

**Economic Development Authority
Of
Lancaster County, Virginia
Minutes – July 15, 2021**

The Lancaster County Economic Development Authority meeting was held in the Board/Commission Meeting Room of the Lancaster County Administrative Building and through the Zoom platform on Thursday, July 15, 2021.

Roy Carter, Chairman, called the meeting to order at 8:30 a.m.

Members Attending: Vice Chair Dr. Charlotte Silverman, Jeff Szyperski, Michael Laws, and Taryn Brice Rowland. Bruce Sanders and Samuel Rice were absent.

Others Present: Don Gill, County Administrator, Glenn Rowe, Information Technology Director, Michael Stevens, Dale Ross, Clay Dingleline, Andre Ashley, Jay Wolfson, Susan Cockrell, Kilmarnock Town Manager and others. Rashawn Smith joined the meeting via Zoom.

EDA Grant Request – Gander Design, LLC

Michael Stevens of Gander Design, LLC stated that he had been self-employed his entire adult life and moved to the area about eight years ago. He stated that, since that time, he has initiated an advertising program with Bay Transit, which has been very successful. He stated that he also works for other businesses, primarily in vehicle graphics, and has bought a garage in Lively to work out of. He stated that he thought it was important for that building to be maintained because it was an anchor in the village of Lively. He stated that, if he was awarded a grant, he would use that money to help renovate the building and parking area for his business.

Mr. Carter asked Mr. Stevens what he was doing before he moved to the area.

Mr. Stevens replied that he has always been in the graphic design industry.

Mr. Carter stated that he had stopped by the building that Mr. Stevens works out of recently. He asked Mr. Stevens if he had purchased the building.

Mr. Stevens replied yes.

Dr. Silverman stated that Mr. Stevens had mentioned job opportunities in his application. She asked him what his timeline would be for hiring additional employees.

Mr. Stevens replied that he planned on hiring one person immediately. He stated that he was currently overwhelmed with incoming work.

Dr. Silverman asked Mr. Stevens if, he was awarded a grant, would he use that money within the next six months.

Mr. Stevens replied yes.

Mr. Laws asked if Mr. Stevens had submitted a business plan.

Mr. Stevens replied no because it was an existing business that he wants to expand.

Mr. Laws asked Mr. Stevens if he followed a business plan.

Mr. Stevens replied no. He stated that when he sees opportunities, he takes them.

Mr. Szyperski asked Mr. Stevens if he had any metrics on how the business will work and expand.

Mr. Stevens replied that the first step would be to install a vinyl plotter in the building because he sees potential work in trucks that go by his building many times a day. He stated that he had been in business his entire life and he has never failed.

EDA Grant Request – Brand Me

Rashawn Smith of Brand Me joined the meeting via telephone. He stated that he wants to offer barber and beauty services as well as clothing and consignment items. He stated that he also wanted to eventually have a store website and create some jobs. He stated that he has sales goals that he would like to meet each month and would like to sell at least ten items a month. He stated that he would use the grant money for more advertising, displays and products.

Mr. Carter asked Mr. Smith where the store was located.

Mr. Smith replied that the store was located next to the County Administration Building.

Mr. Carter asked Mr. Smith how long had he been in business.

Mr. Smith replied three months.

Mrs. Rowland asked Mr. Smith to elaborate on his business model as it related to what is being sold in the store.

Mr. Smith replied that he was selling clothing and accessories for women and men.

Dr. Silverman stated that Mr. Smith had said his sales goal was selling at least ten items a month. She asked him if there was a monetary amount associated with the ten items or could it just be ten socks.

Mr. Smith replied that the ten items could be anything. He stated that the biggest sellers are shirts and hats.

Mr. Smith asked if his girlfriend, who works in the business with him, could speak about the business.

Mr. Carter replied yes.

Mr. Smith's girlfriend (never identified) stated that the purpose of the store was to give something back to the community and offer job opportunities. She stated that they wanted to offer clothing styles that are not available in the local area.

