

# **ECONOMIC DEVELOPMENT AUTHORITY**

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## **COUNTY OF FREDERICK, VIRGINIA**

(540) 665-6382  
Fax (540) 667-0370

**AGENDA**  
**ECONOMIC DEVELOPMENT AUTHORITY**  
**MEETING**  
**(THURSDAY, FEBRUARY 20, 2014)**  
**(10:00 A.M.)**  
**COUNTY ADMINISTRATION BUILDING**  
**BOARD OF SUPERVISORS CLOSED SESSION ROOM**  
**107 N. KENT STREET**  
**WINCHESTER, VIRGINIA**

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1. Call to Order
2. Approval of Minutes – January 23, 2014 **(See Attached)**
3. Treasurer's Report **(See Attached)**
4. Discussion of Working Group Recommendation Re: Signage Along Major Routes Entering Frederick County. **(See Attached)**
5. Such other business as may come before this Authority

Please contact the Office of the County Administrator at 540-665-6382 if you are unable to attend this meeting.

**ECONOMIC DEVELOPMENT  
AUTHORITY**

**MEETING MINUTES**

**JANUARY 23, 2014**

An Organizational Meeting of the Frederick County Economic Development Authority was held on Thursday, January 23, 2014, at 10:00 A.M. in the County Administration Building, Board of Supervisors' Closed Session Room, 107 North Kent Street, Winchester, Virginia.

**PRESENT:** Richard Dick; John McKenzie; J. Stanley Crockett; Jay Meyers; Beverley Shoemaker; Dan Wall; Jay C. Meyers and Gary A. Lofton, Board of Supervisors' Liaison

**ABSENT:** Jim Lockard;

**STAFF:** John R. Riley, Jr. Secretary/Treasurer; Jay E. Tibbs, Assistant Secretary/Treasurer; and Michael Bryan, Attorney

**MEETING CALLED TO ORDER**

Richard Dick called the meeting to order.

**ELECTION OF OFFICERS FOR 2014**

**RICHARD DICK ELECTED CHAIRMAN. BEVERLY SHOEMAKER ELECTED VICE-CHAIRMAN and JOHN R. RILEY, JR. ELECTED SECRETARY**

Upon a motion by Mr. McKenzie, seconded by Mr. Meyers, the current slate of officers were re-elected for 2014: Richard Dick, Chairman; Beverley B. Shoemaker, Vice-Chairman; and John R. Riley, Jr., Secretary /Treasurer.

Richard G. Dick	Aye
Beverley Shoemaker	Aye
J. Stanley Crockett	Aye
Jim Lockard	Absent
John McKenzie	Aye
Jay C. Meyers	Aye
Dan Wall	Aye

**APPROVAL OF MINUTES**

The minutes from the July 24, 2013 meeting were presented. Some spelling corrections

were noted.

Upon a motion by Vice-Chairman Shoemaker, seconded by Mr. McKenzie, the minutes from the July 24, 2013 meeting were approved as corrected.

Richard G. Dick	Aye
Beverley Shoemaker	Aye
J. Stanley Crockett	Aye
Jim Lockard	Absent
John McKenzie	Aye
Jay C. Meyers	Aye
Dan Wall	Aye

**TREASURER'S REPORT - APPROVED**

Secretary/Treasurer Riley submitted the following report:

Checking Account - Bank of Clarke County as of December 31, 2013 - \$254,958.72

Savings Account - Scott & Stringfellow as of December 31, 2013 - \$202,493.27

He advised that \$250,000 reflected in the Bank of Clarke County account represents an incentive payment to HP Hood, LLC, which has since been paid.

Upon motion made by Mr. Crockett, seconded by Mr. Wall, the Treasurer's Report was approved, as submitted, by the following recorded vote:

Richard G. Dick	Aye
Beverley Shoemaker	Aye
J. Stanley Crockett	Aye
Jim Lockard	Absent
John McKenzie	Aye
Jay C. Meyers	Aye
Dan Wall	Aye

**ADOPTION OF BY-LAWS - APPROVED**

Attorney Bryan advised that, other than the name change from Industrial Development Authority to Economic Development Authority, there were no other changes in the past year that

would require an additional amendment to the by-laws.

Upon a motion by Mr. Crockett, seconded by Vice-Chairman Shoemaker, the Authority approved the by-laws by the following recorded vote:

Richard G. Dick	Aye
Beverley Shoemaker	Aye
J. Stanley Crockett	Aye
Jim Lockard	Absent
John McKenzie	Aye
Jay C. Meyers	Aye
Dan Wall	Aye

**GOVERNOR'S DEVELOPMENT OPPORTUNITY FUND INCENTIVE GRANT  
PERFORMANCE AGREEMENT – HP HOOD, LLC**

Mr. Crockett abstained from consideration of this item due to a conflict of interest.

