

**BOARD OF DIRECTORS MEETING  
INDUSTRIAL DEVELOPMENT AUTHORITY  
Of the Town of Front Royal and County of Warren, Virginia  
dba as the Economic Development Authority**

June 24, 2016, 8:01 a.m.

OFFICIAL - MINUTES

*Attendance, Directors:* Patricia Wines, Bruce Drummond, Jim Eastham, Bill Biggs, Ron Llewellyn, Bill Sealock and Greg Drescher.

*Absent: None*

*Officials, Staff & Others:* Jennifer McDonald, Doug Stanley, Steve Burke, Nick Bass, Dan Murray, Dan Whitten and Missy Henry.

CALL TO ORDER: Patricia Wines

ADDITIONS/DELETIONS TO AGENDA:

APPROVAL OF MINUTES: May 2016

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

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

FINANCIALS: May 2016

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

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

Ms. McDonald stated the auditors will be in July 20th and 21<sup>st</sup> and return August 22<sup>nd</sup>.

**COUNTY ADMINISTRATOR UPDATE:** Doug Stanley

Mr. Stanley reported the following:

***EDA– June 2016***

***FY 2016-2017 Budget Book*** – County staff is working on completing the budget book for submission to the Government Finance Officers Association for consideration for the budget award by the July deadline.

***June 16<sup>th</sup> Storm*** – As you know the County was heavily hit with wind on the evening of June 16<sup>th</sup> which left a swath of downed trees from the Rockland to the Linden areas knocking out power to over 2000 residences. I want to extend a thanks to REC staff who were able to work to get power restored to most residences by 8:00 pm Saturday evening (48 hours of the storm). They continued to receive calls about isolated outages after Saturday night but their crews have been able to address quickly.

***Project Updates***

***2<sup>nd</sup> Middle School*** – Like the Leach Run project, the recent wet weather has slowed progress on the middle school project. The good news is that they have started to set steel this week. It is hoped that the contractor can make up some time by working on Saturdays as the weather permits. The project is approximately 36% complete with 100% of the building footers having been poured.

***Ressie Jeffries Elementary School*** – The site plan for the proposed parking lot improvements was approved by the Town Planning Commission's on May 18<sup>th</sup>. The plans for the addition and roof replacement and parking lot project are out to bid with bids due on June 17<sup>th</sup> for the addition and roof replacement and June 30<sup>th</sup> for the parking lot.

***Comcast Reliance Road Service Extension*** – Comcast has indicated that they have completed the project to extend cable/internet service up the Reliance Road corridor. They have started to work with customers to hook up to service.

***VDOT Projects:***

- ***Oregon Hollow Rural Rustic Project*** – VDOT staff have completed the placement of stone for the project. The final step will involve putting down a tar-and-chip surface. The project will be completed by August 1<sup>st</sup>.
- ***Totten Lane Turnlane Project*** – VDOT has indicated that the project will be put out to bid on June 28<sup>th</sup>. The project should be completed by December 1<sup>st</sup>.
- ***Myers Drive Recreational Access Project*** – VDOT staff have completed pipe installation for the upgrade of Myers Drive/Farms Riverview Road to the new boat landing. Once grading work is completed on Oregon Hollow, VDOT crews will move to this project. The project will be completed by September 1<sup>st</sup>.

***VDOT/Guardrail Projects*** – As part of the County’s 2014 Revenue Sharing request, the County put up \$50,000 to be matched by VDOT to address guardrail needs at various locations. It was the intent to address at least one location in each Magisterial District. One of the projects involves the installation of warning signage. VDOT contractors will be completing the following six guardrail projects over the summer.

