

**Directors**  
James Taylor  
Ray Tuck  
John Tuttle  
Eric Johnsen



*Tommy Loflin*  
**Chairman**  
*Norman Winstead*  
**Vice-Chairman**  
*Brian T. Hamilton*  
**Secretary/Treasurer**  
*Martin M. McMahon*  
**Attorney**

Minutes  
Tuesday, January 9, 2018 – 11:30 A.M.  
Board of Directors Regular Meeting  
Economic Development Authority of Montgomery County, Virginia  
Montgomery County Government Center  
755 Roanoke Street, Suite 2H, Christiansburg, VA  
Tommy Loflin - Chair, Presiding

The Economic Development Authority of Montgomery County, Virginia held a regular meeting on Tuesday, January 9, 2018 at the Montgomery County Government Center, Christiansburg, VA. Those in attendance were Chair Tommy Loflin; Vice- Chair, Norman Winstead; and Directors: Eric Johnsen, James Taylor, and John Tuttle. Also in attendance were: Brian Hamilton, Economic Development Director; Craig Meadows, County Administrator; Marty McMahon, County Attorney; Angie Hill, Finance Director; Brenda Rigney, Project Manager; and Rachel Cline, Economic Development Assistant. Absent was Director, Ray Tuck. Also absent was Ashlyn Shrewsbury, Project Manager.

### **OPENING REMARKS**

#### **Declaration of Quorum**

Chair Loflin declared a quorum was present, and called the meeting to order at 11:38 A.M.

#### **Approval of Agenda**

On a motion by Director Johnsen, seconded by Vice-Chair Winstead, and carried unanimously, the agenda was approved.

#### **Introduction of Guests**

There were no guests present.

### **CONSENT AGENDA**

#### **Approval of Minutes of the October 31, 2017 meeting- Exhibit Tab 1**

On a motion by Vice-Chair Winstead, seconded by Director Tuttle, and carried unanimously, the minutes dated October 31, 2017 were approved as presented.

**Review and Acceptance of the Treasurer’s Report – Exhibit Tab 2**

Ms. Hill presented the reports included in the agenda packet, choosing to focus primarily on the more recent November statement over the October statement that was also included. She pointed out that under net assets, the maintenance reserve went down because the County had to give additional money for the Cox property to cover the title insurance and additional geotechnical work. Ms. Hill also showed that in the comparison between budgeted and actual expenses, everything is pretty much on track, other than the fact that they did not originally account for the purchase of the Cox property when the budget was first set. On the cash flow statement, she also explained that the decrease of around \$83,000 was due to another timing issue from having to pay the electric bill before being reimbursed for it by the TMB tenants.

Mr. Hamilton added that operating expenses, repairs and maintenance, and utilities are lower, and that they are a little over on travel, meals, and lodging, but in general they are doing very well.

On a motion by Vice-Chair Winstead, seconded by Director Taylor, and carried unanimously, the Treasurer’s Reports dated October 31, 2017 and November 30, 2017 were accepted as presented.

**INTO CLOSED MEETING**

On a motion by Director Taylor, seconded by Vice-Chair Winstead, and carried unanimously, BE IT RESOLVED, The Economic Development Authority hereby enters into Closed Meeting for the purpose of discussing the following:

§2.2-3711

(5) Discussion concerning a prospective business or industry or the Expansion of an existing business or industry where no previous announcement has been made of the businesses or industries interest in locating or expanding its facilities in the Community

1. Project 2017023 – Exhibit Tab 3
2. Project 2017028
3. Project 2017033
4. Project 2017035

**OUT OF CLOSED MEETING**

On a motion by Vice-Chair Winstead, seconded by Director Johnsen, and carried unanimously,

BE IT RESOLVED, The Economic Development Authority hereby ends its Closed Meeting and returns to Regular Session.

**CERTIFICATION OF CLOSED MEETING**

On a motion by Director Johnsen, seconded by Director Tuttle, and carried unanimously,

WHEREAS, The Economic Development Authority of Montgomery County, Virginia has convened a closed meeting on this date in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires certification by the Economic Development Authority of Montgomery County, Virginia that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED, That the Economic Development Authority of Montgomery County, Virginia hereby certifies that, to the best of each Director’s knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies; and (ii) only such public business matters as were identified in the motion conveying the closed meeting were heard, discussed, or considered by the Economic Development Authority of Montgomery County, Virginia.

The vote on the foregoing motion was as follows:

<u>Aye</u>	<u>Nay</u>	<u>Absent During Vote</u>	<u>Absent During Meeting</u>
Tommy Loflin		Ray Tuck	Ray Tuck
Norman Winstead			
James Taylor			
John Tuttle			
Eric Johnsen			

**ACTION FROM CLOSED SESSION**

On a motion by Vice-Chair Winstead, seconded by Director Johnsen, and carried unanimously, the Economic Development Authority passed the following resolution approving the performance agreement for the redevelopment of the Market Place property between the EDA, the Town of Christiansburg, and KR Christiansburg, LLC:

RESOLUTION OF THE ECONOMIC DEVELOPMENT AUTHORITY OF MONTGOMERY COUNTY VIRGINIA APPROVING THE PERFORMANCE AGREEMENT FOR THE REDEVELOPMENT OF THE MARKET PLACE PROPERTY BETWEEN THE ECONOMIC DEVELOPMENT AUTHORITY OF MONTGOMERY, VA; TOWN OF CHRISTIANSBURG, VA, AND KR CHRISTIANSBURG, LLC

