

February 26, 2004

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting Thursday, February 26, 2004, at 3:00 p.m. in the Conference Room of the Wythe County Law Enforcement & Judicial Center, 245 South Fourth Street, Wytheville, Virginia.

MEMBERS PRESENT

Steven D. Irvin, Chairman

George T. Johnstone, Treasurer

Danny B. Gordon

Joseph W. Freeman, Vice-Chairman

Robert J. Ayers

William F. Snyder

MEMBERS ABSENT

Gerald Brewer

EX-OFFICIO MEMBERS PRESENT

R. Cellell Dalton, Wythe County Administrator

EX-OFFICIO MEMBERS ABSENT

Raymond E. Matney, Rural Retreat Town Manager

Wayne Sutherland, Wytheville Town Manager

DETERMINATION OF QUORUM

The meeting was called to order and a quorum determined to be present by Mr. Irvin, Chairman. Mr. Irvin thanked Authority members for their attendance. The invocation was given by Mr. Gordon, and the Pledge of Allegiance was led by Mr. Irvin.

APPRECIATION RESOLUTION - TOM GREEN

On behalf of the Joint IDA, Mr. Irvin recognized Mr. Green for his contributions to the Authority. Mr. Irvin read a Resolution (see appended) adopted February 12, 2004, and presented the framed resolution to Mr. Green. Mr. Green thanked Mr. Irvin and the Authority and stated that it has been a pleasure serving on the Authority.

R E S O L U T I O N

WHEREAS, the Joint Industrial Development Authority of Wythe County, Wytheville and Rural Retreat wishes to express its appreciation to Thomas Green, III for service to the Authority and citizens of Wythe County; and,

WHEREAS, Mr. Green served continuously on the Joint Industrial Development Authority from November 14, 1995, to November 13, 2003; and supported the efforts of Wythe County to secure the land and begin development of Progress Park, and

WHEREAS, Mr. Green was always supportive to the Authority's Executive Director, Associate Director, and Administrative Assistant and committed to the efforts of the board of directors, having served many years as Vice-Chairman; and,

WHEREAS, Mr. Green worked diligently and cooperatively with local officials and governing bodies to identify and recruit industries beneficial to Wythe County citizens, and

NOW, THEREFORE, BE IT RESOLVED that the Joint Industrial Development Authority directors, through this resolution, express their esteem, respect, and gratitude to Thomas Green, III for his outstanding contributions to the Board and extend to him best wishes for success, health, and happiness.

Adopted this 12th day of February, 2004.

/s/ Steven D. Irvin
Steven D. Irvin, Chairman

ATTEST:

/s/ Linda Lester
Linda Lester, Secretary

CITIZENS' TIME

Mr. Irvin stated the next agenda item is Citizens' Time. He inquired if there are persons present who wish to address the board during Citizens' Time. There being none, he proceeded with the agenda.

VIRGINIA'S aCORRIDOR PRESENTATION - ANDY HALL

Dr. Hawthorne introduced Andy Hall, Executive Director, Virginia's aCorridor. Mr. Hall thanked the board for inviting him to the meeting and their continued support for the organization. Mr. Hall explained that the purpose of the organization is to support the creation of job opportunities and improve the standard of living for the citizens of Bland, Carroll, Grayson, Smyth, Wythe counties and the cities of Bristol and Galax by attracting and encouraging national and international businesses to locate and invest in the region and by assisting existing companies to create or retain jobs. Mr. Hall commented that the Region had 24 prospect visits for 2003 and despite the environment; in 2003 the region had twelve announcements from new and existing industry investing \$82 million and creating 571 new jobs for the region. The organization is in the process of developing marketing brochures that should be complete by March 2004, and a professional information rich website that will be on line by the end of February 2004. Virginia's

aCorridor is a member of the Southwest Virginia Economic Development Alliance that includes a fourteen county and three city burley tobacco region. The organization continues to attend trade shows and marketing missions for the Region as well as continued development of relationships with prospects and site consultants. Mr. Irvin asked Mr. Hall to comment on the budget of the organization and the reactions received from the name change. Mr. Hall stated that he has received positive comments regarding the name change and the organization is financially stable.

APPROVAL OF MINUTES

Motion was made by Mr. Gordon that the minutes of the regular meeting held on January 22, 2004, be approved as presented, seconded by Mr. Ayers and passed unanimously.

APPROVAL OF INVOICES

Mr. Gordon asked about check #4158, First Bank of Virginia. Dr. Hawthorne explained that this is the acquisition of the certificate of deposit. Mr. Gordon asked about check #4161, AEP. Dr. Hawthorne noted that this is the electric service for January. Mr. Gordon made a motion to pay the invoices as presented seconded by Mr. Ayers and passed.

