

**Economic Development Authority  
Of  
Lancaster County, Virginia  
Minutes – October 15, 2020**

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, October 15, 2020.

Dr. Charlotte Silverman, Vice Chair, called the meeting to order at 8:30 a.m.

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

Others Present: Don Gill, County Administrator, Chad Thomas, Economic Development and Tourism Coordinator for the Town of Kilmarnock and Glenn Rowe, Information Technology Director. Susan Cockrell, Town Manager of Kilmarnock and Jimmie Carter joined the meeting via Zoom.

**Update on CARES Act Grant from the Federal EDA**

Dr. Silverman stated that the first issue was an update on the CARES Act Grant from the Federal EDA, which included possible participation from the local EDA. She stated that Jimmie Carter would provide an update.

Jimmie Carter stated that the Board of Supervisors had set up a Business Advisory Committee several months ago. He stated that, as the EDA knows, they are trying to develop a business assistance center in the County. He stated that they were seeing a lot of growth in the County right now and they believed a lot of it had to do with the COVID-19 pandemic. He stated that real estate sales had increased dramatically. He stated that they were trying to build on this with what they call “BYOJ”-bring your own job and really tap into people who work from home. He stated that his group feels that Lancaster County has the best quality of life market in the eastern part of the state. He stated that the purpose of the grant from the Federal EDA was to foster these opportunities.

Mr. Carter stated that Camoin Associates, who the EDA met with in July, had submitted the grant application and it had gone through a preliminary review. He stated that it was recommended that they have the entire local match in place when they make application. He stated that this was a ripple that they did not know was going to happen. He stated that they were working on having the entire match in place and that was the reason for the delay.

Mr. Carter stated that the message for this meeting was that they were still working on this grant and even though there had been a wrinkle in the process, they were still positive that this application was a good effort.

Dr. Silverman asked if anything was needed from the EDA as of today.

Mr. Carter replied that they did not. He asked Dr. Silverman if the EDA had had a conversation about possible funding for the match yet.

Dr. Silverman replied that she had not heard anything yet.

Mr. Carter stated that they were looking at a variety of sources for funding and they were hoping that the EDA can participate as well. He stated that there had been some informal conversations with the Chairman, Roy Carter.

Mr. Pittman asked Mr. Carter if the Board of Supervisors had been approached about the local match.

Mr. Carter replied that they were planning on doing that soon.

Dr. Silverman referred to the timing of securing the funding for the match and asked if that was something that they wanted to happen before the end of the calendar year.

Mr. Carter replied that he hoped that they would have the submission in by the end of the year.

Dr. Silverman asked if they would need the local match in the next month or two.

Mr. Carter replied yes.

Mr. Gill asked how much would the local match need to be.

Mr. Carter replied that the grant they are going for is \$450,000 and the local match amount would be \$90,000 total over three years.

### **CARES Act Grant Funding for County Businesses**

Dr. Silverman asked how many applications had been received for the CARES Act grants.

Mr. Gill replied one.

Mr. Gill stated that he viewed this agenda item and the following agenda item, which is the discussion about the Town of Kilmarnock's CARES Act grant funding, as being discussed together. He stated that, from the County's standpoint, the Board of Supervisors approved \$100,000 as planning money for small business grants. He stated that the Town of Kilmarnock took the lead on this and established a program for small grants and received a good response. He stated that the town received 37 applications for grants and, with the EDA being the

disbursing agent, checks were written and distributed to the businesses that qualified. He stated the Board of Supervisors directed him to create a program for the County that was similar to Kilmarnock's program, but they wanted the grant amount to be larger if a business had more employees. He stated that the application has been on the County's website since September 5<sup>th</sup> with the deadline being October 8<sup>th</sup>. He stated that, to date, they have only received one application. He stated that the ad for the grant program was also advertised in the local paper twice. He stated that the County's program was designed specifically for County businesses that were not located in the incorporated towns because the towns were getting their share of CARES Act funds. He stated that the Town of Irvington has not enacted a grant program yet and the Town of White Stone has not requested their CARES Act funds at all. He stated that, if the Towns of Irvington and White Stone decide not to create small business grant programs, possibly a future round of the County's program could include those businesses located in those two towns. He stated that the question had been brought up about allowing home businesses to apply, but he was not aware that any other localities had done that and wasn't sure if the guidelines would allow it.

Mr. Gill stated that he presumed the Board of Supervisors would tell him at their next meeting on October 29<sup>th</sup> what they would like to do regarding the second round and he would like to have some input from the EDA. He stated that the County received a second round of CARES Act money and they had been looking at some possible projects that would fit into the guidelines. He stated that they had received some guidance that public safety salaries can be reimbursed with CARES funds. He stated that both Richmond and Northumberland counties are considering grant programs for non-profit organizations as well. He stated that the Lancaster Board has handled non-profit organizations on a first come, first served basis. He stated that Lancaster County has given money to the Boys and Girls Club, a non-profit organization, using CARES Act funds after their request at last month's meeting. He stated that money was also given to Bay Aging for some of its programs related to COVID-19 earlier in the year.

