

**BOARD OF DIRECTORS MEETING
INDUSTRIAL DEVELOPMENT AUTHORITY
Of the Town of Front Royal and County of Warren, Virginia
dba as the Economic Development Authority
[February 24, 2017, 8:00a.m.](#)**

OFFICIAL - MINUTES

Attendance, Directors: Patricia Wines, Bruce Drummond, Bill Biggs, Brendan Arbuckle and Greg Drescher.

Absent: Jim Eastham and Ron Llewellyn

Officials, Staff & Others: Jennifer McDonald, Doug Stanley, Joe Waltz, Marla Jones, Dan Whitten, Norma Jean Shaw, Hollis Tharpe, Daryl Funk, Alex Bridges and Missy Henry.

CALL TO ORDER: Patricia Wines

ADDITIONS/DELETIONS TO AGENDA:

APPROVAL OF MINUTES: January 2017

ON A MOTION BY MR. BIGGS (SECOND BY MR. DRESCHER) THE BOARD VOTED TO APPROVE THE MINUTES.

VOTE: ALL "AYE"; NONE OPPOSED; MOTION CARRIED.

FINANCIALS: January 2017

ON A MOTION BY MR. BIGGS (SECOND BY MR. DRESCHER) THE BOARD VOTED TO APPROVE THE FINANCIALS.

VOTE: ALL "AYE"; NONE OPPOSED; MOTION CARRIED.

Ms. McDonald advised budget numbers will fluctuate due to the New Market Tax Credit Program.

TOWN MANAGER UPDATE: Joe Waltz

Mr. Waltz stated the following:

Rt. 522 Corridor water Upgrade/Reliability project

The Town has completed the Preliminary Engineering Review (PER) with CHA to provide a redundant reliable water service in the Rt. 522 corridor. The PER evaluated four options with parallel lines, additional storage tanks and pumping stations. Staff is currently evaluating results with Dominion and Town Council.

Afton Inn

The EDA is currently working with an active letter of intent on the property

AMP Solar Farm

Construction continues with all below grade work, installation of supporting piers and solar panels. In January, we received all 10,000 solar panels for the project. The completion of project is scheduled for April 2017.

CDBG

Provides funding to units of local government to address community development needs: housing, infrastructure and economic revitalization. The grant application is scheduled to go in front of Town Council in February and March. Application submittal is due March 29, 2017

Criser Road Trail

Town Council fully funded the trail project in December 2016 for the amount of \$400,000. Staff has completed the marking and surveying of utilities and easements during the month of January. The preliminary design has started which should be completed by the end of April 2017. Staff expects to start construction this summer.

Criser Road Bridge Replacement

Mattern & Craig (M&C) have completed the 95% design drawings and are continuing to acquire permits for the construction of the bridge. In order to start construction in June, M&C is scheduled to complete their design work in February/early March to allow the project to be advertised in March/April timeframe.

Electric Department (former)

Town Council held a public hearing on January 9th for the sale of the property and then accepted sealed bids until Monday, February 13 for the sale of the building. On February 13th, Town accepted the bid from Adventures Enables for \$200,000.

Happy Creek Road Phase II

The Town has identified \$2.5M in project funding through the Economic Development Authority to advance the Happy Creek Road Phase II project. The Town will seek any additional funding for the project through a future Revenue Sharing application.

Jamestown Rd/John Marshall Highway Turn Lane

Staff has identified sufficient right of way to extend the roadway to install three lanes. Project will be scheduled for the Spring and staff will provide updates as available.

John Marshall Trail Lighting

Town staff has completed the design of a lighting project along the walking trail on John Marshall Highway to improve visibility and safety. Staff plans to start construction this spring.

Leach Run Parkway

Work continues to move forward on the Leach Run Parkway. The current anticipated completion date is June 2017.

Main Street Ext

On December 7th, 2016, the Commonwealth Transportation Board approved the resolution for economic development access for the IT Federal project. Staff continues to work with the EDA and Pennoni to finalize the design to move the project forward.

Police Dept. Building (former)

Staff continues to work with Bill Barnett and Mr. Welcome to facilitate the sell. The scheduled closing is by March 18, 2017

Police Headquarters

Staff continues working with Mosely Architect on the design of the facility. The Town is currently reviewing the 100% design phase with cost estimates.

Westminster Sidewalk Project (VDOT)

Staff is currently waiting on final environmental review. Anticipated start date is May 2017.

