***Laurens County Development Corporation***

Board Meeting – **Minutes**

Tuesday – July 20, 2021

Attendees:

Shawn Bell, Dan Blakely, Jeff Field, Randy Garrett, Mayor Stellartean Jones, Amanda Munyan, Dr. David O’Shields, Dr. Ameca Thomas, Dr. Hope Rivers, Steve West, John Young

Guests:

Matt Phillips (McKinley Cooper)

Staff:

Jon Coleman, Lynn Finley, Whitney Lagrange, Sandy Cruickshanks, Susan Tallman

Press:

Vic MacDonald (Chronicle), Emil Finley (WLBG)

Chairman Young called the meeting to order at 12:07.

*Minutes and Financials*

Chairman Young asked the Board for a motion to approve the meeting’s agenda. Randy Garrett made the motion to approve, and Dr. Hope Rivers seconded the motion. The Board unanimously approved the agenda.

Chairman Young then asked the Board for a motion to approve the minutes from the 05/18/21 meeting. Steve West made the motion to approve the minutes as presented and Dan Blakely seconded the motion. The Board unanimously approved the minutes.

Lynn Finley provided a recap of expenses for May and June 2021. The financials were accepted as information only.

*2020 Audit Review –Matt Phillips, McKinley Cooper*

Matt Phillips provided a detailed review of the 2020 audit results provided to attendees by email and in board packets and answered questions from the board. He reported that McKinley Cooper believes that the audit evidence obtained is sufficient and appropriate to provide a basis of their audit opinion. The audit expressed a “clean and unmodified” opinion of the LCDC financial position as of December 31, 2020, and no major findings were reported. This is the best opinion the LCDC can receive.

*Existing Industry Update – Lynn Finley*

- Workforce has been a consistent theme from existing industry over the past few months when meeting and hearing from industry leaders.

- The unemployment numbers reported for June in Laurens County is at 4.8% and the State is at 4.5%. In comparison: June 2020 for Laurens County was 8.7%

- There have been multiple requests for regional wage data from companies as they are reviewing their pay scales and wage increases for competitiveness and begin work on 2022 budgets. A common question is annual cost of living and wage increases. The LCDC plans to add that as a question to this year’s wage survey that will be sent in the fall.

- It was mentioned in May that the LCDC was partnering with Matt Wiggins of SC DOC and both school districts to have onsite recruitment events for their graduating seniors. The LDHS event was held May 25 and the event at Clinton High was held June 15. The number of interested students was not large but the students that participated presented themselves well and were interested and engaged. One specific company reported back on how pleased they were with one of the students they had hired. QT in Clinton garnered a lot of interest from younger students looking for summer or part time opportunities because they can employ as young as age 15. Most all industry is 18 if not in an apprenticeship program.

- Apprenticeship Carolina and Piedmont Technical College held a Workforce Opportunity Summit at the LCAM in early July and it was designed to be a listening event for industry to share their current and future training needs. There was a preliminary needs survey sent to all invited companies. It was not reported how many of those were completed but there were 8 companies register to attend in person.

- Fibertex Nonwovens celebrated a groundbreaking for their $49.5 million expansion project in Gray Court on June 3.

- Whitney Lagrange is working on a new industry photo initiative to build the LCDC’s stock of photos. Nine industries have agreed to participate where 7 have given permission to come onsite to photograph and 2 are providing their own photos for the LCDC use.

*Economic Development Activity – Jonathan Coleman*

- To add additional information about the Fibertex Nonwovens groundbreaking, Mr. Coleman shared that as part of the announced expansion the company is moving their North American headquarters to Gray Court along with the additional manufacturing footprint.

- RFI report to date: 36 total RFIs with 25 at this point in 2020. Mr. Coleman expressed his appreciation to all in the room that have assisted with providing data and information in completing the requests. Laurens County has been shortlisted for a few projects but additional information is not available at this time to share.