The Authority considered a proposed Performance Agreement dated January 8, 2014 by and between the County of Frederick, the Authority, and **HP Hood, LLC**. Under the terms of the Agreement, **HP Hood, LLC** intends to expand and improve a facility with a capital expenditure of approximately \$84,628,856 and will further entail the creation of 75 new jobs at the Facility. The Authority agreed to make a cash grant to **HP Hood, LLC** in the sum of \$1,100,000, in accordance with the terms of the Agreement.

After review of the Memorandum of Understanding and discussion of the same, upon motion duly made by Beverley B. Shoemaker, seconded by John L. McKenzie, it was unanimously

**RESOLVED** that the Performance Agreement dated January 8, 2014 with **HP Hood, LLC** was unanimously approved, as promoting industry and developing trade for the benefit of the inhabitants of the Commonwealth, through the increase of their commerce and promotion of their prosperity.

Richard G. Dick	Aye
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Beverley Shoemaker	Aye
J. Stanley Crockett	Abstain
Jim Lockard	Absent
John McKenzie	Aye
Jay C. Meyers	Aye
Dan Wall	Aye

**AUTHORIZATION TO SPONSOR AND EXPEND REASONABLE SUMS NECESSARY TO HOST AN ECONOMIC/LEGISLATIVE RECEPTION FOR LOCAL ELECTED REPRESENTATIVES AND STATE AGENCIES IN ORDER TO PROMOTE TRADE AND INCREASE COMMERCE FOR THE BENEFIT OF FREDERICK COUNTY AND ITS CITIZENS ON FEBRUARY 13, 2014 IN RICHMOND, VIRGINIA**

Secretary Riley read the following resolution:

**BE IT RESOLVED** that the Economic Development Authority of Frederick County, Virginia is hereby authorized to sponsor and expend reasonable sums necessary to host an economic/legislative reception for local elected representatives and state agencies in order to promote industry, develop trade, and increase commerce for the benefit of Frederick County and its citizens on February 13, 2014 in Richmond, Virginia.

Upon a motion by Mr. McKenzie, seconded by Mr. Wall, the above resolution was approved by the following recorded vote:

Richard G. Dick	Aye
Beverley Shoemaker	Aye
J. Stanley Crockett	Aye
Jim Lockard	Absent
John McKenzie	Aye
Jay C. Meyers	Aye
Dan Wall	Aye

**UPDATE ON CONVERSION FROM INDUSTRIAL DEVELOPMENT AUTHORITY TO ECONOMIC DEVELOPMENT AUTHORITY**

Secretary/Treasurer Riley briefed the members on the conversion of the Industrial Development Authority to an Economic Development Authority. He advised the Board of Supervisors, at its November 13, 2013 meeting, authorized staff to proceed with the creation of

an EDA with an effective date of July 1, 2014. In order to make that happen, the following must to occur:

- 1) On January 8, 2014, the Board conducted a public hearing and approved the ordinance changing the name of the INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF FREDERICK, VIRGINIA to the ECONOMIC DEVELOPMENT AUTHORITY OF THE COUNTY OF FREDERICK, VIRGINIA.
- 2) Special legislation to allow a Board of Supervisors' member to be appointed as a voting member of the EDA. Staff has met with members of our state delegation regarding this need for special legislation. This legislation has been presented by Delegate Minchew and Senator Vogel.
- 3) A plan must be developed to transition the existing EDC staff to EDA staff.

Staff has checked with IDA legal counsel and it has been determined that the name change from Industrial Development Authority to Economic Development Authority would not affect the outstanding bond financings. He explained the Board, at its December 6, 2013 work session, discussed the proposed make up of the new EDA. It was the consensus of the board members that the new EDA would consist of three members each from the existing EDC and IDA and one member of the Board of Supervisors, pending approval of the needed legislative change. He went on to say staff would like to have feedback from the members of the Authority as to how to make this conversion as smooth as possible. To that end, if any current members would like to be considered as an appointee to this new authority, he asked that they send a letter of interest him and he would share the interest with Chairman Shickle.

Chairman Dick stated he did not think there should be a limit given to the Board regarding where the new members should come from (i.e. existing EDC and IDA). He would like to see the pool of possible members opened up. He went on to say that he would not ask to be considered for appointment.

Mr. Crockett agreed that the Board of Supervisors should have more flexibility in the selection of members.

