

# Economic Development Authority

## July 16, 2018 Minutes

Page County Government Center  
Board of Supervisors Room  
103 S. Court Street, Luray, VA 22835  
5:30PM

**Members Present** Craig Lancto, Chair  
Leslie Currle, Vice Chair  
Mark Dofflemyer  
Jay Dedman  
Greg Foltz  
Brooke Newman  
Bart Price  
Romeo Pugliese

**Members Absent** Joshua Knight

**Staff** Liz Lewis, Page County ED

### Call to Order

Chair Craig Lancto called meeting to order at 5:30pm

### Introduction of Members and Guests

Mr. Lancto introduced County Extension Agent Bobby Clark, for a presentation about the Shenandoah County Demonstration Farm.

Mr. Clark represents five counties (Shenandoah, Clark, Frederick, Warren and Page), and his focus is in economic crops. Within these five counties, there is approximately 420,000 acres of farm land. The farm gate value is approximately 335 million (3,000 farms). *Mr. Bobby Clark explains that Shenandoah County has established a sustainable Farm in cooperation with other state and federal agencies. 1/3 of the farm land is being rented.*

The most common concerns of land owners are rent not covering the expenses of owning farm land, they need more revenue, fences become unusable and pastures become over grown. *The premise of the demonstration Farm, officially the Shenandoah County Sustainable Farm Demonstration, is that for a farmer to make proper use of the Farmland he is renting he must have a multi-year lease. In that way the farmer can make improvements with a view to the long-term. The demonstration farm, approximately 160 acres, has a 10 year lease.*

*Long-term goals for the farm include environmental soundness profitability and the land owner's financial well-being. There are five elements including continuous no-till production, pasture management, reclamation of overgrown pastures, managed grazing, and fence off ponds and streams.*

The longer leases encourage the tenants to improve the land, for example, investing in quality fencing or other improvements that would be impractical on a short-term lease.

Mr. Lancto inquired about land located in the flood plain.

Then rehabilitating the demonstration farm, eroded land was seeded or filled in to prevent further erosion. The funding was a combination of state, federal, County, and farmer contributions. NRCS (Natural Resources Conservation Service) was a major source.

The counties of Shenandoah and Page have benefited from the 150 acres of revitalized farm land, demonstrated how farm owners can be financially whole, and the achievement of water quality. The partnerships have been successful.

Jay Dedman inquired about the length of the process. Mr. Clark stated it's about 7-8 years from idea to revitalization.

Mr. Clark's said that he consults with John Fike, an agriculture expert on the faculty of Virginia Tech. He said that Mr. Fike will be holding a seminar on hemp raising, and he invited some local farmers, and possibly have Professor Michael Renfro from JMU to join him at the seminar.

Mr. Clark presented a series of photos showing before and after with this cooperative and highly successful venture. He is willing to work with the EDA or private farmers to initiate a sustainable farm project in Page County.

The link to the Shenandoah County Sustainable Farm Demonstration is <https://shenandoah.ext.vt.edu/programs/sustainable-farm-demonstration.html>.

In response to questions about raising and processing hemp in the region, Mr. Clark opined that a brick-and-mortar processing center would be prohibitively expensive and a major financial risk. He suggested that we consider mobile processing rather than brick and mortar because the mobile units could be relocated or sold to recoup some of the investment.

Mr. Clark reminded us that although he is based in Shenandoah County he also is Page County extension agent and is ready to help as needed. His telephone number is 540-459-6140.

## **Agenda**

Mark Dofflemyer made the motion to accept the agenda, seconded by Leslie Curre. **Approved 8-0**

## **Approval of Minutes**

Mr. Lancto commended on a few misspelled names and sentence structure. Jay Dedman made the motion to accept the minutes with noted changes. Seconded by Mark Dofflemyer **Approved 8-0**

## **Treasurer's Report**

Treasurer Dofflemyer reported on the EDA accounts and posted interest (certificates total \$85,684.16 and \$100,797.81 with over \$67,240.98 in checking). A question about HUBZone membership was tabled until Ms. Lewis investigates whether we receive value for the \$375 cost. The board decided to act on her recommendation at the August meeting. The board voted to pay \$150 to Form Networks

for our email service and \$1,200 for board stipends for the second quarter. Total of \$1,350

**Approved: 8-0**

## **Old business**

### EDA Loans

Vice-chair Curre said that she and Treasurer Dofflemyer have nearly completed work on the Economic Development Authority's Loan program. Although we know that it will be a zero-interest loan, there will be default penalties and some of the details are still being formulated. We will need to publicize the availability of the funds, about \$90,000. Mr. Dedman asked about the length of the loan to which Ms. Lewis responded it would be 3 years. Mr. Dedman inquired as to how we would inform the community about the program. Miss Lewis has said that she will create promotional materials for the Loan program. Mr. Lancto stated that he is currently working on a brochure to introduce the Economic Development Authority and that the loan program would be one element that we would be able to publicize. Ms. Lewis suggested updating the EDA webpage. Mr. Lancto mentioned working on a brochure and asked for suggestions and logo. Ms. Lewis will assist with the design.

## **New business**

### Land Lease

#### *Nelson Clark:*

Ms. Lewis has received the signed lease and payment in full from Nelson Clark for the Goodrich Road property he is using for hay. Ms. Lewis said that she has not received the lease and payment from Ike George of IBR. Mr. Foltz agreed to contact Mr. George.

