

AGENDA

ECONOMIC DEVELOPMENT AUTHORITY

| THURSDAY, MAY 10TH |

| 8:00 AM |

COUNTY ADMINISTRATION BUILDING @ FIRST FLOOR CONFERENCE ROOM

107 N. KENT STREET WINCHESTER, VA

1. Call to Order
2. Approval of Minutes | April 10th || ACTION
3. Treasurer's Report || ACTION
4. Workforce Pipeline Development – Frederick County Public Schools || DISCUSSION
 - *Presentation by Frederick County Public Schools on their practices on preparing students for careers*
5. Widget Cup Trademarking || ACTION
 - *Update to project's status and revisions to September 2017 funding approval to include contractual services plus filing fees*
6. Amendment to the Village of Orchard Ridge Bond Documents || ACTION
 - *Action on a revision to the 2011 Village at Orchard Ridge bond documents to decrease the interest rate*
7. Such other business as may come before this Authority

MINUTES
ECONOMIC DEVELOPMENT AUTHORITY
| THURSDAY, APRIL 5, 2018 |

A meeting of the Frederick County Economic Development Authority was held on Thursday, April 5, 2018, at 8:00A.M. in the County Administration Building, First Floor Conference Room, 107 North Kent Street, Winchester, Virginia.

PRESENT: Robert Claytor, John Riley, Doug Rinker, Gary Lofton, Bryan Fairbanks, and Heather McKay

STAFF: Patrick Barker and Donna McIlwee, Frederick County Economic Development Authority, Jay Tibbs, Deputy County Administrator, and Michael Bryan, Attorney

MEETING CALLED TO ORDER: Vice Chairman Riley called the meeting to order at 8:05 a.m.

APPROVAL OF MINUTES

The minutes from the March 1, 2018, meeting were presented.

Upon a motion duly made by Mr. Rinker and seconded by Mr. Fairbanks, the minutes from the March 1, 2018 meeting were approved.

J. Stanley Crockett	Absent
Robert Claytor	Aye
Bryan Fairbanks	Aye
Gary Lofton	Aye
Heather McKay	Aye
John Riley	Aye
Doug Rinker	Aye

TREASURER'S REPORT

Mr. Barker submitted the following report:

Checking Account - Bank of Clarke County as of March 31, 2018 - \$2,610,191.67.
Savings Account - Scott & Stringfellow as of March 31 - \$1,042,539.94.

The Treasurer's Report was approved as submitted by the following recorded vote:

J. Stanley Crockett	Absent
Robert Claytor	Aye
Bryan Fairbanks	Aye
Gary Lofton	Aye
Heather McKay	Aye
John Riley	Aye
Doug Rinker	Aye

SHORT-TERM WORKFORCE CONVERSATION

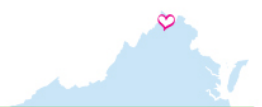
At the EDA's March meeting, EDA Board expressed a willingness to hear about possible EDA involvement with short-term workforce solutions.

Mr. Barker reviewed the importance of workforce in the competitive economic development environment. As noted in the Area Development Magazine's annual survey of corporate decision makers and site selectors ranking, availability of workforce is often cited as a top factor in how corporations and site selectors decide where to invest. Mr. Barker continued that Frederick County, like other communities across the Commonwealth and the Nation, face a variety of workforce challenges. Low unemployment, coupled with existing demand from existing employers and new economic development projects, creates a significant issue for the short term and beyond.

In response to this top factor, Mr. Barker provided some concepts for EDA Board engagement with short-term workforce needs. Mr. Barker noted that these concepts are envisioned to leverage any EDA financial investment (i.e. Go Virginia), complement existing programs and involve employer participation.

Two concepts involved enhancing/creating a training pool for new and/or incumbent workers, while at the same time creating a pipeline for future workforce via a clear career pathway to high demand occupations, which would include providing educational outreach for students, parents, educators and underemployed individuals. An additional concept would aim to improve the retention and attraction of young adults from regional high schools and universities/community colleges by delivering programs and tactics to overcome to-be identified obstacles and implement talent attraction strategies.

