



Grayson County Economic Development Authority

P. O. Box 217; Independence, VA 24348

November 19, 2024

MEETING MINUTES

Members Present

Christopher J. Butler
Todd Cannaday
Gary Rascoe
Elizabeth Hash
Kenneth Belton
Elizabeth “Betsy” Shearin
Darin Young (non-voting)

Staff Present

Stephen A. Boyer
Mitchell L. Smith
Lyndsie Young
Tracy Cornett

Members Absent

Jason Baumgardner

Staff Absent

Nikki Edwards
Tracy Cornett

OPEN MEETING

Chair opened meeting, called roll and determined a quorum present.

APPROVAL OF MINUTES

Mrs. Shearin made the motion to approve the October 24, 2024, meeting minutes; duly seconded by Mr. Cannaday. Motion carried 6-0.

FINANCIAL REPORT

Mr. Boyer presented the financials and noted a final balance of \$771,724.05 – final payment was made in September 2024 on the wool-baler. Mr. Cannaday made the motion to approve the financials; duly seconded by Mrs. Hash. Motion carried 6-0.

OLD BUSINESS

- **Revolving Loan Pool Fund for Agriculture** – Mr. Boyer gave a refresher on funding for Ag – Committee met 2 weeks ago to formalize ideas – Mr. Boyer then presented an email (listed below) from Mr. Kevin Spurlin, Ag & Natural Resources agent.

Sorry for the lengthy email, but here is my logic. The calculation was based on 2022 data that I received from the Commissioner of Revenue’s office for a different discussion.

Based on the CoR’s office, all real estate tax tickets are classified into one of 5 categories:

Single family subdivision
Multi-family (ie apartments)
Commercial
Ag 20-99 acres
Ag 100+

Within each category, a parcel has a value of the UNIMPROVED land and a separate value for IMPROVEMENTS such as a farm home and other structures.

The assessed value in 2022 for the UNIMPROVED land in the two categories of ag land above 20 acres totaled \$667,285,400. Using that figure, I assumed that if \$400,000 was made available to the county through grant funding, that reimbursing ALL open land would equate to about 11% reimbursement to land owners (100% participation). The math is: \$400,000 funds available divided by $(\$667,285,400 / 100) = \0.06 tax per 100 assessed value or roughly 11% of the current \$0.54 tax rate

Since we are targeting ACTIVE farms, not all properties in these categories qualify. Also, I assumed that not all of those who qualify will apply. I calculated that only 80% of the real estate value would apply for the assistance. As an example, I have a 38 acre parcel that is mostly wooded. I do not farm, so I wouldn't qualify even though my parcel is in the eligible category.

If those who apply or qualify represent 80% of the real estate value of those categories, then the reimbursement could be \$0.075 per 100 of assessed land value or 13.9% of the current tax rate. This refund WOULD NOT APPLY to the improvements portion of the tax tickets within those categories, ONLY the open land.

I'm sure the CoR could get us the most recent assessed values in the tax tickets that just went out.

So, if a person had 20 acres of actively farmed land assessed at \$4,500 per acre, they would be paying \$486 just on the open land portion within the next couple of weeks. If eligible at the 13.9% reimbursement rate, they could receive a refund in the amount of \$67.50 to use however they wish. A farm with 200 acres assessed at the same rate will pay \$4,860 in taxes. If eligible, they would receive \$675 back. It is straightforward and equitable.

As for Steve's question of the work load based on the number of folks who would qualify, I don't know the total number and the amount of work. Based on Ag Census data, Grayson only has about 620 farms. Not all those farms are likely over 20 acres as some are small scale (ie greenhouse operation on less than an acre). If 90% qualify based on acreage and of those only 80% apply, then we're talking about taking applications on and issuing checks for roughly 450 farm/individuals. If we extend this to landowners who have damage and rent land to someone else to farm, then that will increase the number of potential folks qualifying by some unknown number. I doubt it will be double, but really don't know. I also think a fair number of folks will not put the effort in for small refunds, but again, won't say that for sure. That is also why I went with the 20 acre minimum as I don't think it makes sense for the county to refund small amounts. Extra funds could be set aside for special situations such as smaller, specialty farms who could be reimbursed a limited amount on unreimbursed damages.

I contend the amount of work to simply verify a couple of items to ensure a parcel is being actively farmed and had damage to receive a refund check based on this year's tax ticket is much easier than trying to have an undetermined number of farmers trying to bring documentation, and county staff verifying, unreimbursed damages/recovery costs. Many repairs will be reimbursed by USDA months from now, but we need to take action now. And, farmers need the cash NOW.

I hope this helps you follow my thought process. Simply put – fast, efficient cash now in an equitable way.

Mr. Spurlin also addressed the Authority and noted "how to benefit farmers":

- ✓ They need cash now – a lot of details and a lot of work, so idea is to refund on real estate taxes on open land and distribute it equitable then they would: show schedule F, tax tickets, etc. and give a portion back on active farms of 20+ acres.

Discussions took place and it was noted that there is \$547,000 in the Relief Fund but it's not all Ag Funds. Discussions continued. Mr. Cannaday made the motion to put \$200,000 of Grayson County Ag Disaster Recovery Fund; duly seconded by Mrs. Hash. Motion carried 6-0. Mrs. Hash then presented the idea of setting aside some funds for people with big losses. Mrs. Shearin made the motion that on the application the following is needed: name, address, phone number, schedule F and tax tickets, estimate of damage, FSA number and email address with application deadline of December 31, 2024; duly seconded by Mr. Rascoe. Motion carried 6-0.

NEW BUSINESS

- None

INFORMATIONAL

- None

EDA MEMBER TIME

- None

PUBLIC COMMENTS

- None

EXECUTIVE SESSION

- For discussions relating to the acquisition or disposition of real property pursuant to §2.2-3711(A)(3) of the Code of Virginia involving Healthcare & Expansion. Mr. Cannaday made the motion to amend the agenda and move this to new business; duly seconded by Mr. Rascoe. Motion carried 6-0.

NEW BUSINESS

- Mr. James Werth, CEO of Tri-Area Community Health, presented his request of opening a clinic and pharmacy in the Old Hugh Chatham building – asking for \$130,000 for start-up funds, if needed – possibly use Wellspring money for renovations – approaching the EDA for the needed remaining funds for an express care clinic and pharmacy. Mr. Butler covered the ask and breakdown of a loan verses a grant and Mr. Werth explained services and approval process also noting that the clinic would have 2-4 employees and approximately 3 more once the pharmacy is up and going. Roundtable discussion took place including collateral – Mr. Werth noted that they need to get the building ready along with acquiring funding, etc. in order to receive approval from Medicare/Medicaid services. Mr. Belton made the motion for a grant of \$65,000 to go to Tri-Area Community Health for the Express Care Clinic at the Hugh Chatham building and \$65,000 loan for 65 months with term as written with 1 month for each \$1,000 (65 months) with 3% fixed rate interest with payments/interest to begin 1 month after the site receives approval from CMS with no prepayment penalty; duly seconded by Mr. Rascoe. Roll call vote as follows: Kenneth R. Belton – aye; Elizabeth “Betsy” Shearin – aye; Elizabeth Hash – aye; Todd Cannaday – aye; Gary Rascoe – aye; Christopher Butler – aye. Motion carried 6-0.

ADJOURN

Due to the Christmas holiday, the next meeting will be held on Tuesday, December 17, 2024 at 4pm. Mrs. Shearin made the motion to adjourn; duly seconded by Mr. Cannaday. Motion carried 6-0.