Dr. Silverman asked what type of capital were Mr. Smith and his girlfriend using at the present time.

Mr. Smith replied that they were using personal funds and money from unemployment.

Mrs. Rowland stated that the EDA requires a fifty percent match requirement for grants and asked how much money have they put into the business so far.

Mr. Smith's girlfriend replied that they have put in at least \$10,000 of their personal money.

Mr. Szyperski asked Mr. Smith what his total sales have been in the three months that the business has been open.

Mr. Smith replied that, in a month's time, they can make \$2 to \$3 thousand dollars depending on the inventory.

Mr. Szyperski asked, if the grant was approved, what were the plans for those funds.

Mr. Smith replied that the funds would be used to purchase more merchandise to sell.

Mr. Laws asked if the business had any competition or was it a unique business within the area.

Mr. Smith replied that there was only one other barber in the community, so that is a needed service.

Mr. Smith's girlfriend stated that the unique clothing styles they offer are not available in the local area.

EDA Grant Request – One Cracked Yolk

Dale Ross of One Cracked Yolk stated that he had been in the food industry for many years and had noticed that there were not many places to get breakfast in the area. He stated that both he and his wife have ties to the community and family that has lived here. He stated that he would like to have a food truck that serves breakfast and use local farmers for much of the food that

will be served. He stated that his plan was for himself and one other person to run the food truck on a daily basis and then for special events, such as festivals, he would hire one or two part-time employees. He stated that the trailer has already been purchased. He stated that, if he was awarded a grant, that money would be used to purchase food, a generator, some cooking equipment and the initial paper inventory.

Mr. Carter asked Mr. Ross about his timeline to start.

Mr. Ross replied that the food truck was scheduled to be finished in September and he was planning on starting in October. He stated that his plan was to operate the food truck Monday through Friday. He stated that he would eventually like to expand to a bigger food truck in the future and possibly create more jobs.

Dr. Silverman stated that she loves breakfast and thought that Mr. Ross' idea was great. She asked if Mr. Ross would be serving an all-day breakfast.

Mr. Ross replied that the hours would be 6:30 a.m. to 10:30 a.m. He stated that when he travels to weekend events, such as farmer's markets, the hours would be longer. He stated that, when he travels outside of the County, people would know that the food came from Lancaster County because that would be advertised on the food truck itself.

Mrs. Rowland asked Mr. Ross if he would have a permanent or semi-permanent location.

Mr. Ross replied that he had spoken to representatives from the towns of White Stone and Kilmarnock. He stated that, in Kilmarnock, he would have to move his trailer every 48 hours and in White Stone he can park as long as he has written permission from the owner. He stated that his father-in-law owns commercial property in White Stone and has given him permission to park.

Dr. Silverman asked Mr. Ross if he needed any more permits.

Mr. Ross replied that he would have to have a health department inspection.

Mr. Laws asked, according to the business plan, what percentage of the business was expected to develop in Lancaster County.

Mr. Ross replied that he would like to develop at least sixty percent of his business in the County.

Mr. Carter stated that, a couple of years ago, he had done a study on the food truck industry in America and it was amazing how many millions of dollars it has generated and how popular it has become, especially in rural areas.

Mr. Carter asked Susan Cockrell, the Kilmarnock Town Manager, if Mr. Ross would be able to park in Kilmarnock, such as the Town Park, when there are events going on.

Mrs. Cockrell replied that they have a lot of opportunities in Kilmarnock for mobile vending. She stated that they could also help with some semi-permanent parking as well.

Dr. Silverman stated that, since they are the Lancaster County Economic Development Authority, they obviously want to fund things that are within the County. She stated that her concern was that the food truck would be in another locality more than it was in Lancaster County.

Mr. Ross stated that mileage would be a consideration and the more miles that the food truck had, the more repairs would be necessary. He stated that he lives in Lancaster County, so if he can stay in the County, he will.

