

**ALBEMARLE COUNTY
ECONOMIC DEVELOPMENT AUTHORITY
January 17, 2023
4:00 P.M.**

Directors present: Don Long, Chair; George Ray, Vice-Chair; David Shreve, Treasurer; Matthew Lawless -*virtual*; Stephen McNaughton -*virtual*; Jeff Morrill; John Mottola

Staff present: Doug Walker, Deputy County Executive; Roger Johnson, Director of Economic Development; Megan Gray, Business Development Manager-*virtual*; J.T. Newberry, Principal Business Development Manager; Ashley Perry Hernandorena, Economic Development Management Analyst; Richard DeLoria, Senior Assistant County Attorney; Bea LaPisto-Kirtley, Board of Supervisors; Diantha McKeel, Board of Supervisors Liaison to the EDA, Jack Jouett District.

Guest presenters: Kevin Combs, CEO, PS Fertility--*virtual*

1. Call to Order and Establish Quorum

Mr. Long called the meeting to order at 4:00 p.m.

Motion to allow Director McNaughton to participate remotely due to medical reasons was made by Chair Long and seconded by Mr. Ray.

MOTION: The motion carried unanimously.

Motion to allow Director Lawless to participate remotely due to personal business reasons was made by Chair Long and seconded by Mr. Ray.

MOTION: The motion carried unanimously.

2. Matters from the Public

Ms. Hernandorena confirmed no speakers had signed up or raised their hands to speak.

3. Approval of Minutes

Motion to approve the minutes from December 13, 2022 was made by Mr. Ray and seconded by Mr. Lawless.

MOTION: The motion carried unanimously.

4. Financial Report

The Financial Report for the period ending October 31, 2022 was provided in Director's packets and published online.

5. Annual Meeting
a. Election of Officers

The slate included Mr. Long for Chair, Mr. Ray for Vice Chair, and Mr. Shreve for Secretary/Treasurer.

Motion to accept the slate of officers was made by Chair Long and seconded by Mr. Morrill.

MOTION: The motion carried unanimously.

6. New Business
a. PS Fertility, Inc. VJIP Match Agreement

Mr. Johnson said the Governor announced that PS Fertility was awarded a Virginia Jobs Investment Program (VJIP) grant.

Mr. Newberry said PS Fertility was an innovative life science business with a novel agnostic test for sperm. He said they would lease space at the Albemarle Business Campus where they would receive tests, perform analysis, and share results with fertility clinics. He said they committed to 31 jobs over the next three years.

Mr. Newberry said the County adopted a VJIP match policy, and PS Fertility met all of the criteria for a full match of the grant from the State. He said the State would provide \$800 per each new job created, and the County would match the grant through the EDA. He said they requested the EDA approve the VJIP match agreement.

Mr. Kevin Combs, CEO of PS Fertility, said the company would be a diagnostic testing company for male fertility. He said there were two PhD Doctors from UVA who discovered new fertility science regarding sperm. He said there were two diagnostic tests that the company would use. He said the business site was 4,000 sf, and would predominantly be Cleo Labs based. He said they had another meeting with the Governor on January 25.

Mr. Morrill asked Mr. Combs how receiving the funding from the grant changed or impacted their decision making process regarding the expansion.

Mr. Combs responded that the grants were valuable and that they would want to add lab personnel. He said that UVA was a fertile ground for students with the necessary skills and that the matching grants enabled the company to be more competitive. He said they intended to pay higher wages than other markets to retain employees. He said the top candidate for the lab currently lived in New Jersey and would relocate her family to the County. He said that there were three candidates at UVA and the funding would help them offer higher wages and retain talent.

Mr. Morrill asked from which fund the matching grant would be appropriated.

Mr. Johnson explained that EDA matches for VJIP grants came from the Economic Opportunity Fund. He said that the funding had been carried over in previous years, and the County received ARPA funding for paying overtime for police officers. He said that year-end savings could be added to the fund. He said that it was a combination of local revenues and ARPA funds. He said that once they spent the current appropriation, the funds would be replenished.

Motion to accept the resolution made by Mr. Ray and seconded by Mr. Morrill.

MOTION: The motion carried unanimously.

b. Staff Report

Update: Virginia America 250 Commission (VA250)

Mr. Johnson said the state formed a committee to celebrate the semiquincentennial of the United States. He said the state authorized local areas to host their own subcommittees called VA250 and that the Board and City Council appointed CACVB to be the governing entity representing the community. He said the decision established a committee to receive funding from the state to account for expenses of planning an event. He said the committee served as the convening body, and interested parties can visit <va250.org>.