Barker commented that any short-term workforce efforts should be targeted for those occupations most needed and offering an entry level salary of \$36,000 or above. A table of these occupations was provided.



FREDERICK COUNTY TOP 2 YR OCCUP. BY NEED w/ ENTRY SALARY \$36,000 +

Title	Total NEED	Entry Level	Experienced	Education Requirement	Training Requirement
Lending (NFCU)	265	\$55,600	\$55,600	4C	Moderate-term OJT
Contact Center (NFCU)	100	\$45,100	\$45,100	HS	Short-term OJT
General and Operations Managers	89	\$48,000	\$139,500	4C	None
ISD (NFCU)	83	\$94,600	\$94,600	CC	Moderate-term OJT
Elementary School Teachers, Except Special Education	61	\$40,900	\$63,500	4C	None
Business Operations Specialists, All Other	58	\$55,700	\$79,300	4C	None
First-Line Supervisors of Production and Operating Workers	53	\$36,900	\$70,700	HS	None
First-line Supervisors of Construction Trades and Extraction Workers	51	\$41,500	\$67,100	HS	None
Industrial Machinery Mechanics	49	\$41,000	\$59,600	HS	Long-term OJT
Accountants and Auditors	48	\$41,000	\$88,500	4C	None
Secondary School Teachers, Except Special and Career/Technical Education	46	\$38,600	\$71,100	4C	None
Electricians	42	\$36,300	\$58,700	HS	Apprenticeship
Managers, All Other	33	\$71,600	\$123,900	4C	None
Management Analysts	32	\$54,300	\$107,600	4C	None
Middle School Teachers, Except Special and Career/Technical Education	30	\$37,700	\$69,100	BS	None
Loan Officers	28	\$37,400	\$97,100	BS	Moderate-term OJT
First-Line Supervisors of Mechanics, Installers, and Repairers	27	\$46,100	\$80,700	HS	None
Financial Managers	25	\$78,400	\$173,500	BS	None
Construction Managers	25	\$74,200	\$212,300	BS	Moderate-term OJT
Human Resources Specialists	24	\$40,200	\$81,300	BS	None
Farmers, Ranchers, and Other Agricultural Managers	23	\$55,200	\$84,400	HS	None
First-Line Supervisors of Helpers, Laborers, and Material Movers, Hand	23	\$42,900	\$63,600	HS	None
Teachers and Instructors, All Other	22	\$36,600	\$57,100	4C	None

Source: JobsEQ with 2017 Frederick County Announcements

Mr. Fairbanks inquired if the GO Virginia project guidelines require that the 2 localities be adjoining, which he feels would be beneficial.

Mr. Rinker, in referring to the slide which showed top occupations needed in 2 years, asked if there was any way to focus just on those positions more difficult to fill. Mr. Barker stated he felt we needed to keep our focus on specific groups.

Mr. Riley asked Mr. Barker what a measurable success would be in his opinion. Mr. Barker's reply was that employers are finding better qualified employees. Mr. Fairbanks stated a pipeline is more important because employers can train new employees.

Mr. Lofton questioned if the EDA is moving in the right direction and asked the status of partnering with local schools and LFCC to provide training for specific industries. He feels the genesis is at the school level.

Mr. Claytor feels LFCC Workforce Solutions is doing a good job providing what is needed but high schools are uninformed.



Heather McKay stated she felt parents and students are not well informed of opportunities locally and educating them is key.

Mr. Lofton stated that schools need to be a stronger partner in this effort. If they are not engaging students like we think they should, we may need to get into the schools and find someone who will.

Mr. Barker remarked that our area is not alone in this problem---two other regions are grappling with same problems.

Mr. Rinker suggested leveraging with Dowell J. Howard.