- Project Sleepy has gone through two ordinance readings and council will have an announcement at the next meeting. It is an investment of $42.5 million and 240 new jobs. This company will be going into the former Michelin distribution facility at Hwy 221 and I-385.

- Mr. Coleman plans to join the Upstate SC Alliance in a week to meet with the board of IAMC (International Asset Management Council) which is comprised of facility and property managers for large corporations from around the world. Will also be traveling to New York the following week for two days to meet with site consultants on the recruitment front.

*Marketing / Outreach Update – Whitney Lagrange*

- Along with completing RFI documents, work continues on current marketing initiatives.

- A new online platform is being explored that would assist in organizing the LCDC online presence and initiatives such as the strategic plan and property management. More information will be shared on that at the next board meeting.

- The industry photo project is going very well. Multiple companies have provided photos or opened their doors to the LCDC to take photos of their workforce, operations, and product. These photos add to the stock file library for sharing about what is made in Laurens County and promoting the good news about the manufacturers located here. The companies have reviewed the photos taken and given permission to use. These photos can also be shared with Upstate SC Alliance and used to promote the county in their efforts.

- The Livability Team of the strategic plan applied for the opportunity to be a special project through the SC Community Planners Association Team (CPAT) of the American Planning Association and were selected. This is a team of six pro bono planners who will visit Laurens County and do asset mapping. A press release will go out soon to announce this opportunity and more information will be shared at the next board meeting.

*Strategic Plan Implementation Update – Susan Tallman*

- The overall strategic plan is going well and the success of the Livability Team is the first big win for the group. It’s exciting to be chosen for the Community Planners Association project and the deliverable will be a benefit to the entire county.

*Palmetto Pride Affiliate Funding – Jonathan Coleman*

- Most are already aware of the Palmetto Pride / litter clean up initiative that is being facilitated by the Chamber of Commerce and funded by 3 of the municipalities in the county. The LCDC has been approached about possibly helping to fund some of the seed money. The LCDC would like to support this initiative in an effort to keep the industrial parks and corridors leading to sites and parks clean. Mr. Coleman suggested that the board approve a onetime $50,000 seed gift out of the LCDC reinvestment funds to go toward supporting this program. Chamber President / CEO, Amanda Munyan added that resumes for a dedicated person to coordinate this initiative were collected until July 18 and 31 were received. Coming as a recommendation from the LCDC staff, Chairman Young asked if anyone would like to bring that as a motion to the board. Randy Garrett made a motion for the LCDC to provide $50,000 seed money to the Palmetto Pride initiative and was seconded by Dan Blakley. After a brief discussion the Board unanimously approved the motion.

*Resolution Opposing New Wastewater Company – Jonathan Coleman*

- The LCDC recently became aware of the announcement of H2O Blue, LLC wastewater evaporation facility locating on Hwy 56 just off the I-26 interchange in Clinton. The LCDC has fielded a number of calls with questions and complaints concerning this company’s announcement. This was not a project the LCDC has worked with nor recruited to the county. As an organization, the LCDC does not support the location of this company with the published implications of the business. Everyone has received a copy of a draft resolution stating the LCDC’s opposition to the wastewater evaporation facility and ask the board to consider supporting that opposition. Coming as a recommendation from the LCDC staff, Chairman Young asked if anyone would like to bring that as a motion to the board. Dr. David O’Shields made a motion for the LCDC board to support the opposition resolution and was seconded by Dr. Ameca Thomas. After a brief discussion the Board unanimously approved the motion.