Mr. Meyers agreed.

Upon a motion by Mr. Crockett, seconded by Mr. Meyers, the Economic Development Authority unanimously agreed the Board of Supervisors needed the flexibility to consider all available and interested talent within Frederick County when appointing the new members to the Economic Development Authority.

The above motion was approved by the following recorded vote:

Richard G. Dick	Aye
Beverley Shoemaker	Aye
J. Stanley Crockett	Aye
Jim Lockard	Absent
John McKenzie	Aye
Jay C. Meyers	Aye
Dan Wall	Aye

Supervisor Lofton thanked the EDA for their vote and he appreciated the directors' commitment. He went on to say this vote showed their commitment to Frederick County and moves Frederick County forward.

### **NEXT MEETING**

The next meeting of the Frederick County EDA will be held on Thursday, February 20, 2014. The purpose of the meeting will be to discuss the Business Friendly Committee's recommendation regarding signage to promote Frederick County as a business destination.



**ADJOURN**

**THERE BEING NO FURTHER BUSINESS TO COME BEFORE THIS  
AUTHORITY, THE MEETING WAS ADJOURNED. (10:40 A.M.)**

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**Richard G. Dick  
Chairman**

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**John R. Riley, Jr.  
Secretary**

# ECONOMIC DEVELOPMENT AUTHORITY

## COUNTY OF FREDERICK, VIRGINIA

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**TREASURER'S REPORT SYNOPSIS  
ECONOMIC DEVELOPMENT AUTHORITY  
February 6, 2014**

### BANK OF CLARKE COUNTY

<b>Beginning Balance - as of December 31, 2013</b>		<b>\$254,958.72</b>
Total Deposits	\$500,844.62	
Total Disbursements	\$751,557.12	
<b>BALANCE AS OF February 6, 2014</b>		<b><u><u>\$4,246.22</u></u></b>

### SCOTT & STRINGFELLOW

<b>Beginning Balance - As of December 31, 2014</b>		<b>\$202,493.27</b>
Total Deposits	\$0.00	
Total Disbursements	\$0.00	
<b>BALANCE AS OF February 6, 2014</b>		<b><u><u>\$202,493.27</u></u></b>

# ECONOMIC DEVELOPMENT AUTHORITY

## COUNTY OF FREDERICK, VIRGINIA

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TREASURER'S REPORT  
ECONOMIC DEVELOPMENT AUTHORITY  
February 6, 2014

BANK OF CLARKE COUNTY

Beginning Balance - as of December 31, 2014 \$254,958.72

Deposits

1/13/2014 Deposit (Barbour & Ross Bankruptcy Claim 15)	844.62
1/31/2014 Deposit (Local Economic Incentive HP Hood LLC)	\$500,000.00

**TOTAL DEPOSITS \$500,844.62**

Disbursements

1/7/2017 Bank of Clarke County (Cashier's Ck. Navy Federal Credit Union)	\$250,000.00
1/16/2014 County of Frederick (Barbour & Ross Bankruptcy Claim 15)	\$844.62
1/27/2017 Cardmember Services (VISA Bill)	\$300.00
1/24/2014 Michael L. Bryan (Legal Fees)	\$412.50
2/6/2014 Bank of Clarke County (Cashier's Ck. HP Hood, LLC)	\$500,000.00

**TOTAL DISBURSEMENTS \$751,557.12**

**BALANCE AS OF February 6, 2014 \$4,246.22**

# ECONOMIC DEVELOPMENT AUTHORITY

## COUNTY OF FREDERICK, VIRGINIA

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TREASURER'S REPORT  
ECONOMIC DEVELOPMENT AUTHORITY  
February 6, 2014

SCOTT & STRINGFELLOW

Beginning Balance - As of December 31, 2013	\$202,493.27
<u>Deposits</u>	
<u>Disbursements</u>	\$0.00
TOTAL DISBURSEMENTS	\$0.00
BALANCE AS OF February 6, 2014	<u>\$202,493.27</u>



DATE: February 12, 2014

TO: John R. Riley Jr., County Administrator

FROM: Patrick Barker, CEcD, Executive Director

RE: Recommendation | Signage along major routes entering Frederick County

Thank you for the opportunity for the EDC to lead discussions about signage along major routes entering Frederick County. This Business Friendly recommendation was reviewed and its subsequent recommendation was unanimously endorsed by the work group.

