

**Economic Development Authority  
Of  
Lancaster County, Virginia  
At  
Chesapeake Bank Training Center  
Minutes – January 16, 2020**

Members Attending: Chairman Roy Carter, Vice Chair Dr. Charlotte Silverman, Jeff Szyperski, Ed Pittman, Ronald Davenport, Lewis Conway and Bruce Sanders.

Others Present: Don Gill, County Administrator, Dr. Gary Silverman and Cassie Thompson, Broadband Authority, Susan Cockrell, Town Manager of Kilmarnock, Chad Thomas, Economic Development Director for Kilmarnock and Bob Morazes.

Mr. Carter called the meeting to order at 8:30 a.m.

Mr. Carter asked Mr. Gill if the EDA had received any grant requests for this meeting.

Mr. Gill replied no.

**New Business 1 -Update from the Lancaster County Broadband Authority**

Dr. Gary Silverman of the Broadband Authority stated that he wanted to let the EDA know what their donation had helped them get accomplished so far.

Dr. Silverman stated that the Broadband Authority's simplified strategy is everything, everywhere eventually. He stated that their goal is to have all unserved and underserved citizens in the County to have access to reliable internet service.

Dr. Silverman stated that, one of the reasons that they asked the EDA for money last year, was so that the Broadband Authority could qualify for a government planning grant. He stated that the Broadband Authority was also able to secure money during the budget process with the Board of Supervisors.

Dr. Silverman discussed the survey and public meetings that the Broadband Authority had conducted in the past year. He directed the EDA to visit the website if they wanted more detailed information.

Dr. Silverman stated that the Broadband Authority will also be applying for other larger grants in the near future and they are moving as fast as they can and are going to be partnering with other groups and individuals that can assist them in the grant application process.

Dr. Silverman stated that there was an economic divide in the County when it comes to internet service. He stated that the schools have good internet service, but when the students go home, their internet service can be spotty or they cannot have any at all, which creates a hardship.

Dr. Silverman stated that they have broken the County out into three regions. He stated that the first region was the River Road area, the second region is the middle of the County and region

three is the lower end of the County. He stated that the Broadband Authority had done a lot of analysis on these regions and have decided that region one should be the highest priority when it comes to needing reliable internet service.

Mr. Carter stated that when the Broadband Authority made a presentation to the EDA, they had said they were working on getting a County-wide survey out to all of the citizens. He asked what was the percentage of responses from the survey.

Dr. Silverman replied that they had a high turnout of responses at thirty-five percent.

Mrs. Thompson stated that the survey end date closed months ago, but they are still receiving responses.

Mr. Carter asked if there would be grants available for citizens with limited resources to be able to access the service and pay a nominal monthly fee.

Dr. Silverman replied that they are working on that. He stated that there would probably be a few packages to choose from with varying capabilities and fees.

Mr. Carter thanked Dr. Silverman and Mrs. Thompson for the presentation and their hard work. He stated that broadband is very important and much needed for the entire County.

### **New Business 2 -Norms for Board Operations Going Forward**

Dr. Charlotte Silverman stated that she wanted to start with discussing team norms. She stated that what she meant by team norms was that she would like their group to be a little more efficient and that means agreeing upfront about expectations when it comes to communication, interactions and accountability. She stated that they needed to discuss how best it is to communicate with one another and decide on acceptable response times. She stated that it was hard to move forward without responses, especially with email, being in a timely manner.

Dr. Silverman also stated that she thought it would be a good idea to decide what percentage of time each member would devote to expected commitments of the EDA. She stated that accountability is also important because if someone takes on an initiative the other members would expect follow-through on that.

Dr. Silverman showed the chart for the Suggested 2019 Individual EDA Objectives/Deliverables. She stated that, for example, according to the minutes from the January 2019 meeting, Mr. Carter was going to focus on the website and she and Mr. Szyperski were going to focus on the EDA's strategic plan. She stated that, going forward, she thought that each member should focus on their initiative and decide how much time they were going to spend to meet their goals.

Mr. Szyperski stated that he thought what Dr. Silverman was talking about was a way to "up their game" versus the way the EDA has operated in the past.

Dr. Silverman stated absolutely and a big part of that is working together and agreeing on how they want to interact with each other.

