

## **Princeton Economic Development Authority**

**August 9<sup>th</sup>, 2023**

The Economic Development Authority for the City of Princeton, Mercer County, West Virginia met in the Council Chambers of the Municipal Building, 800 Bee Street, on August 9<sup>th</sup>, 2023 at 5:30 p.m. In attendance were Chair Will Stafford, Vice Chair Lee Ross; EDA Members Rick Allen, Dewey Russell, Paula Powell; EDA Members via zoom: Joe Keatley, Leslie Wellman, Roger Griffith; City Manager Mike Webb; PEDDA Director Sam Lusk; City Attorney Paul Cassell; PEDDA Marketing and PR Coordinator Chris Mabe; Chamber of Commerce of the Two Virginias Director Jeff Disibbio and City Clerk Kaitlyn Smith. Absent were EDA members Dave Cole, Al Boland, Lee Lewis and Jack Fredeking. A quorum was constituted thereby.

### **Call to Order**

Chairman Will Stafford called the meeting to order at 5:39 p.m.

### **Election of Chair and Vice Chair**

EDA member Dewey Russell made the motion to nominate Will Stafford as Chair and Lee Ross as Vice Chair.

After no other motion was made, the nominations were closed after a unanimous vote.

EDA member Rick Allen made a motion to approve Will Stafford as Chair and Lee Ross as Vice Chair with a second from Member Dewey Russell.

The motion carried unanimously.

### **Approval of Minutes**

With a motion from Vice Chair Lee Ross and a second by Rick Allen, the minutes for the May 25, 2023 meeting were approved.

### **Public Input**

There was no public input.

### **Marketing and Public Relations Report**

Marketing and PR Coordinator Chris Mabe gave the report for July 2023:

#### **Grand Opening/Ribbon Cuttings:**

21 scheduled in 2023 so far, 19 held, 3 upcoming

Upcoming:

Daily Bread- New Location/Mercer Street  
Southern Charm- WV Medicine Gift Shop  
Dab's Cookin'- Soul Food Restaurant

## **Upcoming Business Spotlight:**

A Taste of Memphis  
Hillbilly Cycle Sales  
The Sophisticated Hound Brewing Company  
The Tie Dyed Tarantula

## **Newsletter**

The newsletter was completed and printed. Close to 500 copies of the newsletters were inserted into large PEDA envelopes and were mailed Friday, July 7<sup>th</sup>. The newsletter included letters from Sam Lusk and Mike Webb. There were sections for Grand Openings, Ribbon Cuttings and Business Spotlights. The programs that were highlighted were the Beautification Grant, Princeton Business Works Grant and the One Year Business and Occupancy Tax Forgiveness.

## **Press Releases**

Continuing to create and send out press releases to all local media outlets. There have been several stories lately in the media that were due to the press releases being sent out.

## **Social Media**

Sites for PEDA and City of Princeton results for the last 28 days:

Post Reach: 50,866  
Post Engagement: 13,067  
New Page Followers: 165  
Followers: 6,374  
Reactions: 1,932  
Shares: 1,472  
Photo Views: 4,039

## **Website**

The PEDA website, [pedavv.org](http://pedavv.org), will be live as of committee day, August 16<sup>th</sup>. The website has the following features:

- Business Community Directory
- Available Commercial Property Database
- New, Existing and Expanding Business Resources
- Princeton Community Information

This will allow the EDA to truly market out community assets. We will be scheduling a session with realtors in the coming weeks to encourage them to use tools on our site.

PEDA Director Sam Lusk added that a new business packet has been created and anyone starting a business in the city limits can come in City Hall and obtain a packet. The packet has everything that is required by the City to start a business and also informative pieces of what can be offered to them such as grants, incentives, etc.