The work group discussed in detail the recommendation which specifically stated "one way to promote Frederick County as a business destination was to install signage along Interstate 81 and major routes entering Frederick County (i.e. Routes 7, 11, 50, and 522) stating "Frederick County is Open for Business"." It was understood that this initiative would show Frederick County as a positive business partner and could help provide the county with a marketing advantage.

Staff presented multiple sign options. Each option provided positives and negatives. Costs ranged from \$2,100 per sign for a high quality, long lasting type to \$700 for a traditional aluminum sign. All costs are for a 48" x 72" sign, which is comparable to the welcome sign for Fauquier County.

#### RECOMMENDATION

While the signage concept holds some merit, prospects and consultants turn first to the internet to gather information about communities and this is often the first introduction to a locality. Moreover, current research suggests that overwhelming majority of site selections start online. As such, the work group recommends shifting funds targeted for the signs to website marketing (i.e. Google Ad-words, social media, etc) of the Frederick County EDA website.

Such marketing would still accomplish the intent of the business friendly recommendation. Moreover, this approach should provide a cost effective approach and strong performance metric tracking. This recommendation was unanimous among the work group.

The work group suggested the signage may have more applicability for tourism purposes. Such a concept could leverage sponsorships to cover costs.

Thank you again for the opportunity to lead this discussion. Please inquire to any questions.

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**From:** Patrick Barker, CECD [<mailto:pbarker@winva.com>]

**Sent:** Thursday, January 02, 2014 3:18 PM

**To:** 'Patrick Barker, CECD'

**Cc:** [JPhelps@winchestermetals.com](mailto:JPhelps@winchestermetals.com)

**Subject:** EDA Workgroup | Signage Recommendation

Greetings EDA workgroup.

Happy 2014 to all you.

In addition to the IDA to EDA discussion, another recommendation from the business friendly report dealt with signage along major routes entering Frederick County. Specifically, the recommendation stated "one way to promote Frederick County as a business destination was to install signage along Interstate 81 and major routes entering Frederick County (i.e. Routes 7, 11, 50, and 522) stating "Frederick County is Open for Business"." The committee felt this initiative would show Frederick County as a positive business partner and could help provide the county with a marketing advantage.

Please review the below and respond to the recommendation by Friday , January 17<sup>th</sup>.

Please note, Frederick County Industrial Development Authority has offered to pay for some of the signs.

After reviewing the document, staff requires some direction/concurrence on the following.

1. Type of sign
2. Text on sign

#### TYPE OF SIGN

Staff reviewed multiple communities as to how they treat the subject. Below are three alternatives for discussion, review, and concurrence.

The options for signage include:

1. Metal
2. Medium density overlay panel (MDO)
3. High Density Urethane foam (HDU)

\*Medium density overlay panel is a paintable surface made of plywood with a weather-resistant resin overlay bonded to the wood by heat and pressure. The overlay, which has at least 27% resin content, resists water, weather, wear and degradation.

\*High Density Urethane foam (HDU) is a rigid easily machined substance of isocyanidic formulation. HDU is strong and has a great resistance to weathering. Unlike wood which has a tendency to rot, check swell and have grain which is difficult to machine. HDU is very easy to shape and will take almost any finish. It can be finished in automotive and aircraft paints for superior finish durability.

Each option provides positives and negatives. HDU requires the least amount of maintenance and boosts the longest life of 20 years. In comparison, Metal's life is approximately 10 years and MDO's life is approximately 12 years. HDU costs about \$2,100 per sign, while the others are approximately \$675 and \$700. All costs are for a 48" x 72" sign, which is comparable to the welcome sign for Fauquier County. Considering all factors, HDU, while more expensive, boasts a much more attractive, unique look than the other options.

In conclusion, staff recommends the HDU option. This option's more professional image, coupled with longer life/lower maintenance, drives its selection. The other choices, while cheaper, fall vastly short on capturing perceived desired result. Please advise if you concur with staff's recommendation on the type of sign.

#### TEXT ON SIGN

In order to capture the attention of the drivers, the text on the selected sign needs to be kept to a minimum and evoke a call of action.

#### \*Option 1

Frederick County, VA.  
Welcomes you  
Fcva.us

#### \*Option 2

Welcome to Frederick County, VA.  
Fcva.us

Staff recommends option 2, as it creates a primary focus on Frederick County. The website must be included in any option to secure the "call to action" element. Please advise if you concur with staff's recommendation.

EXAMPLES

1. Metal



2. Medium density overlay panel (MDO)



3. High Density Urethane foam (HDU)



Regards,

Patrick Barker, CEcD  
Executive Director

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Winchester-Frederick County Economic Development Commission  
45 East Boscawen Street  
Winchester, VA 22601



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