

**JOINT INDUSTRIAL DEVELOPMENT AUTHORITY**

**Minutes of Meeting**

**February 28, 2013**

The Joint Industrial Development Authority of Wythe County, Wytheville, and Rural Retreat held a regular meeting on Thursday, February 28, 2013, at 3:00 p.m. in the Council Room of the Wytheville Municipal Building at 150 East Monroe Street, Wytheville, Virginia.

**MEMBERS PRESENT**

Linda DiYorio, Chairman  
Carolyn Dankowski  
Jennifer Atwell

Tom Jones  
Dana Pack  
William Dixon

**MEMBERS ABSENT**

Foy Patton

**EX-OFFICIO MEMBERS PRESENT**

C. Wayne Sutherland, Jr., Wytheville Town Manager

**EX-OFFICIO MEMBERS ABSENT**

R. Cellell Dalton, Wythe County Administrator  
Michael S. James, Rural Retreat Town Manager

**DETERMINATION OF QUORUM**

Chairman DiYorio called the meeting to order and determined a quorum to be present. Mr. Dixon offered the invocation, and Mr. Jones led the Pledge of Allegiance.

**CITIZENS' TIME**

Chairman DiYorio welcomed Wayne Sutherland, Wytheville Town Manager, to the meeting. Chairman DiYorio asked if there were any persons present who would like to address the Board during citizens' time. There being none, Chairman DiYorio proceeded with the meeting.

**APPROVAL OF MINUTES—January 24, 2012**

Chairman DiYorio asked if there were any corrections, additions, or questions regarding the minutes of the January 24, 2012, meeting and if there was a motion to approve the minutes as

presented. Mr. Dixon made a motion, seconded by Ms. Dankowski, to approve the minutes as presented. The motion passed unanimously.

## **APPROVAL OF INVOICES**

Chairman DiYorio asked if there were questions or discussion regarding the invoices for February 2013, and if there was a motion to approve the invoices as presented. Dr. Hawthorne reviewed the background of the Virginia Small Business Financing Authority (VSBFA) check. He explained that Cellell Dalton, Wythe County Administrator approached him to see if the Joint IDA would be able to assist the Smyth-Wythe Airport Commission in obtaining a loan through the VSBFA to construct a new terminal at the Mt. Empire Airport. Dr. Hawthorne explained that the Joint IDA did procure a pass-through loan in the amount of \$248,000 for the Commission and that the Joint IDA had received the second payment of seven from the Airport Commission and that check number 6801 was the second annual payment being made to the VSBFA. He added that the Joint IDA is receiving a small fee for management of the loan. The Board suggested the possibility of setting up a Board meeting in the conference room of the new airport terminal. Dr. Hawthorne noted that the staff would look at setting up a meeting there, possibly in May, and that they would invite the Smyth-Wythe Airport Commission to give a brief presentation on the facility and their activities. Dr. Hawthorne pointed out that the check to the Mount Rogers Development Partnership, which is the official name of the Virginia aCorridor, was for payment of dues, which is also a pass-through transaction paid on a quarterly basis for the jurisdictions by the Joint IDA. Chairman DiYorio asked if there was any further discussion. There being none, Ms. Dankowski made a motion, seconded by Ms. Atwell, to approve the invoices for February 2013. With no further discussion, the motion passed unanimously.

**Joint IDA of Wythe County  
Check Register  
For the Period From December 14, 2012 through January 31, 2012**

<b>Check #</b>	<b>Date</b>	<b>Payee</b>	<b>Amount</b>
6785	2-28-13	Alan R. Hawthorne	3,231.94
6786	2-28-13	Kimberly B. Simmons	2,494.22
6787	2-28-13	Virginia M. Goodwin	1,663.16
6788	2-28-13	Appalachian Power Company	165.49
6789	2-28-13	Anthem Southeast Dental	93.21
6790	2-28-13	Anthem Blue Cross and Blue Shield	1,874.40
6791	2-28-13	Branch Highways, Inc.	145,438.19
6792	2-28-13	CenturyLink	135.31
6793	2-28-13	D&D Trophies	280.00
6794	2-28-13	Kelly's Kreations	36.75
6795	2-28-13	ACS/BNY Mellon HSA	850.00
6796	2-28-13	The Mt. Rogers Dev. Partnership	7,308.75
6797	2-28-13	Principal Life Insurance Co.	162.41
6798	2-28-13	Robert G. Moore	1,100.00
6799	2-28-13	VA Economic Dev. Assoc.	225.00
6800	2-28-13	Virginia Goodwin - Reimbursement	50.54
6801	2-28-13	Virginia Small Business Financing Auth.	41,323.97