EDA Grant Request – Northern Neck Fitness

Andre Ashley of Northern Neck Fitness stated that he had been in the fitness industry for over twenty years. He stated that he was looking for a building between 4,000 and 6,000 square feet to either purchase or lease for his business. He stated that he now lives here full-time and wants to be a part of this community. He stated that some of the things he would like to do is to hold mass fitness classes at the park in Kilmarnock, host fitness tours and bring a lot of activity into the community.

Mrs. Rowland asked Mr. Ashley that, if the grant was awarded, would he be able to use the money within six months.

Mr. Ashley replied yes.

Mrs. Rowland stated that she had looked at the pricing model in Mr. Ashley's business plan and it seemed targeted to a more affluent crowd. She stated that she had some concerns about whether the business would be accessible to everyone who might want to join.

Mr. Ashley stated that the business plan that he had included in his materials was his initial plan but, after studying the demographics locally, he has decided to have a \$20 initiation fee and a \$35 monthly membership fee. He stated that he plans on offering personal training, nutrition classes, group classes and in-home training. He stated that he plans to start small and as his business grows, he will be able to hire more people and offer more services.

Dr. Silverman referred to Mr. Ashley's competition, such as the YMCA and asked what he would offer as compared to other places.

Mr. Ashley replied that he would have great customer service and clean facilities.

Dr. Silverman asked if Mr. Ashley would be offering unique opportunities that other places might not be offering.

Mr. Ashley replied that he would be offering in-home training and outside activities such as kayaking, biking and large group classes.

Mr. Laws asked Mr. Ashley when he anticipated opening.

Mr. Ashley replied that he would like to open his business in January 2022.

Mr. Szyperski asked Mr. Ashley how he would specifically use the funds if the grant was awarded and if he would match the grant.

Mr. Ashley replied that the grant would be matched and he would use the funds for advertising, the build out of the location and equipment purchases.

Mr. Ashley stated that his initial goal was to try to get 100 members a month.

Mrs. Rowland stated that, at the price point that Mr. Ashley mentioned, that would generate \$42,000 a year. She asked about other sources of revenue for the business.

Mr. Ashley stated that he would be selling apparel and charging fees for personal training and other group activities.

Mrs. Rowland asked how many full-time employees did Mr. Ashley anticipate hiring.

Mr. Ashley replied that he would be working there along with an assistant manager and at least one personal trainer. He stated that, as the business grows, he intends to hire more people.

Mrs. Rowland asked where would the business be located.

Mr. Ashley replied that he was looking at the Kilmarnock area.

EDA Grant Request – Sail and Surf Adventures

Claiborne Dingleline of Sail and Surf Adventures stated that his business was a sailing charter company based out of Weems. He stated that he offered three different sailing charters and also does surf charters near the Eastern Shore. He stated that he purchased a large sailboat and has been renovating it into a charter vessel. He stated that the last step in the renovation was to replace the inboard diesel engine. He stated that he has self-funded the company so far and has set aside \$15,000 for the engine replacement. He stated that the estimate for the engine is about \$22,000.

Mr. Dingleline stated that he started the company because he grew up here and he already has a small contracting company here. He stated that he loved being out on the water and he wanted to offer the community a chance to get out on the water as well. He stated that both locals and visitors could benefit from his services.

Mr. Szyperski asked if Mr. Dingleline had any competition.

Mr. Dingledine replied that the Tides Inn offers charters as well as Premier Sailing. He stated that his company is the only one doing a sunset cruise seven days a week in the Northern Neck.

Mr. Carter asked Mr. Dingledine how long he had been in business.

Mr. Dingledine replied that he started his contracting company in 2013 and established Sail and Surf Adventures last year. He stated that he launched the business fully on June 1st of this year.

Mr. Carter asked Mr. Dingledine how he advertised his business.