**WHEREAS**, the Town Council of the Town of Christiansburg (the "Town") and the Economic Development Authority of Montgomery County, Virginia, (the "Authority") desire to promote and encourage economic development and investment within the Town of Christiansburg and Montgomery County through the redevelopment of the Market Place property, Tax Map #436- ((5))-1, Parcel ID 027970, located at 2705 Market Street, Christiansburg, Virginia 24073 (the "Property"); and,

**WHEREAS**, KR Christiansburg, LLC, (the "Company") desires to acquire and redevelop the Property but seeks economic assistance with the construction of certain required improvements to the Property and;

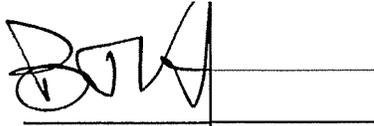
**WHEREAS**, the Town, through the Authority, agrees to assist the Company with the cost of the required improvements by providing an Economic Development Incentive Grant (the "Grant") because it finds that redevelopment of the Property will benefit the Town by promoting economic development, increasing employment opportunities for its citizens, facilitating public improvements, and generating new local tax revenues; and

**WHEREAS**, the Town and Authority find that promoting economic development, increasing employment, facilitating public improvements, and increasing tax revenue are valid public purposes for the expenditure of public funds;

**NOW, THEREFORE BE IT RESOLVED**, by the Economic Development Authority of Montgomery County, Virginia, that the Economic Development Authority hereby approves the Performance Agreement between the Authority, Town of Christiansburg, and KR Christiansburg, LLC, and;

**BE IT FURTHER RESOLVED**, by the Economic Development Authority that the Authority hereby authorizes and directs the Chairman or Vice-Chairman to execute the Performance Agreement for the redevelopment of the Market Place Property.

  
Tommy Loflin, Chair

  
Brian T. Hamilton, Secretary/Treasurer

## **GENERAL BUSINESS**

### **Technology Manufacturing Building– Exhibit Tab 4 Trane Controls Proposal**

Ms. Rigney explained that following a suggestion by the directors at the most recent EDA meeting, she had been in contact with other contractors for bids on replacing the control system in the Technology Manufacturing Building to determine whether or not the proposal from Trane is the best available offer. Johnson Controls visited the TMB, but have not yet submitted a bid. Ms. Rigney also spoke with Schneider Electric several times, but they have not yet sent anyone to walk the building.

Mr. Hamilton explained that the delay in bids being submitted might be because the other companies cannot offer a more competitive bid than Trane, particularly since a new company coming in would have much more equipment to change out at the TMB. Ms. Rigney said that if they do not receive a bid to compare to Trane's proposal soon, they will let the directors make a decision on how to proceed. Vice-Chair Winstead suggested telling the other contractors that their final reports are needed by February, and if there is still no response, the record will show that there was at least an attempt to take competing bids.

### **Grants**

#### **Economic Development Administration Grant**

Mr. Hamilton reminded the group that their grant submission was sent in in October, but he said that it has not been reviewed yet. He mentioned that the only comment they've gotten about the grant involved showing that Montgomery County can provide a distinct, unique product that cannot be provided anywhere else in the region.

### **Cox Property– Exhibit Tab 5 Road to Serve Site**

Mr. Hamilton informed the group that following closing on the Cox property in November, the site is in need of some temporary improvements. He explained that as of now, access to the former Cox property, now Falling Branch Industrial Park Phase II, is achieved through Lot 7 and up a steep bank, a less than ideal way to take a prospect to see the site, particularly if Lot 7 were to be sold. No major changes would be made to the new property itself as of now, but Mr. Hamilton stressed the importance of being able to present it well, which was a topic brought up in comments from consultants when originally showing FBIP Phase I. He said that Hurt and Proffitt have put together a proposal for an access road similar to what runs to Lot 2, and that he has submitted it as an addendum in the budget. The actual construction work on the road would then be put out to bid.

### **Business Ready Classification**

Mr. Hamilton described a program through the Virginia Economic Development Partnership (VEDP) that classifies sites on a tier-based assessment to help them to recommend properties for potential projects. For this classification, Montgomery County would apply for a grant of up to \$5,000 to help cover the cost of having an outside engineering firm assess FBIP Phase II and determine which tier the property would belong in.

Mr. Hamilton said that discussions have begun with Hurt and Proffitt, who are the most knowledgeable about the site. Mr. Hamilton informed the group that the application for the VEDP grant will need to be submitted in early February.

On a motion by Chair Loflin, seconded by Vice-Chair Winstead, and carried unanimously, the Economic Development Authority approved the application for the VEDP Business Ready Classification grant.

### **ECONOMIC DEVELOPMENT DIRECTOR'S REPORT**

#### **Existing Industry Update**

No updates were given.

#### **Marketing Update**

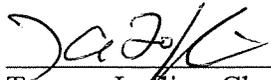
No updates were given.

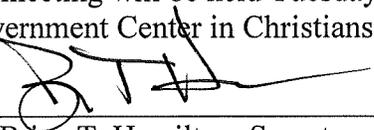
#### **Discussion**

When asked whether or not it might be possible to set up a meeting between the EDA and the Board of Supervisors now that the new BOS members are coming in, Mr. Meadows explained that the new BOS would meet for the first time later that evening, and that they will quickly jump into working on the budget. He said that May or June would likely be the best time to aim for a meeting. He added that there are BOS members, both new and existing, who have mentioned an increased focus on economic development.

### **ADJOURNMENT**

The meeting was adjourned at 12:39 P.M. The next meeting will be held Tuesday, February 20, 2018, at 11:30 A.M. at the Montgomery County Government Center in Christiansburg, VA.

  
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Tommy Loflin - Chair

  
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Brian T. Hamilton, Secretary/Treasurer