



GREENE COUNTY ECONOMIC DEVELOPMENT AUTHORITY

Special Meeting of the EDA Minutes

Friday, February 21, 2020, @ 6:30 p.m., 40 Celt Rd, Stanardsville, VA

CALL TO ORDER

- A meeting of the Economic Development Authority Board of Directors was held at the County Administration Building at 40 Celt Rd, Stanardsville, Virginia on Friday, February 21, 2020. Call to order at 6:30pm, with Mr. Michael Payne, Chairman, presiding.

RECORD OF ATTENDANCE

- **Members in Attendance:** Michael Payne, James Tsikerdanos, Whit Ledford, Gretchen Scheuermann, and Julia Morris
- **Members not in Attendance:** Matt Dillon
- **Non-Members in Attendance:** Steve Bowman, Mark Taylor, David Lauro

ACCEPTANCE OF MINUTES

- N/A

FINANCIALS

- N/A

REPORTS OF OFFICERS, COMMITTEES, and the ECONOMIC DEVELOPMENT and TOURISM DIRECTOR

- N/A

COMMENTS FROM THE PUBLIC

- There were no comments from the public

OLD BUSINESS

- N/A

NEW BUSINESS

- Vote to fill vacated Secretary/Treasurer position left open by resignation of Don Pamerter
 - Michael asked if anyone would like to step up as Secretary/Treasurer. James nominated himself. Seconded by Gretchen. Gretchen, Whitt, Julia, and Michael voted in favor for James to take over as Secretary/Treasurer

- White Run Reservoir project bonding
 - Mr. Lauro reviewed the financing request from the county for the White Run Reservoir bond.
 - The bond financing is for re-financing of 2 other previous notes for up to 12.1 Million dollars.
 - This is a 2 year note through United Bank as a standard lease-leaseback financing agreement.
 - These payments are considered an expense and not a debt to the county. This make it subject to standard appropriations by the county.
 - This is a tax-exempt qualified bond financing. This means that ultimately the property can not be used for income generating purposes while financing is underway.
 - All obligation and liability to passed back to the county through this process.
 - Mark Taylor expressed gratitude from the county to the EDA for moving so quickly on this bond financing needed for the project. The interest rate is at 2% and additional funds are added for finishing out needed land acquisition.
 - Michael opened the floor the public for comment.
 - Michael closed the floor to the public. No public comments were made
 - Julia made a motion to approve the bond as presented. Whit seconded.
 - Role call vote: Michael, Julia, Gretchen, Whit, and James all voted in favor.
- Borrower Term Sheet review and approval
 - Mr. Lauro reviewed the concept of bond financing.
 - Local 501(c)3 organizations must come to the EDA for bond financing first but organizations outside the county can come to the Greene County EDA for bond financing.
 - The term sheet will establish a standard application fee and annual administration fee. Annual administration fee cannot exceed 1/8th of 1 percent of the outstanding balance. Competitive rates in the state are capping their admin fee between \$3000-\$5000 and application fee's between \$2500-\$5000.
 - Whitt asked about what businesses can utilize bond financing. Very few private businesses qualify but mostly 501c3 businesses.
 - Julia asked about administration requirements. There are tax documents that the EDA will need to ensure are completed by those organizations that utilize EDA bond financing every year.
 - Gretchen asked whether their was a limit to how many times someone can refinance. There is no limit.
 - Michael asked if Mr. Lauro had seen one of these go wrong and Mr Lauro said he had not for bond financing specifically.
 - Julia commented that she has been trying to get this bond financing program off the ground for a long time and would like us to be competitive so that we can get in the market. She suggested we go in with a lower fee's and can revisit the fee's later.
 - Michael suggested we do the application fee at \$2500 and capping annual admin fee at \$3000.
 - James and Whitt both like that level so that we can get into the market.
 - Julia made a motion that we have a \$2500 application fee, capped \$3000 administration fee, and a yearly rate review done by the board each year.
 - Seconded by Whitt. Board voted unanimously for the motion.
 - Julia made a motion to adjourn. Whitt seconded. Board unanimously voted to adjourn the meeting.

NEXT MEETING DATE

- The next meeting will be on Tuesday, March 17, 2020, at 6:30 p.m. at Town hall, 19 Celt Rd.

ADJOURNMENT

- Meeting adjourned at 6:27