6802	2-28-13	Wytheville Office Supply	51.99
6803	2-28-13	Wytheville Meeting Center	100.00
6804	2-28-13	Xerox	14.11
6805	2-28-13	Wytheville Meeting Center	25.00
6806	2-28-13	The Log House 1776 Restaurant	647.46

**Total** **\$207,271.90**

**OLD BUSINESS**

**LOT 24/LOT 30 UPDATE**

Dr. Hawthorne updated the Board on the Lot 24 work and alluded to Vice President of Business Attraction for the Virginia Economic Development Partnership Mike Lehmkuhler’s mention of the photographs of Lot 24 during the Tenure Awards Luncheon. He noted that the photographs were two years old, but were still useful in showing the size and progress of the lot. Dr. Hawthorne added that there has been a limited amount of work done on the lot due to the weather in the past couple of months. He also stated that the final construction plans for the Lot 30 project had been completed by Peed & Bortz and that Chairman DiYorio will sign the change order once final approval is received from the Wythe County Board of Supervisors and the order is signed by the Joint IDA Board Chairman. Chairman DiYorio asked if there would be additional time added to the completion of the Lot 24 project with the work to be completed on Lot 30. Dr. Hawthorne stated that the completion date has been extended to approximately June 30, which is consistent with the time frame to complete the additional work.

**TENURE AWARDS LUNCHEON UPDATE**

Chairman DiYorio commented on the Tenure Awards Luncheon and expressed her appreciation to Wytheville Office Supply for their continued support for the event. She added that she felt that the recipients were glad to have attended and thanked Ms. Dankowski for the good job she did in introducing the recipients. Chairman DiYorio added that she felt that Mr. Lehmkuhler did an excellent job with his presentation, especially during the joint meeting of the jurisdictions and the Joint IDA Board. Mr. Dixon commented that, with this being his first event, he felt that it was very nice for our businesses and manufacturers and that he also felt that the remarks by Mr. Lehmkuhler were very good for the Joint IDA Board, the Wythe County Board of Supervisors, and the Town Councils of both Rural Retreat and Wytheville. Dr. Hawthorne added that Mr. Lehmkuhler’s follow-up was certainly appreciated and that he felt it was important for him to do that to reassure our jurisdictions that the Virginia Economic Development Partnership is working hard to market Progress Park to manufacturing prospects.

**WORKING SESSION HIGHLIGHTS—BUDGET WORK SESSION (NEXT WORKING SESSION - INDUSTRIAL PARK HISTORY, MARCH 13, 2013)**

Chairman DiYorio spoke briefly about the Budget working session held on April 7, 2013, in the Joint IDA Conference Room. She asked if any Board members had any comments or questions regarding the working session. Dr. Hawthorne stated that it was good to have all of the Board

members involved in the budget process to familiarize them with financial information regarding the Joint IDA. Chairman DiYorio stated that the next working session will be held on Thursday, March 14, where Dr. Hawthorne and staff will be highlighting the industrial parks, looking at their history, the employers located in the parks, and other pertinent information. She noted that the meeting will begin at 3:00 p.m.

## **2013 INDUSTRY APPRECIATION GOLF TOURNAMENT COMMITTEE UPDATE**

Mr. Dixon discussed the first meeting of the 2013 Industry Appreciation Golf Tournament committee. He noted that the committee looked over information from the previous year and added that the Joint IDA staff will spend time working on contacting sponsors for the event during the next month. Further decisions will be made once sponsorships have been established.

## **OTHER**

Wytheville-Wythe-Bland Chamber of Commerce Directory - Ms. Atwell noted that she had distributed to each Board member a copy of the new W-W-B Chamber of Commerce Directory and that the Joint IDA did have an advertisement in the directory which was on page 36. Ms. Atwell commented that she has additional copies available if anyone were to need them.

Southwest Drug Coalition - Chairman DiYorio inquired whether Kimber Simmons, Associate Director of the Joint IDA, was able to attend the recent Southwest Drug Coalition meeting. Ms. Simmons stated that she did attend the last meeting of the group and that they have changed their name to the Wythe-Bland Substance Abuse Coalition. Ms. Simmons stated that the group is also working with individuals who are released from incarceration. She added that the function of the group is to introduce these individuals to the proper people who can help them re-establish their life and get the help they would need to acquire employment, housing, drug abuse assistance, etc. Ms. Simmons noted that the Coalition is once again applying for the Drug Free Community grant to assist with their efforts. She added that the group has applied for the grant on two different occasions, but did not receive funds. Ms. Simmons stated that if the group receives the grant the funds will be used for mentor training. Ms. Simmons added that the group has representatives from local law enforcement, the hospital, the school system, and other local individuals. The group looks to expand to not only include Wythe County, but also Bland County. She noted that the Coalition is in the process of obtaining non-profit status.

