

**Minutes of the PCEDC Meeting
Special Called Meeting
Person County Office Building Auditorium
304 S. Morgan St, Roxboro, NC 27573
June 8, 2020**

Voting Board Members Present:

Mr. Phillip Allen, Chairman
Mr. Dale Reynolds, Vice-Chair
Mr. Danny Talbert
The Honorable Marilyn P. Newell,
Secretary

Mr. Ernie Wood
The Honorable Ray Jeffers
Mr. Terry Nealy
Mr. Kenneth Perry*

Non-Voting Board Members Present:

Dr. Rodney Peterson, PCS Superintendent
Dr. Pamela Senegal, PCC President*
Dr. Claudia Berryhill, Agricultural Representative

Ms. Heidi York, County Manager

Voting Members Absent:

Mr. Donald Long

Non-Voting Board Members Absent:

Mr. Brooks Lockhart, City Manager

ED Staff Present:

Mrs. Sherry Wilborn, ED Director
Mrs. Brandy Lynch, ED Senior Administrative Support
(Minutes)

Others Present:

The Honorable Gordon Powell*
Mr. George Willoughby, The Courier-Times

*Joining the meeting by phone

EDC Welcome and Invocation:

1. At 4:02 p.m., Mr. Allen called the meeting to order and welcomed guests.
2. Dale Reynolds gave the invocation.

Funding Sources for Grant Opportunities:

3. Mr. Allen notes the importance of the issue at hand before turning the floor over to Sherry Wilborn. Wilborn recaps the action taken at the May 28, 2020 meeting. The action directed Wilborn to seek the authority of the Person County Commissioners to request funding to apply for the Coronavirus Aid, Relief, and Economic Security (CARES) Act grant. If awarded the grant, funding would go toward the construction of the sewer line to the Person County Mega Park. The motion at the last meeting was to request a \$5 million-dollar grant, but not to jeopardize the possibility of getting any funding. That request would have meant \$1-million-dollar portion from the county and a \$4-million-dollar match from the CARES Act. For further insight, the state representative for the Economic Development Association, Hillary Sherman was contacted. Sherman advised, the CARES grant was going to be a very competitive process, it was her belief that the applications would start being reviewed mid-June, and was reluctant to say that any negotiating would take place due to the competitive nature of the award process. Wilborn indicated that from what she was hearing there may be only one round of reviews. Sherman reiterated to Wilborn that the review committee would expect to see projects in the \$500,000 to \$3,000,000 range.

As a result of consultation with Sherman, Wilborn presented the request for up to \$2 million in funding to the Person County Board of Commissioners at the June 1, 2020 meeting. The request did not receive the support of the board at that time by a 3-2 margin. However, at the June 4, 2020 Person County Commissioners planning session, they came back with an offer of \$500K out of the general fund if the Economic Development Board would agree to invest the other portion. That would include all the funds in the in the economic catalyst fund, \$200K of economic development 2019-2020 budget, \$250K out of the County Manager's proposed budget for 2020-2021, and the remaining 129K left over from the water line installation. Wilborn did not feel comfortable making that decision without the board's outlook. The EDC Chairman then called for a special called meeting to receive feedback of the EDC Board. If the EDC approves the use of the funds, a special called meeting will be required of the Person County Commissioners.

Wilborn reminds the EDC board that the funds in the economic catalyst fund were obligated funds. Those funds were for grant opportunities and incentives. If the board was to deplete the funds in the economic catalyst account, it could be portrayed as a loan. The allocation the EDC receives yearly would be used to compensate the economic catalyst fund. It is to be stated current Board of Commissioners cannot bind future boards and their decisions on allocations of funding.

Wilborn then turned to the County Manager and Commissioner Jeffers to ensure that her analysis and presentation to the board was precise. Jeffers agrees the recap is correct. The County Commissioners would like the EDC board's thoughts on exhausting all of the EDC funding on this one source.

Discussion:

4. Ernie Woods requests the estimate for the sewer and what company provided the estimate. Wilborn provided the cost of the system and the line came in at \$15 million which was provided by Labella. Woods does feel that estimation is high. Wilborn explains that it could be a possibility in light of the water line cost coming in under budget that the sewer costs would also be reduced.

Dale Reynolds inquires about the possibility of applying for other grants since there are three main projects Economic Development is interested in at this time. They are the Airport, Mega Park, and North Park. Although appreciating the advice of Hillary Sherman, upon his research of the CARES Act it is his desire is that the county apply for more funding than what Sherman recommended. Reynolds suggests applying for a \$15-million-dollar grant, which funds entire project, requesting 97% of the funding with a county 3% (\$450,000) match. Reynolds offers research that semiconductor facilities were going to be in demand in light of COVID-19, acknowledging applying for the full \$15 million is a gamble, however the Mega Park does have water, but no sewer.

Commissioner Jeffers reminds the board there is work to do to get funding support from the Person County Commissioners. The Commissioners have unexpected expenses at this time and there is a need for some commitment from the EDC board. In his opinion at the Commissioner's board retreat, the Commissioners would be willing to look at funding if a new company was to come.

Phillip Allen voiced concerns over spending \$2 million dollars because, at this time there is no guarantee the Mega Park will land a prospect. The \$1.5 million dollars would exhaust all the of the EDC funding.

Discussion takes place between members of the board; several noting if EDC funding was exhausted, there would be no available funds for the North Park property studies and its development. The North Park studies and development was approved at the previous EDC meeting on May 28, 2020. Again, eliminating available properties in the area. Concerns are raised if the grant would have had more sustenance if the county had a project interested in the Mega Park. Wilborn addressed the concerns by stating there has been several project requests, however infrastructure was not in place. This emphasizes the need to continuously move forward with getting the site ready.

Mr. Allen opened the floor to Commissioner Powell, for any remarks. Commissioner Powell begins by stating the Person County Commissioners are not opposed to Economic Development, contending there are multiple budget restraints this year alone. The Covid-19 pandemic and the recent cyber-attack. The Commissioners are cutting 1% from the taxes this year. He is unsure if the EDC would like to "put all their eggs in one basket".

Chairman Allen requests a motion. Mr. Reynolds made a motion to apply for \$15 million dollar CARES Act grant to cover the entire cost of the sewer line and lift station project to the Mega Park and to request 97% funding from the federal government and 3% (\$450,000) from the county.

Motion: Dale Reynolds

Second: Terry Nealy

Before a vote was called, Dr. Berryhill questioned if the Person County Commissioners would prefer if EDC carry some of the cost of the (\$450,000). Neither Commissioner felt comfortable on speaking for the other Commissioners. Mayor Newell reminds the EDC board the \$15 million is just an estimate, until there is a full RFQ.

Mr. Reynolds then amended the motion, the EDC would fund \$225,000 of the \$450,000 and request Person County to fund the other \$225,000.

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Amendment: Dale Reynolds

Second: Terry Nealy

The amended motion was unanimously passed.

Adjournment:

5. A motion was made, seconded and unanimously passed to adjourn the meeting at approximately 5:00 p.m.

Motion: The Honorable Merilyn Newell

Second: Phillip Allen

8/25/2020
Secretary

Merilyn Newell
Date