Joint IDA of Wythe County Check Register

For the Period From Jan 23, 2004 to Feb 26, 2004

Filter Criteria includes: Report order is by Check Number.

Check #	Date	Payee	Amount
4153	1/30/04	Linda D. Lester	739.07
4154	2/13/04	First VA Bk-Fed. Tax Deposit	2,646.44
4155	2/13/04	VA Dept. Of Taxation	423.44
4156	2/13/04	U S Cellular	35.73
4157	2/13/04	Linda D. Lester	666.72
4158	2/17/04	First Bank of Virginia	23,027.56
4159	2/26/04	Sprint	124.99
4160	2/26/04	Sprint	14.62
4161	2/26/04	American Electric Power	123.16
4162	2/26/04	Bankcard Services	418.70
4163	2/26/04	Xerox	146.80
4164	2/26/04	Quill Corporation	587.18
4165	2/26/04	PC SOS, Inc.	120.00
4166	2/26/04	King/Moore	110.00
4167	2/26/04	The Mount Rogers Dev. Partnersh	6,899.75
4168	2/26/04	Trigon	1,389.18
4169	2/26/04	Trigon Dental	102.67
4170	2/26/04	Fort Dearborn Life Ins Co.	31.95
4171	2/26/04	Companion Life Insurance Co.	79.32
4172	2/26/04	Town of Wytheville - Postage	39.96
4173	2/26/04	Alan Hawthorne - Reimbursement	157.38

4174	2/26/04	Mike Webb-Reimbursement	72.75
4175	2/26/04	Linda Lester-Reimbursement	14.63
4176	2/26/04	VA Economic Dev. Assoc.	130.00
4177	2/26/04	Alan R. Hawthorne	3,364.14
4178	2/26/04	Michael B. Webb	2,049.48
Total			43,515.62

OLD BUSINESS

INDUSTRY APPRECIATION GOLF TOURNAMENT COMMITTEE

Mr. Ayers provided an update on the activities of the Industry Appreciation Golf Tournament committee. Mr. Gordon asked Mr. Ayers to comment on the status of seeking a major sponsor for the tournament. Mr. Ayers stated that the committee has not discussed seeking a major sponsor for the tournament this year but perhaps next year this could be reviewed. Dr. Snyder commented that seeking a major sponsor for the tournament is a great idea. Mr. Irvin requested that this item be discussed further at a working session meeting.

15TH ANNIVERSARY EVENTS COMMITTEE

Dr. Hawthorne commented that the Joint IDA is celebrating its 15th year anniversary. The committee has decided to highlight past, present, and future successes of the Joint IDA. Plans are to have an Economic Development Symposium during the morning prior to the golf tournament.

OFFICE SIGNS

Dr. Hawthorne explained that about 25 years ago industrial developers began using the terms economic developers and economic development to designate themselves and their field. The trend has continued, and the Virginia General Assembly has increasingly addressed requests from localities that their industrial development authorities be allowed to change their designation to economic development authorities. Several such bills were under consideration this year, as well as a bill that would allow each locality to determine on its own, without individual General Assembly approval, whether it wishes to be designated as an economic development authority. This blanket bill passed both houses unanimously. There are no changes in powers, which are relatively broad, associated with the name change from an IDA to an EDA. Based on consultations with various communities and with VEDA, it appears that most of the communities that have requested the new designations were primarily interested in making the organization's name more contemporary. Stan Scott, Southwest Signs, has been contacted for procurement of the sign to be hung outside the building, and he has submitted an estimate of \$85. The board decided to defer the procurement of the sign until it can be ascertained whether the member jurisdictions have any interest in exploring a name change from IDA to EDA. Mr. Dalton suggested that the notion of changing from an IDA to an EDA would be an appropriate item for discussion at the Joint Governing Bodies meeting on March 29, 2004.

FY 2004-2005 BUDGET

Dr. Hawthorne reported that the Joint Industrial Development Authority's budget for FY 2004-2005 as approved by the Joint IDA board at its February 12 meeting has been mailed to the participating jurisdictions.

OTHER

No other old business to discuss

NEW BUSINESS

HIGHLIGHTS OF BOARD WORKING SESSION

Dr. Hawthorne reported most of these items have been, or will be, covered elsewhere on today's agenda.