## **Intermediary Relending Program**

During the May 24<sup>th</sup> meeting, the PEDA Board gave authorization to the Director to complete an Intermediary Relending Program application to the USDA for the amount of \$400,000.00. These funds, if awarded, would be loaned to PEDA at a 1% rate then PEDA could relend these monies at a rate and term of its choosing to business owners that have been rejected from banks and have the potential to have an economic impact on the City of Princeton. PEDA would use all collected funds to repay the original \$400,000.00 loan as well as fund the administration of the program thereafter.

Since that meeting, the PEDA Director has completed the loan application, collected the necessary paperwork, and created a loan plan to be submitted to the USDA if approved.

Alternative- The director approached the CEO of the Chamber of the Two Virginias about this project. The potential of a cooperative effort to strengthen the impact and the amount of funds within the project emerged. In this way, the Chamber could apply to the USDA's IRP program in the amount of \$500,000.00 and PEDA could as well to make a combined fund of One Million Dollars. Both PEDA and the Chamber would apply separately, however they would describe an identical loan plan within their respective applications. Both PEDA and the Chamber would have separate loan board, appointed by their respective leaderships, however both organizations would have one application with approval contingent on affirmation from both boards for Mercer County Applications. PEDA and the Chamber would provide equal loan amounts to approved applications.

An example would be if an Athens barbershop applied for \$50,000, the application would go to both loan boards and, if jointly approved, each organization would provide \$25,000 to the application.

## **COMPARISON**

### **PEDA**

\$400,000 in funding  
Less debt to PEDA (400k)  
Only inside city limits  
Benefits Princeton Stakeholders  
City funding in City  
Depends on PEDA along  
One lien holder if default

### **PEDA & CHAMBER**

\$1,000,000 in funding  
More debt to PEDA (500k)  
Mercer County wide  
Benefits County Stakeholders  
City Funding in & out of City  
Contingent on Chamber  
Two lien holders if default

PEDA Director Sam Lusk asked if the board would want to shift from doing the \$400,000 loan within the limits of Princeton to doing a collaborative effort with the Chamber and upping to \$500,000 and going outside the city limits.

Chamber of the Two Virginias CEO Jeff Disibbio stated that he heard about this program several years ago in Wyoming County. He knew it was a successful program and when Sam approached him saying he was considering the IRP, he thought it

would be a great benefit to the county as a whole. If this partnership is something the PEDDA board would like to venture in to, it would mean an additional \$100,000 for Princeton business owners.

Member Dewey Russell commented that if we are going to apply for this program, shouldn't at least \$500,000 be earmarked for the City of Princeton.

Director Sam Lusk said he understood and could structure the application in that manner.

Jeff Disibbio commented that also the program did not want to be in competition with others businesses and wants to make sure that any banks that were available have first chance. The intention of this program is only to help people that have been declined by the bank. They would have a letter of explanation when they come to apply and we would review it based on that. Mr. Disibbio also stated that it would be a micro-type loan where we would be doing a great number of smaller loans.

City Manager Mike Webb commented that PEDDA put a cap on loans given out at one time. For example, if we only had 4 loans outside the city limits at 25,000 each, we know that we still have \$400,000 to use for inside the city limits.

Sam stated that if given the authorization, he and Jeff could collaborate and come up with a document, they can come up with an amount that is earmarked for the City of Princeton and then within the County.

Members Paula King and Dewey Russell asked if Bluefield, WV had an EDA and if so, would they be willing to collaborate.

Sam remarked that they could approach the Bluefield EDA.

After discussions, the board members agreed for PEDDA and the Chamber to look into the IRP as a join effort.

PEDDA Director Sam Lusk stated that they would work on a loan plan for the next meeting so the board can discuss.

### **US EDA Public Works and Economic Development Adjustment Assistance Program**

As was the purpose for the City Growth Committee, there is a need for strategic tactics for the planning and implementation of annexation in Princeton. The Public Works and Economic Adjustment Assistance Programs (PWEAA) funding opportunity would offer a mechanism to fund a consulting/research firm to analyze the fiscal and economic impact of annexation on Princeton and to explore implementation strategies, if economically beneficial, that would provide for the greatest chance of city jurisdictional growth. The PWEAA has a 30% cost share, since Princeton's per capita income is not more that 50% of the national per capita income.