Mr. Barker stated that LFCC has training classes but a lack of students. The deadline for submission of possible GO Virginia projects is in June, and he asked the Board if staff was heading in the right direction.

Mr. Riley asked Board members if they would like local educators to react to and discuss our concerns at a future Board meeting.

Mr. Claytor stated students are not aware of local employment opportunities and schools are not creating pathways for them.

After discussion, the consensus was to invite someone from the Frederick County School System to a future meeting.

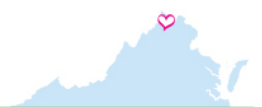
JOINT MEETING WITH BOARD OF SUPERVISORS

Mr. Barker reported that the annual discussion and review with the BOS has been scheduled for April 25, 5:30-6:30 p.m., and presented a proposed agenda. He plans to have someone from VDEP present a 10-15 minute program on their overall view of trends in economic development.

Mr. Riley stated we need feedback from the BOS—if we are headed in the wrong direction, we need to know.

Mr. Rinker remarked that we need to know what areas to focus on from the ranking slide shown at our March meeting. Mr. Riley stated we need to add local land use decisions among local agencies to that chart. Mr. Clayton felt VDOT issues should be added, too.

Mr. Barker stated staff will pick several topics from the ranking slide, provide background and send to the BOS.



Mr. Lofton suggested the list be condensed before sending to the BOS. He also stated he would like to see some action from this year's meeting. He suggested it would be nice to show more results of what the EDA has accomplished. Also, it would be informative to see what industries or industry type decided not to locate here and the reason why.

SUCH OTHER BUSINESS AS MAY COME BEFORE THIS AUTHORITY

Mr. Lofton introduced new Board member, Heather McKay, who represents agribusiness. She was welcomed to the Board by other members.

ADJOURN

There being no further business to come before this Authority, the meeting was adjourned. (8:55 A.M.)

Stan Crockett
Chairman

Kris Tierney
Secretary



DATE: May 3, 2018

TO: Board of Directors,
Frederick County Economic Development Authority

FROM: Patrick Barker, CECD
Executive Director

CC: Jay Tibbs
Deputy County Administrator

RE: Widget Cup Trademarking

The Widget Cup is an annual design/build competition for Career & Technical Education (CTE) students from Clarke County, James Wood, John Handley, Millbrook, and Sherando high schools in the Counties of Clarke and Frederick, and the City of Winchester. Eight-person teams compete as they design and build a pre-determined widget, and then present their prototypes to the client.

Success of the program spread through the State resulting in presentation at various conferences and individual localities. As such, the EDA and the Widget Steering Committee started discussions about trademarking/franchising the competition. Resulting revenues would go to further elevate The Widget Cup and other elements of the Career Pathway Program.

Through an association with a steering committee member, an intellectual property attorney agreed to perform the trademark/franchise process at a substantially discounted rate. This concept was presented to the EDA Board in September. Minutes reflect support for EDA funding in an amount not to exceed \$5,000.

Staff is seeking an amendment to the September 2017 action to also permit expenditures related to consulting fees. Such activity was likely the EDA Board's intent, but the minutes should likely reflect such.

MINUTES
ECONOMIC DEVELOPMENT AUTHORITY
| THURSDAY, SEPTEMBER 7, 2017 |

A meeting of the Frederick County Economic Development Authority was held on Thursday, September 7, 2017, at 8:00A.M. in the County Administration Building, First Floor Conference Room, 107 North Kent Street, Winchester, Virginia.

PRESENT: Stan Crockett, Robert Claytor, John Riley, Doug Rinker, and Gary Lofton

STAFF: Patrick Barker and Donna McIlwee, Frederick County Economic Development Authority, Jay Tibbs, Deputy County Administrator for Human Services and Michael Bryan, Attorney

MEETING CALLED TO ORDER: Chairman Crockett called the meeting to order at 8:00 a.m.

APPROVAL OF MINUTES

The minutes from the August 3, 2017, meeting were presented.