## **NEW BUSINESS**

### **2013-2014 PROPOSED BUDGET**

Dr. Hawthorne gave a follow-up report on the budget which was discussed during the working session held on Thursday, February 7. An illustration, in graph form, of expenses was distributed to the Board to demonstrate the information in an easier to understand format. Chairman DiYorio asked when the Board would hear from the Crossroads Regional Industrial Facility Authority (CRIFA) regarding management fees for the coming year. Dr. Hawthorne stated that the next meeting of the CRIFA Board will be held close to the time when the Board would be hearing back

from the jurisdictions regarding the budget. He noted that a letter to the jurisdictions would include the CRIFA information when the budgets are submitted to them. Chairman DiYorio asked if there was a motion to present the 2013-2014 Budget to the jurisdictions as recommended from the working session. Mr. Pack made a motion, seconded by Mr. Jones, to present the 2013-2014 Budget to the jurisdictions as recommended from the Board working session of Thursday, February 7, 2013. With no further questions or comments, the motion passed unanimously.

### **EXISTING INDUSTRY UPDATE (ASSOCIATE DIRECTOR PRESENTATION)**

Ms. Simmons distributed a report on her existing industry visits during January and February and gave an update on those visits. She noted that some of the visits included just a conversation and some included both a conversation and tour of the facility. Ms. Simmons stated that during March she plans to visit industries in Rural Retreat.

Chairman DiYorio inquired about changes at Horizon Healthcare. Ms. Simmons stated that Horizon has picked up new clients and customers, which has recently increased from 1400 to 1700. She noted that both she and Dr. Hawthorne visited Schaffner MTC. She added that their visit to Schaffner led to some workforce training funds for them, which had bogged down for many months. Ms. Simmons mentioned that Schaffner is growing and has plans for future expansions. Dr. Hawthorne added that they will most likely grow within the existing facility and that SPX Lightnin may have to find a new space for their operations in the future. Ms. Simmons noted that Schaffner will be hosting executives from Switzerland for their first company board meeting in this facility.

Ms. Simmons spoke briefly about working with Deanna Mabe, Experiential Learning-Job Placement Coordinator from Wytheville Community College, regarding their upcoming career fair. Ms. Simmons volunteered to assist with registration during the event being held on March 13 at the Wytheville Meeting Center.

Ms. Simmons finished her update by saying that companies face many challenges, but are cautiously optimistic. She mentioned that she was surprised at how many local manufacturers were related to the coal industry. Challenges in this sector has had an impact on our area, and companies are looking at other extractive industries to market their services. She added that some companies are having trouble hiring skilled applicants and that it is sometimes difficult for manufacturers to find a person with the type of skills needed for the technology they are using.

Ms. Simmons reported on the Enterprise Zone (EZ) meeting held in January hosted by Coalfield Services. She mentioned some of the advantages to being in an Enterprise Zone and about the advantage of the park being designated as an EZ. Ms. Simmons spoke briefly about state and local incentives, taxes, job creation, startup, lower costs for water and wastewater, fast tract permitting, connection fund rebates, and revolving loan funds. Mr. Pack stated that he was not aware that to be in an Enterprise Zone the property had to be in a designated area. Dr. Hawthorne noted that once an area is designated as an Enterprise Zone the initial designation is for 10-years, with the potential for two 5-year extensions if the zone is performing well. He added that in 2005 the Joint IDA reapplied and received a new EZ with an initial 10-year duration and potential for two 5-year renewal periods. He stated that since there is activity in Progress Park there should not be a

problem with the re-designation. The initial 10-year period will be up at the end of 2014.

Dr. Hawthorne mentioned the New River Initiative which helps to market the New River area in Virginia. He noted that Ms. Simmons was introduced to the group and that she will be attending future meetings of the group. The group is hoping to do something in this area similar to the Clinch River project.

Chairman DiYorio asked how often the Virginia Scan was updated. Ms. Simmons stated that it is done on an as need basis, as is the Joint IDA website. She also mentioned that she is also working on the Industry Appreciation Golf Tournament.