TOBACCO COMMISSION PROPOSAL FOR WATER/SEWER TO SOUTHERN PORTION OF PROGRESS PARK

Dr. Hawthorne informed the board that Crossroads RIFA has applied for grant funds through the Virginia Tobacco Indemnification and Community Revitalization Commission's Economic Development Grant Program. The grant proposal is for assistance with the development of water and sewer service to the southern portion of Progress Park. In addition to providing the "backbone" infrastructure that will service this portion of Progress Park, the construction project will directly serve a rail-served manufacturing plant by Lane Enterprises, Inc., with substantial private capital investment and corresponding employment opportunities. Hence, the project not only provides for recruitment of future projects, but significantly contributes to investment and job creation in the near-term as well

VIRTUAL BUILDING PROGRAM UPDATE

Dr. Hawthorne explained that Crossroads RIFA has authorized the release of the Virtual Building Program RFP. The purpose of the Request for Proposals (RFP) is to solicit proposals to establish a contract through competitive negotiation for the purchase of services to provide a Virtual Building Program resulting in specific virtual building components consistent, at a minimum, with the Virginia Economic Development Partnership's (VEDP) Virtual Building Program. Crossroads RIFA desires to procure services resulting in the fulfillment of VEDP Virtual Building Standards to include a preliminary design, building specifications, firm cost estimates, construction schedule, identification of development team, permit acquisition, site plan development, and development of marketing materials for a 100,000 sq. ft. industrial building. Services for a minimum of one site in Progress Park will be considered with a total of three sites potentially procured based on projected costs saving due to addressing multiple lots at once. Cost recovery options based on construction of the building as proposed should be addressed, as one goal is to develop a self-sustaining virtual building program in Progress Park that does not

require on-going funding. Proposals must be submitted by March 31, 2004.

HOSTED REGIONAL DHCD ENTERPRISE ZONE ADMINISTRATORS TRAINING SESSION - 2/18/04

Dr. Hawthorne informed the board that the Office of Community Revitalization and Development's Enterprise Zone program staff held program update sessions for interested CPAs and local zone administrators at Smokey's Restaurant on February 18, 2004. The training session was held to familiarize everyone with the revisions and to discuss any other Enterprise Zone issues of concern. In addition, a local enterprise zone administrator orientation session followed the program update session.

OTHER

Dr. Hawthorne informed the board that Mr. Blair met with Ms. Lester today to discuss his interest in a tract of approximately 20 acres located in the southwest corner of property owned by the Authority in Ivanhoe. The board requested that Dr. Hawthorne send a letter to Mr. Blair expressing the board's desire to evaluate a business plan that addresses the operation of a business focused on providing horse-related services to be located on the identified property. Mr. Irvin requested that Dr. Hawthorne prepare a recommendation for the price of the land at the March working session meeting.

Dr. Hawthorne commented that Lou Brossy has been contacted regarding the timber in the Ivanhoe Industrial Park. A motion was made by Mr. Johnstone to authorize the executive director to enter into an agreement to prepare timber sale with Mr. Brossy. Motion was seconded by Mr. Gordon and passed.

Dr. Hawthorne provided preliminary performance ranking statistics from VEDP. Wythe County is one of the top three counties, with a smaller city leading the list. These rankings are based on a combined ranking obtained by averaging the jurisdiction's per capita ranking for jobs, investment, and number of announcements. Per capita results are given as new jobs per 1,000 population, capital investment as \$M per 10,000 population, and number of projects per 100,000 population. Combined rank is based on the average position of the jurisdiction after averaging the three performance rankings

Dr. Hawthorne requested the board's concurrence for submission of a nomination of the Joint IDA for the EDA Excellence in Rural Economic Development Award 2004. Letters of support have been received from Congressman Boucher, USDA Rural Development, and the chief elected officials for the three local governments that fund the Joint IDA. Mr. Johnstone made a motion to proceed with the application for the EDA Excellence in Rural Development Award 2004. Motion was seconded by Mr. Freeman and passed.

Mr. Webb provided an update on the Musser Lumber Project, which is on schedule for completion.

Dr. Hawthorne reported that the CDBG grant application for construction of the access road in the Rural Retreat Industrial Park to Camrett Logistics and Mid-Atlantic was not submitted

because Mid-Atlantic was unable to commit to the estimated number of jobs to be created by this project.

Mr. Irvin requested an update regarding the grading of Lot 11 in Progress Park. Mr. Dalton commented that a pre construction conference is scheduled for March 3. Dr. Hawthorne noted that he has received correspondence from WTI certifying that they have met the investment required to release the bond requirement for the VDOT funded industrial access road from Peppers Ferry Road to Lot 11 in Progress Park.

Mr. Freeman commented on the visit and meeting with Klöckner Pentaplast of America on February 26. The company representatives shared the history of Klöckner Pentaplast of America and spoke well of the workforce.

Ms. Lester shared with the board interest checking account rate comparisons for consideration in determining whether to move the existing Authority's regular checking and revolving loan fund checking accounts to another financial institution. Dr. Snyder made a motion to move the Authority's regular checking and revolving loan fund checking accounts to First Bank of Virginia. Motion was seconded by Mr. Gordon and passed.

ADJOURN

Mr. Irvin asked if there was any further business to come before the Authority. There being none Mr. Irvin adjourned the meeting at 4:45 p.m.

Steven Irvin, Chairman

ATTEST:

Linda Lester, Secretary