WWTP (Upgrade to operate 5.3 MG)

Construction continues with plant upgrades and is currently 68% complete with completion in December 2017. The final clarifier, #4 was removed from service to complete renovation which involved sandblasting, painting, replacing weirs and baffles. The ATAD #2 renovation's on converting the treatment structure continues.

COUNTY ADMINISTRATOR UPDATE: Doug Stanley
Mr. Stanley reported the following:

February 2017

Bill Obrien – William “Bill” Obrien, Warren County’s first County Administrator, passed away on February 7th. Bill was County Administrator from 1973-1977. He subsequently served as the Rockingham County Administrator until 2003. Bill also served as Chairman of the VRA Board and worked with Warren County on a number of financing projects. He will be sorely missed.

FY2017-2018 Budget –The Board met with all County Departments on February 14th. The next work session will be after the regular meeting on March 7th.

2017 Board Goals – The draft goals list has been sent out to Board members to score. Once I complete and tally the list and rank by priority I will put it on a work session agenda for discussion by the Board.

Delinquent Taxes – The County has added a “Top Ten List” of largest delinquent RE taxpayers to our website and Facebook page. We will be adding a personal property list in the near future.

Building Inspections Software – Discussions have started regarding Citizens Self Service and some difficulties have been noted with the implementation of this phase. The connectivity of the financial process between the Town and County is being looked at currently. The system is setup to deposit electronic funds into one banking institute and the County and Town are discussing how this process can be handled. The EnerGov team is also reviewing this process and are scheduled to have a meeting with all involved departments at the end of February. Once a suitable solution is determined we can move forward on the implementation schedule and complete this process as soon as possible.

NVD Awards – The Warren County Parks and Recreation Department received a “Best of 2016” award for our activities for kids programs. Congratulations to Dan Lenz and our entire Parks and Recreation Department staff.

Development Review Committee – The Development Review Committee met on January 25th. The Committee discussed projects in the County including:

- Industrial rezoning request on Rt. 340/522 North
- Wal-Mart Canopy Addition

The Committee also discussed Town projects including:

- Ressie Jeffries Renovations
- Potential new restaurant
- Microbrewery on West Main Street

The Committee will meet again on February 22nd.

Project Updates

2nd Middle School – The project is approximately 79% complete.

- Electrical duct bank 100% complete
- Area- E masonry walls are 100% complete
- Area-F masonry walls are 100% complete
- Area-D masonry walls are 100%.
- Brick work 100% complete.
- Metal decking on light gauge roof trusses is 100% complete.
- The shingle roofing 99% complete.
- PVC roofing 100% complete.
- Roof coping installation 85%.
- Curb and gutter 99% complete.
- Concrete sidewalks in progress with 50% complete.
- The plumbers water lines 100% complete.
- The electricians are running overhead conduit throughout building 95% complete with rough-in.
- Duct work is 85% complete throughout building.
- Sprinkler installation 90%.

- Site work is 95% complete.
- Elevator installs to begin late February.
- Interior painting 60% complete.
- Landscaping 30%.

Health and Human Services Complex – The project to renovate the gym bathrooms has been completed. Staff is currently working with the contractor on the punch list. The bathrooms will be open for this weekend’s basketball games.

Ressie Jeffries Elementary School – Work on the roof replacement, building addition, and parking lot expansion has commenced. Work will progress as allowed by weather and conditions through the winter. The estimated completion date is October 2017.

Rivermont Fire Station – Moseley met with County Fire and Rescue staff, Rivermont Volunteer Fire Department leadership, and members of the County Building Committee on February 3rd to review needs and to begin conceptual design of the facility. The survey of the property and associated topo has been completed by the surveyor. County staff is awaiting completion of the evaluation of the existing discharge system at the Airport and its potential use/expansion to serve the proposed fire station.

VDOT/Totten Lane Turn Lane Project – The project is currently out to bid. The project should be set to go to construction in late winter.

VDOT/Marlow-Silek Revenue Sharing Project – The project design is nearly completed. The project should be set to go to bid in late winter.

