

Waynesboro Economic Development Authority
Minutes of the Regular Meeting
Friday, February 12, 2021
Zoom Remote Call

Members Present on Zoom: Ms. Tami Radecke
Mr. Mark Snyder
Mr. George Reed
Mr. Perry Fridley
Ms. Brenda Arkward

Members Absent: Ms. Angie Bandy
Ms. Mary Sullivan

Others Present on Zoom: Mr. Greg Hitchin- Director of Economic Development & Tourism
Ms. Stephanie Duffy- Administrative Assistant
Ms. Jennifer Callison- Tourism & Marketing Manager
Mr. Mike Hamp- City Manager
Mr. Bobby Henderson- Mayor

Welcome

Mr. Fridley called the meeting to order at 8:00 AM and thanked everyone for joining the meeting remotely, then gave a reminder that the EDA was authorized to meet electronically by City ordinance 2020-21 and State legislation passed (an amendment to house bill 29 of 2019). EDA members and staff are attending remotely from home and office and the meeting is being recorded for minute taking purposes.

Approval of Minutes

There being no changes to the minutes from the regular January 8, 2021 meeting, Ms. Arkward made a motion to approve the minutes as written. The motion was seconded by Mr. Reed and passed by unanimous vote.

Financial Report

Mr. Hitchin gave a report on the financials. There was one check from the Grow Waynesboro reserve account in the amount of \$2,087.50 to the Shenandoah Valley Partnership. This is for the GOVA program in which a Waynesboro business is participating in economic gardening. This is a fee-based service costing \$4,175 per company. GOVA is paying 50% and the local match is 50% which we are splitting with the company. The check is for \$2,087.50 and an invoice has been sent to the company for \$1,043.75. There were a total of nine charges to the credit card, three charges totaling \$217.99 associated with the Shenandoah Beerwerks program postage; three charges totaling \$91.70 associated with issuing 1099G's to sole proprietor and single owner LLCs who received CARES grant funds; and three charges totaling \$25.20 associated with the RLF bank auto debit program. Mr. Reed made a motion to approve the check as written. The motion was seconded by Mr. Synder and passed by unanimous vote.

Committee Reports

Audit: Ms. Bandy has received the bank reconciliation reviews and will have them returned by the next meeting.
Nomination: Mr. Hitchin reminded the board that a nominating committee will need to be established at the next meeting, with at least one seat to fill and officers to be appointed.

Monthly Updates

There were no updates given.

Waynesboro Marketplace Performance Agreement

- a. Review: EDA members were sent materials on the Waynesboro Marketplace project ahead of the meeting. There was a slight change in the material sent: development of the back half must be completed by 2024 and the City is proposing extending the agreement to seven years. Mr. Hitchin gave an overview of the site plan and proposed performance agreement. The development consists of turning 12.87-acres, formerly known as Ladd Elementary School, into commercial retail space. Current plans include six separate structures totaling over 63,000 square feet on approximately twelve acres. The remaining acreage includes stormwater management, road and other common area. Public improvements include the city abandoning the old wastewater system within the site and requiring an additional system from the developer. Road improvements on Rosser Avenue are also required by the City/VDOT. Documents will be required to verify expense. The maximum benefit for this performance agreement is \$500,000. Maximum benefit will be achieved if 100% of square footage is operational by December 31, 2024. If at least 20% of square footage is operational by December 31, 2022, a step benefit of \$100,000 will be achieved. If actual costs are less than costs estimated in agreement, maximum benefit will be less to match actual expense. The developer will pay for all costs and the City/EDA will reimburse the developer from incremental taxes based on following schedule:
- Developer/tenants pay 100% of taxes due
 - Tenants will need to self-report sales tax/COR to verify
 - Developer requests reimbursement
 - EDA invoices City
 - EDA reimburses developer within 30 days

The agreement ends December 31, 2029 or when maximum benefit is paid out, whichever comes first.

- b. Background: Mr. Hitchin also gave a brief background on the property. In 1986, the City annexed a portion of Augusta County that included the Ladd Elementary School. Augusta County operated the school through the 2013 school year, when it was closed and offered it for sale. Several development companies have looked at the site for a variety of mixed uses. In 2015, a development company rezoned the near 13-acre site to accommodate retail stores and quick serve restaurants (QSR) along Rosser Avenue, a mid-priced hotel in the middle, and town homes in the rear. The developer ultimately did not purchase the property. In the last six months, Mitchener Properties, LLC, of North Carolina, has been in discussion with Augusta County and is evaluating the site for a commercial/retail use. Plans have been developed showing 7-8 buildings totaling 63,000-70,000 square feet. The project is planned in two phases, with the first phase completed by the end of 2022 consisting of commercial retail shops, including two QSR along Rosser Avenue, and phase two in the rear to be completed later. The current site plan would require rezoning for phase two. Phase one is by right. Included in the 2015 plans were a number of proffers related to traffic improvements on Rosser Ave. Those proffers are still required with an estimated \$400,000 cost to the developer. In addition, the current City wastewater line running through the site is unusable and is being abandoned by the City. This will require the developer to manage the abandoned system and install additional pipe which is estimated to cost \$100,000. Although Augusta County has lowered the original asking price, the \$500,000 of public infrastructure cost make the project unfeasible. Staff is recommending a performance agreement which will reimburse the developer, from future incremental tax revenue, up to \$500,000 over seven years. To obtain full value of the agreement, the developer must have the entire project developed by December 31, 2024.

After some brief discussion, Mr. Radecke made a motion, authorizing the Chairman to enter into the proposed performance agreement, pending City Council approval of the agreement. The motion was seconded by Mr. Reed and passed unanimously on a roll-call vote as follows:

Chairman Fridley	Aye
Ms. Radecke	Aye
Ms. Akward	Aye
Mr. Snyder	Aye
Mr. Reed	Aye

Other Business/Discussion

Mr. Hitchin gave a brief presentation to the board with updates about small business and entrepreneur development resources, Technology Zone and Natures Crossing Technology Center business attraction, and current marketing campaigns. Members were provided a QR code, taking them to a page with more information which can be found here: <https://www.waynesborobusiness.com/february-8-2021-city-council-meeting-information/>

Correspondence and Communication of the Chairman

The next regular meeting is scheduled for March 12, 2021.

There being no other business to discuss, Mr. Snyder made a motion to adjourn. The motion was seconded by Mrs. Radecke and the meeting was adjourned at 8:29 AM.

Respectfully submitted ___/___/____

Certified as approved ___/___/____

Stephanie Duffy
Recording Secretary

Gregory E. Hitchin
Secretary/Treasurer