Mr. Dingledine replied that he does digital marketing through social media and also advertises in local papers.

Mr. Carter asked about how much personal funds had been put into the business.

Mr. Dingledine replied roughly \$40,000.

Dr. Silverman stated that she loved sailing, but it was seasonal here. She asked Mr. Dingledine when he planned on having his business active during the year.

Mr. Dingledine replied that his sailing season would be March through November and during the winter months he would be working on the boat and the website.

Dr. Silverman stated that this was a mobile type of business and asked Mr. Dingledine what ties him to Lancaster County.

Mr. Dingledine replied that he lives here and the boat was permanently docked in Weems.

Mrs. Rowland asked what percentage of Mr. Dingledine's customers were local versus visitors.

Mr. Dingledine replied that, so far, it has been about half and half.

Mrs. Rowland asked Mr. Dingledine that, if the grant was awarded, how would it help him with his business.

Mr. Dingledine replied that he was trying to establish a fully refurbished classic sailing boat and the new inboard diesel engine would complete that. He stated that the current engine runs, but is at the end of its life. He stated that any help that the EDA could give him would allow him to spend more money on marketing and advertising his company.

Speaker-Jay Wolfson-NN Burger

Mr. Wolfson explained how it he got started in the restaurant business and how his business has grown in the last several years. He stated that there were great opportunities right now for economic development, especially with so many people moving into the area. He stated that, in his opinion, advertising with billboards and online really works, while radio ads and magazine

ads are not as effective. He stated that the Town of Kilmarnock seems to be the center of activity and businesses there tend to do better.

Mr. Wolfson stated that something that is hurting business here is not having a public boat ramp. He stated that almost all of the waterfront property is privately owned, but people still want to get out on the water who don't have a house on the water.

Mr. Gill stated that there were actually three public boat ramps in the County. He stated that the public boat ramp at Windmill Point is used heavily. He stated that the ramp at Greenvale Creek is used quite a bit as well. He stated that the third public ramp is at Belle Isle State Park. He stated that he thought it would be good to have another public boat ramp on the Corrotoman River. He stated that several local marinas have boat ramp accessibility as well.

Mr. Wolfson suggested that more marketing be done to advertise the existing boat ramps.

There was discussion about how to use existing resources to market the area and its amenities more.

Mr. Wolfson suggested having kiosks in the Town of Kilmarnock that would have information available about local businesses and amenities using a touch screen format. He stated that it is also important for businesses and localities to constantly update their websites. He stated that he was consistently reaching out to customers and potential customers via email blasts and social media. He stated that he has found that money spent on marketing has helped him to make more money in his business.

Financial Report

Mr. Gill stated that the EDA has two accounts. He stated that the first account was a general checking account and the balance as of May 28, 2021 was \$31,568.49. He stated that the CD account had a balance of \$63,503.56 as of May 21, 2021. He stated that the EDA currently has an annual revenue of approximately \$25,998 from all administrative fees collected throughout the year on prior bond issuances.

Closed Meeting

Mr. Szyperski made a motion to enter into closed meeting to discuss matters exempt from the open meeting requirements of the Virginia Freedom of Information Act. The subject matter to be discussed is Grant Requests, §2.2-3711.A.6 of the Code of Virginia, *1950, as amended*. The purpose is the specific discussion or consideration of the investment of public funds where competition or bargaining is involved and where, if made public, the financial interests of the governmental unit would be adversely affected. Mrs. Rowland seconded the motion. **VOTE: 5-0.**

Reconvene

Motion was made by Mr. Szyperski to reconvene the open meeting. **VOTE: 5-0.**

Certification

Mr. Gill read the certification resolution.