Project	Ad/Bid Date	Cost	Estimated Completion Date	Status
FRWC Airport Obstruction Removal	Summer 2016	\$804,000	Spring 2017	Contract Awarded/D EQ Permit Obtained
South Fork Bridge	9/2013	\$74,700,000	Fall 2017	Under Construction
Morgan Ford Bridge	12/2016	\$9,713,152	Spring 2018	Under Construction
Guardrail Projects	N/A	\$142,140	Winter 2016	Completed
Leach Run Parkway	6/2015	\$10,648,083	Fall 2016	Under Construction
Totten Lane – Turn lane Project	Summer 2016	Unavailable	Spring 2017	2/21 Bid Date 3/22 Award Date
2 nd Warren County Middle School	Winter 2015	\$44,100,000	Summer 2017	Under Construction
Freezeland Road Kiss-n-Ride	Fall 2014	Unavailable	Spring 2017	Under Construction
Health and Human Services Complex – Gym Bathroom Renovation	Summer 2016	\$125,000	February 2017	Completed
Ressie Jeffries Renovations	Fall 2016	\$4,990,077	Fall 2017	Under Construction

DPS

CHAMBER UPDATE: Niki Cales (absent)

EXECUTIVE DIRECTOR /PROPERTY UPDATE: Jennifer McDonald;

Royal Phoenix /Avtex:

Town continues to work on plans for a new police department. The EDA will be working with Town staff to use new market tax credits to construct the facility.

Lockhart Construction has started hauling dirt to the site.

Meeting with Town staff to discuss design of West Main Street extended.

Avtex Museum:

EDA staff completed the IRS form 1023 and submitted it with fees to IRS in KY to reinstate the nonprofit status for Shenandoah Center for Heritage and the Environment. Was granted reinstatement as a nonprofit organization. Staff has applied for a grant from the National Endowment for the Humanities to curate the museum and produce a video history of the people and the site. Will update as this moves forward.

Town Business Activity:

- Afton Inn -EDA received word from the developers that they are no longer interested in moving forward with their plan to renovate the building. Staff is currently working with another LOI for the property. (See attached)
- Workforce Housing
- Met with investor looking to purchase property on Main Street regarding financing and business structure. Investors are moving forward with purchasing several properties on Main Street.
- Working with private school to find an alternative location in Town. A site was identified, but now may need to find another location.
- Working with two fast food companies, one gas station, one restaurant and one developer.
- Working with Brotherhood of Railroad signalmen on their expansion in Happy Creek Tech Park. They have put their expansion on hold until they can determine the parking needs.
- Working with developer on former B&G Goods store. The EDA has received 6 inquiries on the property.
- Had several site visits in the month of February. An insurance company, multi-use facility, microbrewery, Amish Market, security company and private school.

County Business Activity:

- McKay Springs

- Working with a restaurant looking at property in Corridor. Some VDOT issues may have been resolved and will hopefully see a contract on the property come to fruition within the next 60 days.
- Continue to work with a distribution center referred by the Partnership in Stephens Industrial Park. Company would create 75 new jobs and have a \$22 million investment. They are in the initial site selection stages.
- Went to closing with Schnabel Industries on 5210 Strasburg Road property.
- Sent a response to an RFP from VEDP. Prospect will need minimum 50 acres for a manufacturing facility.

404 Fairground Road:

The EDA has signed a 6-month lease for a portion of the Fairground Road property. Tony Dane with Dane's Great American Hamburger food truck. He will be using the property as an office space for his business.

Leach Run Parkway:

Work continues to move forward on the Leach Run Parkway. Attached is a copy of the 3-week schedule provided by Branch Highways. The current anticipated completion date is June 24, 2017. Attached are copies of our last progress meetings.

Development Review Committee:

Staff continues to work with County and Town building/planning/zoning officials, VDOT, utility providers, and health department on introducing new businesses to the community and making the occupancy/license/signage process streamlined and user-friendly.

Next Meeting will be held February 22, 2017 at 10am in the County Caucus room. I have attached the agenda for your reference.

Workforce Housing:

Project was approved by Town Council on November 14th.

EDA has started to meet with developers on the construction of the project.

Regional Training Academy/Indoor Firing Range:

Continue to work with the Sheriff and Mosely Architects on the design and construction of the Skyline Regional Criminal Justice academy and indoor firing range. Start date of training academy has been pushed back due to Town subdivision

requirements. Planning Commission has recommended a sidewalk and lights on the small strip of Progress Drive extended. (Will have the site plan at the meeting for review.)

IRP Program:

The EDA was awarded \$500,000 from the USDA to be used as loans for larger investments in the community. The EDA borrows the money from USDA and then relends the money to expanding or start-up businesses that are creating at least 15 jobs and must have a minimum investment in the community of \$500,000.00.

We currently have 4 loans outstanding with a balance of \$434,035.06.

Loan Recipients:

KTS Solutions

AKM Properties

Dominion Health & Fitness

J's Gourmet

RBEL Program:

Since 1997 the EDA has loaned over \$1.7 million to local start-up or expanding businesses through our Rural Enterprise Loan Program. The EDA currently has 24 outstanding loans totaling \$147,315.94.