Dr. Silverman stated that the clock was ticking because the deadline for disbursing these funds is December 31<sup>st</sup>.

Mr. Gill stated that the deadline was actually December 30<sup>th</sup> and the funds have to at least be encumbered. He stated that multiple resolutions have been passed by multiple jurisdictions requesting extensions, but nothing has come of that yet.

Mr. Sanders stated that he knew that one of the qualifications is that the business must demonstrate a real need for the funds. He stated that there are some businesses that have actually done better. He stated that the towns have the majority of the hospitality businesses and those are the ones that have really gotten hurt by the pandemic. He stated that he knew the staff at the Town of Irvington are extremely busy because so many properties there have changed hands this year and they are helping new residents with various things such as zoning. He stated that he did not think this program was on their radar, if he had to guess, judging from what he has heard. He stated that he didn't know if the County can take more of an active role to try to get the money to the businesses that really need it, which are in the towns.

Mr. Gill stated that the Town of Irvington has requested its second round of CARES Act funds, but he was not aware when or if they will do a business grant program for their businesses.

Dr. Silverman asked what was the County's position concerning the business grants, considering only one application has been received to date.

Mr. Gill replied that there will be a discussion about that topic at the next Board of Supervisors' meeting on October 29<sup>th</sup>.

### **Update on the Town of Kilmarnock's CARES Act Grant Funding**

Chad Thomas, Economic Development and Tourism Coordinator for the Town of Kilmarnock, stated that he wanted to thank the EDA for being their partner in disbursing the grant funds for the last round of applications. He stated that they received 37 applications and, of those, 34 were eligible for funding. He stated that they essentially disbursed \$34,000 within 2 weeks. He stated that they initially submitted a press release to all of the local news outlets and used social media to encourage interest in the grant program. He stated that they also sent a direct mailer to every business that has a business license in town to let them know about the program and they also did some door knocking at the individual businesses. He stated that they cannot force a business to apply to the program and many times, an application, regardless how simple, can be intimidating and takes time. He stated that they offered support with filling out the application if that was needed.

Mr. Thomas stated that their process was first come, first served and after they found that not many businesses had applied, both staff and elected officials began to reach out to businesses to educate and encourage them about the program. He stated that the town does intend on having a second round of business grants with the same application format.

Dr. Silverman asked Mr. Gill if the County was using the same form as the Town of Kilmarnock.

Mr. Gill replied yes, but there was a difference. He stated that Kilmarnock's form could be submitted online and the County's form had to be printed. He stated that he would speak to Mr. Rowe, Information Technology Director, about changing that for the second round. He stated that the content of the application was the same, except that the County's form asked for the number of employees, since the grant amounts were tied to that number.

Mr. Thomas stated that the town excepted both paper forms of the application, as well as the ones submitted online. He stated that the online form can also be intimidating, so they did whatever they could to make the process easier.

Susan Cockrell, Kilmarnock Town Manager, stated that, after looking at what other jurisdictions have requested on their grant program applications, she felt that the town had asked for the bare minimum in terms of information required from the businesses in order to apply. She stated that they were not requiring tax returns or a lot of information to why there is a need for

funds. She stated that it was not a complex process. She stated that some businesses are fighting to stay afloat, while others are very busy. She stated that some business owners may be intimidated by the process, may be too busy or do not want the government's overreach. She stated that there is no "one size that fits all" in this scenario.

Mr. Gill stated that the process was simple, in his opinion, and he did not know of any way that the application process could be any simpler.

Mrs. Cockrell stated that she thought they were on the edge of not asking for enough information to ensure that the jurisdictions were covered when disbursing these funds. She stated that if they asked for anything less, then they might not meet an audit qualification.

Mr. Sanders stated that some people might not think \$1,000 is worth going through the process. He stated that, if there was more awareness of the process, more people may be interested.

Dr. Silverman stated that some of the discussion should be to identify what a business is and does it necessarily have to have a store front. She asked about home-based businesses as well as the commercial watermen and if they were to be considered. She asked if their definition of a business could be broader while still following the rules set forth in the guidelines. She stated that she did not know if they could explore that and try to cast the net wider. She stated that the EDA might want to get more proactive in getting the word out to businesses when it comes to a second round of grants.

Mr. Gill stated that any way to get the word out to businesses would be helpful. He stated that the County put two ads in the local paper, but still only received one application. He stated that, informally, he had heard that the businesses in the Town of Irvington were doing well, so he did not know if they would offer small business grants. He stated that, in his opinion, it was not fair if both county businesses and Kilmarnock businesses have access to these grants while businesses in the towns of Irvington and White Stone do not.

Mr. Gill stated that, for the second round of grants, the County should definitely have an online application form available. He stated that the County does not require business licenses, so there is no readily accessible database for county businesses.