- **North River District:** Reliance Rd. / Rte. 627, approx. 0.14 mile west of Ritenour Hollow Rd. / Rte. 609 at bridge over tributary to Crooked Run. Mag. Dist. Priority #1. Cost Estimate \$51,220.
- **Shenandoah District:** Blue Mountain Rd. / Rte. 638, approx. 1.0 mile east of Mtn. Lake Dr. / Rte. 688. Mag. Dist. Priority #1. Cost Estimate \$20,200.
- **Happy Creek District:** Freezeland Rd. / Rte. 638, approx. 0.70 mile north of Appalachian Ln. / Rte. F-283. Mag. Dist. Priority #1. Cost Estimate \$21,110.
- **Fork District:** Stokes Airport Rd. / Rte. 615, at approx. 0.75 mile north of Rivermont Rd. / Rte. 619. Mag. Dist. Priority #1. Cost Estimate \$30,510.
- **South River District:** Bentonville Rd. / Rte. 613, at approx. 0.30 mile east of Gooney Manor Loop (west end) /Rte. 631. Mag. Dist. Priority # N/A. Recommend Signage Cost Estimate \$3,000. Signage is recommended.
- **North River District:** Guard Hill Rd. / Rte. 637, at approx. 0.47 mile west of Winchester Rd. / Rte. 340/522. Dist. Mag. Priority #2. Estimated Cost \$11,600.

***VDOT 2016 Revenue Sharing Funding*** – At its meeting last week, the Commonwealth Transportation Board approved funding for the following projects:

**Revenue Sharing:**

- Blue Mountain Road: \$165,000
- Lake Front Road: \$350,000
- Hatcher Drive: \$26,000
- Tomahawk Way: \$140,000
- Farm View Road: \$130,000

**MAP-21:**

- AT Connector: \$340,941

***Warren County Courthouse – Court Holding*** – Lantz Construction of Winchester is nearing completion on the renovation of the former jail to court holding cells. We anticipate that the project will be completed by July 31, 2016.

***Eastham Trail/Phase III***– Kickin’ Asphalt is nearing completion on the project. Yesterday they replaced the guardrail along Route 340. The final work will include installing the pedestrian crossing signals at Criser Road and Skyline Vista Drive. It is anticipated that the project will be completed by June 30, 2016 weather permitting.

***Shenandoah Farms Boat Landing*** – The County has started work on the project. GEI construction has cleared and grubbed the site, brought the site to grade and placed stone on the parking lot. County staff is working on the installation of the boat ramp. Construction on the project should be completed in the next two weeks.

<b>Project</b>	<b>Ad/Bid Date</b>	<b>Cost</b>	<b>Estimated Completion Date</b>	<b>Status</b>
FRWC Airport Obstruction Removal	Summer 2016	Unavailable	Fall 2016	Under Design
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	Under Construction
Leach Run Parkway	6/2015	\$10,648,083	Fall 2016	Under Construction
Health and Human Services Complex – Renovation	Summer 2014	\$3,988,000	Winter 2015	Completed – Awaiting Final Punch List Completion
Court Holding Renovation	Summer	\$224,864	Spring 2016	Under Construction
Totten Lane – Turn lane Project	Summer 2016	Unavailable	Fall 2016	Bid 6/28/2016
2 <sup>nd</sup> Warren County Middle School	Winter 2015	\$44,100,000	Summer 2017	Under Construction
Freezeland Road Kiss-n-Ride	Fall 2014	Unavailable	Winter 2016	Under Construction
Eastham Trail – Phase III	Fall 2015	\$	Spring 2016	Under Construction
Shenandoah Farms Boat Landing	N/A	\$75,000	Spring 2016	Under Construction

DPS

**TOWN MANAGER UPDATE:** Steve Burke

Mr. Burke stated the following:

Town Budget FY2016-2017 – Council is in the final stages of approval.

Waste Water Treatment Plant- Contractor continues to work on the pump station.

Front Royal Police Headquarters- Moseley has submitted a layout interior plan and this will be presented to Council in July.

Criser Road Bridge- We have received 70% of the plans from our consultant and we will be reviewing them.

Downtown Revitalization- Work continues. We are in the process of putting together an RFP to assist with branding efforts.