Mr. Szyperki referred to communication and stated that email correspondence is not the best for him because he receives so many. He stated that a phone call is best for him if it is an issue that is critical or time sensitive.

Mr. Sanders stated that he prefers to get a text letting him know that an email has been sent. He stated that he receives many emails as well.

Dr. Silverman asked if a week or less was a reasonable response time.

The consensus was yes.

Dr. Silverman stated that, ideally, the EDA members would get some of the work done outside of the meetings. She asked about how much time the members may have to devote to the EDA.

Mr. Szyperki stated that approximately twenty hours per quarter would be the maximum for him. He stated that he was suggesting that number, but didn't know how much time the other members might have.

Mr. Sanders stated that he worked seven days a week at his business and it would be difficult to spend twenty hours a quarter on EDA matters.

Dr. Silverman stated that she knows some people are busier than others and there are busier times of the year as well.

The consensus of the group was to work on EDA matters outside of the meetings approximately ten hours per quarter.

Dr. Silverman asked about 2020 assignments and objectives and what the group should focus on. She stated that the website is something that they really needed to do something about. She stated that she was satisfied with the grant request form. She stated that she also thought they should reach out to the Northern Neck Planning District Commission and find out about their 2020 strategic goals.

There was discussion about the website and Mr. Gill stated that Glenn Rowe, the Information Technology Director for Lancaster County, can take any information and make the desired changes in the website's content.

There was discussion about possibly the EDA having its own website, similar to what the Broadband Authority has done.

Mr. Sanders asked Mr. Gill about the possibility of the County hiring an Economic Development Director.

Mr. Gill replied that the County has heard from Michael Locher, who is a recognized expert in the field of finding tax incentives for businesses looking to locate within localities. He stated that Mr. Locher had said that he did not think the County was in a position, currently, to hire an Economic Development Director. He stated that Mr. Locher believes that the County needs to develop a package of local incentives so that a director could go out and "sell" to prospective

business people. He stated that they also needed to create an inventory of business-ready locations within the County.

Mr. Gill stated that Mr. Locher is putting together a proposal for the County to take care of those preliminary steps and that will be done in approximately six months. He stated that, after that, they would be in a better position of looking at hiring an Economic Development Director. He stated that the Town of Kilmarnock has already hired an Economic Development Director and he was in attendance.

Dr. Silverman referred to the 2020 focus again and stated that her focus would be on the website and finding more financial opportunities.

Mr. Szyperski referred to the EDA having its own website and asked if that would be the highest and best use of their money. He asked about the content of the website and if it would really help move the EDA forward in its mission.

Dr. Silverman asked Mr. Szyperski what he thought was the most important thing for the EDA to focus on.

Mr. Szyperski replied that he thought the Angel Network was worth further exploration. He stated that he also thought that the EDA needed to support Chad Thomas, the new Economic Development Director for Kilmarnock.

Mr. Sanders stated that his concern was that the EDA doesn't really have any money, so if grant requests come in, they are limited to what they can do. He stated that he thought the focus should be trying to bring more money in.

Mr. Carter introduced Susan Cockrell, the Kilmarnock Town Manager, Chad Thomas, the new Economic Development Director for Kilmarnock and Bob Morazes, a citizen that was interested in economic development and would like to help in any way he could.

### **New Business 3 – Update about Angel Fund Network**

Dr. Silverman stated that according to her notes from the last meeting, Mr. Szyperski and Mr. Pittman were going to reach out to some contacts concerning financial opportunities such as the Angel Fund.

Mr. Szyperski stated that he had called Eva Doss, who is in the Danville area, and plans to meet with her before the next EDA meeting. He stated that Danville had a lot more economic duress than our area. He stated that their city population decreased from 65,000 to 40,000 and they had lost some businesses, such as mills. He stated that, a number of years ago, they sold their community hospital and yielded about \$230 million dollars, which went into a community foundation. He stated that he thought the Angel Fund came out of that. He stated that he wanted to find out more about it and perhaps something could be done locally on a more modest scale.

Dr. Silverman referred to the new aquatic center at the Northern Neck YMCA and stated that the initial funds for that project, approximately \$900,000.00, came from three individuals. She stated what that says to her is that there are people in this area, who for the right causes, have funds to

give. She stated that she would like for them to set up their own Angel Fund in Lancaster County. She stated that an important step would be to reach out to individuals in the County to find out what is important to them and what they would like to see for the County's future. She stated that the EDA might be able to work in tandem with the River Counties Community Foundation, which is already established.