Mr. Sanders suggested contacting the Chamber of Commerce concerning their list of businesses.

Dr. Silverman stated that she was a part of the Chamber of Commerce's board meeting the prior day and she had mentioned the small business grant program. She stated that the Chamber has a list of 290 businesses in the County. She stated that the Chamber could help with getting the word out concerning the grants.

Mr. Thomas stated that the Town plans on promoting the grant more ahead of the application deadline in an effort to get as many applications as possible for the second round of CARES Act funds. He stated that they planned on the roll out being in early November.

## **Discussion on Recognition of Julien Patterson and Terri Wesselman**

Dr. Silverman stated that, during the last EDA meeting, there had been some discussion on recognizing Julien Patterson and Terri Wesselman for their efforts in developing the Compass Entertainment Center in Lancaster County. She stated that there have been suggestions to give a grant or some other way to recognize them for their contributions to the County.

Mr. Pittman made a motion to grant Julien Patterson and Terri Wesselman \$10,000 for their efforts and to show support for them from the County through the EDA.

Mr. Davenport referred to Jimmie Carter's presentation where he spoke about matching funds for the federal EDA grant and asked would the EDA be the entity that would be providing those matching funds.

Mr. Gill replied that Jimmie Carter has had conversations with the EDA Chairman, Roy Carter, about the possibility of the EDA being a part of that local match, but it has not come before the EDA for discussion yet.

Mr. Davenport stated that he was just concerned about having enough money available for both the grant and matching funds.

Mr. Pittman stated that he was not sure he saw the correlation between his motion and the matching funds for the federal EDA grant. He stated that the federal EDA grant is a separate issue and those funds would only be given out a year at a time over a three-year period.

Mr. Sanders stated that Julien Patterson and Terri Wesselman have done good things for the County and what they have done is a philanthropic effort. He stated that he thought they would appreciate the grant as a nice gesture and he supported the motion.

Dr. Silverman stated that she liked the idea and was wondering if, instead of giving them the money, setting up something like a scholarship fund in their name would be a better idea.

Mr. Pittman stated that it was his feeling that, if they chose to use the funds in that way, it should be their decision. He stated that he had spoken to Mr. Patterson before he brought up the issue and Mr. Patterson was very receptive and appreciative to see some support from the County. He stated that he was not sure if any government agency has given them any real support. He stated that what they have done has resulted in a huge economic impact for the County.

Mr. Davenport stated that, when he brought the subject up at the last EDA meeting, he thought that Mr. Patterson and Ms. Wesselman should at least be recognized in some way. He stated that he had asked about the matching funds for the federal EDA grant because he did not know if the EDA had some commitment for that.

Dr. Silverman stated that there was a motion on the floor.

Mr. Davenport seconded the motion. **VOTE: 4-0.**

There was discussion about the possibility of a photo opportunity with Mr. Patterson.

### **Financial Report**

Mr. Gill stated that the EDA's checking account balance as of September 30, 2020 was \$33,917.38 and \$6,000 of that belongs to the Town of Kilmarnock because they had transferred \$40,000 for the small business grants and only \$34,000 had been expended. He stated that, with the grant that was just voted on and other checks that had come through since the last statement, the balance was approximately \$16,000 now. He stated that the balance on the certificate of deposit, as of September 30, 2020, is \$62,281.91.

Mr. Gill stated that, currently the EDA has annual revenue of approximately \$40,000 in administrative fees. He stated that the Board of Supervisors has voted to refund some earlier bonds. He stated that the 2014 lease bonds and the 2019 lease bonds will be paid off later this month, so the County's administrative fees will go away after those notes are satisfied.

Dr. Silverman asked how much annual revenue was associated with those bonds.

Mr. Gill replied that the County's fees were about \$10,000.

### **July 16, 2020 Meeting Minutes**

Mr. Pittman made a motion to approve the July 16, 2020 meeting minutes. Mr. Davenport seconded the motion. **VOTE: 4-0.**

### **Any Other Business**

Dr. Silverman stated that she wanted to thank Ed Pittman and Ronald Davenport for their service on the Economic Development Authority. She stated that this meeting was to be their last meeting as EDA members and two new members would be joining them in January.

### **Adjournment**

Dr. Silverman made a motion to adjourn the meeting. Mr. Pittman seconded the motion. **VOTE: 4-0.**

### **Action Items**

- Consider ways to get the word out about the CARES Act Grant Program.
- Mr. Gill will confer with the Board of Supervisors about next steps concerning CARES Act funding on October 29<sup>th</sup> at the next Board meeting.

- Possible photo opportunity with Julien Patterson and Terri Wesselman after receipt of the \$10,000 grant.
- EDA members will need to complete the Conflict of Interest on-line training by December 31, 2020.
- The next regular EDA meeting will be Thursday, January 21, 2021 at 8:30 a.m.