Whereas, the Lancaster County Economic Development Authority convened in a closed meeting on July 15, 2021 pursuant to an affirmative recorded vote on the motion to close the meeting to discuss Grant Proposals in accordance with Section §2.2-3711.A.6 of the Virginia Freedom of Information Act;

Whereas, Section §2.2-3712 of the Code of Virginia requires a certification by the EDA that such closed meeting was conducted in conformity with Virginia law;

Now, Therefore Be It Resolved that the Lancaster County Economic Development Authority hereby certifies that, to the best of each member's knowledge, (1) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act were heard, discussed or considered in the closed meeting to which this certification applies and (2) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the meeting to which this certification applies.

Before a vote is taken on this resolution, is there any member who believes that there was a departure from the requirements of number 1 and number 2 and if so, identify yourself and state the substance of the matter and why in your judgment it was a departure. There was no comment.

Mr. Gill asked each member to state that they certified the closed meeting when their name was called. He stated that the certification resolution was adopted and the EDA was back in open meeting.

Grant Request Decisions

Gander Design

Mr. Carter stated that the gentleman from Gander Design had asked for \$10,000 to improve infrastructure and improve the community. He stated that the request was discussed in closed meeting and most of the EDA members felt that it was a worthy request and now they had to determine how much money to give.

Mr. Szyperski made a motion to grant Gander Design \$7,500. Mrs. Rowland seconded the motion.

Dr. Silverman stated that she thought they should go higher with \$9,000.

Mrs. Rowland stated that she thought the EDA had limited resources and even though Mr. Stevens was a good candidate for the funds, she thought they should stay at \$7,500 or less.

Mr. Laws stated that he was okay with a \$7,500 contribution.

Mr. Carter stated that he thought Mr. Stevens would be improving the northern entrance into the County. He stated that he had stopped by the building recently and it will need a lot of concrete work.

There was more discussion about the amount that the EDA would give to Mr. Stevens and the amount of \$8,250 was brought up.

Mr. Szyperksi amended his motion to award \$8,250 to Gander Design. Dr. Silverman seconded the motion. **VOTE: 5-0.**

Brand Me

Mr. Carter stated that he did not think they knew what the business was all about. He stated that Mr. Smith had said that he was only selling about ten items a month and as far as a business plan, he thought the EDA had recognized that there might not be sustainability. He stated that any new start-up business can use a helping hand and, as mentioned in the closed meeting discussions, it might be good for Mr. Smith to have a mentor to help him learn how to run a business.

Mrs. Rowland stated that she would like to see the EDA give Mr. Smith \$500 to help with getting guidance from a mentor and he could possibly reapply in the future. She stated that they would also be supporting a diverse business in the area.

Mr. Laws stated that, because they are young and just starting out, they will need to have some funding to get going and his suggestion would be closer to \$2,000.

Dr. Silverman stated that she was fine with a \$500 contribution and that it could give the business owners some encouragement. She stated that she wanted it to be captured in the minutes that this would be an exception and not everybody who submits an application would automatically receive \$500 just because they applied for a grant request.

Mr. Szyperksi stated that he would support the \$500 grant with a recommendation that it be used towards business planning.

Dr. Silverman made a motion to award Brand Me \$500. Mr. Carter seconded the motion. **VOTE: 5-0.**

One Cracked Yolk

Mr. Carter stated that, when the EDA discussed this request during the closed meeting, he thought most of the members thought the request checked the boxes for the most part.

Mrs. Rowland stated that she had suggested that the EDA try to cover the cost of the proposed generator, which was between \$3,000 and \$5,000.

Mr. Szyperki stated that Mr. Ross seems to know the food service business given his presentation and written materials. He stated that Mr. Ross has already put some of his own money into the business proposal.

Mrs. Rowland suggested an award of \$2,500, which would be half the cost of a generator.

Dr. Silverman stated that her suggestion would be \$5,000.

Mr. Carter agreed. He stated that he thought the food truck would be successful here. He stated that he liked Mr. Ross' idea of buying from local farmers.

Mr. Laws stated that he would suggest an award of \$3,500, which would cover most of the generator's cost.

Mr. Szyperki stated that he would support a \$5,000 award.