#### *Stoney Brook Lane:*

Mr. Lancto presented a request from Luray resident Paul Strassner to lease the Authority's Stoney Brook Lane property for bow hunting and raising honey bees. Mr. Strassner stated that his research has shown that bow hunting is legal within town limits, outside of populated areas, with written permission of the landowner. He will use only temporarily placed equipment that would be easily removed. He would also be using the property for beekeeping. He will be planting wild lavender and clover to create a good bee habitat. The beekeeping equipment would also be temporary. Beekeeping would begin in March and run through December, bow hunting September through January. He is requesting a one-year lease, two years if possible.

Mr. Strassner offered to obtain insurance if necessary. Finally, he said that he would like to use the land from time to time for church activities such as campouts or hiking. In return Mr. Strassner said that he would be able to keep his eye on the property, and create an entry driveway to make it more accessible. He would mark it with "no trespassing" signs and, as he knew the land better, he would be able to assist in showing the property to prospective tenants or purchasers.

The board expressed concerns about whether it would be legal to have such activities on property Zoned M1/R3 [M1-light industry; R3-multiple residential dwellings]. Ms. Newman stated that she would investigate the legality. Jay Dedman expressed initial opposition to the idea of having camping and hiking on the property.

The Authority decided to table the motion until Ms. Newman is able to report back in August.

### Lawyer Fees

Mr. Dedman explains that he had negotiated a lower hourly rate with David Reed of Reed & Reed. The contract does not require us to use Reed & Reed exclusively, but when we do we have a special rate of \$165/hour. He has requested we sign a contract that the EDA agrees to that rate. Mr. Dedman will get a copy to Ms. Lewis to include with the minutes.

### Starkey Loan

Mr. Dofflemyer said that he has received no response from Mr. Starkey about his delinquent loan. Ms. Lewis said that she had also tried to contact Mr. Starkey with no response. It was the decision of the board to offer him one final opportunity to bring the loan up to date and to have Mr. Reed prepare a letter to tell him that his loan is in default, and is forced to initiate repossession proceedings.

### Valet Program

The chairman read an announcement from the governor's office announcing that 13 Virginia companies have increased international sales through the Commonwealth's premier exporting program, Virginia Leaders in Export Trade (VALET). One of those businesses is Tactical Walls from the Town of Shenandoah. The companies have increased International sales by an average of 82% during their two years in the program.

### Grant Program

Mr. Lancto Paul Sassner, who teaches the automotive technology at the tech center, was in Nashville at the Diesel Institute. The Associates of Occupational Studies and Diesel and Truck Service Management costs approximately \$35,085. He proposed that EDA consider a matching grant program/scholarship due to the concerns about students not being equipped to repair farm equipment. Ms. Lewis suggested looking at a scholarship modal.

## **Economic Development Report**

### Annual Enterprise Zone Report

Ms. Lewis also reported that it was time for her to compile the reimbursements for Enterprise Zone businesses that have met the criteria for a tax rebates. Those will be presented for approval at the August meeting. She will be submitting an annual report to the state on who has utilized and used enterprise zone incentives. 2017 Private investment in this zone in the county for new construction was \$330,000 (Stanley Library), Public rehab and expansion was \$4,152,915 invested privately in the community (Yogi Bear, Luray Caverns, Cabin Capital, Wedding Venues.....). According to the Virginia Employment Commission, jobs by industry sector did not change much only increasing by 8 positions. There were 10 new job establishments.

### Tourism Development

Mr. Lancto asked Ms. Lewis about her intended use of the nearly \$120,000 she had received from the Board of Supervisors. Ms. Lewis said that the money is earmarked for tourism. The grant totals almost \$418,000 and that has to be matched with tourist development money. She then showed the board the drawings of a project for a bicycle path in the town of Stanley at the mound that once was

the town's landfill. The property is about 60 acres. There will be approximately 6 miles of trails. This project supports the Virginia Outdoor Plan. IT will take 18 months to build, they will be recycling materials from the landfill and the landfill crew will assist. Ms. Lewis will also reach out to the community and the Shenandoah Bike Coalition who builds trails. The board expressed appreciation for the creativity of the plan and its potential for drawing tourists to the county.

Restaurant Week is in progress.

### **Agriculture Report**

Jay Dedman reported that Glen Rodes, the Port Republic farmer who has been raising hemp for several years, has invited a number of Page County farmers to visit during the hemp harvest in September. Authority members also are invited. Mr. Lancto and Ms. Lewis both said that they would like to be included.

Business retention and expansion (BRE)

### **Public Comments**

No public comments.

### **Member Comments**

Mr. Dedman reported that he and Mr. Lancto had visited Bluemont Technology and Research and were most impressed with the organization.

Jay Dedman inquired if there retirement community design builds? Ms. Lewis stated they are in the process of design. Mr. Dedman asked if he could tour?? Ms. Lewis will get in touch with her contact.

Mr. Dedman expressed interest in touring the Wallace plant so that we can better understand the size, available space, and condition of the plant, etc. Ms. Newman said that she will contact the owner to see whether we might tour the plant. Mr. Dedman mentioned reaching out to other businesses for tours. This would allow the EDA to become familiar with their business and to familiarize the owners with the EDA.

### **Adjourn**

With there being no further business or discussion Mr. Dedman made the motion to adjourn the meeting, Second by Mrs. Curre, Adjourn 6:55pm.

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Brooke Newman, Economic Development Assistant