Mr. Szyperski stated that they needed to learn about the way an Angel Fund is structured and whether money paid out is a grant or a loan. He stated that basically they needed to know the "nuts and bolts" of it and he would find out that information for the April meeting.

#### **New Business 4 – Update from River Counties Community Foundation Follow-ups**

Mr. Pittman stated that he had met with Margaret Nost. He stated that Mrs. Nost was not aware of the Angel Fund Project.

Dr. Silverman stated that she and Mr. Carter also met with Margaret Nost in December. She stated that the River Counties Community Foundation is affiliated with the Community Foundation for Greater Richmond and the funds are professionally managed for maximum endowment growth. She stated that the local group has doubled its assets within the last five years. She stated that their funding goes to all non-profit organizations in Northumberland, Middlesex and Lancaster Counties. She stated that they have four focus areas, which are Educational Success, Health and Wellness, Cultural Vibrancy and Economic Prosperity. She stated that there was some overlapping with the EDA when it came to funding such organizations as the Boys and Girls Club. She stated that the River Counties Community Foundation is an organization that the EDA may want to partner with in the future. She stated that Mrs. Nost mentioned possibly having a joint meeting with the duPont Foundation in the first quarter of this year.

Mr. Carter stated that Mrs. Nost was going to speak to her board about the possibility of the EDA applying for a grant from the River Counties Community Foundation.

Mr. Pittman stated that he had been invited to the fourth quarter meeting duPont meeting with its new leadership. He stated that the duPont Foundation is taking a different direction, not only in giving grants, but they are going to take some of their principal and provide low interest loans for economic development. He stated that this activity will funnel through the River Counties Community Foundation.

#### **New Business 5 – Future Steps and Suggestions**

Dr. Silverman stated that, as compared to the amount of funding that the River Counties Community Foundation gives to non-profit organizations, the EDA's funding for the same organizations would be considered small. She stated that, to differentiate the EDA from the River

Counties Community Foundation and to provide the most economic development impact, her thought would be to change the EDA's focus to helping for-profit organizations only. She stated that the local non-profit organizations seem to already be covered by the River Counties Community Foundation. She stated that, to her knowledge, there is no similar support for for-profit/start-ups in the local area and it can be difficult for a start-up business to get a bank loan.

Dr. Silverman stated that the EDA could have an important role to play in economic development, especially if they can network with an Angel Fund Program. She stated that there would be have to be solid criteria for the for-profit/start-up to have. She stated that they could also have a "pay it forward" situation in that, if they gave a grant to a start-up business, after they are established, they could help another business in some way and a start-up community or network could be established. She asked the other members about their thoughts on a new focus for the EDA.

Mr. Szyperski stated that he would not be supportive of only funding for-profit groups. He stated that he understands that non-profit organizations can go to the River Counties Community Foundation, but groups such as the Boys and Girls Club need money from both the EDA and RCCF. He stated that he thought the EDA only focusing on for-profit groups might be too narrow, especially since the EDA does not have a partnership with River Counties Community Foundation yet.

Dr. Silverman referred to a partnership with the River Counties Community Foundation and stated that her idea was more differentiating the EDA from them. She stated that, at the present time, there is nothing for start-ups in the area and the EDA could be a key player in that.

Mr. Pittman stated that the River Counties Community Foundation has many recipients and therefore its grants may be in the range of what the EDA also gives. He stated that what the EDA has done over the years is not insignificant.

Dr. Silverman stated that the idea of focusing on for-profit groups was something that she wanted the EDA members to consider.

Mr. Davenport referred to the River Counties Community Foundation and stated that it funnels money from such entities as the duPont Foundation. He stated that, if duPont took that money away, then the River Counties Community Foundation's assets and what it could do would be considerably different. He stated that, a few years ago, duPont had a program in which it was funding start-ups. He stated that the duPont Foundation tends to change its focus from time to time. He stated that River Counties Community Foundation does not always designate where the funds will go and they have more of a fiduciary role.

