



August 27, 2020

BRIDGEPORT DEVELOPMENT AUTHORITY MINUTES

City of Bridgeport
County of Harrison
State of West Virginia

OPEN MEETING - CALL TO ORDER

The Bridgeport Development Authority meeting was called to order at 7:34 a.m. on Thursday, August 27, 2020 in Council Chambers of the Bridgeport Municipal Complex located at 515 West Main Street and via teleconference by President John Stogran.

BOARD MEMBERS PRESENT IN COUNCIL CHAMBERS

President John Stogran, Members Mark Bonamico, Jim Christie, Ron Eagle, Andy Lang, Doug Marquette and Drew Pomeroy.

BOARD MEMBERS PRESENT VIA TELECONFERENCE

Members Bridget Furbee, Fred Sartoris and Jeff Smell.

BOARD MEMBERS ABSENT

Members Bill Hostutler and Frank Sutton.

CITY STAFF PRESENT

City Manager Randy Wetmore, Community and Economic Development Director Andrea Kerr, Finance Director Monica Musgrave, City Attorney Dean Ramsey and Secretary to the Board Staci Unger.

OTHERS IN ATTENDANCE

Jeff Toquinto, Connect-Bridgeport

APPROVAL OF MINUTES:

Minutes of the May 20, 2020 regular meeting were unanimously approved as presented on a motion by Member Smell; seconded by Member Bonamico.

OLD BUSINESS:

None

NEW BUSINESS:

General Economic Development Update – Community and Economic Development Director Andrea Kerr

- Total permits issued for 2020 year to date is 580, compared to 690 in 2019.
- Total cost of construction for 2020 year to date is \$16.5 million, compared to \$23.1 million in 2019.
- The decrease in total number of permits and cost of construction appears to be due to the COVID-19 pandemic.

City Projects

- Lift Station 9: A \$450,000 upgrade has been completed.

Commercial Projects

- Merrill Lynch: Completed an \$860,000 buildout in White Oaks.
- United Hospital Center: Permits have been issued for \$165,000 for an office upgrade at the Ortho/Spine Center and \$270,000 for a modular MRI unit. They plan to start a major upgrade project sometime in Fall 2020.
- Home Depot: A permit was issued for a \$393,000 roof replacement.
- Shepherd's Corner: A \$50,000 permit was issued for an addition.
- Menard's: Site work continues. The pad has been completed and they are in the process of obtaining the building pad certification.

Residential Projects

- Since May 2020, there have been 14 permits issued for construction of single-family homes, totaling \$3.8 million in construction costs.
- Pool and deck installation projects have resulted in over \$1 million in construction permits.
- Worthington Place: A grading permit was issued for \$680,000 for approximately 20 new, single-family lots located off Salisbury Circle.

Economic Incentives/Grants Financial Update

- Finance Director Monica Musgrave stated that after the encumbrance of all the grants that have been approved by the BDA and City Council as of August 27, 2020 there is a balance of \$80,528.69 available to be used toward grants.
- She also stated that City Council had appropriated an additional \$30,000, on top of the planned \$20,000 budget, for fiscal year 2020-2021.
- Community and Economic Development Director Kerr pointed out that there are a few projects that were approved in 2018 and money was allocated for, that were not completed.
- City Attorney Ramsey advised the board that, if the ordinance does not list a time limit to complete the project, then the board can set one.
- He suggested the past grantees be contacted and informed to submit the required documents and receipts within a designated timeframe, or the funds will be reappropriated and they would need to reapply for the grant.

Consider and act on a request for a Business Sustainability Incentive for The Music Center, Inc. located 795 W. Main St., Ste. B.

- Community and Economic Development Director Kerr stated that The Music Center, Inc. located at 795 W. Main St., Ste. B, had applied for a Business Sustainability Incentive.
- The tax credit under this incentive consists of a credit of 90% of assessed B&O tax on qualifying gross revenues resulting from the expansion the first year and 40% for years two and three.
- The qualifying requirements for this incentive are –
 - Application must be submitted and approved by the City prior to application for a building permit.
 - Investment of \$100,000.00 minimum;
 - Determination by the City that the tax credit being offered will increase the likelihood of the business locating or expanding in the City;
 - The real property and improvements of the business location or expansion must have a useful life of five or more years; or must have a coinciding lease of not less than five years; or must be depreciable/amortizable tangible personal property which has a useful life of not less than five years and;
 - Creation of three (3) new jobs.
 - Business to be located in either a BPO, B1, B2, or II zoning district.
- The Music Center, Inc., provided the following information via email –
 - The original investment was \$150,000 which allowed them to purchase the business. Since the initial investment, they have invested another \$6,000 in signs, \$1,500 in paint, etc., and have expanded the inventory by roughly \$30,000.
 - The lease is open-ended.
 - They have hired 1 full-time and 1 part-time employee. Zack and Dave, the new owners, are also both considered full-time and they are in the process of adding another full-time employee.
- City Manager Wetmore stated that he thought that applicants should be required to be present to answer questions about their application and business plan since they are requesting financing from the city.
- City Attorney Ramsey suggested that The Music Center, Inc. submit their estimated gross revenues for the next 3 years so, if the application is approved, the BDA and City Council will have an estimated amount of the tax abatement.
- Member Pomeroy made a motion to approve the Business Sustainability Incentive and forward the item to City Council for final approval. Motion was seconded by Member Gray and unanimously approved.

EXECUTIVE SESSION:

At 8:25 a.m. Member Gray made a motion to enter into executive to discuss matters involving the sale or lease of property, economic development, personnel matters, and advance construction planning which, if made public, might adversely affect the interests of the City, to discuss matters with counsel pursuant to the attorney/client privilege and as to matters not included on this agenda to determine if official action is necessary. Motion was seconded by Member Bonamico and unanimously approved.

At 8:50 a.m. Member Lang made a motion to reconvene into regular session. The motion was seconded by Member Pomeroy and unanimously approved.

Update on Platinum Drive Property

- There was no public discussion on this item and no action was taken or required at this time.

GENERAL DISCUSSION:

- Member Lang, who sits on the Board of Directors for the Benedum Airport Authority, gave a presentation regarding the economic impact of the multiple aerospace companies in Bridgeport and the current airport expansion project.
- Member Pomeroy stated that the Bridgeport Development Authority may qualify for economic incentives under the Coronavirus Aid, Relief and Economic Security (CARES) Act. Finance Director Monica Musgrave will look into that and report back at the next scheduled meeting.
- Several members suggested that during the next meeting, they take time to review and make changes to the current incentive program.

ADJOURNMENT:

Meeting adjourned at 8:54 a.m. on a motion by Member Bonamico. The motion was seconded by member Gray and was unanimously approved.

APPROVED:

John Stogran, President

Prepared by Staci Unger, Secretary

Date