South Street- Council had joint meeting with our Planning Commission where VDOT presented options for improvements to South Street.

Westminster Sidewalk- We received an email from VDOT stating they will review our environmental application in the next 2-3 weeks.

Corridor Water Supply- Consultant has recommended a 2<sup>nd</sup> tank at Fairground Road to improve the availability of water.

Town continues to work with the Chamber of Commerce and the Tourism Department.

Town Council will have a public hearing on June 27<sup>th</sup> to discuss cameras at the Gazebo.

Internet Purchase Exchange location has been set up in the Police Department parking lot.

Town offices will be closed July 4<sup>th</sup>.

**CHAMBER UPDATE:** Niki Cales-Absent

Ms. McDonald reported:

Delegate Collins has arranged a tour for officials at VTC to tour our area on July 14<sup>th</sup>.

Senator Warner may be attending the Cardinal baseball game on July 17<sup>th</sup>.

**EXECUTIVE DIRECTOR /PROPERTY UPDATE:** Jennifer McDonald

Ms. McDonald reported the following:

**EXPLANATION & SUMMARY:**

**Royal Phoenix/Avtex:**

The EDA continues to work with the Town and Pennoni on road design to be submitted to VDOT for industrial access funds.

Town continues to work on plans for new police department. The EDA is working with the Town to find some additional financing options for the project.

ITFederal completed their geotechnical study on lot 6 and have a revised site plan to be submitted to the Town.

**Avtex Museum:**

EDA staff completed the IRS form 1023 and submitted it with fees to IRS to reinstate the nonprofit status for the Center. Reinstatement was granted in February. Staff will now continue to compile all artifacts and videos to be included in the museum.

**Town Business Activity:**

The EDA continues to work with several prospects for town properties. The EDA has met with several commercial prospects and one industrial prospect within the past 30 days for town locations.

Engineering studies and environmental studies were completed by a potential prospect for the Afton Inn. The group has determined that the building is not in a condition where it makes financial sense for them to move forward with the renovations. They have suggested a demolition of the building and starting with a new building. I have asked for a copy of the studies and hope they will be willing to provide those to me.

New owners of the former Town Hall have completed some asbestos abatement in the building and are continuing with slight repairs to the building for a new prospect. They will be removing the old Town Hall letters on the building and will be working to put together language for a memorial plaque.

Connie and Jeremy with the Planning Department continue to send us all business license applications. We have sent out welcome packets to each new business. To date the EDA has sent out over 170 marketing packets to new businesses.

Working with the Town to identify potential hotel sites within the Town limits.

**County Business Activity:**

The EDA continues to work with one manufacturing company, a packaging plant and one distribution center. All prospects are looking at lot 4 in the Stephens Industrial Park.

The EDA has met with three commercial prospects for the corridor.

**Leach Run Parkway:**

Branch Highways continues to work on erosion and sediment controls for the parkway, installing utility lines, and box culverts. Attached is a copy of their current schedule and progress meeting reports. A copy of their 3-week schedule is attached as well as progress meeting notes.

**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/licensure/signage process streamlined and user-friendly.

Last meeting was held May 25th at 10am in County Caucus room. Next meeting will be held June 22<sup>nd</sup>.

**Workforce Housing:**

Revisions were made to the site plan for the workforce housing project. Pennoni has submitted the special use permit application to the Town. The meeting was held June 15<sup>th</sup>. The EDA has to submit some additional information to the Town before forwarding on to Council.

The EDA went to closing on the property for the housing project.



**Regional Training Academy/Indoor Firing Range:**

Continue to work with the Sheriff and Moseley Architects on finalizing the design for a regional training academy and indoor firing range.