*Powers South Site contract – Jonathan Coleman*

- The concept of the LCDC purchasing the Powers South Site in Gray Court has been discussed at previous board meetings. An agreement has been reached and the LCDC has a formal MOU from the owner, Kyle Cheros. This site is 165 +/- acres just south of ZF Transmissions. Mr. Cheros has agreed to owner finance the property to the LCDC for $3.2 million. The arrangement will be to pay him $400,000 a year for eight years plus 3.85% interest. If there is an interested prospect during this time the LCDC can sell it as it chooses. The rationale behind this purchase is to maintain this prime industrial site as industrial. There has been recent interest from residential developers and too much investment has been made to lose that opportunity. It currently has industrial interest as well and has been shortlisted by two different projects at this time. If approved, the closing date could be as soon as August 1. The first payment would be made at closing to save on accrued interest and then annually going forward. There are no prepayment penalties if the property is sold early. It is recommended the payments come from the Octagon Reinvestment Fund that sees an annual receipt between $700,000 to $900,000. With the payment taking approximately half that annual receipt, it would still allow for needed infrastructure projects as needed. Chairman Young asked that after hearing the recommendation was there a motion to approve. Jeff Field made a motion to approve the purchase of the Powers South Site and was seconded by Dr. David O’Shields. The Board unanimously approved the motion.

*Current Facility Agreement & Landing Pad Concept – Jonathan Coleman*

- Mr. Coleman began by explaining the current office structure of the LCDC. The two offices at the end of the LCDC hallway are included in the facilities agreement with the Chamber of Commerce. All the other space is owned fully by the LCDC. The SC Department of Commerce, the Upstate SC Alliance and the new LCDC strategic plan have encouraged economic development offices to offer a landing pad or incubator type space. This concept is already being successfully utilized in several counties in the Upstate area. A landing pad can be used for multiple scenarios such as industries locating to Laurens County and needing to have leadership local as their facility is made ready, a business development person for an overseas company looking at beginning a presence in the US, or an entrepreneur in Laurens County that needs an office to get started are just a few examples. The idea is to convert the current LCDC office space into this type of landing pad. It would be a space to foster and cultivate growth in the county providing another tool that can be used as an incentive in recruitment. Starting in January 2022 the LCDC has 3 years remaining on the facilities agreement with the Chamber for the portion of the building being rented. The proposal is to pay out that agreement which equals $72,000 in return for that the Chamber has agreed to transfer the 400 square feet the LCDC currently rents and the LCDC will vacate the space it is currently utilizing on the other side of this area in the Chamber building. The board room would stay intact for anyone that would like to use it. In executive session and then afterwards there will be a discussion of where the proposed new office would be located. What is needed now is the approval of the LCDC board to move forward in paying out the lease to the Chamber. The LCDC will continue to share utility bills. The executive committee has approved this idea and have had meetings with the executive committee of the Chamber. There are details that need to be worked through with the Chamber, this is the preliminary step to have full board approval to move forward with planning. A new facilities agreement will be worked on and presented at the next board meeting. Coming as a recommendation from the executive committee no motion is needed. After a time of discussion and clarification, Chairman Young called for a vote to approve this recommendation. The Board unanimously approved the recommendation with three abstaining.

*Other Reports:*

None

*Executive Session – Contractual Matter – Office Space:*

Chairman Young asked for a motion to enter executive session. Randy Garrett made a motion to go into executive session at 1:04 for a contractual matter and was seconded by Shawn Bell. The Board unanimously approved to enter executive session.

Chairman Young declared the board out of executive session at 1:19 and called on Jonathan Coleman to review the discussion for guests in attendance. Over the past several years prospective companies’ interest around showcasing quality of life and a community has become a focus during site visits. As a result of this the LCDC is proposing to relocate the staff office to a downtown environment to best showcase the Laurens County community. Mr. Coleman asked the board to approve the LCDC signing a five-year lease with the Midtown Building on the Laurens Historic Square. The lease includes the entire office portion of the building which includes the entire second floor and conference room on the first floor. The LCDC Executive Committee has made this recommendation but would also prefer to have a motion from the full board. Dr. Hope Rivers made a motion to proceed with the move and signing a lease with the Midtown Building. Randy Garrett seconded the motion. The motion passed unanimously, with two abstaining.

With no other business, the meeting was adjourned at 1:22 p.m.

Respectfully submitted,

Lynn S. Finley