Mr. Sutherland, Wytheville Town Manager asked how to get the Town of Wytheville designated as an Enterprise Zone. Dr. Hawthorne answered that the application process is quite competitive, but that the Town could make local incentives available by designating a Technology Zone.

Rail Service - Mr. Pack mentioned that he was looking at the update to the rail services and to Amtrak. He asked how it would affect our area and if manufacturing could utilize the rail services. Dr. Hawthorne stated that there is currently updating done to the tracks in general and that there are currently no restrictions (typically tunnels or low bridges) to double-stacked container traffic on our section of the NS track. He noted that there will be some upgrades done to increase double tracking to allow for trains to pass. Dr. Hawthorne added that the General Assembly is putting new money into continuing Amtrak from Lynchburg to DC and to extend service, perhaps in three years or so, to Roanoke. Long-term plans would have passenger train service extended to Bristol with a stop in Wytheville at some point in the future. Mr. Pack asked if rail service was important for shipping in our area or was most of the shipping done by trucking. Dr. Hawthorne answered that Wythe County does have a very good train delivery service, but a large majority of shipping is currently being done by trucking. Industry desires to have both rail and truck options available some each mode will have competition, helping to keep transportation costs in check. Ms. Dankowski stated that, at present, Gatorade receives dry sugar by rail which is something no other Gatorade plant has, but that they cannot ship out finished goods because most locations do not have rail facilities to receive the product. Dr. Hawthorne noted that Norfolk Southern does a good job marketing Progress Park as being rail accessible.

## **PROJECT UPDATES**

Dr. Hawthorne mentioned that there will be a Site Selection Committee meeting on Friday, March 1, in the Joint IDA conference room. Dr. Hawthorne added that there had been a new avenue of leads to open up due to Tobacco Commission funding to CCAM (Commonwealth Center for Advanced Manufacturing) and the hiring of an economic developer, currently stationed in Europe, to help market Southwest and Southside sites. He stated that in addition to the marketing efforts, there will be increased opportunities for the region's students to intern at CCAM and gain work experience and job knowledge.

Dr. Hawthorne stated that there have been some project leads for smaller manufacturers and that he would be updating the Site Selection Committee on those leads. He added that there has been an increase in activity over what has occurred in the past six months. He noted that the economy is poised to see some improvements and that he is hopeful that the Joint IDA will be seeing leads for

new projects coming in the near future. Mr. Dixon asked who served on the Site Selection Committee and what their purpose was. Dr. Hawthorne answered that the Site Selection Committee is comprised Wythe County Administrator Cellell Dalton, Wytheville Town Manager Wayne Sutherland, Rural Retreat Town Manager Michael James, Joint IDA Chairman Linda DiYorio, and Joint IDA Executive Director Alan Hawthorne. The purpose of the committee is to review project and prospect opportunities, make recommendations on proper sites for projects, and to discuss feasibility (infrastructure, etc.) regarding a prospect or project. This committee reviews relevant information prior to making specific recommendations and prospect proposals for project opportunities.

## **OTHER**

Signage for GigaPark promotions - Ms. Simmons mentioned that she has put a package together regarding the Giga Park signage that she will submit to each jurisdiction. She noted that even if the sign is not desired and placed, the park will still be included in the TICRC sponsored marketing efforts by Mid-Atlantic Broadband.

Workforce Investment Board - Dr. Hawthorne stated that the Workforce Investment Board (WIB) is working on a Strategic Plan and has engaged with Virginia Tech to do a skills gap analysis. He noted that the analysis will be shared with each community. Dr. Hawthorne added that the Virginia Tech researchers will update progress at each meeting of the WIB.

TICRC - Dr. Hawthorne mentioned the Skills Gap Analysis recently completed by the Tobacco Indemnification and Community Revitalization Commission (TICRC). He added that the Workforce Investment Board is aware of what the TICRC has done and that the information will be helpful in developing regional advanced manufacturing training responses.

Wythe County Board of Supervisors presentation - Dr. Hawthorne and Chairman DiYorio attended the recent meeting of the Wythe County Board of Supervisors where Dr. Hawthorne gave a presentation. He highlighted areas regarding Wythe County's workforce. He spoke about workforce potential, education, and new population consensus. Chairman DiYorio was encouraged that the Board of Supervisors were attentive and asked questions, and that they were interested in the education component.

## **ADJOURN**

There being no other business, Chairman DiYorio adjourned the meeting at 4:20 p. m

---

Linda DiYorio, Chairman

Attest:

---

Virginia M. Goodwin, Secretary