Upon a motion duly made by Mr. Riley and seconded by Mr. Rinker, the minutes from the August 3 2017, meeting were approved.

J. Stanley Crockett	Aye
Robert Claytor	Aye
Gary Lofton	Aye
James Longerbeam	Absent
Dennis McNutt	Absent
John Riley	Aye
Doug Rinker	Aye

TREASURER'S REPORT

Mr. Barker submitted the following report:

Checking Account - Bank of Clarke County as of August 30, 2017 - \$14,275.33.

Savings Account - Scott & Stringfellow as of August 30, 2017 - \$986,329.53.

The Treasurer's Report was approved as submitted by the following recorded vote:

J. Stanley Crockett	Aye
Robert Claytor	Aye
Gary Lofton	Aye
James Longerbeam	Absent
Dennis McNutt	Absent
John Riley	Aye
Doug Rinker	Aye

WIDGET CUP TRADEMARKING

Mr. Barker introduced Josh Phelps, originator of the Widget Cup, who explained the competition and the need to have the name trademarked and the package of program details protected by copyright. If this is done, we may be able to license the program to other localities. A trademark attorney he has been working with on another project has offered to perform the necessary legal work at no charge. The EDA would have to pay the filing fees, which Mr. Bryan estimated to be \$1,000-\$1,500.

Mr. Lofton asked how long the process may take and if the trademark/copyright has a time limit.

Mr. Rinker made a motion to proceed with the offer, with no further approval unless the amount exceeded \$2,000. This was seconded by Mr. Riley.

Under discussion, Mr. Claytor inquired if the filing fees exceeded this amount, does it need to come back before the Board or not.

After further discussion, Mr. Rinker withdrew his original motion.

Mr. Rinker then made a motion to proceed with the offer and the amount the EDA will need to pay for filing fees not to exceed \$5,000. Mr. Riley seconded the motion, which was approved by the following vote:

J. Stanley Crockett	Aye
Robert Claytor	Aye
Gary Lofton	Aye
James Longerbeam	Absent
Dennis McNutt	Absent



John Riley	Aye
Doug Rinker	Aye

INCENTIVE POLICY

Mr. Barker explained that the proposed draft guidelines were prepared at the request of the BOS and is merely formalizing, in writing, the practices that are already being done. He is asking the EDA Board for suggestions and/or comments.

Mr. Claytor asked if the incentive is free money or a loan. Mr. Riley explained it is an incentive for a company to locate here based on what their ROI to the community will be. It helps to close the deal.

Mr. Crockett further explained that performance measures have to be met so it is not free money. The draft policy has been worked on for several months among many Frederick County departments.

Mr. Rinker pointed out that page 2 of the proposed policy states 5 new jobs must be created while Section 5 (a) of the draft Performance Agreement states 50 new jobs. Mr. Barker will correct.

Mr. Riley made a motion to approve the draft incentive policy and forward to the BOS for approval. Motion was seconded by Mr. Lofton and approved by the following vote:

J. Stanley Crockett	Aye
Robert Claytor	Aye
Gary Lofton	Aye
James Longerbeam	Absent
Dennis McNutt	Absent
John Riley	Aye
Doug Rinker	Aye

WELCOME SIGN

Mr. Barker showed a picture of our welcome sign on Rt. 7, which has been damaged. It is not known when or how the damage occurred or if the County's insurance company will cover. The cost of a new sign is \$5,675.



Mr. Claytor suggested cutting an angle on the other side of the sign to match the damaged side rather than spending a large sum to replace the entire sign. Someone from the County could make the repairs.

Mr. Rinker agreed. Another suggestion he made was to leave the sign as it is for now and replace the next time it is damaged.

Mr. Crockett directed Mr. Barker to explore other options and report back to the Board.

ADJOURN

There being no further business to come before this Authority, the meeting was adjourned. (8:30 A.M.)