Mr. Carter stated that, in his opinion, the EDA should take every request on a case by case basis and grants should be a blend of both non-profit and for-profit organizations. He stated that organizations, such as the Boys and Girls Club, help to contribute to the economic development of the County and their requests should be continued to be considered as well. He stated that he would like to see some for-profit requests and the fact of the matter is that there are not that many new businesses moving in. He stated that his recommendation is to keep the EDA's focus

on both non-profit and for-profit groups, but to definitely consider for-profit groups when they make a request.

Mr. Szyperski stated that each decision, whether for non-profit or for-profit groups, needs to be based on solid information and the EDA needs to make sure that it is using its limited funds the best possible way. He stated that the EDA just opened up the door to consider for-profits and they don't have a track record for it yet. He stated that he did not see a need for the EDA to differentiate itself from the River Counties Community Foundation at this point.

Mr. Carter stated that it all comes down to the money and the more money that the EDA can get, the more organizations it can help, whether that is for-profit or non-profit. He stated that they needed to be mindful of the \$10,000.00 cap that they had agreed upon for grants.

Dr. Silverman agreed.

### **New Business 6 – Election of 2020 EDA Officers**

Mr. Carter stated that, per the by-laws, officers for the EDA are selected at the January meeting. He asked for recommendations from the floor.

Mr. Szyperski moved to nominate Mr. Carter to continue as Chairman. Mr. Davenport seconded the motion. **VOTE: 7-0.**

Mr. Szyperski moved to nominate Dr. Silverman to continue as Vice-Chair. Mr. Carter seconded the motion. **VOTE: 7-0.**

Mr. Carter moved to nominate Mr. Gill to continue as Treasurer. Mr. Szyperski seconded the motion. **VOTE: 7-0.**

Mr. Pittman moved to nominate Ms. Why as Secretary. Mr. Davenport seconded the motion. **VOTE: 7-0.**

### **Financial Report**

Mr. Gill stated that the EDA's checking account balance as of October 1, 2019 was \$13,224.32. He stated that they had received administrative fees from two organizations and a nominal amount of interest which brought the balance to \$30,966.93. He stated that the debits during that quarter included member stipends and the first installment for the Visions-Oyster Country 2017 grant, which leaves the ending balance of December 31, 2019 at \$20,566.93. He stated that the EDA will receive approximately \$20,000.00 in administrative fees that will come in during the first quarter of 2020.

Mr. Gill referred to the EDA's Community Partnership Certificate of Deposit and stated that its balance as of October 1, 2019 was \$60,412.06. He stated that after interest earned during the last quarter the balance is \$60,877.68 as of December 31, 2019.

Mr. Gill stated that the only grant request that he anticipated coming in before the April meeting would be from Lead River Counties. He stated that had become an annual grant request of \$5,000.00.

Mr. Gill stated that Dan Siegel, bond counsel for Lancaster County, knows that the EDA wants to issue bonds, but he had not heard anything from him about upcoming requests. He stated that there is \$10 million dollars each calendar year for the EDA to use in bond issuance. He stated that the Revenue Anticipation Note that the County gets counts against that.

Dr. Silverman referred to the Lead River Counties annual request and stated that she did not know how many years that had been funded. She stated that they needed to be mindful of the fact that the organization comes back on a regular basis and they have been funded for many years and helped to educate over 100 leaders. She stated that her questions were, will there be an end to the requests and from an economic development perspective, what were they getting out of funding the request year after year.

Mr. Carter asked Dr. Silverman if she wanted to have a discussion about the anticipated request at this meeting.

Dr. Silverman replied no, but she just wanted for the other members to think about the questions she had asked concerning the upcoming anticipated request.

Mr. Carter made a motion to approve the Financial Report. Mr. Szyperski seconded the motion. **VOTE: 7-0.**

### **October 17, 2019 Meeting Minutes**

Dr. Silverman stated that she had suggested to Ms. Why before the meeting that some of the actions of the meetings should be broken down with bullet points so that those actions will be made clearer to all of the members.

Mr. Carter made a motion to approve the October 17, 2019 meeting minutes. Mr. Davenport seconded the motion. **VOTE: 7-0.**

### **Other Business**

Dr. Silverman referred to the grant request process and stated that Mr. Pittman had suggested that the EDA have a more formalized process. She asked about someone willing to take on a leadership role when it came to developing the process for grant requests.

Mr. Carter stated that they had said that the grant requests should be in thirty days before the meeting.