Director Sam Lusk states that if given the authorization to complete a PWEAA application, including the identification of matching funds that would reflect a study of

fiscal and economic impacts of annexation on the City of Princeton and Mercer County to be presented at the next PEDDA Board Meeting.

Sam also noted that this program is open to many different funding avenues, such as funding for an industrial park. The portion that the EDA is applying for is for strategic grants and study grants.

After a motion by Dewey Russell and a second by Paula King, the PEDDA board approved for Director Sam Lusk to complete a PWEAA application.

### **Cooperative Ownership Model**

It was communicated by Lori McKinney to the Director that a group of Princeton residents and a private landowner on Mercer Street partnered to form a Cooperative Ownership Arrangement. Where the owner of the property chose to sell her building to a group of investors equally over a period of 10 years with the investors being responsible for payment to the owner as well as maintenance and renovation issues as they occur. The Director is propping that the arrangement be replicated by PEDDA through loaned money from a local bank for the purpose and renovation of a building along Mercer Street.

Member Paula King noted that it a great idea and concept, but it is bit of an undertaking.

Director Sam Lusk commented that it would be for business owners and property owners that already have capital and that could buy the property, but if they joined in with other investors, could use less of their capital.

Paula said it would be great for the city if you get the right investors, but is not sure if PEDDA should be in the middle of it.

City Attorney Paul Cassell asked if PEDDA could table the Cooperative Ownership Model and let him and Sam discuss it more and come back with a more concrete proposal.

Chairman Will Stafford agreed to table this discussion.

### **Audit Service Agreement Committee**

PEDDA sent out a request for proposals and had three firms respond. According to the State Auditor, part of the approval process to pick one of those three firms is to create a committee of five people to review the firms that responded.

PEDDA Director Sam Lusk asked if the board could appoint five members and also asked if he could be on that committee.

After discussions, the five PEDDA Board Member on the committee are as follows:

- PEDDA Director Sam Lusk
- Member Leslie Wellman
- Member Joe Keatley
- Member Roger Griffith
- City Manager Mike Webb

With a motion made by member Dewey Russell, and a second by Rick Allen, PEDDA recommends these five individuals to form the Audit Service Agreement Committee.

The motion carried unanimously.

PEDDA Director Sam Lusk stated that the audit needs to be completed by November, so the proposal needs to be completed in a couple of weeks.

The Board agreed to a meeting two weeks to give the committee time to make a decision.

With a motion from Paula King and a second by Dewey Russell, a meeting was then scheduled on Wednesday, August 23<sup>rd</sup> at 5:30 p.m. via Zoom.

The motion carried.

## **Old Business**

### **City Growth Committee**

PEDDA Director Sam Lusk stated at the last meeting, the City Growth Committee appointed Al Boland, Paula King and Dewey Russell. Since then, Al Boland had to step down from the committee. Sam's recommendation is to wait and see what happens with the US EDA application and study. Then see how the study comes back and move forward from there.

## **Other Business**

### **Bluefield Avenue LLC Incentive**

PEDDA Director Sam Lusk said that the incentive for the former Save A Lot building has been signed and the first payment has been distributed. \$65,000 of the \$100,000 has been given to Citizens Building Supply also known as Bluefield Avenue LLC. So far the money given has gone to Asbestos abatement, new flooring and an HVAC system.

Member Dewey Russell asked if Sam could bring everyone up to date on what is happening with that building.

Sam responded by saying Citizen's Building Supply signed an agreement a number of weeks ago and the company has stated they will be open by November. They are trying to get everything in motion and as they submit expenses to him, he will pay out per dollar up to \$100,000.

Chairman Will Stafford said it would be a great addition to the City.

## **Adjournment**

With a motion from Rick Allen and a second from Paula King, the meeting was adjourned at 6:49 p.m.