Stan Crockett
Chairman

Kris Tierney
Secretary



DATE: May 3, 2018

TO: Board of Directors
Frederick County Economic Development Authority

FROM: Patrick Barker, CEcD
Executive Director

CC: Jay Tibbs
Deputy County Administrator

RE: Amendment to the Village of Orchard Ridge Bond Documents

The EDA has the authority to issue revenue bonds to be used in financing the acquisition, construction or equipping of various types of facilities. In order to qualify, a facility must be one of the following: a non-profit 501(c)(3) entity or a for-profit "manufacturing facility," as defined by the Internal Revenue Code.

Interest on qualified bonds issued by the EDA is exempt from taxation under the Internal Revenue Code. The availability of this tax benefit generally results in a lower interest rate for the user of the borrowed funds. It is important to note that the revenue bonds do not constitute a general obligation of the EDA, nor will the full faith and credit of Frederick County or the Commonwealth of Virginia be pledged to the payment of any such bonds. The EDA receives an administrative fee on the bond amount.

At its June 14, 2011, board meeting, the EDA authorized the issuance of Residential Care Facility Revenue Bonds. Staff is seeking consideration for an amendment to The Village of Orchard Ridge Bond Documents to decrease the interest rate. The EDA Attorney has provided additional material on the matter, which is enclosed.

BRYAN & COLEMAN, P.L.C.
ATTORNEYS AT LAW

116 SOUTH BRADDOCK STREET
WINCHESTER, VIRGINIA 22601
TELEPHONE: (540) 545-4130
FAX: (540) 545-4131

MICHAEL L. BRYAN, ESQUIRE

Email: mbryan2@earthlink.net

April 24, 2018

Patrick Barker, Executive Director
Economic Development Authority
of the County of Frederick, Virginia
45 East Boscawen Street
Winchester, Virginia 22601

RE: Amendment to The Village at Orchard Ridge, Inc. Bond Documents

Dear Patrick:

Please place consideration of the enclosed Resolution on the EDA's Agenda for its meeting on May 10th. This Resolution authorizes the execution of an Amendment to The Village at Orchard Ridge Bond Documents previously adopted in 2011 in order to decrease the interest rate. No public hearing is required.

If you have any questions, please let me know at your earliest opportunity.

Very truly yours,



Michael L. Bryan
MLB/pmn

Enclosure

cc: Emery B. McRill, Esquire

RESOLUTION OF THE
ECONOMIC DEVELOPMENT AUTHORITY OF THE
COUNTY OF FREDERICK, VIRGINIA

WHEREAS, the Economic Development Authority of the County of Frederick, Virginia (f/k/a the Industrial Development Authority of the County of Frederick, Virginia) (the "Authority") previously adopted a resolution dated June 14, 2011 pursuant to which the Authority authorized the issuance of its (i) Residential Care Facility Revenue Bonds (The Village at Orchard Ridge, Inc.), Series 2011A (Fixed Rate Bonds) in the aggregate principal amount of \$40,000,000 (the "2011A Bonds"); (ii) Residential Care Facility Revenue Bonds (The Village at Orchard Ridge, Inc.), Series 2011B (Adjustable Rate Bonds), in the aggregate principal amount of \$28,950,000 (the "2011B Bonds"); and (iii) Residential Care Facility Revenue Bonds (The Village at Orchard Ridge, Inc.), Series 2011C (Index Floating Rate Bonds) in the aggregate principal amount of \$13,050,000 (the "2011C Bonds" and, together with the 2011A Bonds and the 2011B Bonds, the "Bonds"), for the purpose of financing or refinancing certain costs of constructing and equipping a senior living facility located in Frederick County, Virginia, owned and operated by The Village at Orchard Ridge, Inc., a not-for-profit Virginia nonstock corporation (the "Borrower"), and known as The Village at Orchard Ridge (the "Project");

WHEREAS, pursuant to a Bond Trust Indenture, dated as of July 1, 2011 (as previously amended, the "Original Bond Indenture"), between the Authority and Wells Fargo Bank, National Association, as bond trustee, the Authority issued the Bonds and loaned the proceeds thereof to the Borrower pursuant to a Loan Agreement, dated as of July 1, 2011, between the Authority and the Borrower, to finance the Project;