Mrs. Rowland stated that she would support the consensus.

Mr. Carter made a motion to award One Cracked Yolk an award of \$5,000. Dr. Silverman seconded the motion. **VOTE: 5-0.**

Mrs. Rowland suggested that the EDA come up with a policy of what they would like to keep as a bank balance and that could be used as a guide when decisions for grant requests are made. She suggested discussing this at the October meeting.

Northern Neck Fitness

Mr. Szyperki stated that, during the closed meeting, there were some questions about other sources of capital and that more information was needed.

Mr. Szyperki made a motion to table the request until the October meeting so that Mr. Ashley can provide more information about the plan for his business. Mr. Laws seconded the motion. **VOTE: 5-0.**

Sail and Surf Adventures

Mr. Szyperki stated that he thought this was an infrastructure investment and an attraction that supports tourism for the County. He stated that he would support the request, but not at the level that is being requested.

Mr. Carter stated that he thought Mr. Dingleline's business was a great idea for the County.

Mr. Laws stated that it did not seem to him that Mr. Dingleline was doing enough tours in a week. He stated that, on the grant request application, Mr. Dingleline states that he was currently only doing about 1.5 tours a week. He stated that it seemed like a hobby instead of a business because of the level of activity.

Dr. Silverman stated that Mr. Dingledine could sail to other localities, but he does have another business here and he lives here so there are ties to the County. She stated that she likes the idea of getting people out on the water. She stated that she would suggest a \$5,000 award.

Mrs. Rowland suggested that they table the request until they can get more information.

Dr. Silverman stated that they could defer their decision until October.

Mr. Carter stated that would give Mr. Dingledine more time to show how his business is doing.

Mr. Laws made a motion to table the Sail and Surf Adventures grant request until the October meeting. Mrs. Rowland seconded the motion. **VOTE: 5-0.**

CBRAC Update

Mr. Carter stated that Mr. Szyperski had sent out information about what the Community Business Relations Advisory Committee (CBRAC) has been doing recently.

Mr. Szyperski stated that CBRAC's goal at its next meeting was to add more specificity to areas such as broadband, affordable housing, economic development in County government, public water access, the proposed Tri Way Trail, creating a business-friendly environment, marketing and educating the public on the local area.

April 5, 2021 Meeting Minutes

Mr. Carter referred to pages three and four and stated that a "C" should be placed in front of "BRAC".

Dr. Silverman made a motion to accept the revised April 5, 2021 meeting minutes. Mr. Carter seconded the motion. **VOTE: 5-0.**

Old Business

Status update on individual objectives from April 2021

Dr. Silverman made a motion to defer this topic until the October meeting. Mr. Carter seconded the motion. **VOTE: 5-0.**

Mr. Carter stated that, in last Thursday's Rappahannock Record, there was a letter to the editor that asked "where was the visionary leadership". He stated that the letter's author was basically taking Lancaster County to task for not having any plans in place or any visionary leadership. He stated that he would like both the EDA and CBRAC to try to address that and possibly engage this person.

Dr. Silverman stated that she thought the EDA should move forward with placing an ad in the Rappahannock Record that show the amount of funds that have been given by the EDA in the last several years. She stated that this was discussed in a prior meeting. She stated that she would also like to have her spreadsheet, that details the contributions, put on the website.

Adjournment

Mr. Carter made a motion to adjourn the meeting. Dr. Silverman seconded the motion. **VOTE: 5-0.**

Action Items

- A discussion at the October EDA meeting about a policy regarding what balance will remain in the bank for guidance when making grant request decisions.
- Defer two grant requests, Northern Neck Fitness and Sail and Surf Adventures, until the October meeting.
- Review the grant evaluation form and send feedback to Mr. Laws.
- Place an ad in the Rappahannock Record that says how much money the EDA has given out during the last several years.
- The next EDA meeting will be Wednesday, October 13, 2021 at 8:30 a.m.