Update: AFID Grant | Kelly's Turkeys

Mr. Newberry said they were making minor adjustments to the AFID application which the EDA endorsed. He said there was a Governor's announcement awarding \$24K to Kelly Turkeys and that the EDA was matching the award for a total investment around \$55K. He said between the time of the grant and actual purchase order, inflation had an impact and that many companies in the area reached out for the next round of AFID grants. He said they would host a competitive process to come back before the EDA.

Mr. Newberry clarified that the funding was for machinery and equipment necessary to produce a ground turkey product.

Mr. Morrill asked how long the application process took until the grant was disbursed.

Mr. Newberry said this was the first time they had undergone the process. He said the process began with a site visit in August or September. He said the grant applications opened on October 1 and closed on November 15 and the application was reviewed in early January. He said once an agreement was executed, a tranche of the grant would be provided to the applicant and that once certain milestones were met and documentation was provided, the last 25% of the grant would be distributed.

Mr. Shreve asked what percentage of the capital expenditure the grant represented.

Mr. Newberry said they expected the total cost of the equipment to be \$55K to \$60K and that the applicant would have to purchase the equipment to be reimbursed by the performance based agreement.

Mr. Morrill recommended that they find ways to make the process easy for applicants.

Mr. Newberry responded that the Small Business Development Center attended the site visit and aided the business owner in completing the paperwork. He said the application was three or four pages long, and eight to 10 questions. He said competition made it harder to get the grants.

Update: Virginia Business Ready Sites Program Grant (VBRSP)

Mr. Johnson said the VBRSP grant application for UVA's North Fork Foundation had been started almost two years ago and that the County was told they would not be eligible. He said they had a debriefing to determine how to be competitive and worked directly with UVA and the Foundation to change their stance regarding lease-only options. He said they eliminated about half of the potential clients by limiting the terms to lease-only. He said the Foundation had agreed to sell property.

Mr. Newberry said the state awarded a \$3M grant to the County to benefit the UVA Foundation related to 31 acres within the North Fork Discovery Park. He said he and Mr. Johnson had responded to a number of businesses interested in locating in the park.

Mr. Newberry said that they were excited to partner with the state to leverage the investment the Foundation made into the park. He said that they would be able to increase the readiness of the site within 12 to 18 months. He said that the \$3M would cover pre-development work, clearing, and grading. He said that half of the recipients from the year prior received significant grants this year.

Mr. Newberry said the original request was close to \$7.5M and that more funding was needed to complete their goals. He said a legislative priority of the Board was to reduce the acreage needed to qualify for the program. He said that Senator Deeds had submitted such a bill to the General Assembly, and it was currently in committee.

Mr. Johnson asked what the Governor's appropriation was in the budget related to the VBRSP. He asked whether the EDA would be involved with the agreement.

Mr. Newberry said the Governor proposed \$350M be appropriated for the VBRSP. He said only \$90M was distributed during the present round. He said they would not know how much money was available until next year and they expected the EDA would have a roll in implementation of the \$3M. He said they were developing performance agreements and would bring the items back to the EDA when they were ready.

Mr. Ray asked what the property was zoned and Mr. Newberry said that it was the economic development portion of the North Fork Discovery Park. He said that 256 acres had been characterized as Tier 4, but it was industrially zoned. He said that it was a planned development industrial park zoning. He said that there was a rezoning under review for the entire park which would update and modernize some of the titles and uses in the park.

Mr. Lawless said that the region, including Staunton, Waynesboro, Louisa, and Albemarle, received more of the funding than any other part of the state. He said that the region received more than Richmond, Southside, Hampton Roads, or northern Virginia. He said that the County was able to focus on its priorities.

c. Lewis and Clark Exploratory Center Update

Mr. Long said he met with representatives from the Lewis and Clark Center, and they were close to receiving the note and loan resolved. He said they were not able to take action on the item yet, and more work was required. He said the Center had made a \$5K payment on the loan and there would be another update the following month.

Mr. Shreve asked what the principle on the loan was and Mr. Walker said that it was about \$125K. Mr. Johnson said they had been submitting \$100 per month as a show of good faith for about five months.

6. Unfinished Business

There was no unfinished business.

7. Other Matters

Financial Report

Mr. Shreve presented the report through October 31, 2022. Mr. Ray asked how the Southwood project was progressing and Mr. Walker responded that they had received the Phase 2 zoning request.

9. Adjourn

Next Meeting: February 21, 2023 in Room 241.

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Donald Long, Chairman

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Approved: [Signature] 3/6/2023
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Roger D. Johnson, Assistant Secretary