**Business Development:**

***Regional Entrepreneur Cafe:*** Marla continues to work on plans for next year's entrepreneur café.

***Venture Club:*** EDA staff is working with several local entrepreneurs in establishing an "Entrepreneur Club" to support emerging local/regional entrepreneurs. Meetings are scheduled every month at Joe's Steakhouse in Front Royal and Winchester. Keep an eye on their facebook page for the next meeting date.

***Career Connect:*** In response to a number of complaints from small business owners about our workforce preparedness, Staff has organized a roundtable discussion with small business owners, Chamber, Workforce Solutions, LFCC, and Warren County Public School leadership to discuss this national challenge. Career Connect has been added to the list of programs discussed by this roundtable. Career Connect took place the week of April 18<sup>th</sup>, 15 students participated in the program.

***The Lemonade Stand Student Entrepreneurship:*** Working with Joyce Jenkins- Wimmer at the Warren Coalition to create an after school enrichment program at the Middle School that includes exercises from The Lemonade Stand curriculum. This curriculum is also being utilized by Mr. Sean Ryder at WCHS in his marketing classes. Still in development. The Middle School Enrichment Program summer session will utilize the Lemonade Stand for a summer project.

***Apprenticeship Program:*** EDA staff is working with local industries and Workforce Solutions to develop customized apprenticeship programs for graduating seniors.

***Job Bank:*** EDA staff maintains information on known available jobs in Front Royal and Warren County.

**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 or saving at least 15 jobs and must have a minimum investment in the community of \$500,000.

We currently have 4 loans outstanding with a balance of \$462,942.91.

**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 \$291,156.69

Of the 24 loans, 2 are currently in default with payment arrangements being made by the County Attorney's office.

**McKay Springs:**

The EDA has received no inquiries in the month of May for the McKay Springs property.

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

The EDA went to closing on the Eastep property located directly behind the McKay Springs property. This property will help in marketing efforts for McKay Springs.

**Business Excellence Award Winners:**

Forked \$500.00  
Ben Family Cuisine \$750.00  
Passages Travel \$1,000.00

We have awarded to date a total of \$11,550.00.

**OLD BUSINESS:**

**STAFF COMMENTS:**

**DIRECTOR COMMENTS:**

(8:46 a.m.)

### 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.

**ROLL CALL VOTE: DRESCHER, 'AYE'; LLEWELLYN, 'AYE'; DRUMMOND, "AYE"; WINES, "AYE"; EASTHAM, "AYE"; SEALOCK, "AYE"; AND BIGGS, "AYE"**

### *MOTION COMING OUT OF CLOSED MEETING*

On a Motion by Mr. Drescher, seconded by 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"; EASTHAM, "AYE"; DRESCHER, "AYE"; SEALOCK, 'AYE'; LLEWELLYN, 'AYE'; AND BIGGS "AYE".**

(9:40 am)

**NEW BUSINESS:**

I, Jim Eastham, seconded by Ron Llewellyn, move the adoption of the following resolution:

Authorize Patricia S. Wines, as Chairman, Greg Drescher as Vice-Chairman, and/or Jennifer R. McDonald, as Executive Director to execute any and all documents needed to negotiate, refinance, or obtain additional loans through First Bank and Trust and People, Inc. as part of the new Market Tax Credit Program funds to be used for several economic development projects for the Town of Front Royal and County of Warren.

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

I, Ron Llewellyn, seconded by Greg Drescher, move the adoption of the following resolution:

Authorize Patricia S. Wines, as Chairman, Greg Drescher as Vice-Chairman, and/or Jennifer R. McDonald, as Executive Director to execute any and all documents needed to negotiate and purchase 2.055 acres located on Reliance Road with tax map number 12A 113 1 in an amount not to exceed sixty eight thousand dollars and zero cents (\$68,000) for the purpose of future economic development.

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

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

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

(9:55 a.m.)

The next regular meeting of the EDA Board of Directors is scheduled for Friday, July 22nd, 2016, 8:00 AM in the EDA conference room.

**Respectfully submitted by:**

**Michelle L. Henry  
Administrative Assistant**