McKay Springs:

The EDA received four inquiries in the month of February for the McKay Springs property.

The EDA continues to market the property on Facebook, EDA website, CoStar, and several other commercial real estate magazines.

Miscellaneous:

- Working with County on VDOT revenue sharing project for 522N Corridor project.
- Working with County on Trolley Project that would extend service to the Corridor.
- Working with Town on sale of 6th Street building (former utility building)

- Working with Regional group on a Go Virginia initiative that would have regional collaboration.
- Next Virginia Inland Port meeting will be held March 2nd at 11:30am, at the Virginia Inland Port.
- Will be attending a Governor's dinner for economic developers on March 2nd at 5:30pm in Richmond.
- Artisan Trail meeting scheduled for February 28th.

EXPLANATION & SUMMARY:

OLD BUSINESS:

STAFF COMMENTS:

Ms. Marla Jones advised that the RISE Program has launched and they have ten students from all over the region. She also invited everyone to come show support on April 18th at Lord Fairfax Community College - Corron Center when the students compete in front of a panel of judges. The audience will choose the People's Choice award. Last year's People's Choice winner was awarded \$750.00.

DIRECTOR COMMENTS:

(8:21am)

MOTION TO GO INTO CLOSED MEETING

I, Greg Drescher, move that the Board of the EDA vote to go into Closed Meeting under the provisions of Section 2.2-3711 of the Virginia Freedom of Information Act for the following purpose(s):

Section 2.2-3711.A.1: Discussion, consideration, or interviews of prospective candidates

for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body.

Section 2.2-3711.A.3: Discussion or consideration of the acquisition of real property for a public purpose or the disposition of publicly held real property where discussion in open meeting would adversely affect the bargaining position or negotiating strategy of the EDA. I further move that discussion be limited to a parcel or parcels in the Kelley Industrial Park, Stephens Industrial Park, Happy Creek Corridor, Royal Phoenix Site, 522 Corridor and/or parcel(s) in the North River District of Warren County and downtown Front Royal.

Section 2.2-3711.A.5: Discussion concerning a prospective business or industry or expansion of an existing business or industry where no previous announcement has been made of the business's or industry's interest in locating or expanding its facilities in the community.

Section 2.2-3711.A.7: Consultation with legal counsel employed by the EDA regarding specific legal matters requiring the provision of legal advice by such counsel.

Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the public body; and consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel.

ROLL CALL VOTE: DRESCHER, 'AYE'; DRUMMOND, "AYE"; WINES, "AYE"; ARBUCKLE, 'AYE'; AND BIGGS, "AYE".

MOTION COMING OUT OF CLOSED MEETING

On a Motion by Mr. Drescher, seconded by Mr. Biggs, and by unanimous vote, the Board certifies to the best of each member's knowledge that only public business matters lawfully exempted from open meeting requirements under this chapter and only such public business matters were identified in the Motion by which the Closed Meeting was convened were heard, discussed or considered in the meeting by the public body.

ROLL CALL VOTE: WINES, 'AYE'; DRUMMOND, "AYE"; ARBUCKLE, "AYE"; DRESCHER, 'AYE' AND BIGGS, 'AYE'.

(9:06 a.m.)

New Business:

On a motion by Greg Drescher, and seconded by William Biggs, the EDA agrees to lease 506 and 514 East Main Street to Ronald Bennett for three thousand a month (\$3,000.00) with an option to purchase the building for five hundred thousand dollars (\$500,000.00). The lease will be a three year triple net lease.

VOTE: ALL "AYE"; NONE OPPOSED; MOTION CARRIED.

On a motion by Bruce Drummond, seconded by Brendan Arbuckle, the EDA agrees to extend the deadline on the deed of trust and note for ITFederal dated September 16, 2015 to September 23, 2020 and to reduce the initial investment and footprint of the project.

VOTE: ALL "AYE"; NONE OPPOSED; MOTION CARRIED.

MOTION TO ADJOURN: MOTION WAS MADE BY MR. BIGGS, WITH A SECOND BY MR. DRESCHER TO ADJOURN.

VOTE: ALL "AYE"; NONE OPPOSED; MOTION CARRIED.

The next regular meeting of the EDA Board of Directors is scheduled for Friday, March 24, 2017, 8:00 AM in the EDA conference room.

Respectfully submitted by:

**Michelle L. Henry
Administrative Assistant**