

VIRGINIA ECONOMIC DEVELOPMENT AUTHORITY
THURSDAY, February 7, 2019 – 8:00 A.M.
Council Chambers (Second Floor), Virginia City Hall

Present: Biondich, Tuttle, Nystrom, Bartovich, Patrick, Baranzelli

Absent: Smith

I. New Business

1. George Eilertson-Northland Securities

Mr. Eilertson presented information on GO Bonds for Redevelopment Projects. This option could set in place a revolving loan fund ranging from \$300,000 to \$500,000 by using tax abatement bonds. First the City would identify eligible projects, then designate properties in town that could sustain the tax abatement. The program will require its own application, guidelines, definition of eligible projects and a public hearing.

The City would be issuing the bond and VEDA would administer the program with Council approval. Dennis Jorgensen suggested that when this program is developed it should be isolated to the downtown area.

2. Steve Peterson- CRD Community Resource Development

Mr. Peterson has been retained by the City with support from DIRR to create a Downtown Redevelopment Program. This program would implement the DEED Small City Development Program Commercial Rehab Program guidelines. This provides a 70/30 grant to private matching funds with a maximum \$52,500 grant per project. The goal would be to have 6-8 projects per year completed and would require \$315,000-\$420,000 in annual grand financing. The downtown district would need to be identified and supported with a building condition survey. The program would require an administrator and inspector to conduct the site survey along with progress of work completion. Currently AEOA performs these tasks for the BEHR grant program and it was suggested they may be a resource to consider for this type of service.

8:45 a.m. Tom Bartovich left the meeting

3. Moved by Nystrom, supported by Baranzelli to approve the VEDA Grant in the amount of \$5,000 to JDAP Holdings, LLC. Motion carried.

4. VEEDA Appointments

Moved by Nystrom, supported by Baranzelli to appoint Tom Bartovich as the VEDA Representative on the VEEDA Board. Motion carried.

Moved by Nystrom, supported by Baranzelli to appoint Maija Biondich as an Alternate VEDA Representative on the VEEDA Board. Motion carried.

Moved by Nystrom, supported by Baranzelli to appoint Glenn Patrick as the Rotating VEDA Representative member on the VEED Board. Motion carried.

II. Minutes Approval (January 3, 2019)

- 1. Moved by Tuttle, supported by Nystrom to approve the minutes of the January 3, 2019 VEDA meeting. Motion carried.**

III. Finance Reports

- 1. Check Register-** There will be one more invoice from Grande Ace Hardware for furnace filters purchased in the amount of \$19.20 for 118 Chestnut Street. Lenci was paid \$48,000 from the City of Virginia funds.

Moved by Nystrom, supported by Tuttle to approve the list of invoices presented to the VEDA Board for a total of \$7823.30 plus \$19.20 for the Grande Ace Invoice. Motion carried.

Reviewed the revolving loan list and the past due accounts-no action take

IV. Information & Other – FYI

- 1.** A letter was sent to Ralph Tuck to approve his grant extension to July 1, 2019
- 2.** Moved by Baranzelli, supported by Tuttle to authorize the President and Secretary of VEDA to sign the Vertex Loan and Security Agreements.
- 3.** Dennis Jorgensen stated that Twin Cities Hospitality will be completing their 2nd draw from their loan with the interest only option ending this month.

V. Meeting adjourned at 9:04 a.m.to next meeting at 8:00 a.m. to March 7, 2019