WHEREAS, the 2011B Bonds and the 2011C Bonds have been redeemed and paid in full and the 2011A Bonds are currently outstanding in the aggregate principal amount of \$39,340,000;

WHEREAS, the Borrower has requested that the Authority adopt this resolution to approve and provide for the modification of the Original Bond Indenture and the 2011A Bonds in order to amend the interest rate on the 2011A Bonds and to make certain other changes (collectively, the "Modification"); and

WHEREAS, the Authority now desires to approve the Modification.

NOW, THEREFORE, BE IT RESOLVED BY THE AUTHORITY, as follows:

Section 1. The amendment to the Original Bond Indenture, pursuant to and in accordance with a Second Supplemental Bond Trust Indenture (the "Second Supplemental Indenture"), and the amendment of the 2011A Bonds in the form attached to the First Supplemental Indenture (the "Modified 2011A Bonds" and, together with the Second Supplemental Indenture, the "Modified Bond Documents"), is hereby authorized and approved.

Section 2. The Modified Bond Documents shall be in such forms as the Authority and the Borrower may deem to be required or appropriate in order to accomplish the purposes of the

Modification authorized by this resolution. Such other documents as the Authority deems necessary to accomplish the purposes of this resolution shall be in such form, and shall contain such provisions as the Chairman of the Authority, or his agents or designees shall approve. The execution by the Chairman of the Authority of the Modified Bond Documents and such other documents shall be conclusive evidence of approval of the final terms, provisions, form, content and substance of the Modified Bond Documents and all such other documents executed and delivered in connection therewith, which shall thereupon become binding upon the Authority.

Section 3. The Chairman, the Vice Chairman, the Secretary and such other officers and officials of the Authority as may be appropriate are hereby authorized to execute and deliver, for and on behalf of the Authority, the Modified Bond Documents and to execute any and all additional certificates and documents or other papers and to do any and all things necessary or appropriate in order to effect the Modification contemplated by this resolution; provided that no such actions and no such documents shall require the Authority to incur any pecuniary liability. Any action authorized herein to be taken by the Chairman or the Secretary may, upon the unavailability of the Chairman or Secretary, as the case may be, be taken by the Vice Chairman (if the Chairman is unavailable) and by an Assistant Secretary (if the Secretary is unavailable). If any officer or employee of the Authority who shall have signed or sealed the Modified Bond Documents shall cease to be such officer or employee before the delivery of the Modified Bond Documents, the signature or countersignature shall nevertheless be valid and sufficient for all purposes, as if the officer or employee had remained in the office or position until delivery of the Modified Bond Documents.

Section 4. The Modified Bond Documents shall be authorized and delivered without direct or indirect cost to the Authority, and to that end, the Borrower shall pay all necessary expenses related to the Modification, including, without limitation, any and all costs, fees and expenses (including, without limitation, Authority Counsel fees) incurred by or on behalf of the Authority in connection with this resolution, whether or not the Modification is consummated.

Section 5. By submitting this resolution to the Authority, the Borrower has agreed to indemnify and save harmless the Authority and its officers, directors, attorneys, employees and agents from and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connection with the Modification.

Section 6. This resolution shall take effect immediately.

CERTIFICATE

The undersigned Secretary of the Economic Development Authority of the County of Frederick, Virginia (the "Authority") hereby certifies that the foregoing is a true, correct and complete copy of a resolution adopted by a majority of the Directors of the Authority at a meeting duly called and held on May 10, 2018 in accordance with law, and that such resolution has not been repealed, revoked, rescinded or amended but is in full force and effect on the date hereof.

WITNESS the following signature and seal of the Authority this _____ day of May, 2018.

Secretary, Economic Development Authority of the
County of Frederick, Virginia

[SEAL]