAC committee meetings and would be available to attend the subcommittee meetings as well.

Examples of subcommittee focus areas that may be appropriate are:

- *Agribusiness and how to attract, expand, and promote in Clarke County.*
- *Small scale hydroponics, local farm to table.*
- *Food processing businesses and how to attract, expand, and promote in Clarke County.*
- *Agritourism and how to attract, expand, and promote in Clarke County.*
- *New business ideas what businesses can meet the agricultural requirements for locating in*
- *much of the county?*
- *Ruritan, how to promote the Clarke County Fair Grounds, for example attracting events like the steam show, the fiber show, Lockett's Spring Market, and similar events that attract large groups to Berryville and Clarke County.*
- *Understanding the current state of GoVirginia, have Gwen Malone speak to group.*
- *How to expand the Industrial Park and retain and attract businesses?*
- *How to help attract businesses to Waterloo and Double Toll Gate.*
- *Town of Berryville, helping to find ways to utilize the buildings and properties on 1st Street.*
- *Helping Main Street to attract more diversified businesses.*
- *How to help attract a hotel to Berryville.*
- *How to solve the workforce problems for service industries in Clarke County.*

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- *Management training for small businesses in Clarke County and Berryville.*
- *New Initiatives, something never seen in Clarke County being creative in attracting and retaining business.*

2018 Bi-Monthly Meeting Schedule

January 17 – Organizational Meeting

March 21

May 16

July 18

September 19

December 19 [Business Tour]

Following discussion, by consensus, the Committee agreed to:

- Adopt the bimonthly meeting schedule as modified adding a Committee meeting on November 14.
- Table further discussion until the March 21 meeting.

6. Old Business

No old business put forth for discussion.

7. New Business

Industrial Development Authority Discussion:

- With the replacement of David Weiss, there is no cross-over member between the IDA and the EDAC.
- Add to monthly meeting agenda identifying EDAC member to attend the next regularly scheduled IDA meeting.
- Chairman Milleson will discuss a joint meeting of the EDAC and IDA with the IDA Chair.
- Joint meeting of the EDAC and IDA could be used to review the Economic Development Strategic Plan that scheduled for review and update in 2018.

Town of Berryville Update by Christy Dunkle:

- Forum for Rural Innovation:
 - March 9, 2018
 - 14th year

- Forum will be held at the Clarion in Winchester.
- Topics:
 - Industrial hemp
 - Mid-Atlantic food port and agricultural accelerator, joint effort between Loudoun and Fauquier Counties.
 - Social media for your business
 - Protection of pollinators
 - Cut flowers
 - Challenges and risks with an event business
 - Agricultural land preservation
- Exhibit:
 - Discussed with Len Capelli, who may be unable to attend.
 - Christy Dunkle is working registration and unable to man the exhibit.
 - EDAC members asked to support.
 - Eric Myer will make an effort to attend.
- Annexation:
 - Staff began discussion.
 - Business park is full.
 - Berryville Area Development Plan identified the Smallwood Farm area behind the business park for the next level of expansion.
 - Component pieces such as transportation and utilities will be reviewed.
 - Discussing Jack Enders Boulevard options.
 - A memorandum of offering was issued for a parcel owned by the Friant family zoned residential.
 - Hope to engage Mr. Mercke in the process. He owns a 12-acre parcel on Jack Enders on the way out to the Business Park and owns other parcels adjacent to Route 340.
 - Hope to conduct a transportation study.
 - Discussed future market conditions and trends.

Equine Alliance Update by Eric Myer:

- Semi-annual meeting held Sunday, January 14, was well attended.
- Distributed 400 new directories.
- Future plan to establish two committees: events and activities, website and email.

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- Semi-annual for elections will be held in June.

8. Next Meeting

The next meeting is scheduled for Wednesday, March 21, 2018.

9. Adjournment

Being no further business, at 1:38 pm, Chairman Milleson adjourned the meeting.

Minutes recorded and transcribed by Lora B. Walburn