

Minutes

**City of Radford
Economic Development Authority
Regular Meeting August 17, 2017
Sal's Restaurant, West Main St.**

Members Present: Dr. Flo Graham, Mr. Abram Williams, Mr. Albert Mah, Dr. Bruce Chase
Mr. Steve Harvey, Mr. Jeff Price

Staff & Visitors: Mr. Basil Edwards

Dr. Graham called the meeting to order at 12:05 pm.

A quorum was established.

1. Approval of the Minutes of June 15, 2017.

- i) Motion: Dr. Chase moved that the EDA approve the Minutes from June 15, 2017. Mr. Mah seconded the motion.
- ii) Action: The motion carried.

2. Review of Financials

- a) Dr. Chase presented the July financial data noting a cash balance of \$310,733 and land holdings valued at \$760,094, and total assets at \$1,070,827.

3. Old Business

4. New Business

5. Other Business

Mr. Edwards gave the following updates;

- a) Community Services
The Executive Director, James Pritchard, says the facility is now scheduled to open in late September.
- b) Dunkin Donuts
Still trying to decide on a location. The two sites under consideration remain the lot adjacent to Applebee's and the former Hardee's site adjacent to the BP.
- c) Velocity Care
Matt Lowery (Director of Velocity Care) and Tricia Frazer (Director of Family Medicine) toured the former VEC office on Third Ave. They requested a full scale set of blueprints of the VEC be sent to their layout team in Roanoke.
- d) Willow Woods

\$7,300 Bond User Fees received.

e) Albert Mah

Mr. Edwards thanked Mr. Mah for his 16 years on the EDA and informed the Board that Radford City Council had appointed Mr. Jeff Cumberland to replace Mr. Mah.

6. Round table discussion on the health of Radford's economy

Dr. Graham began the discussion by asking Dr. Chase to give his assessment of the city's recently adopted budget. Dr. Chase said he had reviewed the document in depth and is very concerned about the city's declining cash reserves and the fact that the ability to recruit new industry and business rests on the city's financial stability above all else. Dr. Chase stated that reserves in the General Fund and Electric Unrestricted Fund have declined from \$17,293,980 at the end of FY 2013 to a projected \$5,124,889 by the end of FY 2018.

The board discussed the pros and cons of a number of potential remedies such as increasing real estate taxes, increasing utility rates, going from a city to a town status, and the potential of attracting new investment.

Mr. Price voiced concerns that Radford may be too small to attract new retailers of any significance. Restaurants and craft stores are likely to be the only types of retailers who can be profitable.

Dr. Graham mentioned her review of the Code of Virginia Chapter 49, Section 15.2-4905 "Powers of Authority" for EDA's. Her conclusion was that the EDA's financial responsibilities are limited by its budget and that of the City budget which has been in arrears for two years. Bulleted below are the main points from the Code section which indicate the EDA is primarily a financing conduit for the City;

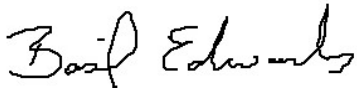
- To acquire, whether by purchase, exchange, gift, lease or otherwise, and to improve, maintain, equip and furnish one or more authority facilities including all real and personal properties.....
- To lease to others any or all of its facilities and to charge and collect rent.....
- To sell, exchange, donate, and convey any or all of its facilities or properties.....
- To issue its bonds for the purpose of carrying out any of its powers.....
- As security for the payment of the principal of and interest on any bonds so issued and any agreements made in connection therewith, to mortgage and pledge any or all of its facilities or any part or parts thereof.....
- To appoint an industrial advisory committee or similar committee or committees to advise the authority.....
- To borrow money and to accept contributions, grants and other financial assistance from the United States of America and agencies or instrumentalities thereof, the Commonwealth, or any political subdivision, agency, or public instrumentality of the Commonwealth, for or in aid of the construction, acquisition, ownership, maintenance or repair of the authority facilities, for the payment of principal of any bond of the authority, interest thereon, or other cost incident thereto, or in order to make loans in furtherance of the purposes of this chapter.....

- To make loans or grants to any person, partnership, association, corporation, business, or governmental entity in furtherance of the purposes of this chapter.....An authority may also be permitted to forgive loans or other obligations if it is deemed to further economic development....

Dr. Chase and Mr. Harvey suggested that now may be the time for a financial consultant or we may need a called meeting to talk more about what this financial exigency means to the EDA.

Adjourn

Being no further business the meeting was adjourned at 1:20pm.

A handwritten signature in black ink that reads "Basil Edwards". The signature is written in a cursive, flowing style.

Basil Edwards

Director, Economic Development