Mr. Pittman stated that he did not believe that the EDA should vote or make a decision in front of for-profit requestors.

Dr. Silverman asked what the difference would be between making a decision right away for non-profits versus for-profits.

Mr. Pittman replied that, in his opinion, it was not appropriate to have a requestor sitting in front of the group and it can be embarrassing for the requestor if they don't receive the grant. He stated that it happened last year with the Rogue Oysters request. He stated that, in the past, when a non-profit organization submitted a request, the County Administrator usually knew it was a

legitimate request and that the EDA had the money to grant the request if they had a majority vote to do so.

Dr. Silverman stated that it was probably not a good idea to vote in front of the requestor, but she thought that the process should be the same way for both non-profit and for-profit organizations.

Mr. Carter stated that what they were saying is that they will have the requestors make their presentations at the beginning of the meetings and then later in the meeting, making the decision. He stated that later that day or the following day, either the Chair or Vice Chair would call the requestor to notify them of the EDA's decision. He stated that he thought they would need a motion to make that change.

Mr. Pittman stated that he knew the EDA meetings were subject to having press coverage and he did not think that the EDA can ask someone to leave the meeting. He stated that he thought the EDA would have to go into an executive or closed session.

Mr. Gill stated that there were about thirty different items listed in the Code of Virginia that can be a reason to go into a closed meeting.

Mr. Pittman stated that he would be in favor of doing it that way.

Mr. Gill stated that he would go through the list and find the one that was the most appropriate for the EDA's needs.

Dr. Silverman asked if an amendment to the by-laws was needed since they were changing the way they make their decisions on grant requests. She asked if someone wanted to take the lead on this process.

Mr. Gill replied that he would do the research on closed meetings and come back with more information at the next meeting.

After discussion, the EDA's next meeting will be Thursday, April 23<sup>rd</sup> at 8:30 a.m.

Mr. Carter stated that any grant requests to be considered for the next meeting will need to be received by March 17<sup>th</sup>.

Mr. Carter asked if there was anything else that any member would like to add.

Mr. Pittman stated that he would like to make a motion that the EDA asks the County for access to the money that has been set aside for economic development so they can use it for grants. He stated that they may need to have a better business plan of what they give away.

Mr. Szyperski stated that he thought that if he was in the County's position, he would want to see the criteria that the EDA uses to make grants. He stated that he knows they have been discussing criteria, but he thought it still needed to be nailed down more.

Mr. Gill stated that he thought the Board of Supervisors would want to handle requests to use those funds Mr. Pittman referred to on a case by case basis. He stated that, in his opinion, if the EDA has a plan for the money, then the Board would consider it. He stated that the Poorhouse Tract Fund has approximately \$312,000.00 in it at the present time.

Dr. Silverman asked what he meant by saying the EDA needs a plan.

Mr. Gill stated that the money was acquired when the County sold a tract of land behind the high school. He stated that it had been set aside for economic development since the late 80's or early 90's. He stated that the Broadband Authority requested \$52,500.00 in the FY 20 budget and the Board approved it with the understanding that those funds would come out of the Poorhouse Tract Fund. He stated that there would be two Authorities tapping into the same fund. He stated that the Board is going to want to know if the EDA has a specific plan for the money.

Mr. Pittman stated that he withdrew his previous motion.

Mr. Szyperski stated that Mr. Pittman had a good idea about looking into that fund.

Mr. Gill stated that the money has been sitting there for a long time.

Mr. Carter stated that between now and the next meeting, they can think of ways to tap into that fund for economic development.

### **Adjournment**

Mr. Carter made a motion to adjourn the meeting. Mr. Davenport seconded the motion. **VOTE: 7-0.**

### **Action Items**

- Mr. Szyperski will reach out to Eva Doss to discuss a potential Angel Fund initiative.
- Discussion about the EDA having its own website with a link to the County's site.
- Continue to pursue a possible partnership and/or grant opportunity with the River Counties Community Foundation.
- Mr. Gill will research the most appropriate exemption in the Code of Virginia for a closed meeting, in order for the EDA to make grant request decisions.
- Think of ways (have a plan) to tap into the Poorhouse Tract Fund.
- All grant requests to be considered for the April meeting, must be received by March 17, 2020.
- Next EDA meeting will be Thursday, April 23, 2020 at 8:30 a.m.